



# ECHELON's RIA M&A Deal Report™

## U.S. Wealth Management | 1Q23

### Key Trends and Highlights

- **Quarterly Deal Volume Bounces Back Following Four Consecutive Quarterly Declines:** In the first quarter, buyers announced 75 transactions, which is higher than the 73 announced in 4Q22. This increase in deal volume leads ECHELON to estimate that deal activity will stabilize above 70 per quarter in 2023.
- **Important Take-Private and Other Deals by PE Acquirers:** 1Q23 saw several prominent direct investments by PE firms. CD&R took Focus Financial private in a deal that valued the company at over \$7 BN, Kelso & Co made a strategic investment in Pathstone, and Mercer Advisors welcomed an investment from Harvest Partners.
- **Assets Transacted Rebounds and Deal Size Increases:** Large transactions returned this quarter with \$1.2 TN in total assets being transacted, which is 61% of 2022's full-year total. Deals that included private equity buyers accounted for 44% of this total.
- **WealthTECH Fundraising and M&A Continues Despite Some Headwinds:** WealthTECH deal activity decreased in 1Q23 relative to 4Q22 but the quarter saw Altruist, an innovative custodian, acquire Shareholders Service Group, effectively doubling the buyer's size and increasing their ability to compete with Schwab, Pershing, and Fidelity.

75

Total 1Q23 Transactions Announced

\$1.2 TN

In Total Assets Transacted

315

Total Deals Expected in 2023

Note: Totals above exclude WealthTECH Deals unless an RIA is the Buyer or Seller.

**Executive Overview:** Quarterly wealth management M&A activity increased to start the year – the first quarterly increase since 4Q21. M&A activity appears to be temporarily stabilizing in the 70-80 deals per quarter range, or 280-320 a year.

**Private Equity Firms Make Significant Direct Investments and Continue to Drive Industry Deal Activity Through Add-Ons:** Financial sponsors were either directly or indirectly involved in 77.3% of all transactions that were announced this quarter. PE firms also made important direct investments in some of the industry's largest RIAs: Clayton, Dubilier & Rice took Focus Financial private (with Stone Point maintaining their stake), Mercer Advisors raised equity capital for M&A, and Pathstone added an additional PE-backer. In 1Q23 assets transacted in direct investments by PE firms surpassed 2022's annual total.

**Average Assets Per Deal Bounces Back, Inching Closer to \$2 BN per Transaction:** Average AUM per transaction increased to \$1.8 BN in 1Q23 following a modest decline in 2022. Increases to Average AUM Per Deal, a barometer for transaction size, signals that many large sellers may have been waiting for improved performance in equity markets in 4Q22 and 1Q23 prior to finalizing pricing and announcing deals.

**Positive Outlook as M&A Activity Normalizes with Pent-Up Supply Expected:** Buyer demand and seller supply remained strong to begin 2023, propelled by the sustained momentum of long-term secular trends that continue to drive dealmaking activity. With interest rates and the cost of capital higher we expect buyers to continue to fill any funding gap with incremental equity, earnouts, and cash on hand. Furthermore, an uptick in activity is expected in 2H 2023 and 1H 2024 to account for any sellers that may have put off a deal in 2022.

### Recent ECHELON Deal Announcements

**SEIA**

has announced a strategic investment from

**RCP REVERENCE CAPITAL PARTNERS**

ECHELON served as the exclusive financial advisor to SEIA and provided:

Sell-Side Investment Banking

**ASSETMARK**

has announced the acquisition of

**Adhesion wealth**

from

**Vestmark**

ECHELON served as the exclusive financial advisor to Adhesion and Vestmark and provided management with:

Sell-Side Investment Banking

**HAYES FINANCIAL**

has announced its sale to

**Mariner WEALTH ADVISORS**

ECHELON served as the exclusive financial advisor to Hayes Financial and provided:

Sell-Side Investment Banking

**BOHMER KILCOYNE WEALTH MANAGEMENT**

has announced its sale to

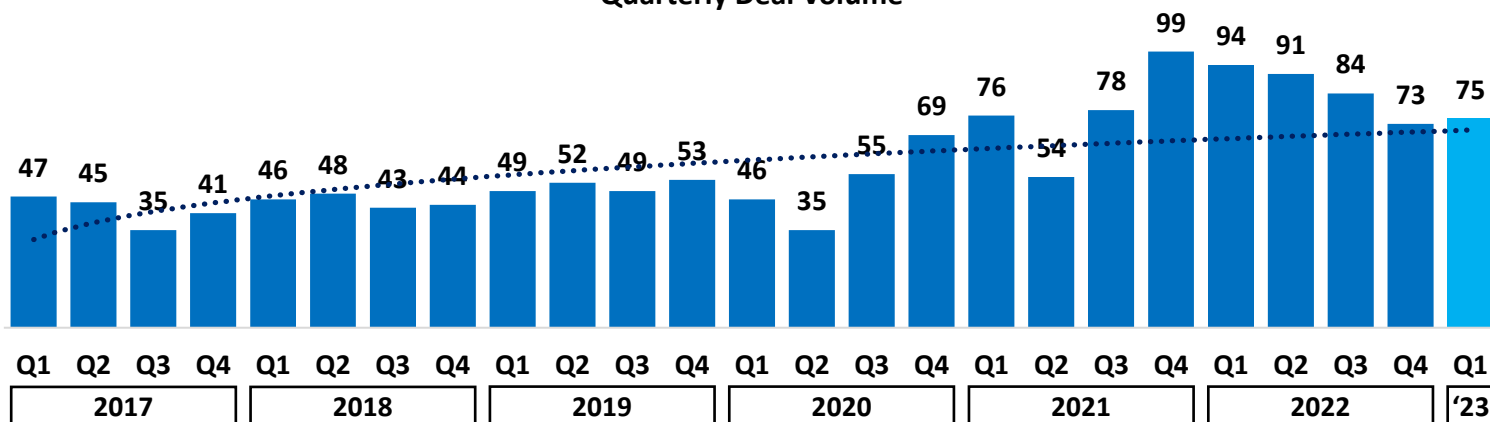
**Wealth Enhancement Group**

ECHELON served as the exclusive financial advisor to Bohmer Kilcoyne and provided:

Sell-Side Investment Banking

## Exhibit 1. Wealth Management M&A Deal Volume Ends Quarterly Decline

Quarterly Deal Volume



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

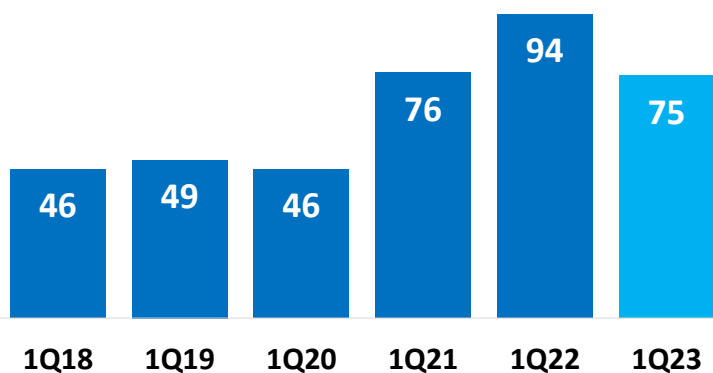
**Exhibit 1** indicates that deal activity in the first quarter saw a modest quarterly rise. The increase in volume in 1Q23 ended a four-quarter string of declining activity which lasted throughout 2021 and is particularly notable given the uncertainty created this quarter in the aftermath of Silicon Valley Bank’s collapse. The reality is that deals have an average duration of 9 months (from start to finish) and most of the transactions announced in 1Q23 were likely started in 1H 2022. That said, it is a promising sign that there was a quarterly uptick in announcements given a backdrop of economic uncertainty.

**Exhibit 2** illustrates that, while 2022 was the most active year for dealmaking, volume remains high relative to pre-2021 levels. **Exhibit 3** shows that we expect 2023 will represent a modest decline in deal activity from 2022’s record but will still have the second highest annual deal volume on record with a projected 315 announced transactions.

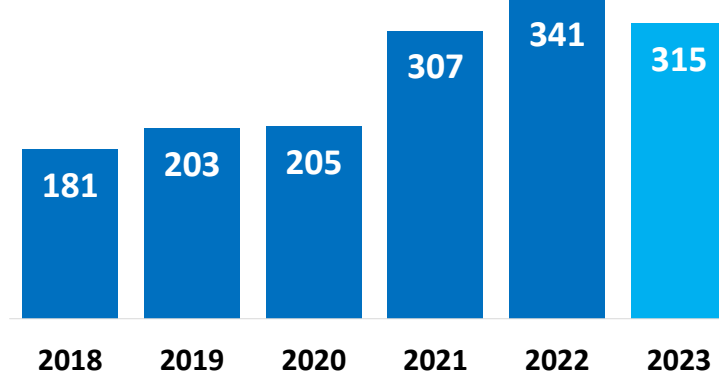


## Exhibits 2 & 3. Annual Deal Volume Projected to Reach 2<sup>nd</sup> Largest Total on Record

First Quarter Deal Volume

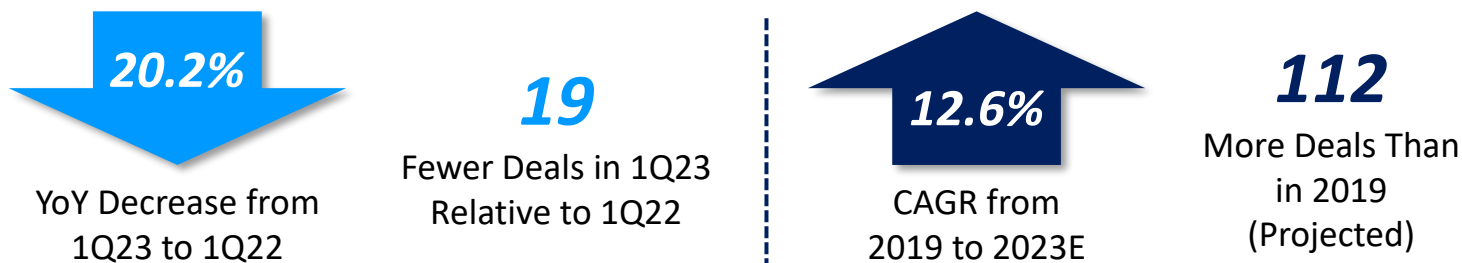


Annual Deal Volume

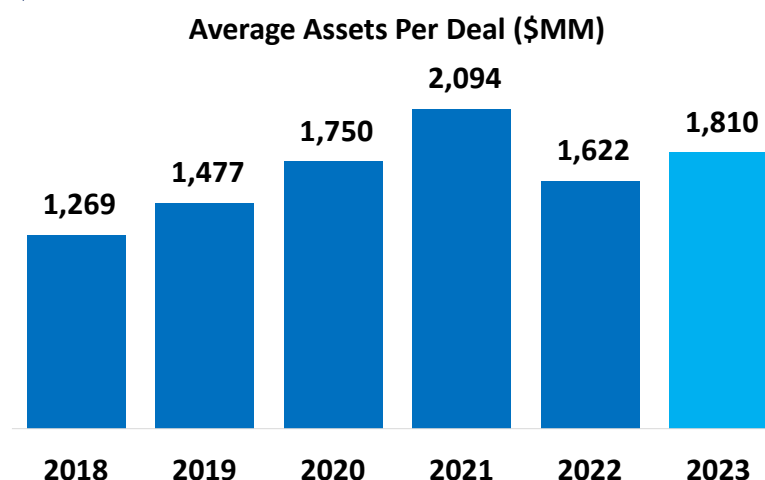


Source: Company Reports, SEC IARD, ECHELON Partners Analysis

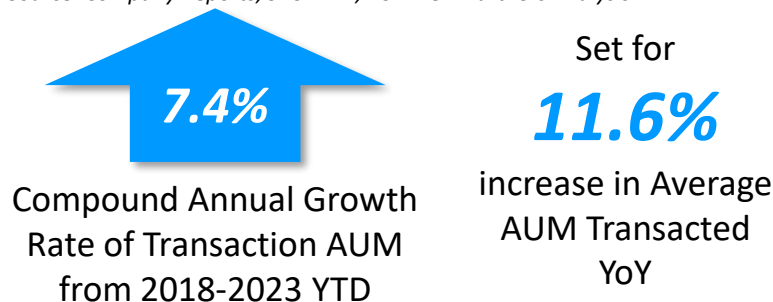
As illustrated in **Exhibit 3**, if the trends associated by the first quarter's M&A activity persist, approximately 315 transactions will be announced in 2023, representing a slight decline from the record totals experienced in 2022. The 315 projected transactions would represent an 11.6% growth rate in total deals over the past five years.



## Exhibit 4. Average Assets per Deal Climbs After Down Year, Nearing Return to \$2 BN



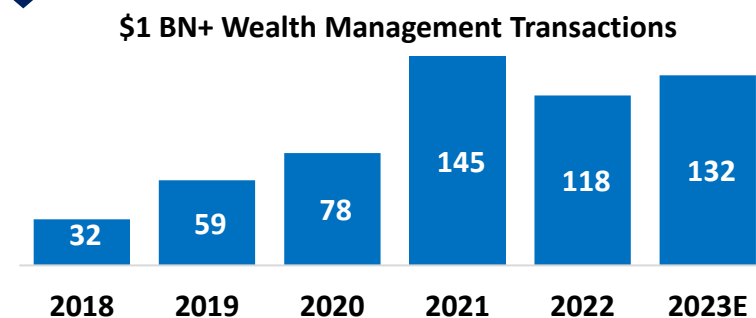
*Excludes Transactions Involving Over \$20 BN in AUM  
 Source: Company Reports, SEC IARD, ECHELON Partners Analysis*



In 2022, the Average Assets per Deal decreased for the first time since we started tracking the statistic. As shown in **Exhibit 4**, this trend reversed course in 1Q23, with Average Assets per Deal on pace to grow by 11.6% over 2022's level, though it is not expected to reach 2021's record-level. CI Financial's acquisition of Avalon Advisors, CAPTRUST's acquisition of Monroe Vos Consulting, and Cerity Partners' acquisition of ARGI Financial were among the largest deals by strategic acquirers in the first quarter contributing to the increase in Average Assets per Deal.

After a relatively quiet 2022, financial acquirers are also increasing activity, seeking select opportunities to deploy dry powder throughout the industry. Numerous strategic acquirers took on investors in the first quarter. In perhaps the most notable deal of the quarter, Focus Financial was taken private by Clayton, Dublier, & Rice. Kelso & Company joined Lovell Minnick Partners with their strategic investment in Pathstone, and Mercer Advisors welcomed a preferred equity investment from Harvest Partners. Genstar Capital and Oak Hill maintained their interest in Mercer.

## Exhibit 5. Quantity of \$1 BN+ Also Bounces Back Following a Quarter With Numerous Mega-Deals



*Source: Company Reports, SEC IARD, ECHELON Partners Analysis*

Firms with \$1 BN+ in assets are especially attractive to acquirers as they tend to have experienced management and established processes and platforms. In 1Q23 there were 33 deals involving at least \$1 BN in assets, a 94.1% increase relative to 4Q22's total of 17 \$1 BN+ deals. Our research indicates that, in the face of rising borrowing costs and economic uncertainty, buyers are being selective in the acquisitions they consider, a fact that may favor owners of \$1 BN+ wealth managers.


**22.3%**

Compound Annual Growth Rate of \$1 BN+ Deals from 2019-2023E

Set for  
**11.9%**

Increase in \$1 BN+ Deals Transacted Over 2022

**132**

Projected Total Number of \$1 BN+ Deals Expected in 2023

## Exhibit 6. Top Wealth Management Transactions of 1Q23 Build on Recent Trends

Date	Seller	Buyer	Buyer Type	Seller Assets (\$ MM) <sup>1</sup>
2/27/2023	Focus Financial Partners	Clayton, Dublier, & Rice	Private Equity	350,000
3/6/2023	Pathstone	Kelso & Company	Private Equity	80,000
1/25/2023	Securian Financial Group	Cetera Group	RIA	72,200
2/28/2023	Mercer Advisors	Harvest Partners	Private Equity	46,000
1/20/2023	IEQ Capital	Stone Point Capital	Private Equity	18,300
3/27/2023	Silicon Valley Bank	First Citizens Bancshares	Bank	17,000
3/21/2023	Avalon Advisors	CI Financial Corp	RIA	8,400
3/9/2023	Moonroe Vos Consulting	CAPTRUST	RIA	5,800
2/16/2023	Zeke Capital Advisors	Sequoia Financial Group	RIA	5,000
1/10/2023	ARGI Financial	Cerity Partners	RIA	4,800

1. "Seller Assets" includes AUM and AUA.

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

**Exhibit 6** outlines the top transactions of 1Q23 ranked by assets. The types of buyers involved in these larger deals mirrors the trends witnessed in 2022, with private equity investors playing an outsized role. Five of the top ten transactions represented a direct investment by a private equity firm in a wealth manager with another three of the top deals involving a strategic acquirer backed by one or more private equity investors.

One of largest and most discussed transactions of the quarter was First Citizens acquiring Silicon Valley Bank two weeks after the bank's collapse. The collapse of SVB was one of the largest bank failures in history and it sent tremors through the broader markets. First Citizens also acquired SVB Private, SVB's wealth management unit that acquired Boston Private in 2021. Since the initial collapse, SVB Private has lost many advisors and employees that have left to work at other large RIA aggregators. The wealth management unit currently has over 3,000 clients and \$17 BN in assets under management. The deal also includes \$56 BN in deposits and roughly \$72 BN in loans.

Cetera Group, backed by Genstar Capital, made headlines with its second transaction of 2023, the acquisition of Securian Financial Group's retail wealth business and Securian Trust Company. The deal adds just over \$72 BN in assets to Cetera's platform and includes a strategic partnership wherein Cetera's affiliated financial professionals will distribute Securian Financial's individual life and annuity products.

Canadian asset manager and serial acquirer CI Financial Corp made its first purchase of 2023 through its acquisition of Houston-based Avalon Advisors, adding \$8.4 BN in client assets. This is the fifth acquisition CI Financial has made since the beginning of 2022, four of which have been U.S.-based RIAs.

## Exhibit 7. Largest Direct PE Transactions Shows Continued Interest from Institutional Investors

Date	Seller	Buyer	Seller Assets (\$ MM)	% Acquired
2/27/2023	Focus Financial Partners	Clayton, Dubilier, & Rice	350,000	100%
3/6/2023	Pathstone	Kelso & Company	80,000	<50%
2/28/2023	Mercer Advisors	Harvest Partners	46,000	<50%
1/20/2023	IEQ Capital	Stone Point Capital	18,300	>50%
1/5/2023	Parallel Advisors	Golden Gate Capital	4,800	>50%
1/5/2023	Dakota Wealth Management	Emigrant Partners	2,500	<50%
2/1/2023	SteelPeak Wealth	Emigrant Partners	2,163	<50%

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

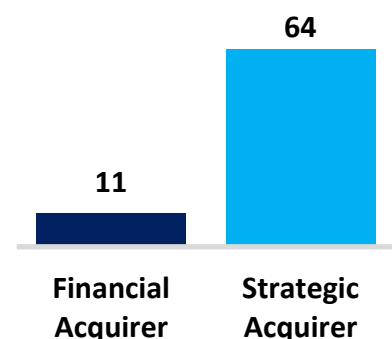
**Exhibit 7** highlights the quarter’s largest direct investments by private equity acquirers. It emphasizes that, though there was a notable decline in large private equity investments from 2021 to 2022, private equity firms are actively pursuing new opportunities to deploy capital. The first quarter of 2023 witnessed direct investments in firms with assets totaling \$505.8 billion, surpassing the aggregate total for the entirety of 2022. This shows the willingness of financial sponsors to provide further investment capital to large strategic acquirers that will allow them to continue executing their M&A strategies. It also further supports the projection that 2023 will be yet another strong year for M&A in the wealth management industry.

The largest direct investment made by a private equity firm this quarter was Clayton, Dubilier & Rice’s acquisition of Focus Financial Partners that took the company private. Focus, with \$350 BN in assets under management, 5,000 employees, and 18,000 clients, was one of the few publicly traded firms in the wealth management industry. The all-cash transaction valued Focus at more than \$7 BN including debt, or \$53 per share which represents an 42% premium to Focus’ 12/30/22 share price. Focus’ IPO was on 7/26/18 and shares were valued at \$33 each. As of year-end 2022, Focus’ shares were trading at \$37.27, representing an annual increase of only 2.8% since the IPO even as the S&P 500 increased by 7.1% annually and as many privately held industry peers announced multiple rounds of private equity financing with valuation increases that well outpaced the growth of broader equity markets. Stone Point, a previous investor in Focus, retained its interest and will invest additional capital as part of the transaction. The industry will carefully watch Focus after the transaction’s close to see how it will impact Focus’ M&A strategy.

Stone Point wasn’t the only private equity investor that opted to roll equity in a transaction this quarter. In Kelso & Company’s investment in Pathstone, Lovell Minnick opted to maintain its minority interest in the firm. Lovell Minnick initially invested in Pathstone in 2019 when the firm managed \$15 BN in client assets. Since then, Pathstone has announced seven acquisitions and increased its AUM to over \$80 BN.

Mercer Advisors, the industry’s most active acquirer in 2022, announced an investment from Harvest Partners this quarter. Harvest will join Genstar Capital and Oak Hill Capital as one of Mercer’s three financial sponsors. The trend of private equity firms rolling equity indicates that that they continue to see opportunity and financial returns driven by strong operational performance, market performance, and leverage.

## Exhibit 8. Strategic Acquirers Continue to Dominant Deal Activity but Lose Ground on Largest Deals



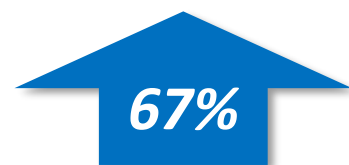
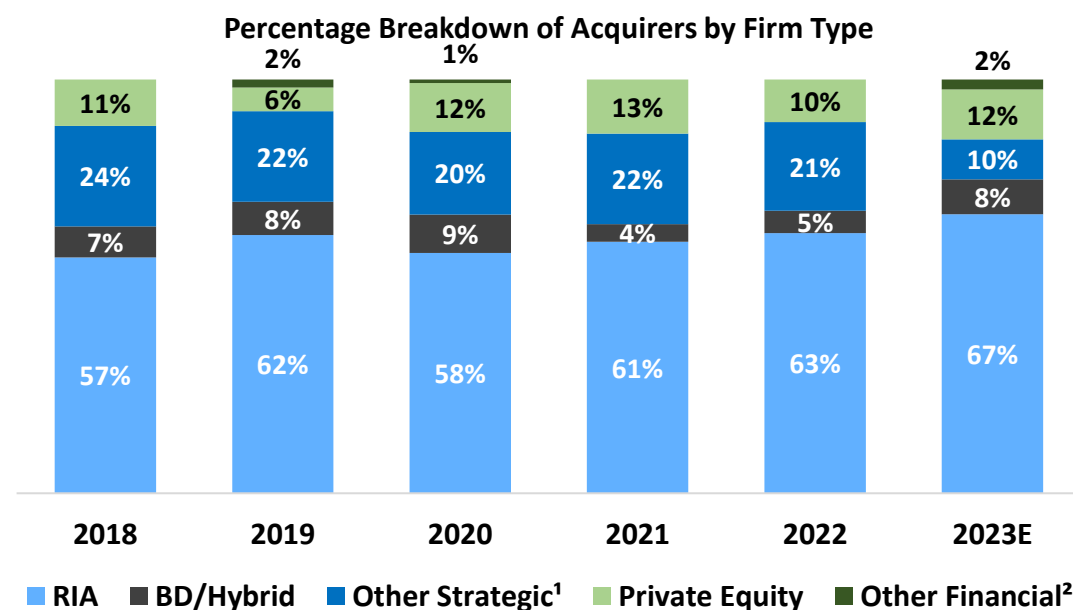
# 85.3%

of 2023 YTD deals have been announced by Strategic Buyers

There are two main categorizations for buyers in the wealth management industry: Strategic and Financial Acquirers. Strategic Acquirers are firms like RIAs and broker dealers that acquire firms to realize synergistic efficiencies, enter new markets, or to introduce a new service offering. Financial Acquirers include private equity firms, family offices, holding companies, and similar investors who invest in RIAs with a focus on generating returns rather than focusing on synergies. In the wealth management industry, Strategic Acquirers have historically accounted for most transactions, though the most active Strategic Acquirers typically have at least one Financial Acquirer to contribute incremental capital for M&A.

In the first quarter of 2023, 85.3% of all disclosed transactions were completed by Strategic Acquirers with the remaining portion completed by Financial Acquirers, mostly private equity investors. 67.1% of the deals announced by Strategic Acquirers were completed by an acquirer with at least one private equity investor. Financial Acquirers were primarily involved in larger transactions that involved an average of \$4.8 BN in assets<sup>1</sup> relative to Strategic's average of \$1.3 BN in assets<sup>1</sup> per transactions.

## Exhibit 9. Strategics & Consolidators Account for Over Half of All 1Q23 Transactions



of YTD Transactions Involved Strategic RIA Buyers

RIAs continue to gain market share and boasted a total of 56 transactions in this first quarter of 2023

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

<sup>1</sup>Other Strategic: Banks, Asset Managers, Insurance Companies, etc.

<sup>2</sup>Other Financial: Family Office, Holding Company, etc.

**Exhibit 9** provides a further breakdown of Strategic and Financial Acquirers. In 1Q23, **RIAs** remained the dominant Strategic Acquirer group, accounting for 67% of total transactions. This represents a relative increase of three percentage points compared to the portion of total deals the group announced in 2022. The **Other Strategics** category claimed 10% of the total YTD transactions, acquiring nearly \$4.2 BN in assets. Firms in the **Private Equity** category announced 12% of the quarter's total transactions. So far in 2023, **BD/Hybrid** firms reversed their year-over-year decline in deal share, announcing 8% of total transactions, while firms in the **Other Financial** category announced 2% of total transactions, the first time this category has been active since 2020.

## Exhibit 10. The List of Most Active 1Q23 Acquirers Contains Both Familiar Names and New Entrants

Buyer	Headquarters	Buyer Type	Number of Deals in 1Q23	Acquisitions in 2022
Beacon Pointe Advisors	Newport Beach	Strategic/RIA	5	9
Wealth Enhancement Group	Plymouth	Strategic/RIA	4	14
Allworth Financial	Sacramento	Strategic/RIA	3	7
Cerity Partners	New York	RIA	3	5
Mariner Wealth Advisors	Overland Park	RIA	3	12
Prime Capital Investment Advisors	Overland Park	RIA	3	2
CAPTRUST	Raleigh	RIA	2	9

1. Deals are recorded and tracked on an “as announced basis” and do not consider the timing of internal negotiations.

2. Acquisitions made through platform firms are not directly counted in the above totals.

**Exhibit 10** outlines the firms who announced at least two acquisitions in 1Q23. All these firms are seasoned Strategic Acquirers, four of whom were also among the top ten buyers by deal volume in 2022. Each of these acquirers is also backed by a private equity sponsor that provides capital and support for the firms’ M&A strategies and inorganic growth initiatives.

Notably absent from 1Q23’s list of active buyers are Mercer Advisors and Creative Planning, who were both among the top ten most active acquirers in 2022. However, in 1Q23, each firm only announced one transaction, a significant decrease compared to their combined total of 33 acquisitions in 2022. In 1Q23, only 17 of the 75 disclosed transactions involved a first-time buyer. This is similar to the level in recent periods as the trend of industry-wide consolidation has been predominantly driven by a select group of serial acquirers.

## Exhibit 11. Private Equity's Heightened Attention Towards Minority Transactions

Date	Seller	Buyer	Buyer Type	Seller AUM (\$ MM)
3/6/23	Pathstone	Kelso & Company	Private Equity	80,000
2/28/23	Mercer Advisors	Harvest Partners	Private Equity	46,000
1/20/23	IEQ Capital	Stone Point Capital	Private Equity	18,300
1/5/23	Dakota Wealth Management	Emigrant Partners	Private Equity	2,500
2/1/23	SteelPeak Wealth	Emigrant Partners	Private Equity	2,163

Source: Company Reports, SEC IARD, ECHELON Partners Analysis.

Minority transactions have surged in recent years as they offer a way to raise capital to support succession plans and enhance inorganic growth strategies while also allowing the seller’s current management and owners to retain control. In select circumstances they allow buyers to thoroughly evaluate their partner's compatibility before committing to a more significant transaction. **Exhibit 11** depicts a list of the most important minority transactions that transpired in 1Q23. Emigrant Partners, who has a history of making minority investments in the wealth management space, was the only firm who announced two minority investments this quarter.

## Exhibit 12. Strategic WealthTECH Acquisitions Prevail as Deal Volume Declines

Date	Target	Buyer (or Investor)	Seller Categorization
1/19/2023	YieldX	FNZ	Modeling & Execution
1/24/2023	Link	Tiger Global, Amplo, Pareto Holdings, Quiet Capital	Other (PayTech)
3/9/2023	Mastro	FTV Capital	Modeling & Execution
3/15/2023	Shareholders Service Group	Altruist	Other (Brokerage & Custodian)
3/23/2023	First Ascent Asset Management	GeoWealth	Modeling & Execution
3/27/2023	Lumiant	Savant Wealth Management	Client Engagement Platform
3/29/2023	Quorus	New Stack Ventures	Modeling & Execution

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

**Exhibit 12** provides an overview of the top transactions within the WealthTECH subsector through the first quarter of 2023. Strategic investment and M&A continues to be a mainstay of the industry, and demand for WealthTECH solutions remains high despite relative declines in deal volume.

Altruist offers a comprehensive solution that integrates a self-clearing brokerage firm with user-friendly software for opening accounts, executing trades, generating reports, and handling billing processes. The firm announced its acquisition San Diego-based Shareholders Service Group, a brokerage and custodial services platform, that will enhance Altruist’s advisor-focused support through adding 1,600 advisors and increasing the firm’s market share to roughly 10% of the RIA landscape.

The acquisition of First Ascent by GeoWealth demonstrates the consolidation in the advisor support/platform provider subindustry. First Ascent offers outsourced portfolio management services to financial advisors and their clients, and the acquisition enables GeoWealth to offer a comprehensive TAMP platform, reinforcing its position as a prominent enterprise technology solution. The combined firm now has \$21 BN in platform assets.

FNZ announced its acquisition of YieldX, a provider of fixed income portfolio management technology, optimization services, and direct indexing tools to the wealth management industry. The deal appears to be an excellent way for FNZ to continue to deliver personalized investment solutions throughout the industry and further exemplifies the theme of creating a more customized client experience. FNZ currently manages over \$1.5 TN in platform assets. The Company, which was valued at approximately \$20 BN last year, continues to execute a well-crafted M&A strategy as this acquisition represents their fifth since 2021.

Fundraising for earlier stage, high-growth companies also remains available despite higher interest rates and the economic turbulence of the past year. Mastro, a WealthTECH firm serving family offices and ultra-high-net-worth-focused financial advisors that has tripled in size over the past three years, raised \$43 MM in growth equity from a group of investors led by FTV capital and Citi Ventures. Mastro is seeking to capitalize on the large intergenerational wealth transfer currently taking place and the increased demand for communication and real-time accuracy of financial plans, especially amid the rising adoption of alternative assets. It uses data and AI to provide wealth managers and their clients with a comprehensive view of the client’s total net worth.



## ECHELON Deal Announcement: SEIA Announces Investment from Reverence Capital



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Signature Estate & Investment Advisors (“SEIA”), providing sell-side investment banking advisory services. The ECHELON team’s experience in negotiating with sophisticated private equity buyers ensured the successful transaction that will provide strategic capital to SEIA to help facilitate the next stage in its growth. ECHELON worked closely with SEIA’s leadership team to negotiate the terms of the transaction and to create a mutually beneficial post-close ownership structure for SEIA and Reverence Capital Partners.

### Client Background:

SEIA is a Los Angeles-based \$16 BN AUM RIA with its own TAMP platform, Signature Investment Advisors. The firm offers investment management and financial planning services tailored to meet the unique needs of affluent investors and corporations. SEIA's mission is to provide clients with a partnership that complements and exceeds their long-term goals and objectives. The Company has 160 employees and 12 offices and works with clients nationwide.

### Successful Outcome:

Through this successful transaction, SEIA will continue to enhance the level of service and offerings it provides. In addition, SEIA’s TAMP platform, Signature Investment Advisors, will now be available to advisors across the independent broker-dealer and RIA community.

## SEIA has received a strategic equity investment from Reverence Capital Partners

*SEIA has successfully completed a transaction with Reverence Capital Partners, a financial services focused private equity firm.*

**Deal Size:**  
\$16 BN AUM

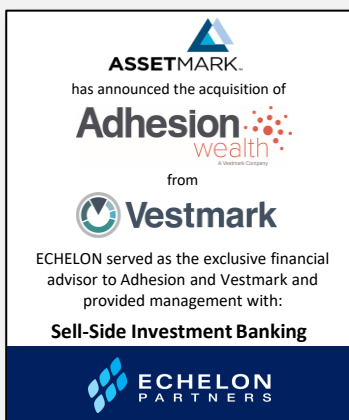
**Date Announced:**  
August 17, 2022



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To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: AssetMark to acquire Adhesion Wealth



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Adhesion Wealth and Vestmark, providing sell-side investment banking advisory services. The lift-out from Vestmark to AssetMark was supported by ECHELON’s (1) unparalleled structuring acumen, (2) deep knowledge of post-transaction synergies, and (3) TAMP and WealthTECH dealmaking and industry experience. This transaction further establishes ECHELON’s industry leading experience in the TAMP space.

### Client Background:

Adhesion Wealth is a leading provider of outsourced investment management solutions for registered investment advisors (RIAs). Adhesion Wealth empowers advisors with the ability to build their own multi-manager (UMA) strategies, access SMA strategies and use other turnkey investment solutions on the Adhesion Manager Exchange. Adhesion Wealth also provides advisors with personal and direct indexing, tax management, tax transitions, portfolio administration, practice analytics and client reporting. With Adhesion, advisors gain access to a scalable, multi-custodian platform upon which to grow successful practices. Adhesion Wealth is a wholly owned subsidiary of Vestmark.

### Successful Outcome:

Through this synergistic acquisition, AssetMark will add the industry’s second largest model marketplace with over 400 asset managers and strategists. The acquisition also delivers value-added services and solutions to AssetMark’s existing offering, including personal and direct indexing, tax transition, portfolio administration, practice analytics and client reporting. Both Adhesion and AssetMark will continue to leverage Vestmark’s technology to support their platforms.

**AssetMark announces the acquisition of Adhesion Wealth, a wholly owned subsidiary of Vestmark**

**Deal Size:**  
\$9.5 BN AUM

**Date Announced:**  
June 13, 2022



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To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: Hayes Financial Sale to Mariner Wealth Advisors



### Hayes Financial announces sale to Mariner Wealth Advisors

*Hayes Financial has successfully completed a transaction with Mariner Wealth Advisors, a portfolio company of Leonard Green.*

**Deal Size:**  
\$325 MM AUM

**Date Announced:**  
December 19, 2022



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Hayes Financial, providing sell-side investment banking advisory services. ECHELON's unmatched expertise and insightful recommendations facilitated the successful acquisition of Hayes Financial by Mariner Wealth Advisors, a portfolio company of Leonard Green Partners. ECHELON worked closely with Hayes Financial's leadership team to identify and evaluate an attractive new business partner with mutually beneficial economics. ECHELON's services included valuation, buyer outreach, client marketing, deal process management, and negotiation of deal terms.

### Client Background:

Hayes Financial is a \$325 MM AUA RIA based in San Jose, California. The firm was founded in 2008 and found a niche working primarily with high-net-worth employees and alumni of a well-known tech companies. Hayes offers a suite of highly tailored services including cash flow and tax planning, restricted stock and incentive stock advisory, and employer stock management.

### Successful Outcome:

This deal will allow Mariner Wealth Advisors to leverage Hayes Financial's expertise around types of compensation uniquely found in the technology sector. Hayes Financial will establish Mariner Wealth Advisors' 11th office in California and will further boost the firm's executive service practice.



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To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: Bohmer Kilcoyne Sale to Wealth Enhancement Group



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Bohmer Kilcoyne Wealth Management “Bohmer Kilcoyne”), providing sell-side investment banking advisory services. The ECHELON team’s deep industry knowledge and unparalleled network of established connections proved pivotal in securing a seamless transaction with Wealth Enhancement Group. ECHELON worked closely with the Bohmer Kilcoyne leadership team to identify and evaluate an attractive new business partner that will best help them in achieving their strategic goals. ECHELON’s services included valuation, buyer outreach, client marketing, deal process management, and negotiation of deal terms.

### Client Background:

Bohmer Kilcoyne is a \$677 MM AUM hybrid RIA based in Cincinnati, Ohio. The firm offers comprehensive financial services and access to a full range of objective investment products. Bohmer Kilcoyne focuses on the partnerships that they have with each of their clients, allowing them to understand their clients’ financial and personal needs and provide them with tailored products and services.

### Successful Outcome:

Through this successful transaction Wealth Enhancement Group will reap the benefits of partnering with a client-centric, planning-oriented, experienced wealth management firm. This transaction will afford Bohmer Kilcoyne the opportunity to accelerate growth by leveraging the advantage of WEG’s scale. We expect integration to be a seamless process due to the shared values of the firms, each leading with a client-focused approach to delivering advice and making business decisions.

## Bohmer Kilcoyne completes sale to Wealth Enhancement Group

*Bohmer Kilcoyne has successfully completed a transaction with Wealth Enhancement Group, a portfolio company of both Onex and TA Associates.*

**Deal Size:**  
\$677 MM AUM

**Date Announced:**  
October 3, 2022



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

To the Wealth and Investment Management Industries

## About ECHELON Partners

ECHELON Partners is a Los Angeles-based investment bank and consulting firm focused exclusively on the Wealth and Investment Management industries. ECHELON specializes in supporting several influential client groups:

	<b>RIAs</b>		<b>Broker Dealers</b>		<b>Hybrid RIAs</b>
	<b>WealthTECH Firms</b>		<b>TAMPs</b>		<b>Asset Managers</b>

## How ECHELON Can Help

- Provide Transaction Assistance (M&A, Capital Raising)
- Design Equity and Compensation Structure
- Conduct a Valuation
- Equity Recycling & Management
- Continuity & Succession Planning
- Advise on the Buyout of a Partner

	<b>INVESTMENT BANKING</b> <i>#1 FINRA-registered investment bank serving wealth managers over the past 20 years</i>
	<b>MANAGEMENT CONSULTING</b> <i>Strategy consultants who have advised on over 500 wealth and asset management deals</i>
	<b>VALUATIONS</b> <i>#1 in valuations for wealth managers with more than \$2 MM in revenue or \$200 MM in AUM</i>
	<b>TRACK RECORD</b> <i>A three-time winner of WealthManagement.com's Most Innovative Industry Investment Bank Award</i>

<b>20+</b> Years of M&A-Related Analysis and Networking	<b>#1</b> In Advising RIAs with \$1 BN+ in AUM	<b>25+</b> Detailed Research Reports Developed
<b>2,000+</b> Acquisition Targets Evaluated for Buyers	<b>400+</b> Investment Banking Deals Completed	<b>2,000+</b> Valuations Conducted
<b>100+</b> Years of Cumulative Industry Experience		

# ECHELON's Leadership

## DAN SEIVERT | CEO AND MANAGING PARTNER



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Dan Seivert is the CEO and founder of ECHOLON Partners. Prior to starting ECHOLON Partners, Mr. Seivert was one of the initial principals of Lovell Minnick Partners, where he helped invest over \$100 MM in venture capital across 15 companies. Before his involvement in Private Equity, Mr. Seivert was a buy-side analyst at The Capital Group (American Funds) where he valued firms in the asset management and securities brokerage industries. In his various roles, Mr. Seivert has conducted detailed valuations on over 500 companies, evaluated more than 2,000 acquisition targets, and authored 25 reports dealing with the wealth and investment management industries. Mr. Seivert has an Advanced Bachelor's degree in Economics from Occidental College and a Master of Business Administration from UCLA's Anderson School of Management.

## MIKE WUNDERLI | MANAGING DIRECTOR



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Mike Wunderli is a Managing Director at ECHOLON Partners and is integrally involved in all aspects of the firm's activities. Prior to joining ECHOLON, Mr. Wunderli founded Connect Capital Group (CCG) where he advised private, middle-market companies on pre-transaction planning, growth financing options and the development and execution of exit strategies. Before founding CCG, Mr. Wunderli spent 12 years at Lehman Brothers and UBS as a Senior Vice President in the Private Wealth Management (PWM) division. During his time at Lehman Brothers and UBS, Mr. Wunderli executed over \$2 BN in investment-banking and private-equity transactions for his clients and managed over \$400 MM for high-net-worth investors and their families. Mr. Wunderli received his BA from Brigham Young University and an MBA from The Wharton School at the University of Pennsylvania.

## BARNABY AUDSLEY | VICE PRESIDENT



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Barnaby Audsley is a Vice President at ECHOLON Partners and focuses on a diversity of M&A advisory, investment banking, strategic consulting, and research assignments across the wealth and investment management industries. Prior to joining ECHOLON Partners, Mr. Audsley worked as an Associate for Bel Air Investment Advisors, a \$9 BN multifamily office based in Los Angeles. During his time with Bel Air, Mr. Audsley focused on Private Equity and assisted in the sourcing and underwriting of fund, co-investment opportunities, and direct transactions, resulting in over \$300 MM of capital deployment on behalf of the partners and clients. He also conducted market research to identify attractive asset classes, industry trends, and investment opportunities. At Occidental College, Barnaby was a Director on the student-run investment portfolio. He is a mentor for Play Rugby USA, a non-profit focused on developing youth through rugby.

## BRETT MULDER | VICE PRESIDENT
































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Brett Mulder is a Vice President at ECHOLON Partners and spends time across all of the firm's core activities including M&A advisory, strategic consulting, and thought leadership. Prior to joining ECHOLON, Brett was a Senior Associate with Deutsche Bank Securities, working in their US investment bank and within the Financial Institutions Group. With Deutsche, Brett advised wealth managers, asset managers, FinTech companies, and financial sponsors on a variety of strategic endeavors including M&A, capital raises, IPOs, SPACs, and leveraged finance. Through that experience, Brett spent significant time cultivating relationships with the Private Equity firms and platform buyers involved and interested in the wealth management ecosystem. While at San Diego State University, Brett served as Vice President of the student investment council.

# Sample Transactions & Advisory Assignments Executed by the ECHELON Team

 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Earth Equity and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to ERA and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p> <p><b>HAYES FINANCIAL</b></p> <p>ECHELON served as the exclusive financial advisor to Hayes Financial and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>announced strategic investment in</p>  <p>ECHELON served as the exclusive financial advisor to SEIA and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to HFW and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Adhesion and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 
 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to BK and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Pacific Portfolio and provided:</p> <p><b>Buy-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Simon Quick and provided:</p> <p><b>Buy-Side M&amp;A Advisory</b></p> 	 <p>has announced the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Daintree and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Paradigm and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to RTS and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 
 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Sawtooth and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Bainco and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Pinnacle and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Oakwood and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Independence Advisors and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON served as the exclusive financial advisor to Goss and provided:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 
<p>has agreed to a merger with</p>  <p>to form</p>  <p>ECHELON provided the Management of the firms with:</p> <p><b>Merger and Financial Advisory Services</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of Sullivan &amp; Serwitz with:</p> <p><b>Valuation and Sell-Side Advisory Services</b></p> 	 <p>has completed the acquisition of</p>  <p>ECHELON provided the Management of OBS Financial with:</p> <p><b>Valuation and Sell-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Concentric Wealth Management, LLC with:</p> <p><b>Buy-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Blue Oak Capital, LLC with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Rowling &amp; Associates with:</p> <p><b>Valuation Services and Succession Transaction</b></p> 
 <p>ECHELON provided the Management of Oakworth Capital Bank with:</p> <p><b>M&amp;A Advisory Services</b></p> 	 <p>ECHELON provided the Management of Retirement Income Solutions with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of SignatureFD with:</p> <p><b>Valuation and M&amp;A Advisory Services</b></p> 	 <p>ECHELON provided the Management of Halite Partners with:</p> <p><b>M&amp;A and Financial Advisory Services</b></p> 	 <p>has agreed to a transaction with</p>  <p>ECHELON provided the Management of Lexington Capital Management Inc. with:</p> <p><b>M&amp;A and Financial Advisory Services</b></p> 	 <p>has agreed to a merger with</p>  <p>ECHELON provided the Management of FiComm Partners and Nexus Strategy, LLC with:</p> <p><b>M&amp;A and Financial Advisory Services</b></p> 
 <p>ECHELON provided the Management of Centennial Securities with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Bridgeworth, LLC with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 	 <p>has agreed to a merger with</p> <p><b>William E. Simon &amp; Sons</b></p> <p>ECHELON provided the Management of Massey Quick with:</p> <p><b>Merger and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of The Gensler Group with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 	 <p>has completed the acquisition of</p> <p><b>Horizon Planning, Inc.</b></p> <p>ECHELON provided the Management of Wealthstream Advisors, Inc. with:</p> <p><b>Valuation and Buy-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Massey Quick Simon &amp; Co. with:</p> <p><b>Valuation and Financial Advisory Services</b></p> 

# Sample Transactions & Advisory Assignments Executed by the ECHELON Team

 <p>has completed the acquisition of: <b>lakeview</b> FINANCIAL ECHELON provided the Private Ocean with: <b>Buy-Side and Financial Advisory Services</b></p> 	 <p>has been sold to <b>AdvisorEngine</b> ECHELON provided the Management of Junxure with: <b>Sell-Side and Financial Advisory Services</b></p> 	 <p>has been sold to <b>MORNINGSTAR</b> ECHELON provided the Management of Total Rebalance Expert with: <b>Sell-Side and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Retirement Protection Group with: <b>Valuation and M&amp;A Advisory Services</b></p> 	 <p>has been sold to <b>UNION</b> ECHELON provided the Management of Old Dominion Capital Management with: <b>Valuation and M&amp;A Advisory Services</b></p> 	 <p>has been sold to <b>FOCUS</b> FINANCIAL PARTNERS ECHELON provided the Management of Bordeaux Wealth Advisors with: <b>Sell-Side and Financial Advisory Services</b></p> 
 <p>ECHELON provided the Management of Collins Investment Group with: <b>Sell-Side and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Roof Advisory Group, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>has completed the acquisition <b>ASPIRIANT</b> ECHELON provided the Management of The Glowacki Group with: <b>M&amp;A and Sell-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Lawing Financial with: <b>Valuation Advisory Services</b></p> 	 <p>ECHELON provided the Management of Private Ocean, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Kinsight, LLC with: <b>Valuation, M&amp;A, and Financial Advisory Services</b></p> 
 <p>ECHELON provided the Management of Signature Estate &amp; Investment Advisors, LLC with: <b>M&amp;A and Sell-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Vista Capital Partners, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Junxure with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Baldwin Brothers, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Live Oak Bank with: <b>Valuation and Buy-Side Advisory Services</b></p> 	 <p>has completed the acquisition of <b>BOTSFORD FINANCIAL GROUP</b> ECHELON provided the Management of Merit Financial Group with: <b>Valuation and Buy-Side Advisory Services</b></p> 

## Research Methodology & Data Sources:

The ECHELON Partners RIA M&A Deal Report is an amalgamation of all mergers, majority equity sales/purchases, acquisitions, shareholder spin-offs, capital infusions, consolidations, and restructurings (deals) of firms that are SEC Registered Investment Advisors (RIA). The report is meant to provide contextual analysis and commentary to financial advisors pertaining to the deals occurring within the wealth & investment management industries. The deals tracked and identified in the Deal Report include any transaction involving an RIA with over \$100 MM assets under management, which have also been reported by a recent data source (e.g., SEC IARD website, a press release, ECHELON Partners Deal Tracker, industry publications). This methodology aims to maintain consistency of data over time and ensure the utmost accuracy in the information represented herein. Additionally, the report includes financial advisors who terminate relationships with other financial service institutions in order to join RIAs. As with the other transactions reported in the Deal Report, the identified breakaway advisor transitions are transitioning over \$100 MM assets under management to a new financial services firm. The reason for this being that transitions of this magnitude are more often than not accompanied with compensation for the transition of assets. The contents of this report may not be comprehensive or up-to-date and ECHELON Partners will not be responsible for updating any information contained within this Deal Report.

**The ECHELON RIA M&A Deal Report:** An Executive's Guide to M&A in the Wealth Management, Breakaway, and Investment Management Industries.

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