



# ECHELON's RIA M&A Deal Report™

## U.S. Wealth Management | 2Q22

### Key Trends and Highlights

- **Quarterly Deal Volume Declines Again but Remains Elevated:** There were 87 deals announced in 2Q22, a decrease from the most recent periods, but a level that makes it the third most active quarter since ECHELON began tracking the data.
- **Strategics and Consolidators Continue to Execute on their M&A Pipelines Despite Volatile Markets:** 36.8% of deals in 2Q22 and 45.6% of deals YTD were announced by strategic acquirers and consolidators. This level of commitment from experienced acquirers means that deal structures and valuations have remained relatively attractive for sellers.
- **Continued Momentum and Buyer Demand Push M&A Toward Another Year of Growth:** Elevated activity in the first half of the year means that ECHELON still expects 2022's deal volume to match or exceed 2021's record-breaking total of 308 transactions, even with conservative estimates for the second half of 2022.
- **The WealthTECH Market Remains Active:** The industry's top TAMPs were all active acquirers this quarter as they seek to capitalize on the trend of continued outsourcing, scale their current client bases, and build new service lines.

**Executive Overview:** Total wealth management M&A activity declined for the second straight quarter in 2Q22. Still, the activity in the first half of the year remains elevated relative to historic trends and keeps 2022 on pace to be another record-breaking year, barring a significant slowdown in deal activity in the second half.

**Capital Remains Readily Available for Acquirers, Allowing Strategics & Consolidators to Continue Their M&A Efforts:** Deal activity continues to be dominated by "Strategic & Consolidator" acquirers who announced 45.6% of wealth management transactions so far in 2022. Capital remains available due to continued interest from both private equity and debt sources. In June, Genstar Capital purchased a stake in Cerity Partners, one of the most active RIA acquirers. Debt financing also remains available. Sanctuary Wealth, who announced five acquisitions in the last 12 months, secured a \$175 MM convertible note from Kennedy Lewis Investment Management. RIAs Homrich Berg and Snowden Lane also secured large credit facilities in 2Q22.

**International Expansion Continues on All Fronts:** U.S.-based investors continue to show interest in international-focused platforms, as demonstrated by Bain Capital Credit's and J.C. Flowers' investment in Insigneo (a Latin American focused U.S. wealth platform). U.S. investors also remain interested in overseas opportunities, announcing deals in Australia, Canada, India, and the United Kingdom in 2Q22.

**Industry Tailwinds Continue to Outweigh Potential Macroeconomic Hindrances:** M&A volumes remain strong, indicating broad commitment to transactions. Any future slowdown, driven by macroeconomic headwinds, will likely be transitory and result in pent-up demand in future years. We continue to believe we are in the early innings of a long cycle of RIA consolidation.

87

Total 2Q22 Transactions Announced

42

Total Deals in June 2022

308

Total Deals Expected in 2022

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

### Recent ECHELON Deal Announcements

**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

**DAINTREE ADVISORS**  
has completed its sale to  
**CERITY PARTNERS®**  
ECHELON served as the exclusive M&A advisor to Daintree and provided:  
Sell-Side Investment Banking

**PARADIGM FINANCIAL ADVISORS, LLC**  
has completed its sale to  
**CREATIVE PLANNING**  
ECHELON served as the exclusive M&A advisor to Paradigm and provided:  
Sell-Side Investment Banking

**SIMON QUICK ADVISORS**  
has completed its merger with  
**RED HOOK MANAGEMENT INVESTMENT ADVISORS**  
ECHELON served as the exclusive M&A advisor to Simon Quick Advisors and provided:  
Buy-Side Investment Banking

## Exhibit 1. Wealth Management M&A Deal Volume Continues Marginal Decline

Quarterly Deal Volume



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

**Exhibit 1** highlights that the decrease in deal activity observed in 1Q22 continued into the second quarter, but only by a marginal 7.4%. Notwithstanding the modest decline, 1H22's deal total was by far the highest first half total observed since ECHELON began tracking this data. 39.2% more deals were announced in 1H22 relative to 1H21. Despite macroeconomic uncertainty, buyers clearly remain interested in growing through M&A. As **Exhibit 2** shows, the 87 deals announced in 2Q22 is also the most we have observed in a second quarter and the third highest quarterly total ECHELON has tracked. Given these trends ECHELON projects 308 total transactions for the year, indicating a slight increase over the 2021 record.

**39.2%**

Increase in Deal Volume in 1H22 Relative to 1H21

**33**

More Deals Announced in 2Q22 Relative to 2Q21

**10<sup>th</sup>**

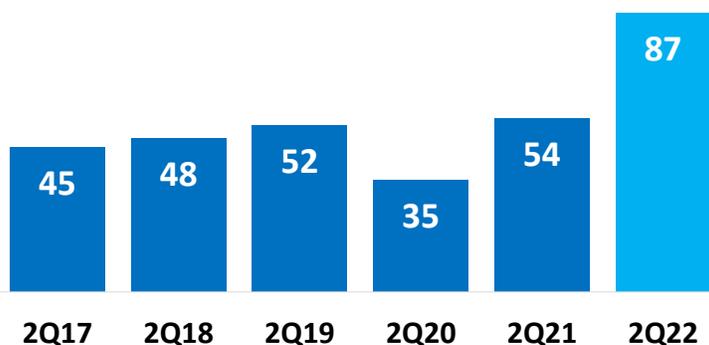
Straight Year of Projected Record-Breaking M&A Activity in the Sector

**308**

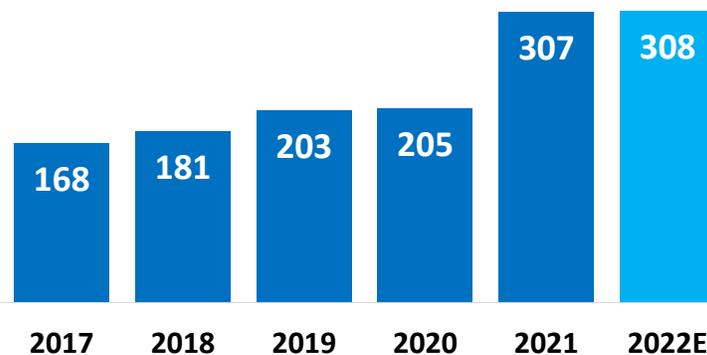
Deals Projected in 2022E

## Exhibits 2 & 3. Most Active Second Quarter To-Date Despite Market Volatility

Second Quarter Deal Volume



Annual Deal Volume



Source: Company Reports, SEC IARD, ECHELON Partners Analysis

As illustrated in **Exhibit 3**, 2Q22 saw a record number of deals relative to the second quarter’s activity in prior years showcasing a 61.1% growth over 2Q21. ECHELON projects only a marginal increase in annual deal volume compared to 2021’s record of 307 deals.



YoY Increase from  
2Q21 to 2Q22

**14.1%**

CAGR in Q2 Deal  
Volume from  
2017-2022



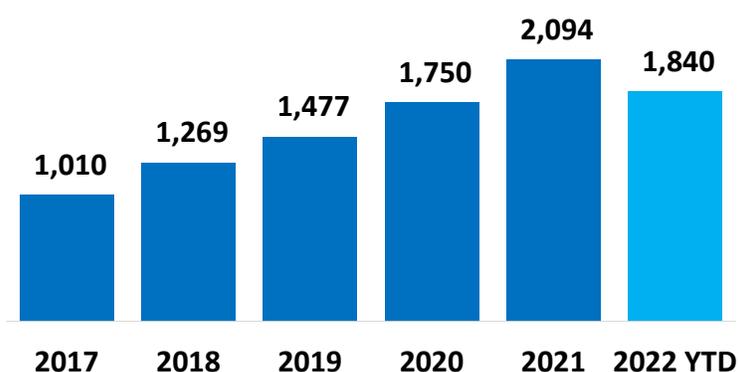
CAGR from  
2018 to 2022E

**127**

More Deals Than  
in 2018  
(Projected)

## Exhibit 4. Average AUM per Deal Continues Decline as Small Transactions Become More Prevalent

Average AUM Per Deal (\$MM)



Excludes Transactions Involving Over \$20 BN in AUM

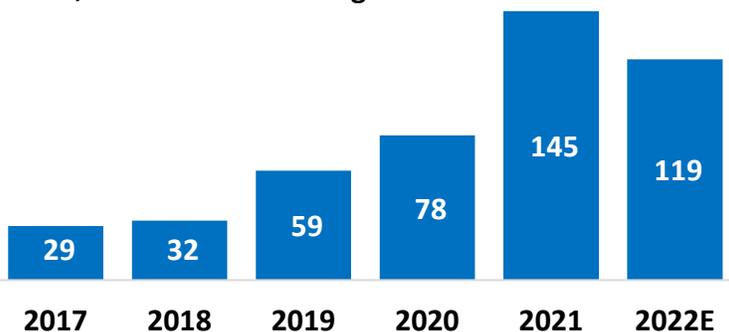
Source: Company Reports, SEC IARD, ECHELON Partners Analysis

As shown in **Exhibit 4**, The Average AUM per Deal continued to decline from last year’s record-breaking level. The 2022 YTD average represents a 12.1% decline in the average AUM per transaction compared to that of 2021.

In total there were 34 deals involving over \$1 BN in AUM announced in 2Q22 which is a 20.9% decrease relative to 4Q21’s total of 43 \$1 BN+ deals. This decrease in \$1 BN+ deals is one contributing factor to the YTD decrease in Average AUM per Deal. Of the deals that were announced in 2Q22, 56% of the acquired firms had less than \$1 BN in AUM. The average AUM transacted in these deals was \$380 MM, showing the smaller subset of RIAs are continuing to participate in M&A.

## Exhibit 5. Quantity of \$1 BN+ Transactions Falls, Contributing to the Lower Average AUM per Deal

\$1 BN+ Wealth Management Transactions



Building off the analysis above, **Exhibit 5** shows that the continued decline in average AUM per deal is driven by more than just a larger number of small transactions. We are also on pace to see a 17.9% decrease in deals involving over \$1 BN in AUM in 2022. However, when compared to 2020, the number of \$1 BN+ deals expected in 2022 remains 52.6% higher, indicating that there is still an appetite for these large transactions specifically from strategic acquirers and Private Equity firms.



Compound Annual Growth  
Rate of \$1 BN+ Deals from  
2018-2022E

**17.9%**

Expected YOY Decline in  
\$1 BN+ Deals Transacted

**119**

Projected Total Number  
of \$1 BN+ Deals in 2022

**Exhibit 6. 2Q22's Top Wealth Management Transactions Shows**

Date	Seller	Buyer	Buyer Type	Seller Assets (\$ MM) <sup>1</sup>
6/8/2022	Cerity Partners	Genstar Capital	(Other) Private Equity	45,000
4/1/2022	IIFL Wealth Management	Bain Capital	(Other) Private Equity	44,000
6/22/2022	American Portfolios	Advisor Group	(Other) Broker Dealer	40,000
5/19/2022	Infinix Financial Holdings	Advisor Group	(Other) Broker Dealer	30,000
6/2/2022	Sanctuary Wealth <sup>2</sup>	Kennedy Lewis	(Other) Equity & Debt Provider	20,000
5/3/2022	SMArtX	Morningstar	(Other) TAMP	19,000
6/8/2022	Homrich Berg <sup>2</sup>	First Citizens Bank	Bank	13,000
6/13/2022	Insigneo Financial Group	Bain Capital, J.C. Flowers	(Other) Private Equity	13,000
6/15/2022	Adhesion Wealth	AssetMark	(Other) TAMP	9,500
4/6/2022	The Mather Group	The Vistria Group	(Other) Private Equity	8,000

1. "Seller Assets" includes AUM and retirement planning assets the seller also advises on.

2. Kennedy Lewis' investment in Sanctuary Wealth and First Citizens Bank's investment in Homrich Berg both represent debt financing rounds rather than equity investments in the target companies.

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

**Exhibit 6** outlines the top transactions of 2Q22 ranked by assets. The buyer makeup for the industry's largest deals continues to be notably different than that of the broader wealth management industry with more activity by banks and private equity firms. Overall, interest in the industry's largest players from private equity firms remains high with five of the top ten transactions involving direct investments by private equity firms.

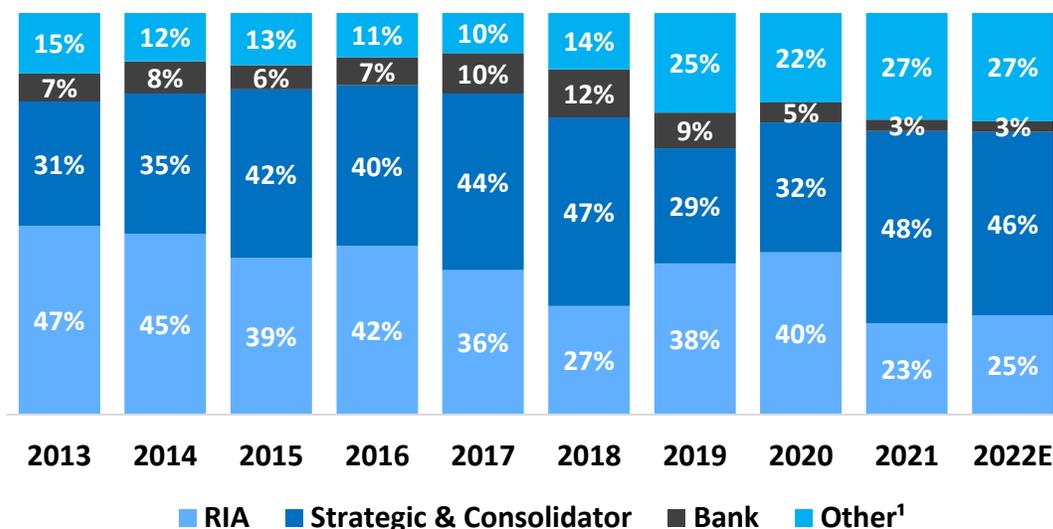
The most notable private equity transaction of the second quarter is the recapitalization of Cerity Partners led by Genstar Capital. The transaction values Cerity Partners at approximately \$1.6 BN and was for a controlling stake in the firm. The recapitalization will give Cerity Partners fresh capital to continue its aggressive M&A efforts that have seen the company announce five acquisitions so far in 2022. Cerity's most recent private equity partner, Lightyear Capital, who acquired a stake in the firm in 2017 will remain a minority investor in Cerity following this transaction. This trend of the selling private equity partner maintaining an ownership stake in the target is becoming increasingly popular due to the attractive dynamics for future growth that investments wealth managers present. Onex's August 2021 investment in Wealth Enhancement Group where TA Associates maintained a stake equal to Onex is another example of a private equity investor maintaining its interest through a recapitalization process.

2Q22's transactions also include Bain Capital's investment in IIFL Wealth Management and Bain Capital's and J.C. Flowers' investment in Insigneo Financial Group. Both deals are examples of the trend of international expansion among historic acquirers of U.S. wealth managers. The Insigneo Financial Group deal is an example of a transaction involving a domestic, but international-focused investment target and the IIFL Wealth Management transaction is an example of U.S. private equity companies turning to the Indian market in search of attractive wealth platforms.

The top transactions list includes two debt fundraising rounds: Sanctuary Wealth's \$175 MM convertible note from Kennedy Lewis Investment Management and Homrich Berg's \$75 MM debt capital revolver from a multi-bank syndication led by First Citizens Bank. While these aren't formal acquisitions, they are notable in that they demonstrate that active acquirers can secure credit in the current rising interest rate environment.

## Exhibit 8. Strategics & Consolidators Remain the Most Active Acquirer Category YTD

Percentage Breakdown of Acquirers by Firm Type



**46%**  
 of YTD Transactions  
 Involved Strategic  
 Acquires & Consolidators

Strategic Acquirers & Consolidators continue to account for the majority of dealmaking, announcing **83 deals, or 46% of the YTD total.**

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

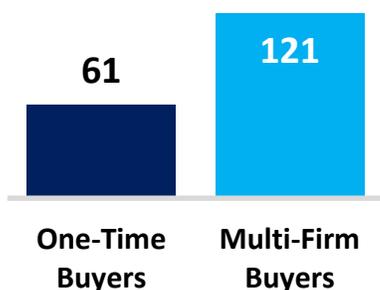
<sup>1</sup>Other: Private Equity Firms, Insurance Firms, Independent Broker Dealers, etc.

As highlighted in **Exhibit 8, Strategic Acquirers & Consolidators** continue to remain dominant in the wealth management M&A space, announcing 83 transactions in 2022 YTD, or 45.6% of the total deals so far this year, a level that mirrors their share of total deals in 2021 when this group of firms started becoming especially active. The Strategics & Consolidator category is dominated by an active cohort of mostly private equity-backed buyers who can leverage the resources of their national platforms to provide operational and growth support to their new partners and utilize capital provided by their deep-pocketed private equity backers to offer favorable valuations despite the current stock market uncertainty.

**RIA-to-RIA** transactions continue to be less common in 2022 relative to their pre-2021 levels. Still, the category's share of overall transactions increased by 10% in 2Q22 relative to 1Q22 and the category now represents 24.7% of transactions in 2022 YTD. The decline of RIA-to-RIA transactions relative to historic levels is due mostly to the increasing prevalence of Strategics & Consolidators and the arrival of new buyers in the Other category. The increase in industry valuations and the prevalence of seller-favorable deal structures that offer more cash up-front and the opportunity to take equity in a quickly appreciating strategic acquirer may also be having a negative effect on the RIA category's M&A activity.

**Banks** Continue to be the least active type of acquirer. The category announced only three transactions in 2Q22, exceeding their total from 1Q22 by one deal and bringing their share of total 2022 YTD deals to only 2.7%. If this trend continues, it will mark the category's lowest share of transactions since ECHELON began tracking this data. Banks remain active in the industry's largest deals. All three deals announced by Banks in 2Q22 involved targets with over \$1 BN in AUM and the \$75 MM in debt financing provided by First Citizens Bank to the \$13 BN RIA Homrich Berg was among 2Q22's ten largest deals.

The **Other** category has historically consisted of primarily private equity investors and asset managers, but the industry's attractive elements and improved liquidity options continue to attract new buyers including insurance companies and large diversified financial service firms. In 2022, the industry's largest turnkey asset management platforms ("TAMPS") have also been active acquirers in this category. AssetMark, Morningstar, and Orion all announced deals in 2Q22. Morningstar's acquisition of the \$19.0 BN SMARtX Advisory Solutions is an example of the continued convergence of the wealth management and WealthTECH sectors. Meanwhile AssetMark's acquisition of Adhesion and Orion's deal with TownSquare Capital demonstrate the consolidation trend within the TAMP sector that mirrors that which is occurring in the broader wealth management industry.

**Exhibit 9. List of Most Active 2022 Acquirers Still Closely Resembles 2021**

**66%**

of **2022 YTD** deals have been announced by companies that have acquired 2+ firms this year.

Buyer	Headquarters	Buyer Type	# of Deals YTD
Creative Planning	Kansas City	Strategic/Consolidator	12
Mercer Advisors	Denver	Strategic/Consolidator	10
Beacon Pointe Advisors	Newport Beach	Strategic/Consolidator	8
Mariner Wealth Advisors	Kansas City	Strategic/Consolidator	7
Wealth Enhancement Group	Plymouth	Strategic/Consolidator	6
Cerity Partners	New York	Strategic/Consolidator	5
Merchant Investment Management	New York	Other	5

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.

Experienced Buyers – those who have engaged in more than 2 acquisitions since 2016 – continue to execute on their M&A pipelines despite volatile markets, as they recognize the long-term value that can be generated via partnerships in the industry. Four of the top seven acquirers depicted in **Exhibit 9** were also among the top 10 most active acquirers in 2021. These firms have business models centered around scale and use M&A to drive growth, each of them relying on a private equity backer to do so. As **Exhibit 9** shows, 121 of the 182 deals announced in the first half of 2022 involved an acquirer who has completed at least 2 deals this year. The data point is also representative of the industry-wide consolidation driven by a small number of incredibly active buyers.

**Exhibit 10. International Wealth Management M&A Continues as U.S. Market Remains Hot**

Seller	Seller Location	Buyer	Buyer Type	Seller AUM (\$ MM)
IIFL Wealth Management	India	Bain Capital	Private Equity	44,000
Koda Capital	Australia	Emigrant Partners	Private Equity	7,000
Newport Private Wealth	Canada	NFP Corp.	Insurance Company	4,300
London & Capital	United Kingdom	Lovell Minnick	Private Equity	4,100
Harbourfront Group	Canada	Audax Private Equity	Private Equity	1,700

*Italic: Notable international deal, excluded from deal count*  
Source: Company Reports, SEC IARD, ECHELON Partners Analysis.

Firms continue to look overseas for buying opportunities as the U.S. wealth management M&A market has become increasingly competitive. Over the past two years, valuations have increased, and private equity investors have enabled large strategics to act on their consolidation efforts. **Exhibit 10** lists 2Q22’s most important acquisitions of wealth managers headquartered outside the U.S. Bain Capital agreed to buy a 24.9% stake in IIFL Wealth Management, a Mumbai, India-based wealth management company with \$44 BN in AUM. Emigrant Partners, a subsidiary of New York Private Bank & Trust, acquired a minority stake in Sydney, Australia-based Koda Capital in the second largest deal of the quarter.

## Exhibit 11. WealthTECH Deal Market Remains Active as Firms Look to Capitalize on Innovation

Date	Target	Buyer (or Investor)	WealthTECH Trend
6/28/2022	CAIS	Hamilton Lane	Tech-Enabled Product Distribution
6/23/2022	iCapital Network	Bank of America	Access to Private Alternative Investing
6/15/2022	Adhesion Wealth	AssetMark	TAMP Consolidation/Expansion
6/2/2022	401kplans.com	Investnet	TAMP Consolidation/Expansion
5/25/2022	Advisor Partners	Pathstone	Growing Prevalence of Direct Indexing
5/25/2022	SIMON Markets	iCapital	Access to Private Alternative Investing
5/10/2022	TownSquare Capital	Orion Advisor Solutions	TAMP Consolidation/Expansion
5/3/2022	SMartX	Morningstar	TAMP Consolidation/Expansion
4/19/2022	Redtail Technology	Orion Advisor Solutions	TAMP Consolidation/Expansion
4/6/2022	CAIS	Reverence Capital Partners	Tech-Enabled Product Distribution

Source: Company Reports, SEC IARD, ECHELON Partners Analysis

**Exhibit 11** outlines the most important WealthTECH transactions announced in the second quarter that ECHELON selects as particularly meaningful to ongoing M&A activity in this subsector.

Investment into tech-enabled product distribution solutions has been a growing trend covered in previous reports. This quarter CAIS, a leading alternatives platform for financial advisors seeking access to private equity and hedge funds, had two fundraising rounds where they received separate investments from Reverence Capital Partners and Hamilton Lane. The rounds valued the company at over \$1.1 BN and will provide capital for further advancements in technology and potential acquisitions. This announcement follows a very active period for capital raises by competitors, such as iCapital who deepened their partnership with Bank of America after receiving an investment at the same \$6 BN valuation as its previous round in December. iCapital announced the eye-catching acquisition of SIMON Markets, a fintech company which specializes in tech-enabled distribution of structured products. The transaction introduces complimentary offerings to the current iCapital platform and increases the potential for cross-selling. It also bolsters iCapital's client base with more than 100 RIA clients and over 100,000 advisors.

TAMP behemoths are committed to building new service lines and scaling current client bases via M&A. AssetMark's acquisition of Adhesion Wealth will strengthen their ability and increase efficiency in serving the rapidly expanding RIA market. Orion Advisor Solutions announced the acquisition of TownSquare Capital, a TAMP with about \$6 BN assets under management. This announcement followed Orion's acquisition of Redtail Technologies, a customer relationship management software that mostly caters to smaller RIAs and sole practitioner advisors. Investnet also announced a transaction, acquiring 401kplans.com, which is a sign of greater focus on serving retirement plans.

SmartX, another TAMP, closed their Series D funding with a \$30 MM investment from Morningstar, who previously announced in November 2021 they would begin using SmartX's unified managed account technology. The SmartX technology will be a large component in the emerging prevalence of direct indexing for Morningstar. Instead of using a mutual funds or ETFs, direct indexing allows advisors to build separately managed accounts containing individual securities that mirror those in a broader index, allowing for greater customization and increased tax efficiency. This portfolio construction phenomenon idea was a catalyst for Pathstone's recent announcement to acquire Advisor Partners, a boutique investment manager offering advanced customized investment implementation solutions with a tax optimization and automation focus.

## ECHELON Deal Announcement: AssetMark to acquire Adhesion Wealth



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



### 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.



**INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS**

To the Wealth and Investment Management Industries

**ECHELON Deal Announcement: Simon Quick Advisors merges with Red Hook Management****Simon Quick Advisors completes a merger with Red Hook Management**

**Deal Size:**  
\$420 MM AUM

**Date Announced:**  
April 12, 2022

**Investment Banking Role:**

ECHELON Partners served as the exclusive financial advisor to Simon Quick Advisors, providing buy-side investment banking advisory services. ECHELON's services included valuation, merger analysis, deal process management, diligence, and negotiation of terms.

**Client Background:**

In 2017 The William E. Simon & Sons family office merged with Massey Quick to become Simon Quick Advisors. The firm is a \$4.5 BN AUM RIA based in Morristown, NJ with offices in Denver, Chattanooga, and New York. Simon Quick Advisors offers holistic financial planning solutions including administrative and bill pay services, tax and estate planning, cash flow management, and investment advisory to high-net-worth families, business owners, and executives.

**Successful Outcome:**

Through this successful merger, Red Hook Management's leadership and advisors will join Simon Quick, increasing the combined entity to 63 employees and expand Simon Quick's footprint in the wealth management industry. The two firm's aligning values and customer centric cultures are set to optimize the mutual success of their advisors and clients and provide Simon Quick an attractive career path that offers new opportunities for growth.



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To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: Daintree Advisors Sale to Cerity Partners



### Daintree Advisors completes sale to Cerity Partners

*Daintree has successfully completed a transaction with Cerity Partners, a portfolio company of Lightyear.*

**Deal Size:**  
\$1.3 BN AUM

**Date Announced:**  
March 1, 2022



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Daintree Advisors, providing sell-side investment banking advisory services. The ECHELON team's unmatched expertise and collaboration with Daintree's team ultimately ensured a seamless transaction. ECHELON worked hand-in-hand with Daintree's founder and other partners to identify, evaluate, and negotiate an attractive new business partnership that will provide additional routes for growth. ECHELON's services included valuation, buyer outreach, communication strategy, marketing material development, process management, offer analysis, succession planning, and negotiating of deal terms.

### Client Background:

Daintree Advisors is a \$1.3 BN AUM RIA based in Boston, MA. The firm was founded in 2010 and provides high-net-worth individuals and families with a full suite of integrated risk management, financial and estate planning, cash flow management, tax planning, and investment advisory services. The partnership will help enhance Daintree's high-quality services and enable additional growth opportunities for the team.

### Successful Outcome:

This transaction will accelerate the development of Daintree's long-term vision, provide enhanced professional growth opportunities for their team, and allow them to offer a greater breadth and depth of services for their clients. In addition, all of their clients will benefit from the combined investment intelligence, robust technology infrastructure, enhanced tax and wealth management advice, and greater scale that the combination of both firms provides.



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: Paradigm Financial Advisors Sale to Creative Planning



### Paradigm Financial Advisors completes sale to Creative Planning

*Paradigm has successfully completed a transaction with Creative Planning, a portfolio company of General Atlantic.*

**Deal Size:**  
\$600 MM AUM

**Date Announced:**  
February 2, 2022



#### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to Paradigm Financial Advisors, providing sell-side investment banking advisory services. The ECHELON team’s thorough understanding of the RIA M&A landscape accompanied by their deal experience and deep network of established connections enabled a thorough process for Paradigm. ECHELON help facilitated a competitive process which ultimately culminated in finding the perfect fit for Paradigm. ECHELON’s services included valuation, buyer outreach, client marketing, deal process management, offer analysis, succession planning, and negotiating of deal terms.

#### Client Background:

Paradigm Financial Advisors is a \$600 MM AUM RIA based in St. Louis, Mo. The firm founded to be a fee only financial advisor that provides high-quality advice to its high-net-worth clientele. The partnership will help contribute to Creative Planning’s impressive growth and further strengthen its market presence in the Midwestern U.S. while enhancing PFA’s pre-existing quality of services and enabling additional growth opportunities for the PFA team.

#### Successful Outcome:

This deal will allow Creative Planning to leverage Paradigm’s advanced planning expertise to accelerate growth in the high-net-worth space, and they plan to hire additional Attorneys and CPAs to create a new “hub” in St. Louis that will provide estate planning, tax planning, and tax preparation services for clients in the Midwest region.



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

To the Wealth and Investment Management Industries

## ECHELON Deal Announcement: RTS Sale to Mariner Wealth Advisors



### Investment Banking Role:

ECHELON Partners served as the exclusive financial advisor to RTS Private Wealth Management, providing sell-side investment banking advisory services. The ECHELON team is proud to have served as the exclusive financial advisor to RTS in this transaction, which will provide additional support to the growing RTS team and further opportunities for employees and clients. ECHELON worked hand-in-hand with the founding partners of RTS to identify, evaluate, and negotiate an attractive new business partnership which brings together great people with mutually beneficial economics.

### Client Background:

RTS Private Wealth Management is a \$390 MM AUM wealth management focused RIA based in Phoenix, AZ. The firm specializes in investment consulting, advanced financial planning, relationship management, and other financial services that combine to comprise the holistic RTS fiduciary wealth management approach. RTS is led by CEO & Founder David Robinson and fellow executives Keith Tigue and Lisa Sponcil, who have a combined total of over 100 years in the financial services sector.

### Successful Outcome:

This deal will contribute to the further growth of Mariner Wealth Advisors (“MWA”) by adding another successful team of wealth managers and a second strategic location for the MWA network in the Phoenix-Scottsdale area. RTS’s unique approach to relationship management and proven record of providing personalized solutions for clients was the perfect fit within MWA’s core mission of client-first wealth advice.

## RTS Private Wealth Management completes sale to Mariner Wealth Advisors

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

**Deal Size:**  
\$390 MM AUM

**Date Announced:**  
December 8, 2021



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, Sales, Capital Raising)**
-  **Conduct a Valuation**
-  **Continuity & Succession Planning**
-  **Design Equity and Compensation Structure**
-  **Equity Recycling & Management**
-  **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>



# 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



mwunderli@echelon-partners.com

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.

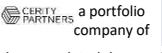
## BRETT MULDER | VICE PRESIDENT



bmulder@echelon-partners.com

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 completed the acquisition of <b>Adhesion</b> from <b>Vestmark</b></p> <p>ECHELON served as the exclusive financial advisor to Adhesion and Vestmark</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed a merger with <b>RED HOOK MANAGEMENT</b></p> <p>ECHELON served as the exclusive financial advisor to Simon Quick</p> <p><b>Buy-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>DAINTREE</b> ADVISORS</p> <p>ECHELON served as the exclusive financial advisor to Daintree</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>PARADIGM</b> FINANCIAL ADVISORS, LLC</p> <p>ECHELON served as the exclusive financial advisor to Paradigm</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>BTS</b> ADVISOR MANAGEMENT</p> <p>ECHELON served as the exclusive financial advisor to RTS</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>Sawtooth</b></p> <p>ECHELON served as the exclusive financial advisor to Sawtooth</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 
 <p>a portfolio company of <b>LIGHTYEAR CAPITAL</b></p> <p>has completed the acquisition of <b>BAINCO</b> International Investors</p> <p>ECHELON served as the exclusive financial advisor to Bainco</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>Pinnacle</b> SERVICES, INC.</p> <p>ECHELON served as the exclusive financial advisor to Pinnacle</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>a portfolio company of <b>TA ASSOCIATES</b></p> <p>has completed the acquisition of <b>OAKWOOD</b> CAPITAL MANAGEMENT</p> <p>ECHELON served as the exclusive financial advisor to Oakwood</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>has completed the acquisition of <b>Independence</b> ADVISORS, LLC</p> <p>ECHELON provided the Management of Independence Advisors with:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>a portfolio company of <b>PARTHENON CAPITAL</b></p> <p>has completed the acquisition of <b>GOSS</b> ADVISORS</p> <p>ECHELON served as the exclusive financial advisor to Goss and provided management with:</p> <p><b>Sell-Side M&amp;A Advisory</b></p> 	 <p>ECHELON provided the Management of Rowling &amp; Associates with: <b>Valuation Services and Succession Transaction</b></p> 
 <p>has agreed to a merger with <b>Joss Brown</b> to form <b>Joss Brown</b></p> <p>ECHELON provided the Management of the firms with: <b>Merger and Financial Advisory Services</b></p> 	 <p>has completed the acquisition of <b>SULLIVAN &amp; SERWITZ</b> Multi-Family Office</p> <p>ECHELON provided the Management of Sullivan &amp; Serwitz with: <b>Valuation and Sell-Side Advisory Services</b></p> 	 <p>has completed the acquisition of <b>OBS FINANCIAL</b> REGISTERED INVESTMENT ADVISOR</p> <p>ECHELON provided the Management of OBS Financial with: <b>Valuation and Sell-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Concentric Wealth Management, LLC with: <b>Buy-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Blue Oak Capital, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>has agreed to a merger with <b>NEXUS</b> STRATEGY</p> <p>ECHELON provided the Management of FiComm Partners and Nexus Strategy, LLC with: <b>M&amp;A and Financial Advisory Services</b></p> 
 <p>ECHELON provided the Management of Halite Partners with: <b>M&amp;A and Financial Advisory Services</b></p> 	 <p>has agreed to a transaction with <b>MISSION CREEK</b></p> <p>ECHELON provided the Management of Lexington Capital Management Inc. with: <b>M&amp;A and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Massey Quick Simon &amp; Co. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Oakworth Capital Bank with: <b>M&amp;A Advisory Services</b></p> 	 <p>ECHELON provided the Management of Retirement Income Solutions with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of SignatureFD with: <b>Valuation and M&amp;A Advisory Services</b></p> 
 <p>ECHELON provided the Management of The Gensler Group with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>has completed the acquisition of <b>Horizon Planning, Inc.</b></p> <p>ECHELON provided the Management of Wealthstream Advisors, Inc. with: <b>Valuation and Buy-Side Advisory Services</b></p> 	 <p>has completed the acquisition of <b>BOTSFORD</b> FINANCIAL GROUP</p> <p>ECHELON provided the Management of Merit Financial Group with: <b>Valuation and Buy-Side Advisory Services</b></p> 	 <p>ECHELON provided the Management of Centennial Securities with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>ECHELON provided the Management of Bridgeworth, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>has agreed to a merger with <b>William E. Simon &amp; Sons</b></p> <p>ECHELON provided the Management of Massey Quick with: <b>Merger and Financial Advisory Services</b></p> 
 <p>has completed the acquisition of: <b>lakeview</b> FINANCIAL</p> <p>ECHELON provided the Management of Private Ocean with: <b>Buy-Side and Financial Advisory Services</b></p> 	 <p>has been sold to <b>AdvisorEngine</b></p> <p>ECHELON provided the Management of Junxure with: <b>Sell-Side and Financial Advisory Services</b></p> 	 <p>has been sold to <b>MORNINGSTAR</b></p> <p>ECHELON provided the Management of Total Rebalance Expert 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></p> <p>ECHELON provided the Management of The Glowacki Group with: <b>M&amp;A and Sell-Side Advisory Services</b></p> 

# Sample Transactions & Advisory Assignments Executed by the ECHELON Team

 <p><b>BALDWIN BROTHERS</b> <i>The evolution of investment</i></p> <p>ECHELON provided the Management of Baldwin Brothers, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>LIVE OAK BANK</b></p> <p>ECHELON provided the Management of Live Oak Bank with: <b>Valuation and Buy-Side Advisory Services</b></p> 	 <p><b>CHAMBERLAIN GROUP</b> FINANCIAL SERVICES <i>Value for Generations</i></p> <p>ECHELON provided the Management of Chamberlain Group with: <b>Buy-Side, M&amp;A, and Financial Advisory Services</b></p> 	 <p><b>Retirement PROTECTION GROUP</b> <i>A Wealth Management Firm</i></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><sup>®</sup></p> <p>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><sup>®</sup> FINANCIAL PARTNERS</p> <p>ECHELON provided the Management of Bordeaux Wealth Advisors with: <b>Sell-Side and Financial Advisory Services</b></p> 
 <p><b>LAWING FINANCIAL</b> <i>The power of the team approach</i></p> <p>ECHELON provided the Management of Lawing Financial with: <b>Valuation Advisory Services</b></p> 	 <p><b>Private Ocean</b></p> <p>ECHELON provided the Management of Private Ocean, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>KINSIGHT</b> Advisors for Family and Wealth</p> <p>ECHELON provided the Management of Kinsight, LLC with: <b>Valuation, M&amp;A, and Financial Advisory Services</b></p> 	<p><b>Shuster Financial, LLC</b></p> <p>ECHELON provided the Management of Shuster Financial, LLC with: <b>Buy-Side, Valuation, and M&amp;A Advisory Services</b></p> 	 <p><b>FCG Advisors</b></p> <p>ECHELON provided the Management of FCG Advisors LLC with: <b>M&amp;A and Financial Advisory Services</b></p> 	 <p><b>PALO Capital</b></p> <p>ECHELON provided the Management of Palo Capital with: <b>Valuation and Financial Advisory Services</b></p> 
 <p><b>THE STERLING GROUP</b> <i>Registered Investment Advisor</i></p> <p>ECHELON provided the Management of The Sterling Group with: <b>M&amp;A and Financial Advisory Services</b></p> 	 <p><b>Filbrandt &amp; Company</b></p> <p>ECHELON provided the Management of Filbrandt &amp; Company, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p>has completed the acquisition of <b>Summit Counsel, LLC</b></p> <p>ECHELON provided the Management of Symmetry Partners, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>SEIA</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><b>VISTA   CAPITAL PARTNERS</b></p> <p>ECHELON provided the Management of Vista Capital Partners, Inc. with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>JUNXURE</b></p> <p>ECHELON provided the Management of Junxure with: <b>Valuation and Financial Advisory Services</b></p> 
 <p><b>TRUST COMPANY OF THE SOUTH</b></p> <p>ECHELON provided the Management of Trust Company of the South with: <b>Valuation Advisory Services</b></p> 	 <p><b>SP Strategic Partners</b> <i>Investment Advisors, Inc.</i></p> <p>ECHELON provided the Management of Strategic Partners Investment Advisors, LLC with: <b>M&amp;A and Financial Advisory Services</b></p> 	 <p><b>Phillips &amp; Company</b> <i>Wealth Strategies   Verified</i></p> <p>ECHELON provided the Management of Phillips &amp; Company Securities, Inc. with: <b>Valuation and Buy-Side Advisory Services</b></p> 	 <p><b>PERIGON</b><sup>®</sup></p> <p>ECHELON provided the Management of Perigon Wealth Management, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>PARTNERVEST FINANCIAL GROUP</b></p> <p>ECHELON provided the Management of Partnervest Financial Group, LLC with: <b>Valuation and Financial Advisory Services</b></p> 	 <p><b>PARTNERS IN WEALTH</b><sup>™</sup></p> <p>ECHELON provided the Management of Partners In Wealth with: <b>Valuation and Financial 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.**



INVESTMENT BANKERS | MANAGEMENT CONSULTANTS | VALUATION EXPERTS

to the Wealth and Investment Management Industries

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