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FINANCIAL PARTNERS

Inside the Deal

M&A NEWSLETTER

Q2 2026

A Brief Note from the Team

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Welcome to Dynasty Investment Bank's Q2 2026 edition of Inside the Deal, the twenty-second issue of our quarterly newsletter.

Dynasty Investment Bank strives to educate our clients and readers on the key trends shaping wealth management M&A. Our goal is to provide insight into the structures, strategies, and real-world considerations that define successful outcomes and, in doing so, give our network the confidence to execute on their M&A objectives.

In this issue, we reflect on dealmaking through the first half of 2026 with a focus on what is separating strong outcomes from weak ones. The shift is not in activity, but in dispersion. As valuations reach new highs, a smaller set of firms consistently command premium outcomes, while others fall short despite similar headline metrics. The difference is increasingly driven by positioning, durability, and how value is ultimately realized through structure.

The focus of this quarter is less on what the market is doing and more on how participants are navigating it. From how AI tools interpret a real offer, to the ten considerations that shape a sale, to what buyers are underwriting well before an LOI, the common thread is preparation and clarity of intent.

Looking ahead, we expect deal momentum to persist, particularly among firms focused on scaling capabilities, expanding service offerings, and positioning for long-term growth. In an environment defined by both opportunity and complexity, the firms that perform best will be those that come to the table prepared.

We would like to hear from you! Please email us at **DIB@dynastyfp.com**. Let us know what you would like us to explore in upcoming issues and how we can better serve our network so you can pursue and close more M&A deals with confidence!

As always, everything you share with us will be held in the highest degree of confidentiality and discretion.

Kind regards,

Sam Anderson
Chief Capital Officer, Co-Head of Investment Banking

Harris Baltch
Managing Director, Co-Head of Investment Banking

Market Review

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The RIA M&A market carried its momentum into Q2 2026, but with a clearer shift in what defines a strong outcome. Headline activity remained in line with recent quarters, yet the market is increasingly defined by dispersion, where similar firms are achieving materially different results.

At the midpoint of 2026, capital remains abundant and industry fragmented, but outcomes are no longer driven by access to capital alone. A smaller set of firms continues to command premium valuations and favorable terms, while others fall short despite comparable scale. The difference is increasingly tied to positioning, durability, and how effectively a process is executed.

This dynamic is becoming evident as private equity remains central, but transaction paths are diverging. Some firms are achieving full liquidity at attractive valuations, while others are pursuing recapitalizations or minority investments to access capital more incrementally. The same market is producing different outcomes depending not just on the asset, but on how options are evaluated and negotiated.

Valuation conversations reflect this shift. Multiples remain a reference point but are no longer determinative. Founders are placing greater emphasis on how value is realized through structure, ownership, and liquidity over time, recognizing that similar headline economics can produce very different outcomes.

Buyer behavior is evolving accordingly. Competition for high-quality firms remains strong, supported by sustained capital inflows and a concentrated group of repeat, sponsor-backed, acquirers. However, differentiation is increasingly expressed through structure and strategic fit, as buyers prioritize firms that enhance platform capabilities, expand service offerings, or accelerate organic growth. Sellers, in turn, are approaching transactions with clearer objectives tied to succession, growth capital, and scale

Taken together, Q2 reinforces a theme that has been building for several quarters: the RIA M&A market is no longer defined by access to capital, but by the ability to structure that capital effectively. As the menu of options expands, so does the importance of understanding how decisions made today will shape control, economics, and outcomes for years to come.

Dynasty's own tally recorded 86 transactions in Q2 2026, compared to 69 in Q2 2025, equating to approximately one reported transaction per day. With 188 transactions recorded through the first half of the year, activity remains on pace to exceed the 320 transactions reported in 2025 and 296 in 2024. Supported by a competitive buyer landscape, strong year-to-date market performance, and confidence in the long-term fundamentals of independent wealth management, the outlook for RIA M&A remains constructive heading into the second half of 2026.[1]

So, as we look to the rest of 2026, we believe the primary considerations regarding the general health of the M&A market are:

1. **With median multiples at record highs, will competition for premium assets push valuations higher, or will the pressure on middle-market firms reinforce normalization?**
2. **As minority and capital investments anchor more of the largest transactions, will founders increasingly favor recapitalizations over full sales?**
3. **With a broader mix of capital providers active in the space, how will differing time horizons shape deal structures and long-term outcomes?**
4. **As the SEC's scrutiny of RIA M&A matures, how will diligence standards and M&A-readiness expectations reshape buyer behavior and deal structures?**

Our view is that the structural drivers of M&A remain firmly in place - abundant capital, industry fragmentation, and long-term growth in wealth management. The differentiator, however, will increasingly be execution. The firms that perform best will not simply be those that transact, but those that approach the market with clarity, preparation, and a strategic understanding of how value is created beyond the headline number.

1. Dynasty Investment Banking internal transaction tracking; public sources including press releases, trade articles, and other secondary research. Transaction counts are based on publicly announced activity.

Q2 2026
Inside the Deal Key Themes

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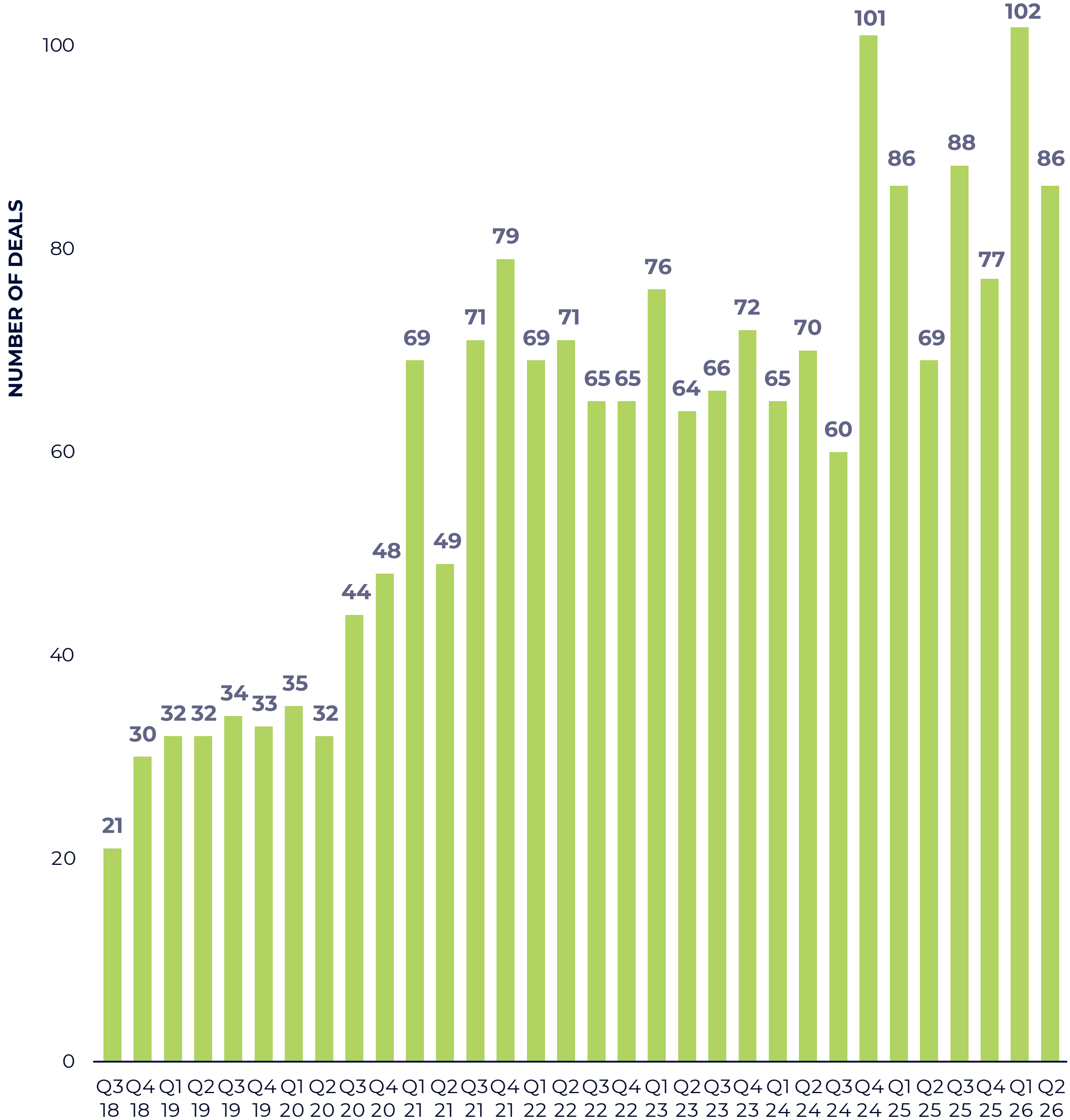
1. **We Asked Claude to Value an RIA**
2. **10 Things to Consider When Selling Your Practice**
3. **Are You Actually Ready to Sell?**
4. **The Recap Ladder**
5. **Organic vs. Inorganic Growth**

Q2 2026
RIA M&A Deal Volume



Sources: Dynasty Financial Partners, public information including press release, trade articles, and other secondary research. Specific sources can be produced upon request.

Q2 2026
National Deal Data Breakdown

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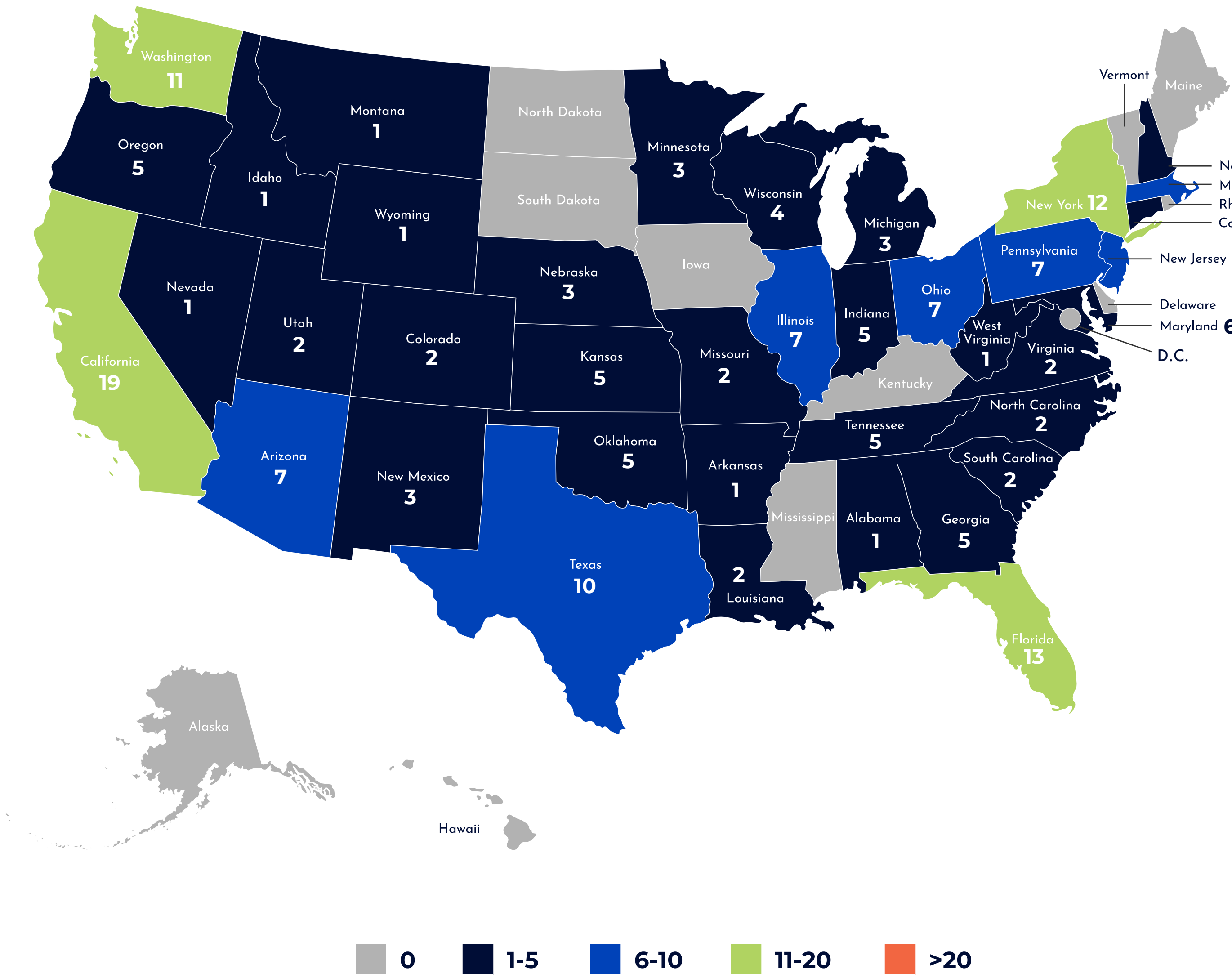

Q2 2026
Dynasty Network Spotlight

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DayMark Wealth Partners

DayMark Wealth Partners added a Cleveland-area team from Morgan Stanley managing approximately $820 million, continuing the firm's recruiting momentum as it scales its independent platform.

- The addition brings a team with meaningful experience in family planning and a client-first mindset, which DayMark said aligns with its mission and commitment to client service.
- The move reflects DayMark's continued success recruiting wirehouse teams since launching as an independent RIA in 2022.
- With the new team, DayMark said it now manages over $6 billion in assets.

TritonPoint Partners

TritonPoint Partners, a Chevy Chase, Maryland-based independent advisory firm, added a father-and-son advisory team focused on business-owner planning and complex life transitions.

- The team operates from Huntington Beach, CA and Indianapolis, IN, specializing on advisement in business succession, liquidity events, and divorce-related planning.
- The team brings over 30 years of industry experience.
- The addition expands TritonPoint's ability to support clients navigating overlapping family, business, and financial decisions, consistent with its positioning as a flexible, resource-driven platform for advisor growth.
- Marks the firm's second recent hire of a multi-generational team, reinforcing its focus on building a relationship-driven, client-first advisory platform.

We Asked Claude to Value an RIA. Admittedly, We Were Shocked.

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The RIA M&A market continues to redefine its own ceiling: activity remains elevated, building on a record-setting 2025. Yet, as transaction activity remains on pace in 2026, the structural complexity of transactions has followed suit.

Recent industry research frames the moment clearly: unprecedented demand no longer translates into universal premiums.[2] Premiums are not the default; they are earned.

In the gap between elevated deal activity and the increasing difficulty of evaluating outcomes, something new is emerging. RIA founders are beginning to turn to AI tools for an initial read on their own businesses.

This is not theoretical. A release this March reported that an AI-native consumer financial platform registered with the SEC as an RIA, launching a financial data hub that connects directly to Claude, ChatGPT, and Gemini.[3] In parallel, recent research identifies the most common regrets among RIA founders post-sale.[4] The second-most cited: **"the headline number wasn't the real outcome."**

If founders are using AI to evaluate offers, the question worth asking is what AI actually can do, and what it cannot.

We decided to find out: We built a hypothetical **$600 million RIA**.

We constructed a realistic Letter of Intent* from a PE-backed wealth aggregator, opened a fresh Claude.ai session, with no project context, no memory, no system prompt.

Then, we typed in the question a founder would naturally type: "I just received this offer. Is it good? What should I be thinking about?"

What came back was sharper than what we expected. And the article it produced was different from the one we set out to write.

The Setup

Logic Wealth Advisors* is a 22-year-old fee-only RIA in the Mid-Atlantic. $600 million in AUM. ~$5 million in revenue. ~$2 million in adjusted EBITDA after normalizing owner compensation to market. Mid-single-digit organic AUM growth. Two owners, one operating partner, 250 client households, an average

2. Advisor Growth Strategies, 2026 RIA Deal Room Report, March 2026.
3. WealthManagement.com, "Era Registers as RIA, Targets Mass Affluent," March 2026.
4. Russ Alan Prince and Jerry D. Prince, "RIA Sellers' Remorse: The Four Most Common Regrets That Follow Many Firms' Sales," Financial Advisor Magazine, March 2, 2026.

* "Logic Wealth Advisors" is hypothetical; all firm details are illustrative. Responses attributed to Claude in this article were generated via claude.ai in May 2026 in a fresh session with no system instructions, project context, or memory enabled, and are presented verbatim. Claude is an AI assistant developed by Anthropic, PBC. AI output is non-deterministic, and reproducing the prompt at a later date or in a different session may yield a different response. Nothing herein constitutes financial, legal, tax, or investment advice.

tenure of 11 years, 92% recurring revenue, a thin G2 bench. A solid firm with a similar profile to many sellers we see in the industry.

The unsolicited LOI: a $22 million enterprise value at close, with an additional $5 million earnout over three years. Closing consideration of 60% cash, 25% rollover equity into the buyer's holding company under a five-year lock-up, and 15% retention payment over twelve months. A five-year non-compete. A five-year employment commitment. Subject to customary representations, warranties, and indemnification.

Sounds like a reasonable offer, the kind a founder without representation may take seriously.

Claude's Read

We gave Claude that scenario and asked it to evaluate the deal. The response was structured, sober, and analytically credible. It worked through the headline against publicly available frameworks and concluded the firm was being offered a mid-market price, not a premium one. It identified the cash mix at close as below typical aggregator levels. It discounted the earnout to a realistic expected value. It flagged the equity lock-up as the deal's highest-risk component, and the five-year non-compete as the outer edge of standard practice. It walked through the diligence questions a founder should be asking about the holding company, the sponsor, and what previous founders received at exit.

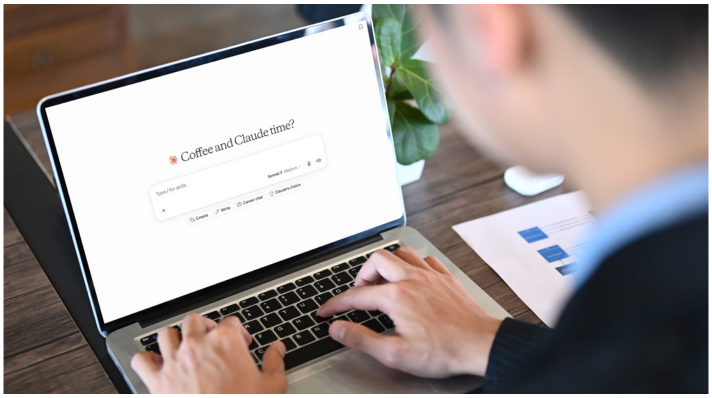
It produced a quotable line: ***"The structure is where they're winning. The real negotiation isn't the headline - it's the terms."***

Then it did something more interesting. It told the founder, three separate times, to hire a banker. "You need an M&A attorney who works in RIA transactions... and ideally an investment banker who knows the aggregator market." It said to get competing interest: "Even a soft, informal conversation with one or two other aggregators changes your negotiating position entirely." Its closing line: "Get a banker, and push on the structure before you push on the number."

The strongest AI response, run with no leading inputs, ended by writing itself out of the question.

Our colleague, Jamie Gardiner, made a similar argument in Citywire earlier this spring, in a column titled ***"Hey Claude, sell my business!"***[5] The conclusion he reached, and the one Claude itself reached, is the same one this article reaches. The rest of the piece is about why.

5. Jamie Gardiner, "Hey Claude, sell my business!" Citywire RIA, May 2026.



Where Claude Stops

Claude's analysis is sharp where the framework is public. Mechanics, risk-weighting, diligence checklists, these exist in published research and trade press. AI can synthesize them well. What AI cannot synthesize is anything that does not exist before a process runs.

Claude has no way of knowing which specific buyers are actively bidding this quarter, which platforms have recently closed a fund and need to deploy capital, which sponsor is approaching the end of its fund life. It cannot know the historical earnout track records of different platforms, or how different platforms have handled past transitions, or what the realized IRR history has been of the private equity funds backing aggregators. It also does not know which platforms keep their cultural promises post-close. Those patterns vary and recognizing them requires having seen them play out over and over again.

None of these hard and soft data points live on the internet or can be inferred from what exists on the internet. It exists only in active deal flow, in live deal table presentations and in the rooms bankers sit in every week, with the people they have sat across from for years.

The Room Claude Isn't In

The deeper layer is not analytical. It is experiential.

A management meeting is one of the most consequential hours in an M&A process, and it is the part of the process Claude has never been in. Before each one, a banker preps the founder on what to anticipate and how to deflect something they are not prepared to address. During the meeting, the banker reads the room, which partner is engaged, and which ones are not; when the buyer's tone shifts from informational to transactional. After the meeting, the banker debriefs: what just happened, what comes next, and how they should build an opinion on one interested party from another.

The founder's first M&A meeting is the buyer's hundredth, or thousandth. The asymmetry is not analytical. It is experiential.

Deal documents carry conventions that only become legible with experience. When an LOI's stated assumptions differ slightly from a seller's underlying numbers, that's not a typo, it's the way two parties typically open a conversation that will continue through definitive negotiation. A banker recognizes the language, can read it, understand it and put it in plain English for a founder, the same way that a founder can explain a financial plan or investment strategy to one of their clients.

Cultural fit is harder to read than financials. Every platform has its own way of operating after a deal closes, how it supports advisors, how it handles integration, how its handles day to day workflows. A banker who has worked alongside a platform across multiple transactions carries that lived knowledge. AI knows the public version of each firm. The operational version takes time to learn.

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> *"Think through what happens to your client families under new ownership. Fee changes, investment platform consolidation, service model shifts - these often erode the relationships that made your firm valuable in the first place."*
>
> ***- Claude***

Negotiation has its own pace and rhythm. Experienced bankers know what's standard in the market, when specific conversations are most productive, and how to keep a process moving without putting the relationship at risk. AI can describe the mechanics. It cannot guide a real-time conversation between two parties who, if the deal closes, will need to work together for years.

And when the LOI is signed and exclusivity begins, buyer leverage doubles. Diligence is where deals get chipped. The banker stays in the room. AI's relationship with the founder ends the moment the prompt window closes.

Where That Leaves the Founder

Claude is good. Its analytical reasoning is real, and the response in this article is evidence of it.

But what Claude can do and learn is bounded by what is publicly available to it. Buyer behavior is real time. Negotiation is real time. Management meetings are real time. The fact that half of a deal process that does not happen on a screen is structurally outside of AI's reach, not because the AI is not smart enough, but because it is not there and its responses are emotionless.

Founders are already using AI to take a first read on their firms. They will use it more, and the read will get sharper. That is a healthy development for the industry. But Claude itself, when asked to evaluate a real offer, said three times to get a banker.

You can ask AI what your firm is worth. You cannot ask it to have a seat in the deal room.

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10 Things to Consider When Selling Your Practice

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For most founders, selling the firm is a once-in-a-career decision (or perhaps twice if a minority recap comes first), and the implications reach far beyond the headline number. A practice reflects years of client trust, a team built alongside the business, and a reputation earned one relationship at a time. The surge in RIA M&A activity has made that decision more complex, not simpler. More buyers, more capital, and more creative structures mean more ways to get it right… ***and more ways to get it wrong.***

The sellers who fare best tend to define their priorities **before** reviewing any offer. The ten considerations below are the ones that most often shape long-term outcomes, and the ones founders most frequently wish they had weighed earlier.

The Top Ten

1. Know why you're selling before you decide how. Succession, liquidity, operational relief, compliance support, and growth capital each point to different structures and partner types. Define the objective first; price and partner should follow. Anchoring on a number before clarifying the goal often leads to misalignment.

2. Remember that structure often matters more than the multiple. A high headline valuation is not the same as realized value. Earnouts, rollover equity, liquidation preferences, and contingent consideration can materially reduce the probability-adjusted outcome. How consideration is split (and where your equity sits within the capital stack) ultimately determines what you receive, often more than the multiple itself. Our Q1 2026 issue explored this through ***Mind the Gap*** and ***Preferred vs. Common Equity***, showing how deal structure and capital stack positioning ultimately drive realized outcomes.[6]

3. Understand the full menu of paths. A full sale to an integrating platform, a majority recapitalization within a multi-boutique model, and a minority growth investment each carry different implications for control, autonomy, liquidity, and upside. A majority sale is not the only route to maximizing value and, increasingly, is not the route that does.

4. Protect cultural and strategic alignment. Culture is not a soft consideration; it is the single largest driver of advisor retention and client trust after close. A buyer who shares your client philosophy,

6. Dynasty Investment Bank, Inside the Deal Newsletter (Q1 2026), Mind the Gap (p. 22), Preferred vs. Common Equity (p. 19).

decision-making cadence, and leadership values is far more likely to preserve what you built. Misalignment shows up later through turnover and attrition.

5. Plan for client retention from day one. Retention is the starting point, not the finish line. Clients who choose to stay still expect the experience that earned their loyalty. A credible transition plan should safeguard service quality and personalization from announcement through full integration, not just through the consent process.

6. Scrutinize the integration model. Integration is where value is either realized or lost. Will the brand remain or be absorbed? How and when will clients be informed? What will day-to-day operations look like for the team? A detailed integration roadmap, defined before close, with clear timelines and accountability, is more valuable than broad assurances.

7. Don't underestimate your people. Advisors and key staff drive the growth a buyer is underwriting. Weak retention incentives, unclear career paths, or misaligned equity opportunities can lead to turnover that erodes the value the deal is predicated on. Talent strategy belongs at the negotiating table, not in the footnotes.

8. Get ahead of compliance and regulatory exposure. The SEC's 2026 examination priorities explicitly flagged RIA consolidation, noting that firms that have merged, been acquired, or combined with other practices may present additional risk, including operational and compliance complexity and new conflicts of interest. Early diligence on Form ADV, examination history, change-of-control provisions, and cybersecurity posture helps prevent surprises and protect enterprise value. We unpacked these implications in 'From Growth to Risk: Why RIA M&A Is Under the SEC Microscope' in our Inside the Deal Q4 2025 issue.[7]

What a founder decides before the first offer arrives shapes the outcome more than anything negotiated after it.

9. Read the governance terms as carefully as the economics. Board seats, consent rights, capital-expenditure approvals, and performance-based provisions can meaningfully constrain autonomy after close - sometimes in ways founders don't

7. Dynasty Investment Bank, Inside the Deal Newsletter (Q4 2025), From Growth to Risk: Why RIA M&A Is Under the SEC Microscope (p. 23).

anticipate until they are operating under them. These terms deserve the same scrutiny as the dollars, particularly in minority and PE-backed structures.

10. Start earlier than you think you need to. Outcomes are largely determined before buyer selection ever begins. The strongest results come from being prepared well before entering into a process - strengthening the leadership bench if required, reducing concentration risk, and professionalizing financials one to two years out - then defining the preferred partnership model well before an LOI. Waiting until definitive documents shifts leverage to the buyer.

Before the first offer, ask yourself:

- Why am I selling, and does that point to a full sale, a recap, or a minority partner?
- Have I separated the headline multiple from the probability-adjusted payout?
- Do my people have a reason to stay through and beyond integration?
- Have I read the governance terms as carefully as the economics?

Preparation Beats Negotiation

Selling a wealth management practice is less of an event than it is a process, and the founders who fare best treat preparation as more important than last-minute negotiation.

Determining which priorities matter most, and in what order, should happen well before any offer is on the table. But preparation is not just strategic; it is something buyers evaluate directly. Next in this edition, *Are You Actually Ready to Sell? What Buyers See That You Don't* examines what readiness looks like from the buyer's perspective.

When the time comes to explore a transaction, whether soon or years from now, partnering with an experienced RIA M&A advisor can help clarify objectives and structure terms that protect both the financial outcome and the legacy that has been built.

Are You Actually Ready to Sell? What Buyers See That You Don't

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M&A Readiness from the Buyer's Perspective

If you've ever thought seriously about selling your practice, whether it's now, two years from now or ten years from now, there's a good chance you have underestimated what "ready" actually means.

Most advisors assume readiness is about hitting a revenue number or a certain AUM threshold. Buyers don't see it that way.

What they're evaluating from the very first interaction is much simpler: **Does this business look like something we can confidently underwrite and close?**

That judgment gets formed earlier than most founders realize and once it's formed, it's hard to change.

What buyers are really evaluating at IOI and LOI

By the time a buyer submits an indication of interest (IOI), they are no longer simply reacting to an interesting business. They are beginning to underwrite whether the opportunity is credible, financeable, and worth pursuing.

At that stage, they are working almost entirely from your information and asking a simple question: Does the story hold together well enough to justify deeper diligence?

In practice, that means assessing whether:

- Revenue, AUM, and client data reconcile across materials and meets the buyer's target profile.
- Client composition and concentration align with the positioning of the business.
- The growth story is measurable, repeatable, and transferable.
- The team and infrastructure appear capable of sustaining performance post-transaction.

If any of those points feel unclear, inconsistent, or unsupported, buyers rarely give the benefit of the doubt. More often, they widen the diligence lens, build in caution, or reduce their level of conviction before the process has fully begun.

That scrutiny increasingly includes quality of earnings work, even in smaller deals. What used to be reserved primarily for larger or more institutional transactions has moved steadily down-market, as buyers look to validate normalized earnings, pressure test add backs, and confirm that reported performance will hold up under ownership transition and lender review.

By the time you reach LOI, the buyer's initial impression has typically become a working view of risk. At that stage, the question is no longer just whether the business looks attractive on paper, but whether it holds up under real diligence. This is

where an investment banker can add considerable value - the speed, consistency, and clarity with which management responds can shape a buyer's confidence in a much more concrete way. That is often where leverage begins to erode, not because the business changed, but because the process surfaced issues the buyer had not fully underwritten previously.

Where founders actually fall short

In our experience working with RIA owners, the gaps aren't usually about the quality of the business itself. They are about documentation and presentation and are usually addressable if addressed before a deal process begins:

- **Financials don't tell a single, consistent story:** Discrepancies in revenue, AUM, and growth figures across sources make it harder for buyers to follow a clear, consistent story and introduce avoidable diligence friction.

- **Growth isn't clearly explained:** Buyers want to understand what growth is measurable, repeatable, and transferable.

- **The business is too dependent on one person:** If every relationship, decision, and growth driver runs through the founder, that key person risk can be a point of concern.

- **Issues surface later instead of earlier:** Compliance items or documentation gaps don't just create work, they have the potential to create a red flag and doubt about everything else.

None of these are unusual. But when they show up during a live process, they weaken your position at exactly the wrong time.

The client data problem... and why it matters more than you think

A common example illustrates this clearly.

The business is strong - loyal clients, steady revenue, long tenure. But once diligence begins, the focus shifts from the story to the underlying client data. Buyers are no longer looking at headline AUM and revenue; they are testing the detail behind it. Records built for day-to-day operations - client lists, billing files, CRM data, attrition, and net flows - now need to withstand transaction-level scrutiny.

That is where issues tend to surface.

Client information often sits across multiple systems, with inconsistent household naming conventions, and revenue at the client level does not always cleanly reconcile to billing data and reported financials. The same client may appear differently across systems, or data may live in silos that do not map cleanly to one another. At the same time, CRM records can be incomplete or outdated, and inactive or duplicative clients may still be reflected in reporting.

None of this necessarily reflects a weak business, but it forces the buyer to reconcile information that should already be aligned. What should be a validation exercise turns into diligence work, slowing the process as basic questions require explanation.

The fix is typically straightforward, but it needs to happen before a process begins: client-level data should tie directly to financials; duplicative or stale records should be removed; and reporting should be consistent across systems, with clear, complete support for key metrics.

When that work is done in advance, sellers can respond quickly and keep the focus where it belongs - on the quality of the business.

What looks like a minor internal issue can quickly become a credibility issue in a transaction. And once buyers start questioning the data, they rarely limit that concern to the data alone.

Why preparation, not just quality, drives outcomes

This is where many founders misjudge the process: the strength of the business and the strength of the transaction process are not the same thing.

A business can be growing, profitable, and operationally sound and still underperform in a sale process if the information is hard to produce, difficult to reconcile, or inconsistent across materials.

Preparation is what bridges that gap. It is the work that turns a good business into a credible, financeable transaction opportunity and it needs to happen before buyers are asking questions in real time.

In practice, that preparation usually includes:

- Financials that reconcile the same way everywhere with traceable backup documentation to support it.
- Client data that is clean, consistent, and exportable.
- A clear understanding of normalized earnings.
- Documented processes that demonstrate continuity.

As a quality of earnings review becomes more common even in smaller transactions, sellers are even better served by preparing for that level of scrutiny before a buyer or lender forces the issue. This is also where an experienced investment banker can materially improve the outcome, not by changing the underlying business, but by helping a seller anticipate and organize information before it is requested in a diligence process.

That means making sure ***the story is internally and externally consistent, the data holds up under due diligence, and the process itself is run in a way that preserves leverage rather than eroding it over time.***

In practice, the real value is not just reaching to an LOI stage. It is entering diligence with momentum, responding with confidence, and getting to closing without giving back leverage to issues that could have been addressed in advance.

So, are you actually ready?

The best way to answer that is to step back and view your business the way a buyer would. Focus not on the headline numbers, but on whether the underlying data actually lines up.

Buyer Readiness Scorecard

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If a buyer evaluated your business today, how well would it hold up under scrutiny?

SCORING: **3 = Strong / ready** **2 = Partially ready** **1 = Needs work**

1. Financial Clarity

Do your financials reconcile cleanly across every source, with clear support for any adjustments or normalizations?

- ☐ 3. Fully reconciled, consistent, and defensible
- ☐ 2. Mostly consistent, but some explanation is required
- ☐ 1. Difficult to reconcile or support under diligence

2. Growth Visibility

Can you clearly explain what has driven growth historically and why that growth is sustainable going forward?

- ☐ 3. Specific, measurable, and repeatable
- ☐ 2. Directionally clear, but only partially supported
- ☐ 1. Vague, anecdotal, or hard to validate

3. Client Data Integrity

Could you produce clean, reconciled, client-level data quickly and with confidence if diligence started today?

- ☐ 3. Fully organized, reconciled, and easy to export
- ☐ 2. Available, but requires cleanup or reconciliation across systems
- ☐ 1. Fragmented across systems or difficult to produce

4. Team And Continuity

Would the business continue to operate smoothly if the founder stepped back?

- ☐ 3. Institutionalized, team-driven, and durable
- ☐ 2. Some founder dependence, but manageable
- ☐ 1. Meaningfully dependent on one person

5. Diligence readiness

Could you stand up a complete, accurate, buyer-ready data room within a week?

- ☐ 3. Ready now
- ☐ 2. Achievable, but would take focused effort
- ☐ 1. Would require significant work before launching a process

6. Earnings quality awareness

Do you understand your normalized earnings the way a buyer, lender, or QoE provider will evaluate them?

- ☐ 3. Fully analyzed and already normalized
- ☐ 2. Generally understood but not formally validated
- ☐ 1. Not yet pressure-tested from a buyer perspective

How to interpret your score

15–18: Positioned to run a disciplined process, respond with confidence, and preserve negotiating leverage

10–14: Solid foundation, but gaps are likely to surface in diligence - usually better addressed before engaging buyers

6–9: The issue is likely not business quality, but process readiness - which can directly impact buyer confidence, structure, and outcome

What to do next

If you want a clearer view of how a buyer would evaluate your business, share your score with us at **DIB@dynastyfp.com**

We'll have a confidential discussion to assess what your results indicate and where preparation can strengthen your positioning before a process begins. Preparation starts well before a sale is considered, and our team at Dynasty Investment Bank helps founders ensure they're ready to move with confidence when the time comes.

The Recap Ladder

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Where the last private equity cycle stands today

Private equity's presence in wealth management has always moved in phases, and the exhibit below tracks its progression through the years. Platform formation before 2018 gave way to an acceleration of interest in 2020 and 2021 (despite Covid-19 creating broader market volatility), as sponsors raced to establish positions in an increasingly competitive market. Continued consolidation and scale followed in 2022 and 2023, as platforms were built out through tuck-in acquisitions and centralization. From 2024 through 2026, a growing share of that same cohort have entered into recaps and liquidity events - sponsors recapitalizing, re-investing, or exiting the platforms they built.

For founders, this matters. A platform that recaps is, by definition, generating a new capital event for its equity holders and often its advisor base. This liquidity comes with new governance, capital structure, and, in some cases, a new controlling sponsor, which can also lead to a change in leadership. Founders evaluating a partner today are not just underwriting the platform as it exists today; they are underwriting where that platform will be in the future, and what happens to their own equity, governance rights, and "second-bite economics" when the sponsor's holding period ends.

This also addresses the dynamic behind one of the questions posed in this quarter's Market Review: as more of the largest transactions anchor on minority investment deals, will founders increasingly favor a recap over a full sale? The ladder below suggests that for a meaningful share of the market, that shift is already underway.

Source: Company Press Releases, Dynasty Investment Banking Research, Wall Street Research.
Note: Deals listed by announced date.

Private Equity Investment in Wealth Management

Company	Platform Formation			Land Grab		Consolidation & Scaling		Recaps & Liquidity		
	Pre-2018	2018	2019	2020	2021	2022	2023	2024	2025	2026
abry partners				Beacon Pointe Enter	Beacon Pointe Exit	dynasty Enter	Prime Capital Financial Enter			dynasty Re-Investment
Advent								Fisher Investments Enter		
ALTAS							Mercer Advisors Enter			
Audax Private Equity							CW Advisors Enter		CW Advisors Exit	
BainCapital					Carson Enter		Corient Enter	Envestnet Enter		
Berkshire Partners				EP Wealth Advisors Enter					EP Wealth Advisors Recap	
CARLYLE					MAI InvestView Indirect Entry		Captrust Enter			MAI InvestView Buyout
CD&R							Focus Financial Partners Enter			
Charlesbank					LiDO Enter			Perspective Managing Wealth, Rise Growth Partners Enter	LiDO Recap	
Constellation Wealth Capital							Alphacore Wealth Advisory Enter	Avior, LiDO, Cresset, AlTi Enter	DayMark, Merit Financial Advisors, Procyon Enter	BIP Wealth Enter
Crestview							Modern Wealth Management Enter			
EMIGRANT PARTNERS	Stratos, FLPutnam, Soltis, Gerber Taylor Enter		Northrock Partners Enter		Verdence, Gerber Taylor Enter/Recap		Northrock Partners Exit	Soltis Exit	Stratos, Elevation Point Enter/Exit	Verdence, Keen Wealth Advisors Enter/Exit

Source: Company Press Releases, Dynasty Investment Banking Research, Wall Street Research.
Note: Deals listed by announced date.

The Recap Ladder *(cont.)*

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Private Equity Investment in Wealth Management

Company	Platform Formation			Land Grab		Consolidation & Scaling		Recaps & Liquidity		
	Pre-2018	2018	2019	2020	2021	2022	2023	2024	2025	2026
General Atlantic				Creative Planning Enter				Creative Planning Recap		
Genstar Capital	Mercer Advisors Enter	Cetera Enter				AmeriLife Cerity Partners Enter/Recap	Cetera Re-Investment			Cerity Partners Partial Exit
GTCR				CAPTRUST Enter					Fiduciary Trust Enter	
H&F	Edelman Financial Services Enter	Financial Engines Enter								
HPS									LIDO Enter	
KKR					Beacon Pointe Enter			Janney Enter		
Kelso					Savant Enter		Pathstone The Family Office Enter			Wellington-Altus Enter
LGP Leonard Green & Partners					Mariner Enter					
Lightyear Capital	Cerity Partners Wealth Enhancement Group osaic Enter		osaic Wealth Enhancement Group Exit	allworth Financial Enter						
LMP Lovell Minnick Partners	Mercer Advisors Kanaly Trust Lincoln Investment Enter	Kanaly Trust Merged Into Mercer	Pathstone The Family Office Enter	Lincoln Investment Exit		London & Capital Enter	Pathstone The Family Office Recap	Americana Partners Enter		
Mubadala								Corient Enter		
NMC New Mountain Capital					Homrich Berg Enter			Homrich Berg Recap		

Source: Company Press Releases, Dynasty Investment Banking Research, Wall Street Research.
Note: Deals listed by announced date.

The Recap Ladder *(cont.)*

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Private Equity Investment in Wealth Management

Company	Platform Formation			Land Grab		Consolidation & Scaling		Recaps & Liquidity		
	Pre-2018	2018	2019	2020	2021	2022	2023	2024	2025	2026
Oak Hill Capital Partners			Mercer Advisors Enter							
Onex					Wealth Enhancement Group Enter					
Rise Growth Partners								OnePoint BFG Wealth Partners Enter	Grimes and Company Krilogy Enter	Cyndeo Wealth Partners Enter
RCP Reverence Capital Partners			Osaic Enter			SEIA Enter		Envestnet Enter		Osaic Recap
Sixth Street								Merchant Enter		
Stone Point Capital	Focus Financial Partners Kestra Private Wealth Services Enter					Kestra Private Wealth Services Exit	Focus Financial Partners IEQ Capital Enter/Re-investment	Kestra Private Wealth Services Re-enter & Buyout		Amber River Life Landscaping Exit
TA			Wealth Enhancement Group Enter		CapRock Enter				Viridian Financial Group Enter	
THL		Hightower Enter				AmeriLife Enter				
TPG Capital								Creative Planning Homrich Berg		
Warburg Pincus			Kestra Private Wealth Services Enter		Edelman Financial Engines Enter			Kestra Private Wealth Services Exit		Cerity Partners Enter
Wealth Partners Capital Group	EP Wealth Advisors FFT Wealth Management MAI InvestView Enter			FFT Wealth Management Exit		Apella Wealth Merit Financial Advisors Waverly Advisors Enter		The Wealth Alliance True North Advisors Enter	Merit Financial Advisors MCF Advisors Exit/Enter	Crewe Advisors Verdence Enter

Source: Company Press Releases, Dynasty Investment Banking Research, Wall Street Research.

Note: Deals listed by announced date.

Organic vs. Inorganic Growth

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The market is beginning to price the difference between two paths to scale

For years, RIA buyers and sellers have talked about growth almost as a single number: the change in client assets, the change in revenue, the percentage on the slide. But growth built through referrals, team additions, and wallet share behaves differently than growth built through acquisition, and increasingly, the public markets are pricing in that difference.

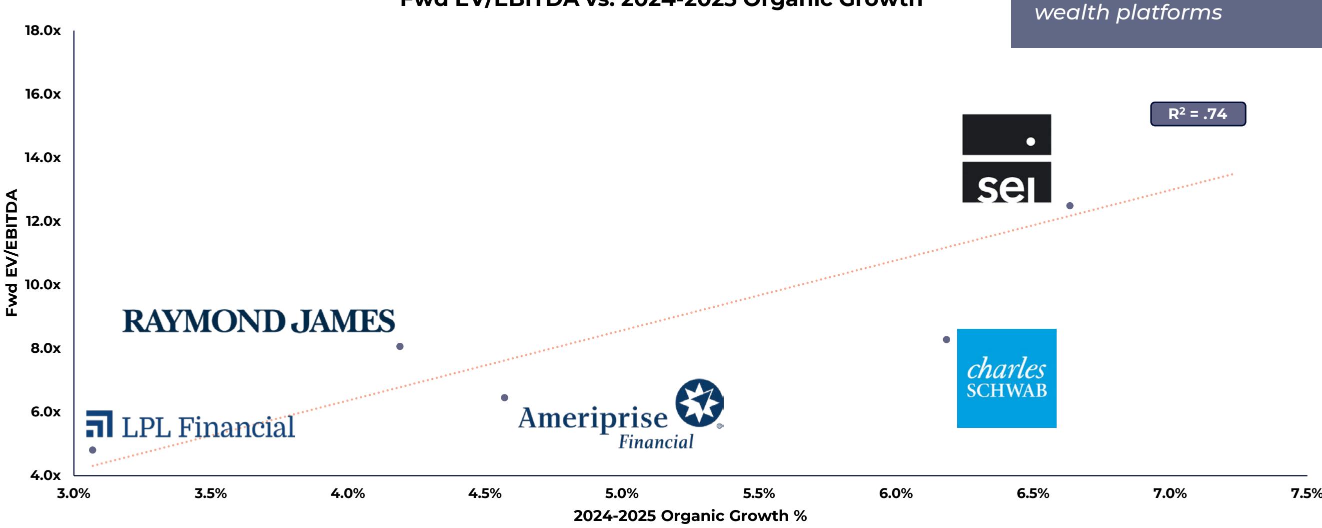
The exhibit below plots forward EV/EBITDA against 2024-2025 organic growth for a cohort of publicly traded wealth platforms, and the strength of that relationship is the headline. Net new asset growth explains a meaningful share of the variation in forward multiple across this cohort (R^2 = .74). The multiple spread is stark: platforms compounding organic growth above 6% are trading at roughly double the forward multiple of platforms below 4%. Net new flows are not a secondary input to how these platforms are priced. They are one of the more explanatory forces behind which platforms command a premium multiple and which do not.

If net new flows are already commanding that kind of premium at the public-market level, that same distinction is showing up earlier and earlier in RIA M&A conversations. Buyers underwriting a target increasingly ask what share of client-asset growth came from new client relationships and referrals versus completed tuck-in acquisitions, because the two carry very different risk profiles.

Organic growth signals a durable, repeatable engine. Inorganic growth signals integration execution - valuable, but harder to underwrite without knowing how the next deal, and the one after that, will be sourced and closed.

Wealth Platform Net New Assets Drive Multiple Expansion

Higher organic growth commands premium multiples across public wealth platforms



For founders building a growth story ahead of a sale, the lesson from the public markets is a useful one: know which part of your growth is organic, be able to prove it, and be ready to explain why it will continue.

Sources: FactSet, SEC filings, company press releases, and public company disclosures. Analysis based on a cohort of publicly traded wealth management platforms, including Ameriprise Financial (AMP), LPL Financial (LPLA), Raymond James Financial (RJF), Charles Schwab (SCHW), and SEI Investments (SEIC). Specific sources available upon request.

M&A Market Color
Q2 Top 10 Deals Announced

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Buyer	Seller	Buyer Type	Seller AUM (billions)	Announcement Date	Transaction Rationale
Bain Capital	Osaic	PE	$747.0 bn	4/10/2026	Capital
Integrum	Allworth Financial	PE	$35.0 bn	4/30/2026	Capital
Private Advisor Group, LPL	Mariner Advisor Network	Aggregator	$31.0 bn	4/14/2026	Network
Mesirow Financial Investment Management	Leafhouse Financial Advisors	Financial Services Broker	$24.1 bn	5/4/2026	Capabilities
Emigrant Partners	Mutual Group	PE	$15.0 bn	4/9/2026	Capital
Pathstone	Mill Creek Capital Advisors	Family Office Platform	$12.0 bn	6/4/2026	Market Scale
Wealthspire Advisors	Sellwood Investment Partners	Aggregator	$11.0 bn	4/22/2026	Market Scale
Corient (CI Financial)	Bedrock Group	Aggregator	$10.7 bn	4/16/2026	Geographic Expansion
Hightower	The Bahnsen Group	Aggregator	$9.5 bn	4/22/2026	Market Scale
Corient (CI Financial)	Capital Advisors	Aggregator	$7.8 bn	5/13/2026	Geographic Expansion

Several sources are used to create this report. M&A data is gathered from press releases, trade articles, and other secondary research sources. All publicly announced transactions involving the acquisition of an independent advisory firm are reviewed for inclusion. This data covers the period from April 1, 2026 to June 30, 2026 and is ordered by seller AUM.

2026 Year to Date M&A League Tables

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RIA Investment Banking M&A By Seller AUM[1]		
2026 Year to Date		($bn)
1	**Dynasty Investment Bank**	**$159**
2	Bank 2	139
3	Bank 3	46
4	Bank 4	35
5	Bank 5	15
6	Bank 6	13
7	Bank 7	11
8	Bank 8	11
9	Bank 9	8
10	Bank 10	6

RIA Investment Banking M&A By Deal Count[2]		
2026 Year to Date		
1	**Dynasty Investment Bank**	**13**
1	Bank 2	12
3	Bank 3	8
4	Bank 4	5
5	Bank 5	4
5	Bank 6	4
7	Bank 7	3
7	Bank 8	3
9	Bank 9	2
9	Bank 10	2

Several sources are used to create this report. M&A data is gathered from press releases, trade articles, and other secondary research sources. All publicly announced transactions involving the acquisition of an independent advisory firm are reviewed for inclusion along with deals in which Dynasty invested through one of our capital programs. This data covers the period from January 1, 2026 - June 30, 2026.

1. Volume figures are calculated by aggregating the reported assets under management of the selling firms at the time of the transaction announcement, excluding banks advising on transactions with seller AUM exceeding $200 billion.

2. Deal count figures are ordered by number of M&A transactions announced, excluding banks advising on transactions with seller AUM exceeding $200 billion.

Dynasty's Investment Banking Team

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Meet Our Team at These In-Person Events and Conferences

Tiburon CEO Summit LI
October 19 – 21, 2026
Boston, MA

Future Proof Festival
September 14 – 17, 2026
Huntington Beach, CA

Schwab IMPACT Conference
October 27 – 29, 2026
Boston, MA

Dynasty Investment Bank RIA M&A Strategy Retreat
December 7 – 9, 2026
Boca Grande, FL

Dynasty's Investment Banking Team

How we help RIAs grow

The Dynasty Investment Banking team offers three primary service offerings to RIAs to help them reach their next level of growth.

The first offering is transaction support. Our team offers objective sell-side and buy-side M&A support to help an RIA find a succession partner. With a deep bench of Wall Street professionals who have collectively over 50 years of M&A experience, our team has the experience to help with any number of transaction support related tasks including sell-side M&A, deal sourcing, transaction structuring and negotiations, due diligence support, and finalizing and closing deals.

The second service offering is valuations, which provides an objective view for an RIA owner's enterprise by leveraging Dynasty's experience and insight. These valuations have a variety of uses including: M&A level-setting, internal succession, performance benchmarking for founders, and ongoing governance.

The third way we can help is by providing liquidity to founders to achieve a certain business objective without giving up control of their business through three primary capital solutions, including our Traditional Credit, Revenue Participation Interest (RPI), and Minority Investment programs.

Dynasty's Investment Banking Team

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As a financial technology and value-add wealth management platform, Dynasty Financial Partners began its capital program nearly nine years ago with our traditional debt program based on the needs of our clients.

Today, Dynasty's Investment Banking team has the premier diversified capital offering in the industry that is exclusively for its clients.

01 Traditional Credit

- Primarily term loan structure with revolving credit facility and guidance facility also available
- Covenant lite
- Interest only feature available
- Minimum term
- Amortization payments required
- Origination fees apply
- No use case restrictions

02 Revenue Participation Interest (RPI)

- Preferred equity structure that monetizes a percentage of revenue
- Innovative "true-up" feature offers incremental capital to support growth
- Principals may repurchase revenue interest after a fixed period of time
- Minimum payment thresholds
- No use case restrictions

03 Minority Investment

- Noncontrolling, passive equity structure with minimum 6-year investment period
- Favorable liquidity options – ability for RIA to sell additional equity upon Dynasty exit
- Limited governance terms
- Minimum dividend
- No use case restrictions

All of our capital programs are designed exclusively for RIAs to support a firm's strategic growth objectives. Please reach out to us and let us know how we can be helpful in tailoring a capital solution that is right for you and your firm.

Dynasty's Investment Banking Client Referral Program

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Do you have a client that is getting ready to sell their business in the near term?

Do they have a trusted relationship with an investment banker that knows their industry to help them?

Help your client's business prepare for and execute a sale by leveraging our deep investment banking referral network

Benefits of Program Include

- Multiple partnerships to choose from
- Evaluation of different investment banking alternatives in partnership with Dynasty's investment banking team
- Run an effective 'bake off' for your client to help identify the best investment banking team to support your client and their business
- Potential for advisor to receive compensation upon transaction close with applicable brokerage licenses

If you are interested in learning more, please reach out to us at: DIB@dynastyfp.com

Sam Anderson

Chief Capital Officer, Co-Head of Investment Banking

Sam Anderson is Chief Capital Officer at Dynasty Financial Partners LLC. Prior to joining Dynasty, Sam was Senior Managing Director and a member of the Management Committee at Medley Management Inc. Prior to joining Medley, Sam was Head of Commercial Finance M&A within the Financial Institutions Investment Banking Group at Goldman Sachs. Prior to joining Goldman Sachs, Sam was a member of the Investment Banking Financial Services Group at Bank of America. Prior to his time at Bank of America, Sam held various positions at Citi Smith Barney.

Harris Baltch

Managing Director, Co-Head of Investment Banking

Harris Baltch is responsible for leading Dynasty's Investment Banking division. Prior to joining Dynasty, Harris spent nearly a decade at UBS Investment Bank where he was an Executive Director in the firm's Financial Institutions Group. While at UBS, Harris originated, led and executed over $20 billion of strategic M&A and capital market transactions for companies in the asset and wealth management industry.

Earlier in his career, Mr. Baltch worked at PricewaterhouseCoopers LLP in the Banking and Capital Markets Group. He has over 15 years of financial services experience and earned his M.B.A. from the Johnson Graduate School of Management at Cornell University. He also received a B.S. in Accounting at Binghamton University and is a certified public accountant, registered in the State of New York.

Jamie Gardiner

Director, Network Development

James is a member of Dynasty's Network Development team, focusing on existing RIAs and M&A/Capital. He consults with existing RIAs looking to leverage Dynasty's scale to identify synergies that lead to more profitable businesses. Prior to joining Dynasty, James was Co-Founder and COO of TPW Investment Management. James helped lead JFG from a startup to one of the industry's leading ETF Strategists, which was acquired in late 2017.

Dylan Dierig

Vice President, Investment Banking

Dylan spent four years as a M&A investment banker between Raymond James Financial and Falls River Group focusing on financial technology and healthcare industries. Executing on over $2 billion in sell-side M&A transactions for both private and public companies. Dylan received a Masters of Science in Finance from Villanova University and a B.A. in Finance from the University of Kentucky.

Victoria Cangero

Assistant Vice President, Investment Banking

Victoria worked as an Associate for Dynasty, focusing on supporting client inquiries and quality assurance. Victoria held internships with UBS' Investment Banking group in New York and JP Morgan's Corporate Banking group in Miami. Victoria graduated from Florida Southern College, majoring in economics and finance and minoring in accounting. She was also a starter on their women's golf team.

Amelie Russo, CFA

Assistant Vice President, Investment Banking

Amelie worked as a Treasury Analyst for Intertape Polymer Group. She was previously a Corporate Banking Analyst at International Finance Bank, monitoring a portfolio of syndicated leveraged loans and sourcing investment opportunities. Amelie swam for the NCAA Division I team at West Virginia University where she received a M.S. and B.S. in Finance.

Cory McKesson

Associate, Investment Banking

Cory is an Investment Banking Associate at Dynasty Investment Bank. Prior to this role he worked as a Senior FP&A Analyst at Kestra Holdings, where he collaborated with advisors to develop and execute their multi-year strategic growth plans, presented recruiting models to drive tuck-in / independence decisions in the wire house-breakaway landscape, and managed annual budgeting and monthly reporting across the Kestra umbrella. Cory received his undergraduate in Finance from New Mexico State University and his M.B.A from Texas A&M-Corpus Christi.

Ray Lens

Analyst, Investment Banking

Ray Lens is a member of Dynasty's Investment Banking team. Prior to joining Dynasty, Ray was an Investment Associate in Venture Capital, where he focused on early-stage investments across the technology and media sectors. Before that, he was an Investment Banking Analyst in the Healthcare Investment Banking group at Raymond James, where he focused on M&A advisory across biopharma, pharma services, managed care and life sciences & diagnostics. Ray began his career as a Life Sciences Research Analyst at Crosstree Capital. Ray earned his B.S. in Finance from the University of South Florida.

Mia Petrocelli

Analyst, Investment Banking

Mia Petrocelli is an Investment Banking Analyst at Dynasty Investment Bank, where she supports strategic advisory and transaction execution for clients and network partners. Prior to joining Dynasty, Mia gained experience as an M&A analyst over two summers, where she developed strong professional relationships and deepened her industry knowledge. Before stepping into her current role, she furthered her credentials by obtaining her SIE license. Mia is from Boston, Massachusetts, and earned her degree in Finance with a minor in Entrepreneurship, graduating magna cum laude from the University of South Carolina.

Owen Hayes

Analyst, Investment Banking

Owen Hayes is an Investment Banking Analyst at Dynasty Investment Bank, which he joined full time in July 2026 after interning on the team the previous summer. He got his start in finance at Marblegate Asset Management primarily with the value creation team, then interned at Elliott Management, where he picked up exposure across asset classes and the buy side. Owen is from Bedford Hills, New York, and graduated with a degree in Economics and minor in Statistics from the University of Pennsylvania, where he also played NCAA Division I golf.

Important Disclosures

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Get In Touch

We look forward to hearing from you, any questions may be subsequently featured in upcoming issues!

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