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Private Equity and the RIA Consolidation Wave

What the 2023–2026 deal data tells independent advisors about who is buying, what firms are worth, and where the market goes next.

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1. Executive Summary

KEY TAKEAWAYS

- 2025 was the biggest year for RIA dealmaking on record. All three major trackers — Echelon Partners (466 deals), DeVoe & Company (322), and Fidelity (276) — set all-time highs, surpassing the 2021–2022 peak.
- Private equity is the market. PE-backed buyers were involved in roughly three-quarters of wealth-management transactions in 2025; Fidelity reports PE backed 88% of all RIA deals that year.
- Valuations never really fell. Despite sharply higher interest rates, median EBITDA multiples for RIA acquisitions reached a near-decade high of 11x in 2024. Premium firms command 15–20x or more.
- The playbook matured. Minority and structured investments — once rare — are now the fastest-growing deal type, letting founders take chips off the table without selling control.
- Demographics guarantee supply. Roughly 35–38% of advisors plan to retire within ten years, managing around $11 trillion in client assets. More than a quarter of them have no formal succession plan.

A decade ago, private equity's interest in registered investment advisors looked like an experiment. Today it looks like the industry's permanent capital structure. Between 2023 and 2026, some of the largest transactions in wealth-management history closed — take-privates measured in the billions, minority investments at valuations once reserved for technology companies — and deal counts kept climbing through rising interest rates, market volatility, and geopolitical uncertainty.

This paper examines what happened, why it happened, and what it means for the independent advisor. It draws on published deal trackers, company announcements, and industry research current through the third quarter of 2026. It is written for education, not as investment advice, and it takes no position on any firm named.

2. Why Private Equity Keeps Coming Back

Private equity firms are generalists. They invest in industrials, healthcare, software — wherever the math works. That they keep returning to wealth management, in larger size and greater numbers, says something specific about the RIA business model. Five characteristics explain the attraction:

Recurring, fee-based revenue

RIAs earn most of their revenue as a percentage of client assets, billed quarter after quarter. Client relationships are sticky; attrition in a well-run practice is low single digits annually. For an investor, that is the closest thing a services business offers to an annuity — predictable cash flow that can support leverage and fund further acquisitions.

Fragmentation

The RIA channel remains a long tail of small businesses. Roughly two-thirds of SEC-registered advisers manage less than $1 billion, and the average adviser focused on individual clients employs just eight people and oversees about $424 million. Fragmentation is the raw material of a roll-up: many sellers, few scaled buyers, and a persistent valuation gap between what a small firm is worth standalone and what it is worth inside a larger platform.

Demographics

More than a third of advisors expect to retire within the next decade, and a meaningful share have no succession plan. Every retirement without an internal successor is a potential transaction. This is not a one-time wave; it is a decade-long supply of sellers entering the market on a staggered schedule.[3]

Growth

The independent and hybrid RIA channel has compounded at roughly 11% annually for a decade, growing from 21% of industry assets in 2014 to 27% in 2024 — about $5.9 trillion. Capital follows growth, and the channel’s steady share gains from wirehouses and broker-dealers have made it the industry’s most reliable expansion story.

A proven playbook

Early movers demonstrated the model works. Firms that took PE capital a decade ago used it to professionalize operations, build M&A pipelines, and scale — and their successors attracted larger checks at higher valuations. Each successful cycle has de-risked the next one for incoming investors.

> **74%**
>
> of wealth-management transactions in 2025 involved a PE-backed buyer (Echelon Partners), up from 52% in 2020.

3. Deal Activity: Records Keep Falling

The 2021–2022 period was supposed to be the top. Near-zero interest rates, a bull market, looming tax changes, and pandemic-era succession decisions pulled transactions forward, and the fourth quarter of 2022 collapsed as rate hikes hit. What happened next surprised many observers: instead of a prolonged slump, the market paused for one year and then broke every record.

Year	Echelon	DeVoe & Co.	Fidelity
2021	307	241	n/a
2022	341	264	n/a
2023	321	251	n/a
2024	366	272	233
2025	466 *	322 *	276 *
2026 (proj.)	~500	~317	n/a

Annual announced RIA / wealth-management transactions. Trackers use different deal universes, so counts differ; the direction is consistent. 2026 figures are mid-year tracker projections. * = all-time record for that tracker.

Three patterns stand out in the data:

The 2023 dip was shallow and brief

Deal counts fell 5–6% across trackers — the first annual decline in over a decade — but stayed near record levels even as broader M&A contracted. Sellers and buyers adjusted: diligence lengthened, deal structures shifted toward earnouts and equity, and activity resumed.

2025 crushed the old records

Echelon’s 466 deals were 27% above 2024. Every quarter cleared 100 deals for the first time. DeVoe crossed 300 deals for the first time. One hundred eighty-five transactions involved firms with $1 billion or more in assets — itself a record, and evidence that consolidation is moving upmarket, not just rolling up small shops.

Notably, firms under $1 billion still represented 54% of transactions, confirming the long tail remains active.

2026 is a split decision

Echelon projects roughly 500 deals, another record, after a record first quarter (142 deals, $1.67 trillion in assets changing hands). DeVoe expects about 317 — just below 2025 — after tariff and geopolitical volatility caused some owners to delay sale decisions in the third quarter. Both trackers agree on the bigger point: the pipeline of willing sellers has not disappeared; some simply shifted their timing.

4. Landmark Transactions, 2023–2026

Behind the volume numbers sits a series of individual deals that repriced what the market believes wealth-management businesses are worth. A selection:

Date	Target	Investor(s)	EV / EBITDA	Structure & scale
Aug 2023	Focus Financial Partners	Clayton, Dubilier & Rice	Undisclosed	Take-private, EV over $7B; $53/share
Jul 2024	Envestnet	Bain Capital (lead)	Undisclosed	Take-private, $4.5B; co-investors incl. BlackRock, Fidelity
Jun 2024	Fisher Investments	Advent International, ADIA	~20x (est.)	Minority at $12.75B valuation; Fisher retains 70%+
Sep 2024	Creative Planning	TPG	~20x+ (est.)	Minority; reported ~$2B check, valuation above $15B
Jun 2023	Mercer Advisors	Altas Partners (joins Genstar, Oak Hill)	Undisclosed	Strategic investment at ~$48B AUM
Oct 2024	Mariner Wealth Advisors	Neuberger Berman (joins Leonard Green)	Undisclosed	Significant minority; >$245B combined AUM/advisement
Aug 2025	CI Financial	Mubadala Capital	Undisclosed	Take-private, ~C$12.1B EV; C$32/share
Mar 2025	Commonwealth Financial Network	LPL Financial (strategic)	Undisclosed	Acquisition, ~$2.7B; ~2,900 advisors
Oct 2025	SageView Advisory Group	Creative Planning (strategic)	Undisclosed	Acquisition; $250B AUM; combined $640B

Apr 2026	Allworth Financial	Integrum (joins Lightyear, Ontario Tchrs.)	Undisclosed	Strategic partnership; ~$35B+ AUM

Selected transactions from company announcements and trade-press reporting, 2023–2026. Terms marked “reported” derive from press sourcing where parties did not disclose terms. Deal multiples are rarely disclosed by the parties; figures shown are published third-party estimates (Fisher: Echelon Partners; Creative Planning: JPTD Partners via FA Magazine).

Two features of this list deserve attention. First, the minority investment has become a headline deal type. Fisher Investments and Creative Planning — two of the largest independent RIAs in the country — both chose to sell minority stakes at valuations above $12 billion rather than sell control. For founders, the minority recap has become a way to take meaningful chips off the table, fund the next stage of growth, and keep running the firm.

Second, strategic acquirers are writing PE-sized checks. LPL’s $2.7 billion purchase of Commonwealth and Creative Planning’s acquisition of SageView show that the largest independents now compete directly with financial sponsors for scale assets — blurring the line between “strategic” and “PE-backed” buyer.

5. What Firms Are Worth Now

The question every advisor asks — usually quietly — is what their own practice might be worth. The honest answer is that valuation is a range, not a number, and where a firm falls in the range depends on size, growth, margins, and who is buying.

Here is what the recent data shows:

- The median has never been higher. Industry tracking puts the median adjusted EBITDA multiple for RIA acquisitions at 11x in 2024 — a near-decade high, up roughly 37% since 2020. Higher interest rates did not produce the sustained multiple compression many expected; instead, buyers adjusted through deal structure (more earnouts, more equity consideration) while headline multiples held firm.
- Quality commands a wide premium. Typical transactions cluster around 8–10x EBITDA (roughly 2.5–3.5x recurring revenue). Well-run firms with consistent organic growth transact at 10–14x. Premium franchises — multi-billion-dollar RIAs with 20%+ organic growth — have reached 15–20x or more. The Fisher Investments minority investment implied roughly a 20x multiple.
- The buyer matters enormously. Research on transaction pricing finds that PE-backed consolidators pay the highest multiples — in some analyses nearly twice what an internal succession transaction would pay for the same firm. An advisor weighing an internal buyout against an external sale is, in effect, choosing between two different markets.
- Size helps, growth helps more. Multiples step up meaningfully above $2 billion in AUM, and firms compounding organically above 20% can add two to three turns of EBITDA multiple versus average growers. More than forty active buyers now compete for each high-quality firm, and competitive tension is itself a valuation driver.

11x

Median adjusted EBITDA multiple for RIA acquisitions in 2024 — a near-decade high (industry tracking via FA Magazine, Oct 2025).

One caution: averages conceal dispersion. For every premium transaction at 15x, there are orderly successions at far lower multiples. Valuation is negotiated, not observed — which is why understanding the full range of outcomes, before entering any process, matters more than any single data point.

6. The Evolving Playbook

Private equity's approach to the RIA space in 2026 looks different from the approach of 2019. Four shifts define the current playbook:

1. The rise of the minority investment

Minority and structured-minority investments have grown roughly 45% annually since 2019, and now represent about 15% of quarterly deal activity. Specialist minority investors — firms built specifically to take non-control stakes in RIAs — closed 22 deals in a single quarter in 2026. For founders who want growth capital, liquidity, or a succession bridge without giving up control, the minority recap has become the default instrument.

2. Buy-to-build, then build-to-last

The classic model — acquire a flagship RIA, then fund dozens of tuck-in acquisitions — remains dominant: serial acquirers now account for well over half of quarterly volume. But the emphasis is shifting from pure aggregation to platform-building. Acquirers increasingly market integrated offerings — tax, estate, family-office services, institutional consulting — and compete on the breadth of the platform, not just the size of the check. Industry trackers describe this as the market's "second chapter."

3. Capital structure adapts to rates

Higher borrowing costs made heavily levered buyouts harder to pencil. The market adapted: more equity, more structured minority capital with preferred features, and more seller participation through equity rollovers. As one industry executive noted in 2023, at a 12x purchase price with banks lending around 4x EBITDA, only about a third of the price can be debt — the rest must be equity conviction.

4. The buyer universe keeps widening

New buyers entered the market at a 17%+ clip in 2025, including first-time PE sponsors and strategics expanding their M&A mandates. Sub-acquisitions — consolidators buying through subsidiaries — reached historic levels. The practical effect: more bidders per process, which supports valuations and gives sellers more

paths to choose from.

7. The Succession Engine

Every transaction needs a seller. In the RIA market, demographics manufacture sellers on a schedule — and the schedule is accelerating.

- 35–38% of advisors plan to retire within ten years, collectively managing roughly $11 trillion in client assets (Cerulli, via industry reporting, 2025–2026).
- More than a quarter of those advisors have no formal succession plan. Among the rest, plans range from identified internal successors to an intention to sell externally — but “intention” and “ready” are different things. Even among large RIAs, barely half describe their succession plan as clearly defined and ready to implement.
- Independent RIAs are the most sale-inclined channel: 31% plan to sell their business as part of succession, the highest of any channel.
- The talent pipeline is thin. Industry benchmarking suggests the RIA channel must hire more than 70,000 new entrants over the next five years just to sustain growth — before accounting for succession-driven turnover.

Overlay the great wealth transfer — Cerulli’s longstanding estimate of $84 trillion changing hands through 2045, revised in late 2024 to roughly $124 trillion through 2048 — and the picture sharpens: trillions in client assets will move between generations at precisely the moment a third of their advisors retire. Firms with a plan capture those assets. Firms without one become someone else’s acquisition.

8. What It Means for Independent Advisors

For the practicing advisor, the PE consolidation wave is neither good nor bad in the abstract. It is leverage — but only for those who understand it before they need it. Four implications:

Your practice is likely worth more than you think — and the range is wide

Most advisors anchor on outdated rules of thumb or on what a colleague received years ago. With median multiples at decade highs and PE-backed buyers paying up to double internal-succession pricing, the gap between the best and worst outcome for the same practice has never been larger. Knowing where you sit in the range, before any conversation begins, is the single highest-value piece of preparation.

Optionality has value; exclusivity has a cost

The fastest-growing deal type — the minority investment — exists precisely because founders want options between “sell everything” and “change nothing.” Advisors who explore the market quietly, compare structures, and understand the trade-offs negotiate from strength. Advisors who engage a single buyer under time pressure do not.

Not every buyer is buying the same thing

A PE-backed consolidator, a strategic RIA, and an internal successor are purchasing different futures for your clients and your team — different economics, different culture, different roles for you after close. Price is one term among many. The advisors who report the highest satisfaction after a transaction are rarely the ones who simply maximized the headline number.

The window favors the prepared

Capital is abundant, buyers are numerous, and demographics guarantee a steady supply of transactions for years. But cycles turn: interest rates, buyer discipline (a fifth of serial acquirers now expect valuations to decline), and the sheer pace of consolidation all argue against assuming today’s conditions last forever. The advisors who benefit most are those who did their homework before the market

forced their hand.

9. Outlook

Three forces will shape the next phase:

Continued consolidation, selective discipline

Deal volume should remain elevated — the demographic math insists on it — but buyers are becoming more selective. Expect fewer, larger transactions and a widening gap between premium franchises and everyone else.

The recap wave

Many PE investments made in the 2019–2022 vintage are approaching typical holding periods. The resulting recapitalizations — like the landmark minority deals of 2024 — will set the next round of valuation benchmarks and keep mega-deals in the headlines.

Advisor awareness as a competitive edge

As transactions become more visible and valuations more discussed, the information gap between buyers (who see hundreds of deals) and sellers (who sell once) is the central inefficiency in the market. Closing that gap — understanding structures, ranges, and trade-offs before engaging — is the closest thing to a free advantage a selling advisor can get.

THE BOTTOM LINE

- Private equity did not just participate in the RIA market's growth — it financed much of it, and the 2023–2026 data shows its role still expanding.
- Record deal volumes, record valuations, and an expanding set of deal structures mean independent advisors have more options — and more complex decisions — than ever before.
- The advisors who fare best will be those who treat understanding the market as preparation, not as a reaction to an offer already on the table.

10. Methodology & Sources

This paper synthesizes published industry research current through Q3 2026. Deal-volume figures come from the three established trackers — Echelon Partners' RIA M&A Deal Report, DeVoe & Company's RIA Deal Book, and Fidelity's M&A review — each of which defines its deal universe differently; counts therefore differ while trends agree. Transaction details come from company announcements and trade-press reporting. Valuation figures reflect published industry analyses. Demographic and channel-size figures derive primarily from Cerulli Associates research as reported in the trade press, supplemented by the Investment Adviser Association, Schwab's RIA Benchmarking Study, and Fidelity's benchmarking work.

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