



-Not for external distribution-

Captrust gets PE investment valuing firm at \$1.25bn

The Raleigh, North Carolina-based RIA giant has sold a 25% stake to private equity firm GTCR.

Citywire

By Jake Martin

June 2, 2020



RIA giant Captrust, with \$47bn in assets under management, has taken on a 25% minority investment from GTCR, a private equity firm. The investment reflects a valuation of the Raleigh, North Carolina firm at \$1.25bn.

Captrust co-founder, chairman and chief executive Fielding Miller (pictured) will continue to lead the firm and remain the largest shareholder.

Captrust, founded in 1997, selected GTCR as a capital partner after a search that began in mid-2019, the firm said. After closing 40 transactions since 2006, Captrust said it was looking for additional capital to continue [the firm's national expansion](#).

'It was important to find a partner that not only understands our CAPTRUST mission, our people, and our strategy, but also respects our passionate commitment to independence and focus on the long term,' Miller said in a statement. 'GTCR has a notable track record of partnering with companies considered to be best-in-class in their respective industries and helping them accelerate success.'

Chicago-based GTCR, which was founded in 1980 and specializes in the financial services sector, said it is investing in Captrust with a minority interest and a minimum 7-year investment horizon. The firm will hold two of the nine seats on Captrust's board of directors.

Meanwhile, Captrust leadership and employees will [continue to hold the majority interest in the firm](#) following the transaction. A portion of the proceeds will provide 'partial liquidity' to its 380-plus shareholders while another portion will be held as primary capital to fund acquisitions.

'We see great potential in the independent RIA space and believe that Captrust is uniquely positioned to continue its extraordinary growth trajectory through the current market conditions and beyond,' said Collin Roche, managing director of GTCR. 'They have a history of being aggressive when markets are uncertain, so this is an ideal time to partner with Fielding and his deep bench of talented professionals.'

The \$1.25bn valuation for Captrust stands as one of the highest ever recorded for a mass-market RIA. Goldman Sachs [paid \\$750m in cash to acquire United Capital Financial Advisers in 2019](#), while Hellman & Friedman valued its deal to merge Edelman Financial Services with 401(k) account manager Financial Engines at \$3.02bn. Focus Financial Partners, a KKR and Stone Point-backed serial investor in RIAs, had a market capitalization of \$1.92bn in Tuesday morning trading on the Nasdaq.

Private equity firms have recently shown increased interest in firms of similar stature to Captrust. General Atlantic took an undisclosed minority stake in Creative Planning earlier in 2020, while Oak Hill Capital took a stake in Mercer Global Advisors in late 2019.

Captrust has more than 700 employees and 43 offices in 21 states. Altogether, the firm has more than \$390bn in assets under advisement.