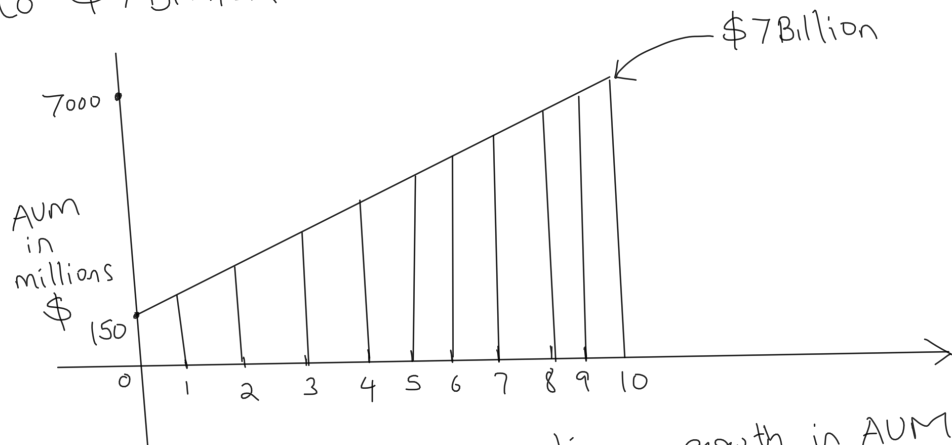


Estimated Net Worth \$800mil to \$1Billion

Worked at a Hedge Fund as an analyst till 2013 and probably earned a few million dollars, which in the grand scheme of things is pocket change.

Then started a hedge fund in 2014 which he owns 75%. He has run the hedge fund for about 10 years in which assets have grown from \$150 million to \$7 Billion.



As we see above I assumed a linear growth in AUM. To get the management fee he charged his clients we need to calculate the area of each of the trapezoids and multiply by 2% which is a typical management fee. Then multiply that by 0.75 which is his share of the fees. So doing all the calculations he collected \$590 million in management fees.

BUT...

I also need to calculate Performance fees. That is more challenging (but interesting) work. So I will guess \$410 million to keep the numbers simple.

I also value his business around a \$100 million

$$\begin{array}{rcl} \text{So he has} & \$590 \text{ in fees} & \\ & \$410 \text{ in Performance} & \\ & \hline & 1000 \times [1 - 0.3] & \leftarrow \text{Tax} \\ & = 700 & \\ \text{Add Business} & + 100 & \\ & \hline & \$800 \text{ million} & \end{array}$$