

Navigating the Family Office Market:

Single & Multi-Family Offices



CONTENTS

- 3** Executive Summary
 - 4** Introduction
 - 5** Single Family Office FAQs
 - 8** Multi-Family Office FAQs
 - 11** SFOs vs MFOs: Recapping the Main Differences Between the Two
 - 12** What Does the Future Look Like For Single & Multi-Family Offices?
 - 12** About FINTRX
 - 13** FINTRX Links | Contact Us
-



EXECUTIVE SUMMARY

Our Company's purpose is to accelerate the production of asset-raising professionals, by providing them with world-class private wealth data & research in a seamless and efficient manner. Each data point we gather and technology solution we build is engineered to solve the complex issues facing industry professionals in their daily work flow.

The values we share as a company are embodied in what is produced at FINTRX each and every day. Our team members are dedicated, forward thinking, and driven by our mission. We strive to exemplify these values in a potential engagement with your team.

I thank you for the interest and opportunity.

Best wishes,

Russ D'Argento
Founder & CEO



INTRODUCTION

First introduced by the family of *J.P. Morgan and the Rockefellers* in the 19th century, family offices have blossomed from a cottage industry into a substantial player within the private capital markets. Over the past 50 years or so, the number of family offices across the globe has greatly increased, thereby becoming the preferred vehicle for the ultra wealthy to organize, invest and direct their capital.

Family offices are typically private, unregulated companies, constructed to manage the wealth and investments of individuals and families with over \$50M of investable assets.

Family offices often fly under the radar and face little regulatory oversight. This creates a landscape that is difficult to assess and measure. The result is an ecosystem which is difficult to track in terms of size, numbers, and assets.



Family offices have rapidly advanced over the past several years, essentially reforming the way the ultra wealthy manage and allocate capital. While this transformation continues to add value for high net-worth families and individuals around the world, this unique maturation has also added a new level of complexity to an already obscure space.

In an effort to shed light on the family office landscape, we have summarized a number of common questions to help clarify any underlying assumptions regarding single and multi-family offices.

SINGLE FAMILY OFFICE FAQS

What is a single family office?

A single family office (SFO) is a private investment vehicle (or similar entity) that has been established to manage and represent the wealth on behalf of one family or individual. The team is generally responsible for a myriad of tasks including wealth management, charitable and philanthropic projects as well as tax and estate planning - to name a few. Oftentimes, SFOs are established for individuals or families with at least \$25M of assets, however at FINTRX we focus our attention on those in excess of \$50M.

How are single family offices structured?

Like any vertical dealing with the ultra wealthy, single family offices are unique in their setup and structure, as they are entirely driven by the needs of the family. When it comes to the staffing procedures for a single family office, keep in mind this number differs greatly among all family offices. Some may start with one or two employees managing the family's affairs, and over time, may grow to have more than 50 employees. Again, there is no set number, as it depends on the specific desires of the family.

Single family office talent often extends to:

- Private Lawyers
- Fund Managers
- Tax & Trust Specialists
- Accounting & Financial experts
- Real Estate Professionals
- Investment Due Diligence & Research Professionals
- Luxury Goods Oversight
- Senior Bankers
- Executive Assistants

Why would an individual or family create a single family office?

With greater wealth comes greater financial complexity, especially in regard to one wealthy family or individual. That being said, one would create a single family office to preserve and manage a large fortune for the coming generations. Free from institutional mandates, intermediaries, and other standard due diligence procedures, single family offices provide greater freedom and flexibility to allocate capital in a way that aligns with the values and desires of the family.

What services do single family offices offer?

Single family offices offer a multitude of personal and wealth management solutions that differ considerably depending on the requirements and fortune of the family. Those who do employ single family offices *normally* control the applicable services as well as how those services are delivered to the family. Traditional single family offices generally provide a wide array of specialized solutions.

Almost all SFOs provide some combination of the following services:

- Lifestyle/wealth management
- Investment implementation
- Asset allocation
- Legacy planning
- Legal advice
- Tax preparation
- Insurance planning
- Charitable assistance
- Banking/accounting operations
- Estate planning
- Risk management
- Bill paying/record keeping
- Family governance



What is the minimum asset amount needed for it to make sense to create one?

Assets under management (AUM) is the total value of all the assets managed by a family office. The true minimum AUM threshold to be considered a single family office is cloudy and depends entirely on the services that the family requires. Some say \$10 million, others prefer \$20 million; the list goes on.

Why are single family offices an attractive pool of capital?

Single family offices are an attractive pool of capital for a number of reasons. Despite the obvious structural advantages (their distinct flexibility, straightforwardness, perfectly tailored services, etc.), high net-worth individuals and families are also drawn to their privacy and confidentiality. Single-family offices represent attractive pools of capital for investment firms from hedge funds, private equity funds, real estate funds, and long-only money managers - to name a few.

What is the best way to source single family office information?

Running Google searches, scouring LinkedIn and surfing the web can be useful in some capacity, but tends to be laborious, time-consuming, and thin on quality data. To make things more difficult, static family office excel lists available for purchase often have limited or outdated information. Fortunately, that's where FINTRX provides immediate transparency to this cloudy family office ecosystem - providing comprehensive family office data, research, investment focus and history.

“*The reality is, the family office landscape is growing incredibly quickly and becoming more sophisticated by the year. Like anything else when it comes to raising capital and securing an investment, **information is power**. The need for an ever-moving and intuitive data set in the family office space has never been greater...in a nutshell, that's exactly what we do.*”

- Russ D'Argento, CEO & Founder of FINTRX

MULTI-FAMILY OFFICE FAQs

What is a multi-family office?

Multi-family offices (MFOs) are designed to provide capital management services on behalf of a number of unrelated families or individuals and can be seen managing up a hundred or more client portfolios at any given time. MFOs typically provide a range of services, including investment management, financial planning, tax planning, estate planning, and philanthropic advisory services, but often tend to focus their attention on overall wealth management due to the fact they manage wealth for a number of clients. In addition, they are usually structured as independent firms but can also be part of a larger financial institution or family office network.

What should each family consider before employing a multi-family office?

There are a few considerations to examine before utilizing the services of a multi-family office to help determine the most optimal selection for you and your family.

Each family should identify its:

- Strategic objectives & long-term goals
- Types of services needed
- Net assets
- Desired communication methods

Why join a multi-family office rather than creating a single family office?

With greater wealth comes greater financial complexity, especially in regard to high-net-worth families and individuals. Affluent families and individuals may be more apt to join a multi-family office to save on costs or to access greater financial expertise. The choice also depends on the level of control they wish to maintain. These families are typically seeking a provider with no

conflict of interest, enhanced service provision, and improved adaptation. Free from institutional mandates, intermediaries, and other standard due diligence procedures, multi-family offices provide greater freedom and flexibility to allocate capital in a way that aligns with the values and desires of each family.

How are multi-family offices structured?

As with any vertical dealing with the ultra wealthy, multi-family offices are unique in their structures, as they are entirely driven by the varying needs of the families they serve. Each have their own processes and organizational structures, and tend to employ more of an institutional approach. Commonly, MFOs are structured to either offer all services in-house to their clients or to refer their clients to partner firms, creating a network within which clients can access all of the services they may need. Multi-family offices are continually developing their operational structures to align with the unique needs of wealthy families.

Multi-family office talent may include any combination of the following:

- Private Lawyers
- Fund Managers
- Tax & Trust Specialists
- Accounting & Financial experts
- Real Estate Professionals
- Investment Due Diligence & Research Professionals
- Luxury Goods Oversight
- Senior Bankers
- Executive Assistants



What services do multi-family offices offer?

Multi-family offices are known to offer a specific set of services to broader clientele, though it all depends on the demands of each family. This is because they themselves control the applicable services put into operation.

Multi-family office services often include:

- Wealth & investment management
- Asset allocation
- Retirement planning
- Legacy planning
- Tax planning
- Insurance planning
- Charitable giving
- Estate planning
- Risk management

What are the assets needed for using a multi-family office to make sense?

Although there's no industry-recognized level of wealth to be considered a multi-family office, the customizable services provided by a multi-family office are highly valued, oftentimes requiring AUM anywhere from \$10 million to upwards of \$200 million.

How do multi-family offices communicate with their clients, and how frequently?

Because the daily operations of multi-family offices differ from client to client, the same holds true for the methods of communication client relationship. Some families like to have greater involvement with open lines of communication, while others may request quarterly updates.

SFOs vs MFOs

Recapping the Main Differences Between the Two

Family offices are defined as either **Single Family Offices (SFOs)** & **Multi-Family Offices (MFOs)**.

- ▶ A single family office (SFO) is a private investment vehicle established to manage and represent the wealth of one high net-worth family or individual.
- ▶ A multi-family office (MFO) is a private investment vehicle that provides financial services to a number of unrelated families or individuals - ranging from just a couple of families to north of 50+.

SFOs

Single Family Offices

- ✓ Manage & represent the fortune of one family or individual
- ✓ Designed to offer a vast array of wealth management services
- ✓ Likely to be smaller entities
- ✓ Recruitment takes place on the basis of a family's particular requirements
- ✓ Firms are often close to the families' roots
- ✓ Mainly consist of high-profile ex-consultants and investment bankers

MFOs

Multi-Family Offices

- ✓ Manage & represent up to 100 client portfolios at a given time
- ✓ Oriented toward wealth management versus a full suite of services
- ✓ Work to develop an investment strategy based on the risk/return profile of their clients
- ✓ Clearly defined employee roles
- ✓ Evolving client base
- ✓ Significantly more affordable than SFOs

What does the future look like for single and multi-family offices?

The number of family offices around the world is on the rise, and this trend shows no signs of slowing any time soon. As more capital raisers turn to the space for funding, family offices are finding it more beneficial to become forward-facing, allowing for higher-quality deal flow. As global wealth continues to rise, there is no doubt that single and multi-family offices will continue to maintain a leading role in the management of substantial wealth over the coming years.

Today's breakthrough technologies make finding commonalities in your family office network easier than ever before. Inclusive, user-friendly family office data and research platforms such as FINTRX make it possible to discover commonalities that impel stronger, more efficient outreach processes with these private groups.

About FINTRX

[FINTRX](#) is a unified data & research platform providing comprehensive data intelligence on **850,000+** family office & investment advisor records, each designed to help asset-raising professionals identify, access & map the global private wealth ecosystem.

FINTRX data covers **3,700+** family offices, nearly **20,000** family office contacts, **39,500+** registered investment advisor entities, and **743,000+** registered reps. Data is sourced from 10+ public & private sources. Equipped with **375+** search filters, FINTRX allows you to seamlessly track where family office & investment advisor capital is flowing, uncover allocation trends, break down investments by sector & size, understand future investment plans and more.

FINTRX offers expansive contact information on **850,000+** private wealth decision-makers, featuring job titles, direct email addresses, phone numbers, common connections, alma maters, past employment history, and brief bios to empower you to book more meetings, increase efficiency and expand your global network.

[Request A Demo](#)

FINTRX Links

[Family Office Data Intelligence](#)

[RIA Data Intelligence](#)

[FINTRX Private Wealth Blog](#)

[Customer Case Studies](#)

[Customer Reviews & Testimonials](#)

[FINTRX Private Wealth Newsletter](#)

[FINTRX iOS Application](#)



Contact Us

1 (617) 517-0789

Media Contact

media@fintrx.com

Commercial Contact

sales@fintrx.com

Boston, MA | New York, NY