



Cresset and Meristem Merge to Create \$27B AUM Multifamily Office

The deal with Meristem Family Wealth also brings an in-house trust company to Cresset.

By Ali Hibbs for Wealth Management

Cresset Asset Management, the fast-growing wealth manager headquartered in Chicago, announced plans Wednesday to merge with Meristem Family Wealth, a \$5.4 billion wealth advisory firm, to create a multifamily office with more than \$27 billion in assets under management. The combined firm will serve clients from offices in 15 markets across nine states and Washington, D.C.

The deal is expected to close next month.

An independent generational wealth management firm, Meristem was founded in 1999 and has offices in Minnetonka, Minn.; Naples, Fla.; Scottsdale, Ariz. and Sioux Falls, S.D. Its subsidiary, Meristem Trust Company in South Dakota, will also be merging with Cresset—which has previously outsourced trust services.

"This is a huge deal for Cresset," said John Furey, managing partner of Advisor Growth Strategies, who told *WealthManagement.com* that he views it as "one of the most significant transactions of the year so far."

"The addition of the trust company will provide a new dimension to Cresset, which should spur future organic growth and deals," he said, adding that the firm is moving towards becoming a national RIA.

"The Meristem acquisition adds another fitting feather to Cresset's 'thesis' cap," Echelon Partners Managing Director Michael Wunderli said in reference to the firm's overall growth plan. "With the acquisition, Cresset continues to execute on its strategy to build out resources focused on the UHNW and family office market segment, which is grossly underserved in the independent space. Meristem should ultimately benefit from the offerings Cresset already has in place, making this a seemingly accretive transaction for both parties."

Cresset was founded by Eric Becker and Avy Stein in 2017 to manage their own families' assets. Becker and Stein came out of the private equity world and bringing private placements to their wealthy clients has been a focus of the firm. It now serves more than 1,100 high-net-worth clients, including entrepreneurs, CEOs, and executives, as well as multigenerational families. Cresset provides boutique family office services, personalized wealth management, private investing opportunities and a community focused on peer-to-peer learning.

“Both [Cresset and Meristem] started as shared family offices serving a limited number of families, quickly growing into leading multifamily offices,” said Stein, in a statement. “Today, we use our scale to offer an enviable array of talent, services, and investment opportunities to our clients without ever losing our boutique focus on our clients.”

Earlier this year, the firm brought in advisors from JPMorgan, Bank of America, and Fidelity. And in another large merger last September, Cresset integrated \$4.7 billion Berman Capital Advisors, a multifamily office based in Atlanta and Austin, Texas.

“It all comes down to consolidation in this industry,” said Justin Berman, CEO of Berman Capital Advisors, in a Q&A on Cresset’s website. “Some of the smaller firms won’t be able to keep up in terms of attracting talent and clients. This train is moving so fast. Without the fresh perspective gained by partnering with another firm, you’re more likely to get left behind.”

Meristem CEO Charlie Maxwell called the merger with Cresset “an ideal partnership.”

All 42 of Meristem’s team members are joining Cresset as part of the deal. Meristem clients will continue to work with their current team of advisors but will have access to expanded services, including family governance and education, as well as learning opportunities and private investments through Cresset Partners.

Terms of the deal were not disclosed.