



AVESTIX
FUTURE IN FINANCIAL INTELLIGENCE



The State of Play for Family Offices, 2025

AVESTIX INTELL™

In the coming years, Baby Boomers worldwide could be handing off as much as

\$90
Trillion

in assets to their heirs.

INTRODUCTION

Analysts estimate that in the coming years Baby Boomers worldwide could be handing off as much as \$90 trillion in assets to their heirs. Although mainstream banks and brokerage firms have spent years campaigning to help manage this so-called “great wealth transfer,” AVESTIX INTELL™ believes family offices are uniquely qualified to serve as advisors to those investors who will soon inherit this unprecedented wealth.

Thousands of family offices now do business worldwide, and, as this eBook makes clear, the number of single and multiple family offices — and the financial muscle they wield — is only expected to grow. By 2030, family offices will collectively manage nearly \$10 trillion.

To stand out in a highly competitive field, family offices must have a complete picture of the coming wealth transfer, the intense competition they face, and — perhaps most importantly — a comprehensive understanding of what younger generations of investors are looking for in investment partners.

That is why AVESTIX INTELL created *The State of Play for Family Offices, 2025*. It draws on a wide array of data from across the industry and provides a snapshot of the U.S.-based family office industry, what post-Boomer investors prioritize when building their portfolios and why family offices are poised to capitalize on the coming transfer of wealth.

We invite family office executives to use this eBook as a resource as they strategize for 2025 and beyond.



Susan Lindeque,
Founder, CEO of AVESTIX INTELL



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All investments involve risk and some investments and investment sectors discussed may not be suitable for all investors. Please consult your financial advisor before making any investment decisions.



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The ‘great wealth transfer,’
will likely make succeeding
generations **the wealthiest**
Americans in history.

1 Executive Summary: The Great Wealth Transfer and Family Offices

Although experts disagree on the *exact* valuation of the cash and assets that will be changing hands in the coming decades during the “great wealth transfer,” the estimates are staggering.

As property- and equity-rich Baby Boomers age and pass away, they will cede to their Gen X, Millennial, Gen Y and Gen Alpha heirs, a distribution that will likely make those succeeding generations the wealthiest Americans in history.

Analysts say this Boomer largesse could be as high as [\\$90 trillion](#). To put this collective nest egg in perspective, [one bank says](#) it will equal “2.5 times the total amount of U.S. national debt.”

This isn’t exactly news to the financial services industry, which has long anticipated and planned for the transfer. Money managers and advisors representing banks, financial services organizations and investment companies have spent years positioning themselves as the ideal partners to help facilitate the distribution of funds and assets, but it may be family offices (FOs) that are best-qualified firms to guide investors through the historic transition.

WHY FAMILY OFFICES?

There are many reasons, but two top the list. First, the face of investing has changed dramatically in recent years as generational differences in values, priorities and attitudes about technology and innovation have created a seismic shift in how post-Boomer investors want to manage their assets.

Secondly, many of the large banks and financial services organizations that have been competing to serve as custodians to the coming wave of wealth are highly cumbersome organizations, tied to legacy technologies and business models that lag behind the modern preferences and priorities of the new investor class.

Most FOs, on the other hand, are lean and agile enough to quickly adapt to changing values and priorities. Many FOs already have hands-on experience investing in (and using) the cutting-edge technologies younger investors want to support.



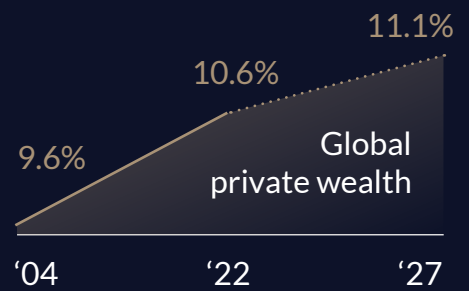
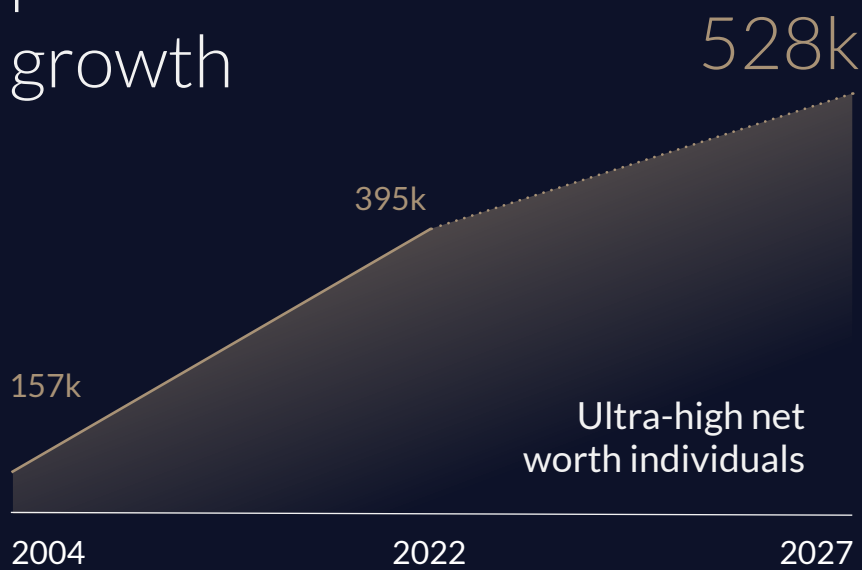


Family offices hoping to appeal to a new generation of investors may want to explore impact investment opportunities. Last year PwC determined FOs have been steadily increasing their impact investments for at least a decade.

The State of Play for Family Offices looks at today's family office landscape and explores why FOs may be best suited to help post-Boomer investors manage the historic wave of wealth they will soon control. Additionally, the eBook offers suggestions family offices can take to ensure they remain competitive in a market that is crowded with both traditional financial service organizations and competing family offices.



Projected private wealth growth



20,000

Family businesses operating around the globe currently.

\$9.5 trillion

Managed by family offices in the next five years.

\$60.3 trillion

Expected wealth managed by family offices by 2027.

2 Today's Family Office Landscape

Most FOs operate independently, but collectively they have established a significant footing in the U.S. and abroad.

Pinning down the exact number of FOs now operating is a challenge. [Deloitte](#) estimates there are nearly 4,200 operating in the U.S. and more than 8,000 worldwide. [KPMG](#), meanwhile, puts the number of U.S.-based FOs between 3,000 - 6,000, but says the number of family businesses operating around the globe is closer to 20,000.

Regardless of the exact figure, FOs have proven themselves to be a financial force to be reckoned with. Globally, they are on track to [manage \\$9.5 trillion in the next five years](#).

What is fueling this surge? One major reason is that the volume of clients family offices cater to – ultra-high-net-worth investors – has grown at a historic pace.

According to [JP Morgan Private Bank](#), much of this growth has exploded in just the last two decades:

“In 2004, approximately 157,000 ultra-high-net-worth individuals held 9.6% of global private wealth,” according to the bank. “In 2022, 395,070 ultra-high-net-worth individuals worldwide controlled over \$45 trillion—roughly 10.6% of global wealth.”

And JP Morgan sees no signs of slowing: “By 2027, the global ultra-high-net-worth population is expected to increase to a total of 528,100 people, up by 133,000 individuals from 2022, and the level of global ultra-high-net-worth wealth will increase by \$14.9 trillion to an estimated \$60.3 trillion (11.1% of global wealth).”

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True to their entrepreneurial nature, **family offices are showing themselves ready and willing to move into new and emerging opportunities.** Private equity allocations now include a small but significant place for venture capital investments. Cryptocurrencies account for 5% of portfolios, an allocation that would have been unthinkable a decade ago.

[BNY, 2024 Investment Insights for Single Family Offices](#)

3 The Evolution of Investing – and Investors

So, why are family offices better suited than big financial firms to help the post-Boomer generation manage the staggering volume of wealth now in play?

In recent years, the face of investing has undergone a seismic shift, driven by generational differences in values, attitudes and approaches to investing, technology and innovation.

Boomers have long demonstrated a preference for building investment portfolios made up primarily of stocks, bonds and other traditional vehicles that deliver fairly predictable returns. Many of this generation also look at emerging, transformative investment opportunities – such as artificial intelligence (AI), blockchain and Web3 technologies, cryptocurrencies and decentralized finance (DeFi) – with varying degrees of skepticism.

Conversely, Gen X, Millennial, Gen Z and Gen Alpha investors – those who will soon be on the receiving end of the great wealth transfer – view alternative investments (e.g., companies leveraging AI, blockchain, crypto, etc.) and see not-yet-fully-realized opportunities for growth, innovation and democratized access. More importantly, they recognize that many of these transformative resources are already reshaping today's financial systems as well as entire industries.

This marks another reason FOs are ideally suited to help manage investment portfolios for new generations of investors: According to 2024 findings from BNY, 44 percent of FOs are already investing in alternative assets like crypto and blockchain projects or venture capital firms that support startups that leverage these technologies. In other words, nearly half of FOs are already in line with those investors who are hoping to capitalize on new technologies, meaning they can help bridge the generational gap in wealth strategies.

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While the number of family offices has exponentially increased, **the landscape itself has evolved too**. Family offices have matured and are no longer small and intimate entities managing the extraordinary wealth of individuals and their families. Many have become institutionalized machines equipped with exceptional professionals to match.

[KPMG, Global Family Office Compensation Benchmark Report 2023](#)

4 The Changing Face of Family Offices

For years family offices were seen as risk-averse, specialized investment firms catering primarily to old-money clientele that were interested only in preserving wealth. But in today's highly competitive financial services marketplace, FOs have had to evolve beyond this stale stereotype.

As Founder and CEO of AVESTIX INTELL, [Susan Lindeque](#) recently told [Smart Tech Daily](#), "The family office landscape has become very competitive. As a result, many of these firms have to explore cutting-edge technologies to appeal to a new generation of investors, but they are also leveraging new technologies to improve efficiencies in their practices."

Last year [CNBC](#) reported that AI had become the favored investment category for more than three-fourths of family offices, with about 78 percent of them saying they plan to invest in AI-related opportunities in the near term.

But family office fascination with AI isn't limited to investing. [Barron's](#) recently reported that more FOs now deploy AI to "facilitate automation of several mundane but critical tasks for family offices."

[BNY](#), meanwhile, found that about 40 percent of FOs "are actively investing in cryptocurrencies or exploring doing so."

Not only are family offices investing in innovative technologies, but they are also investing in startups that leverage these technologies.

According to PwC, “Family offices are major players in funding innovation, being responsible for 31 percent of investments in startups, and with 83 percent of those executed as club-deals [with co-investment partners].”

PwC’s 2024 *Global Family Office Deals Study* revealed that “Generative AI (GenAI) is one of the fastest growing and most popular areas for family office investments in startups.” In fact – since 2014 – “family offices have generally shifted their investment focus away from real estate and funds and towards direct investments (i.e. startups and M&A).”

FOs are evolving beyond their traditional roles in other ways as well. Deloitte found that “women are increasingly ... taking on greater leadership roles within the family enterprise, [and] ... now serve as the principals for 15 percent of family offices worldwide.”

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While public equity and fixed income holdings continue to provide solid portfolio cores, **many family offices ... remain very comfortable investing in alternative asset classes and investment strategies outside of traditional markets.**

JP Morgan Bank,
2024 Global Family
Office Report

THE CHANGING FACES OF FAMILY OFFICES

Regionally, Deloitte's data shows women serve in leadership roles at 21 percent of FOs in Africa, 20 percent in Europe, 18 percent in the Asia Pacific and 12 percent of FOs operating in North America.

"The findings also reveal that, on a like-for-like basis, women are more likely than men to utilize a family office for their wealth management," according to Deloitte.

DATA SNAPSHOT

31%

of investments in startups are made by family offices.

15%

of family offices have women in leadership roles worldwide.

21%

of family offices in Africa have women in leadership roles.

20%

of family offices in Europe have women in leadership roles.

18%

of family offices in Asia Pacific have women in leadership roles.

12%

of family offices in North America have women in leadership roles.

5 Where Do Family Offices Go From Here

Family offices have made significant strides in recent years to evolve beyond their traditional wealth-management models, but there is still room for improvement — especially if they hope to win over post-Boomer investors.

When JPMorgan Bank surveyed 190 FO executives last year about the “gaps” in the services they provide their clients, 40 percent of respondents identified [cybersecurity as the leading gap](#). (Family governance, succession planning and family wealth education all followed at 31 percent.)

This cybersecurity oversight is especially troubling given that the survey also revealed that 25 percent of FOs had been exposed to a data breach or financial fraud. More troubling, one-in-five respondents reported that their firms had no cybersecurity measures in place.

This lack of cybersecurity awareness may reflect the makeup of many FO leadership teams. When asked about internal decision-making, 36 percent of survey respondents said Chief Executive Officers (CEOs) and/or Presidents oversaw operations. Chief Financial Officers (CFOs) were in place at 28 percent, while Chief Investment Officers (CIO) helmed operations at 25 percent. JPMorgan’s survey findings made no mention of Chief Information Security Officers (CISOs) or similar cybersecurity-focused executives leading the surveyed firms.

But cybersecurity is only one gap that enterprising FOs can focus on.

In recent years, younger investors have gravitated to investing that not only generates financial rewards but also promotes social and environmental impact. As such, FOs hoping to appeal to a new generation of investors may want to explore impact investment opportunities.

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44% of family offices are already investing in alternative assets like crypto and blockchain projects or venture capital firms that support startups leveraging these technologies.

Last year PwC determined family offices have been steadily increasing their impact investments for at least a decade. In fact, as of the first half of 2022, impact investing accounted for more than half of their total investments, and the impact allocations have increased since then. Data showed that education made up 29 percent of FO impact investing while renewable energy accounted for 24 percent. (Efforts to expand affordable housing appear to be a missed opportunity, accounting for only about 4 percent of FO impact investments.)

“Impact investing is playing an increasingly important role in family offices’ deal flows ...This is part of a clear shift across the global family office community away from ‘traditional investments,’ and towards ‘impact investments,’” says PwC’s report.

The takeaway: FOs need to understand that post-Boomer investors are increasingly concerned about philanthropy and the legacies they leave behind. Those family offices that support such concerns may give themselves a competitive advantage.

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This rising generation is ... more aware and better-informed about new technologies, which helps to explain the increase in [family office] investments in startups. ... This generation also sees itself as committed to a sustainable future, which helps to explain the **rising interest in impact investing.**

PwC,
Global Family Office
Deals Study, 2024



6 How AVESTIX INTELL Can Help

In a 2024 report on the financial readiness of Americans, Northwestern Mutual found that [48 percent of established millionaires](#) still believe their current financial plans need improvement.

This may explain why nearly 60 percent of high-net-worth individuals told the insurance giant that they prefer to work with a financial advisor, nearly twice the percentage — 33 percent — of average investors. Equally important, 59 percent of high-net-worth individuals value the direction their advisors offer, compared to 33 percent of rank-and-file investors.

This is especially noteworthy because — [according to the New York Times](#) — the wealthiest 10 percent of American households are the ones that will reap the most capital from the forthcoming great wealth transfer. Meanwhile, [research confirms](#) that — despite the evolution of their business models — the chief constituency of family offices remains ultra-high-net-worth families and individuals.

In other words, family offices have an important role to play in guiding and educating their post-Boomer clients in managing the historic volume of wealth they will soon inherit.

THE STATE OF PLAY FOR FAMILY OFFICES, 2025

Avestix wants to help. We recently launched [AVESTIX INTELL](#), a community made up of leading founders, entrepreneurs, funders, innovators and family office executives to provide this diverse group of stakeholders a forum in which they can collaborate and share ideas.

AVESTIX INTELL isn't about adapting to change — it's about helping to spearhead it. By building a bridge between foundational investment strategies and tomorrow's opportunities, AVESTIX INTELL will help ensure that affiliated family offices can remain resilient, innovative, relevant and aligned with the needs of tomorrow's investors.

If you would like to learn more about AVESTIX INTELL and how you can be part of its growing network, [schedule a free, no-commitment consultation](#) with one of Avestix's team members to learn more.





AVESTIX
FUTURE IN FINANCIAL INTELLIGENCE

Avestix is a group of companies that invest in frontier technologies that will define humanity's future while maximizing value for our investors. We relentlessly pursue opportunities in cutting-edge fields, combining the potential for groundbreaking impact and superior financial performance.

Avestix is shaping the future by creating pathways for innovative products using Artificial Intelligence, Internet of Things and Blockchain, to access capital investment and global markets across multiple sectors.

LOCATIONS

New York | Miami | Silicon Valley

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