

# XML Financial expects to buy one wealth management firm per year, CEO says

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**XML Financial** expects to buy one wealth advisory business per year beginning in 2023, with a goal of more than doubling its client assets during the next five years, said co-founder and CEO Brett Bernstein.

The Rockville, Maryland-based wealth and investment manager prefers to expand its Mid-Atlantic footprint along the Eastern Shore of Maryland and the Washington DC area into Florida to the south and possibly New York and Boston to the north, Bernstein said.

The company also has an office in Colorado and is open to bringing on advisors in other areas, he added.

XML's main criteria is people, he said. Firms should manage clients with XML's standards and be willing to enhance their talent pools through mergers, said Bernstein.

XML is a subsidiary of **Focus Financial** [NASDAQ:FOCS] and has the capital backing to acquire a wealth manager of any size, he said, adding that XML's target is to grow its client assets from nearly USD 4bn to USD 10bn in five years.

The company on 5 July announced its merger with Samson Wealth Management Group of Fort Washington, Pennsylvania.

The deal was XML's third since becoming part of Focus Financial in 2016, Bernstein said. XML Financial has since grown its client assets from USD 500m, he said.

The company is in talks with potential acquisition targets, but will likely not close another deal until 2023, Bernstein said.

He would not disclose XML's target EBITDA multiples but said the market has been pricing firms from the high single digits to low double digits.

Bernstein and XML co-founder Rob Kantor, the firm's CIO, are former Merrill Lynch advisors who founded XML in 2004. As a founder-owned business, the company did one small acquisition, Bernstein said. The duo decided that for XML to be more than a lifestyle practice, it would need capital backing, he said. "We joined Focus to turbocharge growth."

XML also has an affiliated broker-dealer, XML Securities. The company has about 50 employees, Bernstein said.

Focus Financial provides all advisory services, he said.

by Calvin Trice in Charlottesville, Virginia