

Raimondi's Dakota Wealth Management makes Montana RIA buy



Ian Wenik / 07 July 2022, 11:05

Peter Raimondi's third RIA enterprise is heading west.

Venerable RIA builder Peter Raimondi is looking west to find his latest deal target.

Raimondi's \$2.3bn RIA, Dakota Wealth Management, firm has acquired Loveless Wealth Management, a four-employee RIA managing \$230m which is based in Billings, Mont. The transaction marks the first expansion for Dakota, which is based in Palm Beach Gardens, Fla., out of the eastern time zone.

'When we first heard about their availability, we passed on it because of how far west it was,' Raimondi (pictured) said of Loveless Wealth. 'They came back to us and said they really wanted to talk to us individually, that they had learned a little bit about Dakota and asked if we would at least take a call instead of passing on it.'

'I thought: "If someone wants to talk to you that badly, you should probably do it," and I'm sure glad we did. The minute we had a conversation with them, we really liked them a lot.'

Raimondi declined to comment on specific financial terms of the transaction but noted that it was financed with a mixture of cash and equity. The deal closed on July 1.

Loveless Wealth Management, which is led by president Don Loveless, had sought a buyer for roughly a year before it teamed up with Dakota. It even changed investment bankers along the way. The firm's ultimate representative, Nunnally International, helped it identify Dakota as a potential partner.

Dakota 'separated themselves out in that they didn't demand that the management of the portfolios be taken over immediately by a centralized investment committee,' Loveless said.

Dakota is Raimondi's third RIA venture; he previously founded The Colony Group and Banyan Partners. Since Dakota started in 2018, the company has acquired seven different RIAs around the east coast.

The transaction with Loveless is Dakota's second of the year. In January, it acquired \$440m Pineno Levin & Ford Asset Management in Richmond, Va.

Raimondi has taken a relatively circumspect approach to the recent surge in RIA dealmaking fueled by private equity firms and their RIA holdings.

'Price doesn't seem to reflect the true value of the firm anymore,' he said. 'Price seems to reflect the availability of capital of the buyer. The more private equity money buyers have, the more they're willing to spend it. It's really just like spending other people's money.'

'From our perspective, we've always spent our own money. These aren't purchases for us — they're investments.'

RELATED NEWS

The art of building successful RIAs: Meet Peter Raimondi

Peter Raimondi's Dakota buys \$440m Virginia RIA