THE NORTH AMERICA
FAMILY OFFICE REPORT 2025

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Forewords

Dear reader,

Compared to the optimism we saw in 2024, family offices entered this year with more agility due to technology, political developments, persistent inflationary pressures and unprecedented market volatility. While they remain steadfast in their long-term outlook, their continuous search for opportunities will influence them operationally, strategically, and culturally.

This year's findings highlight the central role of operational resilience. Larger family offices continue to benefit from scale – accessing deeper talent pools, advanced technology, and specialized expertise – while smaller and midsize offices are leaning on targeted outsourcing and agile governance to achieve competitive outcomes. Technology adoption is advancing across the spectrum, with AI now moving from concept to practice, delivering gains in efficiency, insight, and decision-making speed.

Yet the data is equally clear: people are the enduring differentiator. Talent retention, succession planning, and next-generation readiness are now top priorities instead of supporting functions. The offices that excel in these areas are better positioned to withstand shocks and to sustain performance over the coming years.

Values are also becoming more deeply embedded in investment strategies. From impact and philanthropic initiatives to sustainability commitments, family offices are increasingly defining success by the influence they have on the world, alongside the returns they generate independent of government policy.

No two family offices face exactly the same challenges, and no single model guarantees success. What unites them is the need to navigate uncertainty with clarity of purpose and a readiness to adapt. The perspectives in this report are designed to inform that journey – offering benchmarks, ideas, and points of reflection to help guide decisions in the coming months and year.

We want to thank the many family offices who contributed their insights to this year's research, and our partners at Campden Wealth for their dedication to capturing and interpreting them. Our hope is that these findings serve not only as a snapshot of where family offices stand today, but also as a catalyst to help shape the future they want to realize.

Warm regards,

Manju Jessa, Vice President & Head, Family Office & Strategic Clients, RBC Enterprise Strategic Client Group

Dear reader,

This is the North American edition of Camden Wealth's 12th Global Family Office Study. One of our objectives in producing this series of reports is to hold up a mirror to the family office universe so that individual families can compare themselves against their peers. But the assumption here is that family offices are an homogenous group when in truth no two are exactly the same. This is very evident from our survey data which stands behind this report. More than 300 family offices globally kindly participated in our survey and they varied in size from US $100 million of assets to more than US $10 billion. The smallest have no more than a handful of staff and the largest have a cost base in excess of US $20 million. Larger family offices have the benefit of scale economies, but nonetheless, their smaller peers can also be successful operating a different business model with reliance on outsourcing.

All these differences make the presentation of data relating to family offices quite challenging. We attempt to get round this problem through granular analysis, examining the characteristics of four different categories of family offices differentiated by assets under management. Hopefully this will enable family offices to identify benchmarks appropriate to their size and make accurate peer group comparisons.

We base our conclusions from the report on our satisfaction survey. We can identify functions with which family members and other family office staff are generally satisfied and those where they are not. It's pleasing that the majority of survey respondents are satisfied with most of the functions their family office offers.

I also want to express my deep appreciation to all the family offices that participated in this research. Without their support this report would not have been possible. I very much hope they will find the output useful. I would also like to extend my gratitude to our partner, RBC, for their enduring commitment to the community and this report.

Warm regards,

Dominic Samuelson, Chief Executive Officer, Campden Wealth

Executive summary

This report, which is accompanied by Asia-Pacific and European editions, forms part of Campden Wealth's 12th Global Family Office Study. It is based on a statistical analysis of 317 survey responses from single family offices and private (non-commercial) multi-family offices worldwide. Of these, 141 were located in North America. The survey was conducted between April and August 2025. On average, North American families have total wealth (including operating businesses) of US $2.0 billion, and their collective wealth stands at US $285 billion. Across all three geographies covered, total family office wealth is estimated at US $554 billion.

AI

A significant percentage of family offices are already using AI to assist in investment reporting and securities analysis. This trend will only accelerate as more advanced iterations of AI emerge. AI is likely to result in a significant reduction in the number of family office staff engaged in basic accounting and/or administrative functions.

Financial market risks

The risks most likely to crystallize are derived from US tariffs. Family offices believe they would be likely to constrain global growth, produce an inflation shock, and prompt depreciation of the US dollar. If those risks were to materialize, they believe recession and global stock market drawdown would follow closely behind.

Generational transfer

Almost half of all family offices expect the transition to the next generation to happen within the next decade. This reflects the surge in family office formation which took place immediately after the turn of the millennium.

Governance

We note a significant increase in the percentage of family offices with mission statements (81 percent) and succession plans (69 percent). One of the primary concerns of family offices is the unpreparedness of family members for succession and so having a succession plan in place is a step towards removing some elements of that concern.

Investment preference

In line with their more cautious approach, the majority of family offices believe cash will offer the best return over the next 12 months. But for those involved in public markets, the most popular investment themes are artificial intelligence, defense industries and the Magnificent Seven (all unchanged from 2024). US dollar weakness has rekindled interest in European equities, and US fiscal policy will likely discourage long duration government bonds.

Investment performance

Our survey, undertaken between April and August, asked family offices to indicate their expectations for full-year investment returns. The average expected return for 2025 is only 5 percent and 15 percent of respondents indicate they expect a negative outcome. Family offices are feeling much less bullish than in 2024 when the average expected return was 11 percent and almost none anticipated a negative return. It may be the case that this more cautious outlook reflects the market drawdown early in Q2 and will prove too pessimistic.

Operational risk

Manual processes and over-reliance on spreadsheets head the list of operational concerns. Technology is transforming the time-consuming task of investment reporting, but many family offices have to operate a hybrid of manual and automated systems because the reporting data for different financial instruments varies considerably.

Outsourcing

The cost of technology, in combination with salary inflation, is prompting many single family offices to consider outsourcing their IT and technology requirements to multi-family offices and wealth managers. 37 percent of survey respondents agreed that cost factors were leading to an increase in outsourcing.

Philanthropy

Almost 90 percent of North American family offices make philanthropic donations. The majority of donations are in excess of US $1 million with an average of US $15 million. This represents 1 percent of average family office AUM.

Private markets

A key feature of family office investment in recent years has been an ever-increasing allocation to private markets, which now constitute 29 percent of the average portfolio. Year-to-date, roughly a quarter of family offices report returns from private equity funds below their expectations, but still expect the asset class to deliver the best risk-adjusted returns over the long-term.

Recruitment

The vast majority of family offices offer bonuses and other forms of incentivization payments, which make compensation competitive with that offered by financial institutions and other professional firms. These payments are seen as essential if family offices are to be able to recruit from that pool of talent. Over 90 percent of family offices report difficulty recruiting and nearly 50 percent report difficulty retaining.

Responsible investing

Family offices engaged in responsible investing are emphatic that it does not mean accepting lower financial returns, with considerable academic evidence supporting the thesis. They confirm that shifts in global policy, such as the US Administration’s withdrawal from the Paris agreement, will not curb their enthusiasm for the strategy.

Satisfaction

Investment options and performance, estate and tax planning, family privacy, and staff dedication are the five functions with which most family members and other family office staff feel most satisfied. Lower on the satisfaction table are scope of available functions, succession planning, and next-gen education.

Technology

The most sought-after pieces of technology are automated investment reporting systems and wealth aggregation platforms. These provide a comprehensive real-time view of a family office’s financial position by consolidating data from multiple financial institutions. The adoption rate of 69 percent is up from 46 percent last year.

Family office landscape

1.1 Introduction

“An investment in knowledge pays the best interest”
Benjamin Franklin

After an extremely volatile first half, it looks as though 2025 may be a difficult year for family offices from an investment perspective. That’s certainly the message from our survey; the respondents expect investment returns to average only 5 percent compared to 11 percent in 2024. Cash is viewed as the asset class most likely to produce the best return.

It is possible that some of the caution which family offices expressed may stem from the volatility of the main US stock market indices during the second quarter, when the majority of our polling took place. Over that period, the US Administration’s policy on trade tariffs was announced, triggering an immediate drawdown of global equity markets. However subsequently, there was an equally sharp “V-shaped” recovery as the administration backed down from its aggressive stance. By the end of the second quarter, NASDAQ and the S&P 500 had reversed previous losses and reached new all-time highs. This positive momentum has continued into the third quarter of the year.

The strength and breadth of the recovery has come as a surprise to many investors. Additionally, the potential risks to financial markets, which family offices believe are likely to stem from the adverse impact of tariffs (namely significantly slower growth and higher inflation) have so far failed to materialize. In short, the economy has demonstrated unexpected resilience. Taking these two factors together, it may well be the case that initial family office expectations for investment returns will be exceeded.

As a point of interest, the drawdown and recovery of Q2 2025 may serve as a salutary reminder to family offices and investors: those who panic-sell during a downturn often lock in their losses and miss out on the subsequent rebound. Conversely, those who stay the course, or even buy into the market at lower prices, are often rewarded when the market recovers.

Unusually, dollar depreciation, which has been evident since the start of the year, is becoming a cause of concern for family offices. For the first time, more family offices are intending to place incremental investment in Europe and Asia-Pacific (excluding China) than in the US.

In line with their newfound caution, family offices believe cash will provide the best return to shareholders over the next 12 months. Otherwise, the most popular investment themes – artificial intelligence, defense industries and the Magnificent Seven – are unchanged from last year. Family offices are almost indifferent between growth and value equities and between North American large-cap and small-cap. On a two-to-five-year view, artificial intelligence, clean energy, and growth equities are the most popular investment themes.

From an operational perspective, the overwhelming majority of family offices agree that the most critical factor in investment success is having access to experienced investment professionals.

Outside the sphere of investment, technology is radically changing family office operations, automating repetitive tasks and streamlining workflow. The most sought-after pieces of technology are automated investment reporting and wealth aggregation platforms. The adoption rate for this technology of 69 percent is up from 46 percent last year. However, many family offices have to operate a hybrid of manual and automated systems because the reporting data for different financial instruments varies considerably.

Outsourcing enables small and midsize family offices to provide a very broad range of services to their family members. The decision to outsource is driven by the availability of specialist expertise, although cost savings are important for smaller and midsize family offices where the volume of work may be insufficient to justify a full-time hire. Overall, 58 percent of family offices report satisfaction with their outsourcing arrangements, but generally when outsourcing is compared directly with in-house provision, the latter produces a higher percentage of satisfied family offices. The rising cost of technology, in combination with salary inflation, is likely to prompt more single family offices to consider outsourcing to multi-family offices and wealth managers.

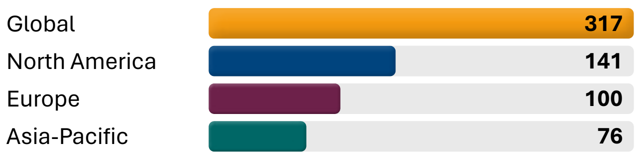
It is very encouraging that 69 percent of family offices now have a succession plan in place, up from 53 percent last year. The key characteristic of family offices which lack a succession plan, mission statement, or family constitution is that they are almost exclusively first- and second-generation families. There does not seem to be much impetus to write a family constitution when the number of family members is in single digits, but by the time the third generation or beyond are in charge, stronger governance structures prove to be essential to maintain family dynamics and cohesiveness.

We also attempt to draw some actionable conclusions by asking family office staff their satisfaction with certain functions. The five functions which satisfy most staff are investment options, estate and tax planning, family privacy, investment performance, and staff dedication. At the bottom of the satisfaction league table are family governance, scope of available functions, succession planning and next-gen education. This gives us a list of functions which family offices should seek to improve, or at least review.

1.2 Overview of participants

This document forms part of Campden Wealth's Global Family Office Report. The report is based on a survey of 317 family offices, of which 141 are located in North America, 100 in Europe and 76 in Asia-Pacific. Among survey respondents in North America, 37 percent are family members and 42 percent hold key leadership positions as chairperson, chief executive, founder, principal or president.

Figure 1.1:
Participating family offices



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 1.2:
Location of North American family offices

United States

Alabama	1
Arizona	1
California	15
Colorado	5
Connecticut	2
District of Columbia	2
Delaware	1
Florida	14
Georgia	7
Iowa	2
Illinois	6
Kansas	4
Massachusetts	7
Maryland	1
Michigan	7
Minnesota	3
North Carolina	1
New Jersey	1
Nevada	1
New York	12
Ohio	4
Oklahoma	2
Oregon	1
Pennsylvania	1
South Carolina	1
South Dakota	1
Tennessee	4
Texas	7
Utah	1
Virginia	1
Washington	2
Wyoming	1

Canada

British Columbia	5
Calgary	1
Ontario	5
New Brunswick	1
Quebec	2

Other

Bermuda	1
Cayman Islands	1
Panama	5
Puerto Rico	1

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

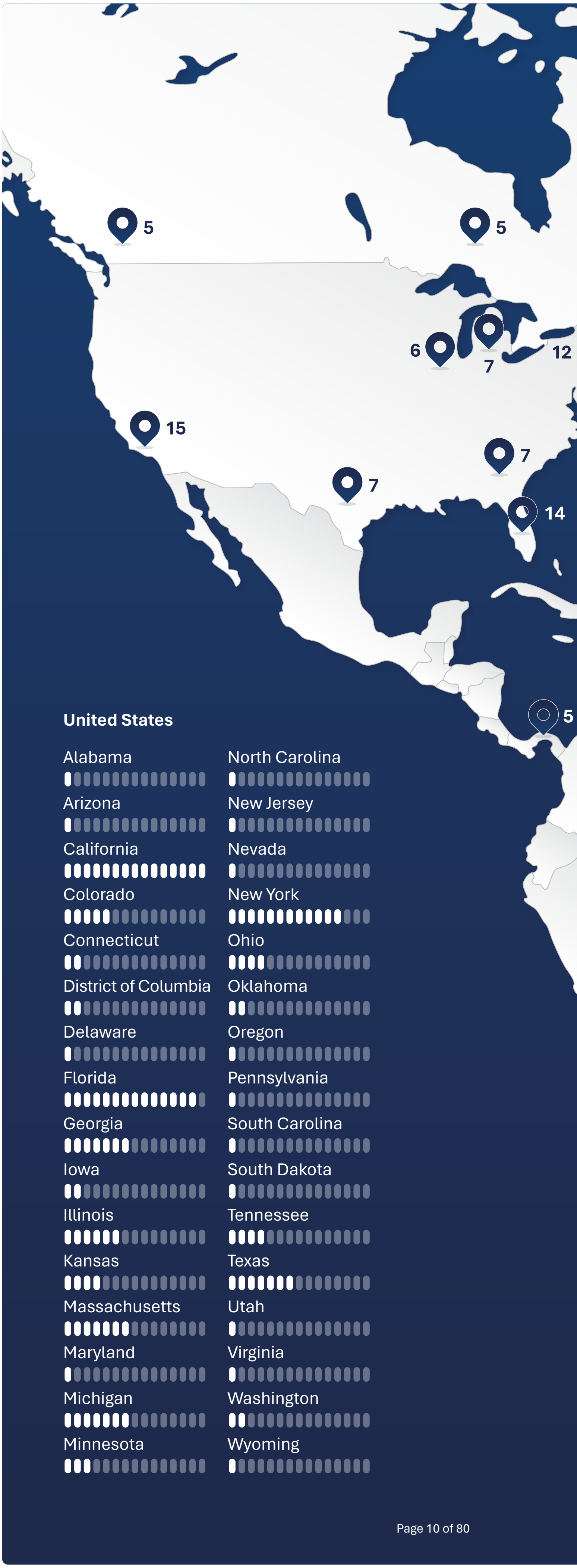


Figure 1.3:
Participants by title

Board member	1%
Chairperson	0%
Chief executive officer	14%
Chief financial officer	6%
Chief investment officer	12%
Chief operating officer	8%
Director	10%
Founder / co-founder	12%
Managing director	8%
President	12%
Principal	4%
Senior executive	7%
Trustee	1%
Other	6%

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

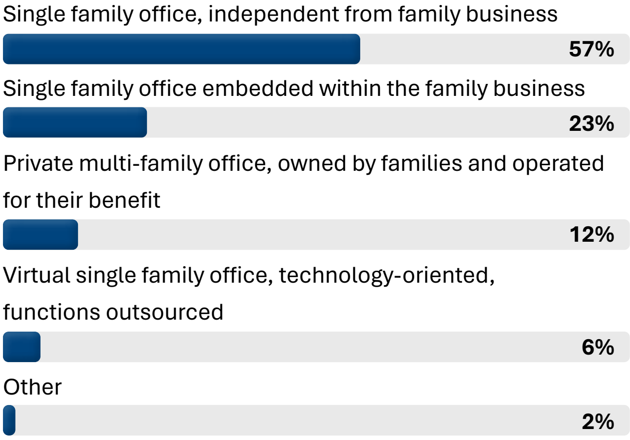
Figure 1.4:
Participants by family relationship

Family member working for family office	29%
Family member but not working for family office	8%
Not a family member but working for family office	64%

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

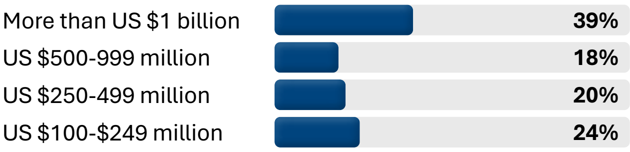
Nearly 90 percent of participants represent single family offices. They are predominantly stand-alone legal entities which are entirely independent of any family business. Private multi-family offices service a group of affiliated families.

Figure 1.5:
Participants by family office type



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 1.6:
Participating family offices by total wealth

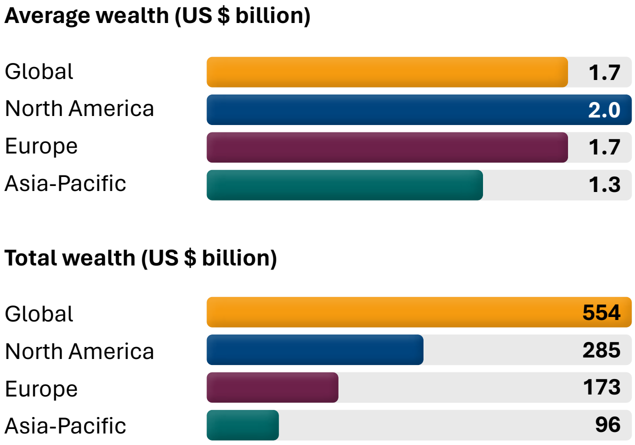


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Participating North American families demonstrate impressive financial stature, with average wealth of US $2.0 billion. Collectively, their combined wealth amounts to a substantial US $285 billion. These family offices have, on average, US $1.5 billion of assets under management (AUM), and aggregate AUM of US $215 billion.

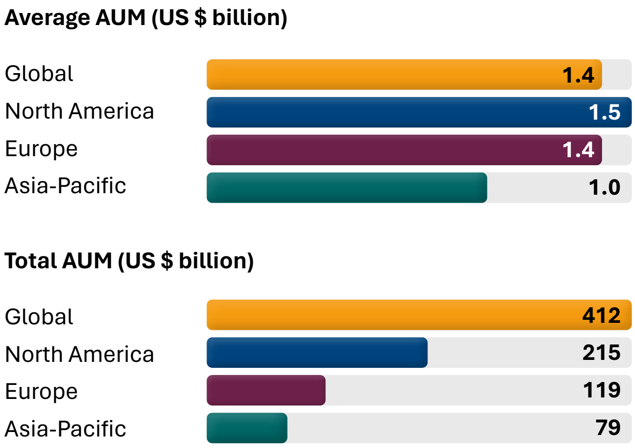
Global respondents have aggregate wealth of US $554 billion, and per capita wealth of US $1.7 billion.

Figure 1.7:
Average and total wealth of families by region, including operating businesses



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 1.8:
Average and total AUM of family offices by region



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Exactly half of all North American family offices were established relatively recently, from 2010 onwards. This roughly corresponds with the 44 percent currently controlled by first-generation families. The 33 percent controlled by second-generation families corresponds with the almost identical percentage founded 1990-2009.

Figure 1.9:
Period when family office established and generation in charge

Period established

1970s	13%
1980s	5%
1990s	14%
2000s	18%
2010s	28%
2020s	22%

Generation in charge

Sixth or greater	4%
Fifth	3%
Fourth	5%
Third	10%
Second	33%
First	44%

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

#1
Popular asset class for new investment - Direct Private Equity

48%
State improving liquidity is a key objective for 2025

#1
Risk factor - Global growth to be constrained by U.S. Tariffs

Investments

The average expectation for investment returns in 2025 is 5 percent. Family offices are considerably less optimistic than this time last year when the average expected return was 11 percent.

The caution being expressed in family office expectations may well be influenced by market volatility during the second quarter when the majority of polling took place. The sharp drawdown at the start of the period has been followed by a robust, broad recovery in global equities. By the end of the second quarter, NASDAQ and the S&P 500 had reversed previous losses and reached new all-time highs.

In line with their more cautious approach, the majority of family offices believe cash will offer the best return over the next 12 months. But on a two-to-five-year view their preferred investment themes and asset classes are growth and North American large-cap equities. Despite current turbulence, they expect private equity and venture capital to provide the best risk-adjusted returns.

The financial market risks, which family offices believe are most likely to occur, stem from the adverse impact of tariffs on growth and inflation. But to date these potential negatives have not materialized.

2.1 Year-to-date

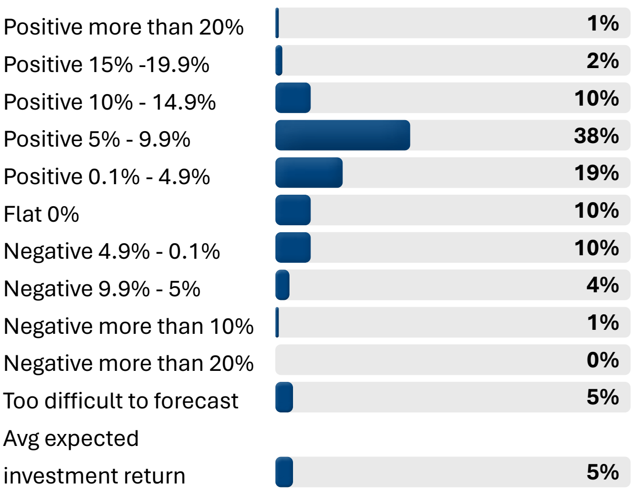
Expected returns

Our survey asked family offices to indicate their expectations for full-year investment returns (capital appreciation and income), incorporating their year-to-date experience. The average expected return for 2025 is 5 percent (Fig 2.1) with only 13 percent of family offices expecting a return in excess of 10 percent. Family offices are considerably less optimistic than this time last year when the average expected return was 11 percent, with 40 percent of participants anticipating a return in excess of 10%.

It may well be the case that the cautious attitude being expressed is related to the extreme volatility of US stock markets during the second quarter when much of our polling took place. The new *US Administration's* policy on trade tariffs triggered the S&P 500 to fall 12 percent over the following week. This sharp fall-off in both US and global equities was followed by a broad, robust recovery as the administration took a less aggressive stance. By the end of the second quarter, NASDAQ and the S&P 500 had reversed previous losses and reached new all-time highs. The market rebound was facilitated by macroeconomic resilience and the absence of any surge in inflation (the anticipated but unmaterialized downside from the tariff policy).

A second factor behind the caution is disappointing year-to-date returns from direct private equity, private equity funds, and venture capital reported by significant percentages of family offices (Fig 2.2). These three asset classes together with private credit represent 30 percent of the average family office portfolio. Nonetheless, private equity and venture capital are viewed as the ultimate long-term assets – and what really matters is the exit price at which ventures are eventually sold, rather than changes in quarterly valuations. Certainly, disappointing returns have not quenched family offices' desire for these asset classes (Fig 2.10) or the expectation that this asset class will produce the best risk-adjusted returns (Fig 2.9).

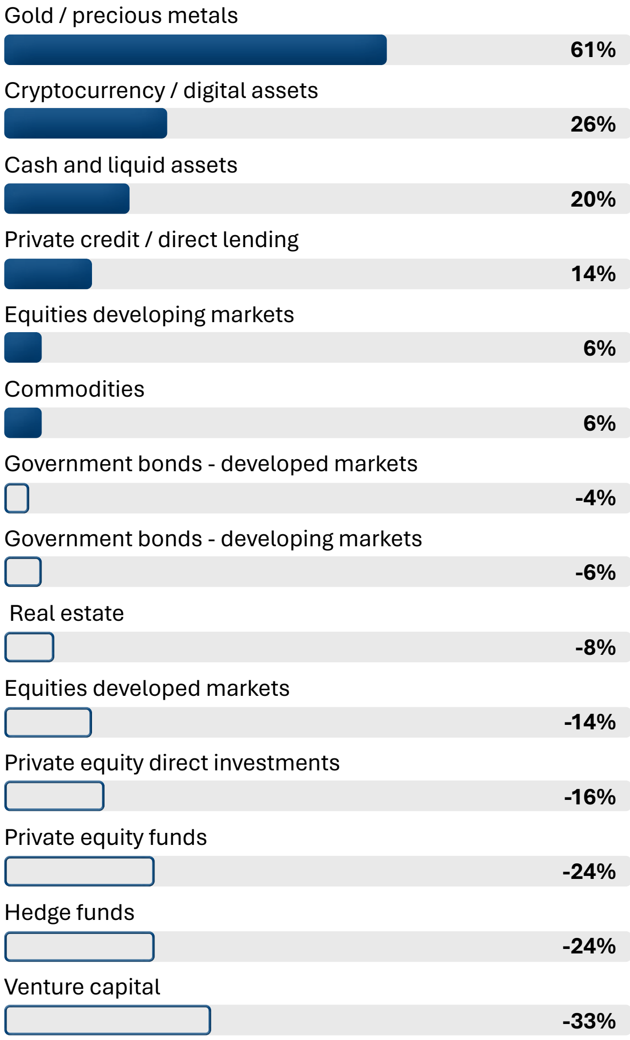
Figure 2.1:
Percentage of family offices reporting expected annual return within band



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Government bonds are another class whose returns have disappointed. Pulling in the opposite direction, many family offices report better than expected performances from gold and cryptocurrencies. Cash and other liquid assets also provided better than expected returns because interest rates have stayed higher for longer.

Figure 2.2:
Percentage of family offices reporting better than expected year-to-date return from asset class less percentage reporting worse than expected



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Investment themes

Against the background of family offices becoming more pessimistic about returns, it is instructive to see how this is shaping their investment strategies. The majority believe that cash will be the most rewarding asset class to hold on a 12-month view. In 2024 growth equities was their preferred asset class. The most popular investment themes - artificial intelligence, defense industries and the Magnificent Seven - are unchanged from last year, and are primarily accessed through public equity markets. Interest in European equities may reflect concern over US dollar weakness, and surprisingly, family offices are now almost indifferent between growth and value equities.

Emerging markets remain out of favour and likewise long duration bonds over concern that US fiscal policy will ultimately result in higher yields.

Looking further out over the next two to five years, AI and clean energy are the most popular investment themes, but now growth and North American large -cap are back in favour, although not the Magnificent Seven. Reflecting their belief that short rates will ultimately decline, cash reverts from being the most to least popular investment option and the attitude towards long duration bonds becomes marginally more constructive.

"There was a drawdown in the public markets in April. This gave us the opportunity to deploy some additional capital in that space, mostly through passive funds. But basically our asset allocation hasn't changed although there has been a bit of blocking and tackling."

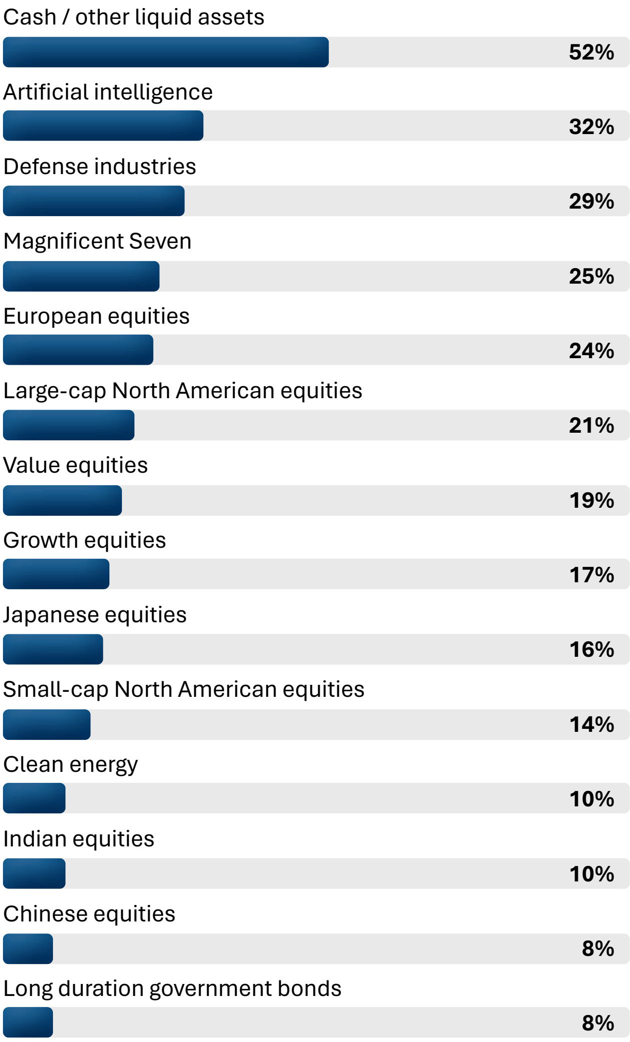
Chief investment officer, single family office, MA

"What's changed is that we are now very keen to build up our non-US exposure. We want to find growth companies outside the United States. We are looking outside the US because we are cautious on the dollar, and expect tariffs will result in large US multinationals needing to rebuild their supply chains and hire workforces in new locations."

President, single family office, FL

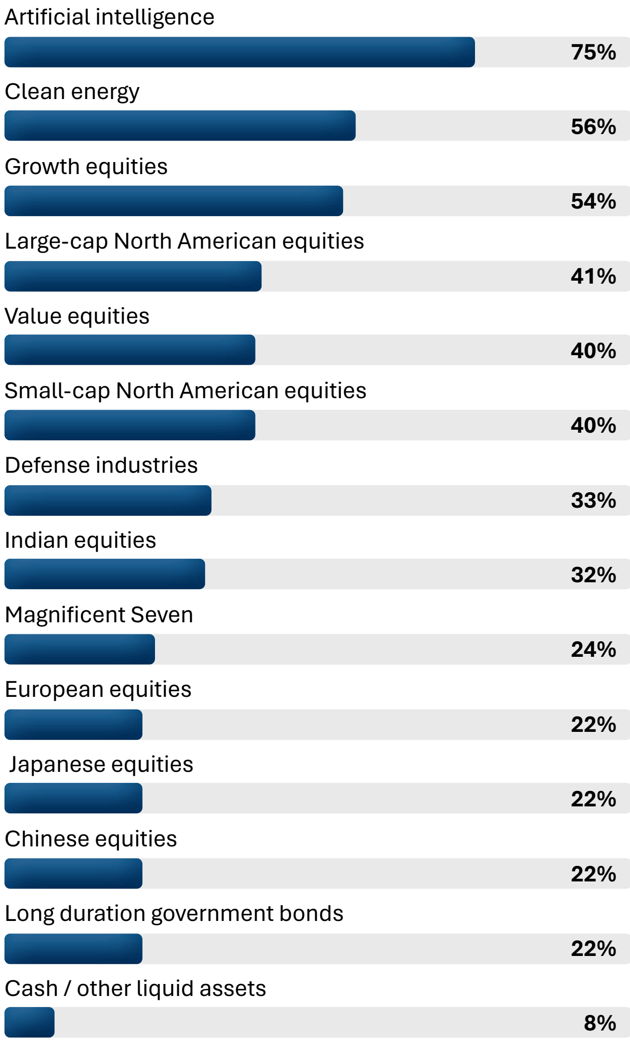
Figure 2.3:
Percentage of family offices selecting asset class / investment theme as likely to reward shareholders

Over the next 12 months



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Over the next 2-5 years



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

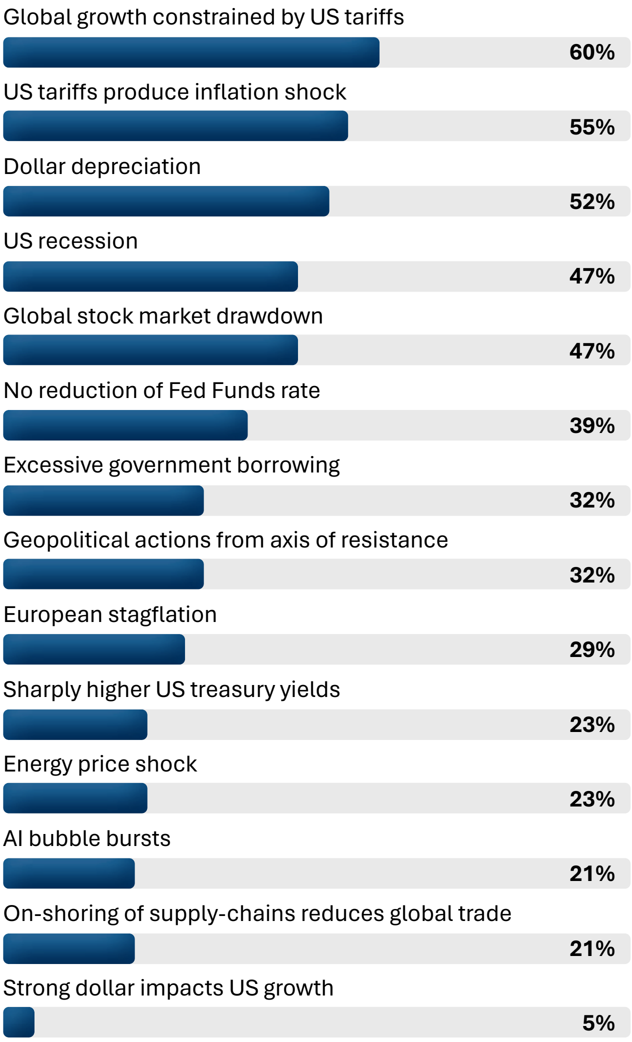
Wall of worry

As investors, family office psychology is heavily influenced by tangible risks surrounding the US economy, and geopolitical tensions. Last year, the primary concern was political turbulence around the US election. That political turbulence didn't materialize but this year the new administration's tariff agenda caused momentary, economic and market uncertainty. The associated risks most likely to crystallize near-term, according to family offices, are linked to US tariff policy. Tariffs could constrain global growth, produce a domestic inflation shock, and prompt depreciation of the US dollar. Following on from this, they believe the risk of US recession and global stock market drawdown are elevated. However to date, tariffs have had no meaningful impact on US growth and inflation.

On a 2 to 5 year view, the risks seen as most likely to crystallize are excessive government borrowing and disruption to global trade from on-shoring of supply chains. Dollar depreciation is seen as a likely outcome of either scenario. Interestingly, although family offices claim to be concerned by excessive government borrowing, they do not see this leading to sharply higher bond yields. Over this longer timescale, family offices appear less concerned about global growth and stock market drawdowns and more concerned about AI failing to have the impact built into market expectations.

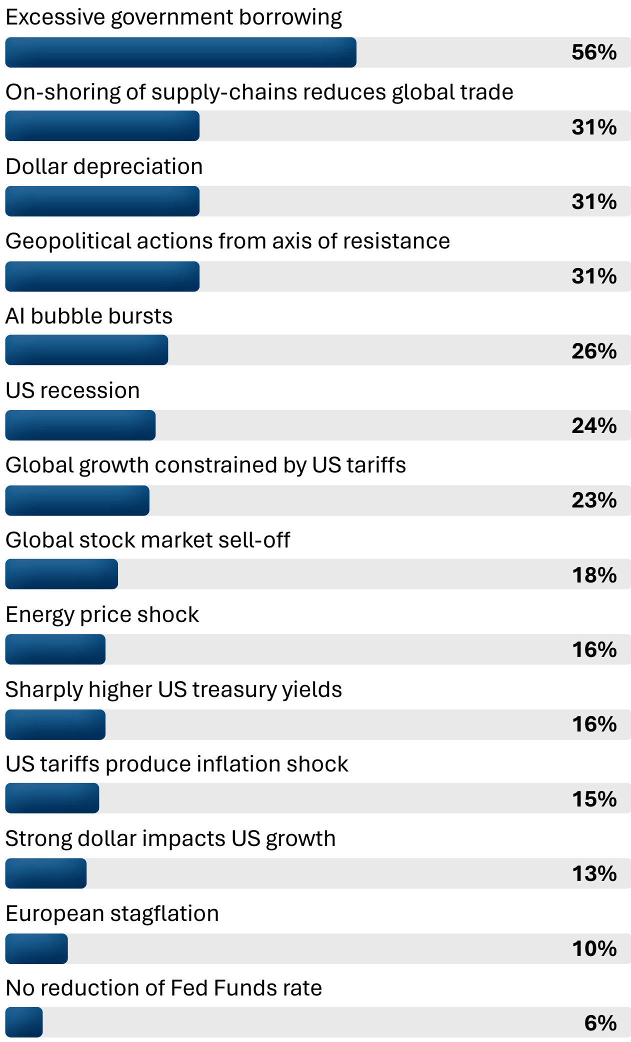
Figure 2.4:
Financial market risks most likely to crystallize

Over the next 12 months



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Over next 2-5 years



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Fig 2.5 provides more detailed insights into family office investment strategies. Two statements on which the majority are agreed are China remaining challenging for investment and high government borrowing keeping long-term interest rates from falling, explaining reluctance to hold long duration government bonds. As indicated in the previous section, family offices believe tariffs will likely be detrimental to both US inflation and US growth. Elsewhere, however, they see incremental defense expenditure as revitalizing European economies and believe the Magnificent Seven will recoup their massive AI investment (although they are not particularly positive on the Magnificent Seven over the longer term, per Fig 2.3).

"I am concerned about the volatility of the US dollar. I think inflation is going to tick up because of the trade policy being pursued by the current administration. Even if all the issues are settled tomorrow, the damage done to confidence in the currency is likely to be permanent."

Chief investment officer, single family office, MA

"Dividends from well-run public companies are generally more sustainable and predictable than distributions from private equity funds. For this reason, we prefer the former."

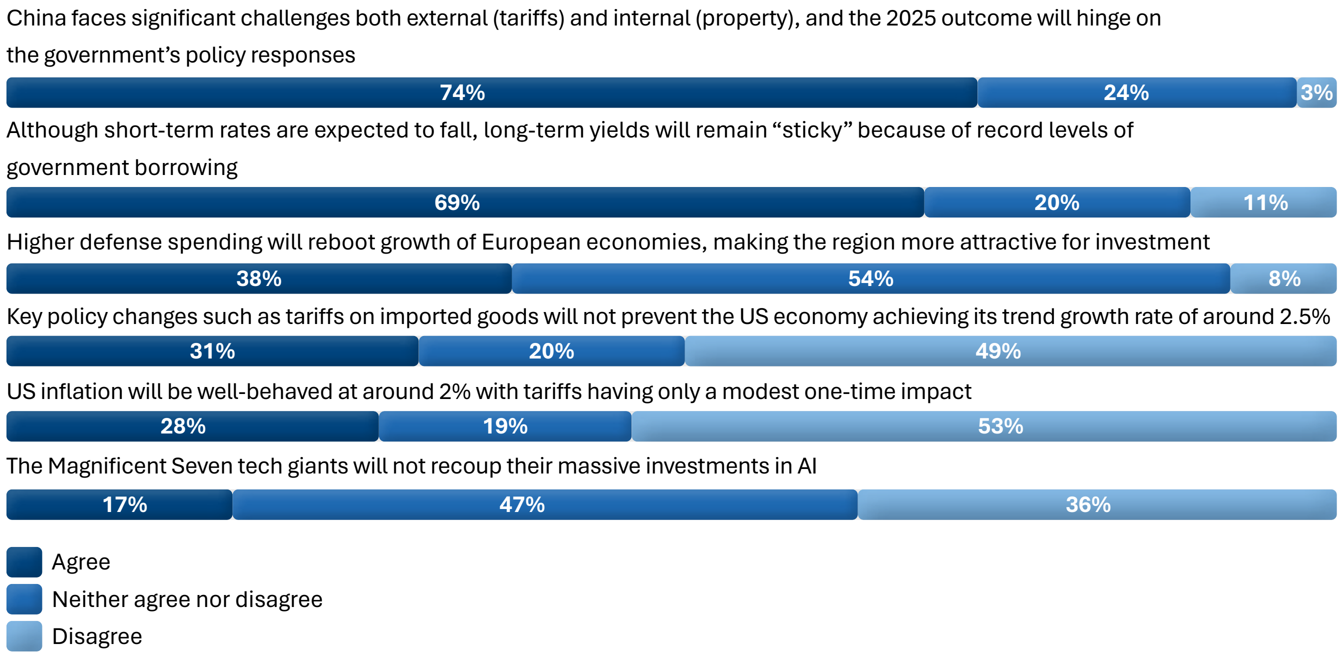
Chief executive officer, single family office, Canada

> *"Climbing the wall of worry" has become one of investors' most commonly used phrases over the past year. While the flows of the daily news remain concerning to some and the forces influencing the direction of policy moves are somewhat unclear, markets have remained complacent for the most part, with the VIX (CBOE Volatility Index) trading close to the lows for the year. While this reminds us that long-term investing is about looking beyond the valley, ensuring that portfolios are positioned with solid and sustainable businesses is likely to be a prudent exercise followed by a large number of investors into the near future."*
>
> **Hermann Leiningen**, Managing Director, International Family Office Investments, RBC Enterprise Strategic Client Group

"I'm watching the inflation numbers like a hawk. Many economists have consistently warned that tariffs would lead to higher prices and I'm expecting to see rising term yields in the latter part of the year which will precipitate another market drawdown."

President, single family office, FL

Figure 2.5:
Extent to which family offices agree or disagree with statement



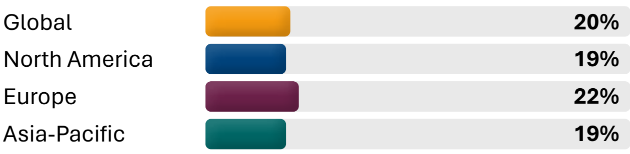
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

2.2 Investment strategy

Preservation vs. Growth

At a simplistic level, family office investment strategies can be placed on a spectrum running from “Preservation” to “Balanced” to “Growth”. Growth implies taking above-average risk for the promise of faster capital appreciation and higher income. Preservation means lower risk and lower investment returns to limit portfolio volatility.

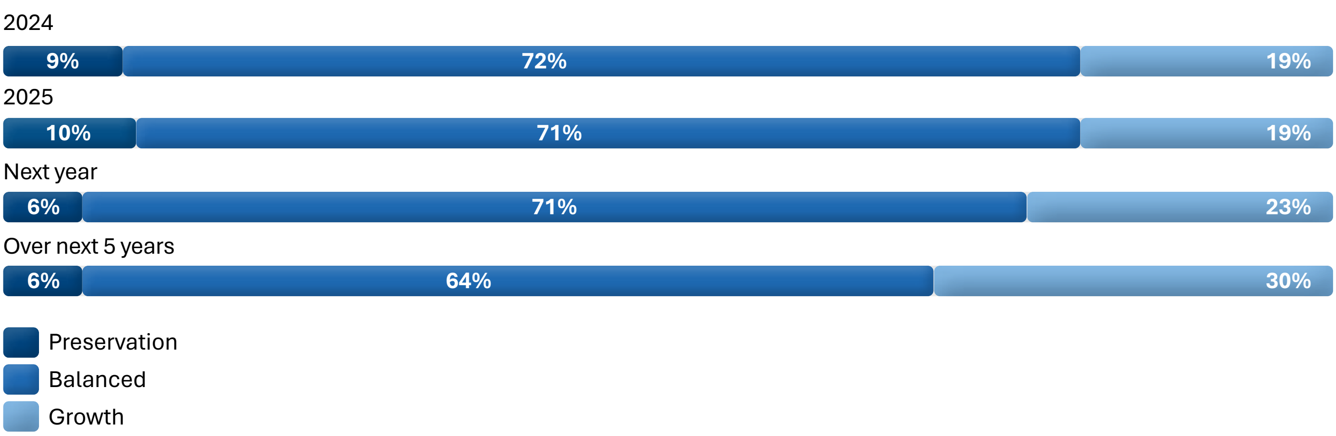
Figure 2.6:
Percentage of family offices operating growth strategy



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Between these extremes is a Balanced strategy which is the preferred option of around 70 percent of North American family offices (Fig 2.7). The percentage operating a balanced strategy has declined marginally this year in favour of wealth preservation, but the big change was prior to 2024 when more than 30 percent were operating a growth strategy. The data confirms the current cautious approach of family offices, but there will be a strong tilt back towards Growth over the next five years.

Figure 2.7:
How family offices describe their investment activity

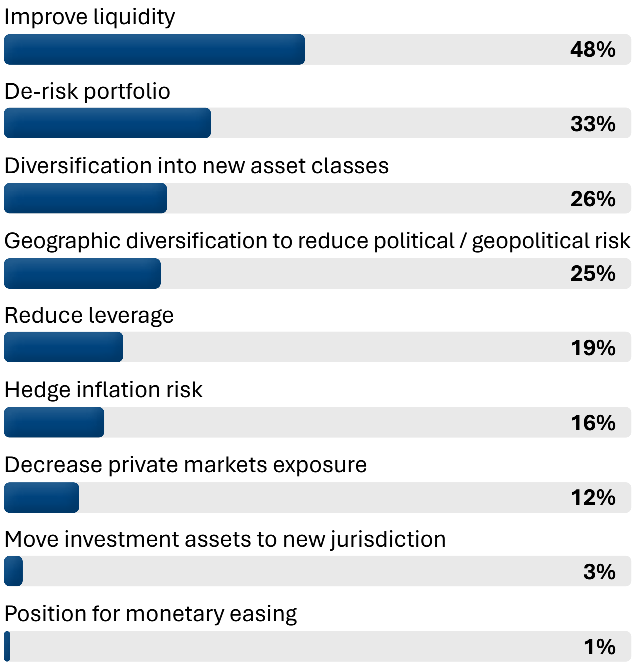


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Investment objectives

Reflecting the cautious approach of family offices, their primary investment objectives are to improve liquidity and de-risk portfolios. Improving liquidity has become increasingly important for many family offices, preserving the ability to make acquisitions in the event of another market drawdown and offsetting the difficulty of achieving exits from private equity positions. De-risking portfolios probably relates more to public markets and the process of reducing exposures to securities which might be impacted by geopolitics or US tariffs. In most years portfolio diversification, either geographically or through new alternative asset classes, comes near the top of list.

Figure 2.8:
Primary investment objectives for 2025



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Investment strategy is shaped by history. A first-generation entrepreneur will be comfortable with a very concentrated portfolio, lower liquidity and higher risk because that's his professional life. But a family office servicing the fourth or fifth generation will be highly conservative because they need liquidity and duration to support the income needs of family members. Multigenerational family offices rarely change their focus or strategy."

Chief executive officer, single family office, CA

"Many significant geopolitical and macroeconomic changes are taking place and these are the factors which are driving markets. They cause a drawdown and then markets recover quite quickly. If that's the case it makes sense just to invest in passive funds rather than attempt to actively identify the potential winners and losers after various random events."

Founder, single family office, NY

"The family's investment horizon is longer than the duration of a private equity fund. If we own good companies, we don't necessarily want GPs to exit and send the money back, putting us to the trouble of having to find somewhere else to invest. The compounding of investment returns can work wonders."

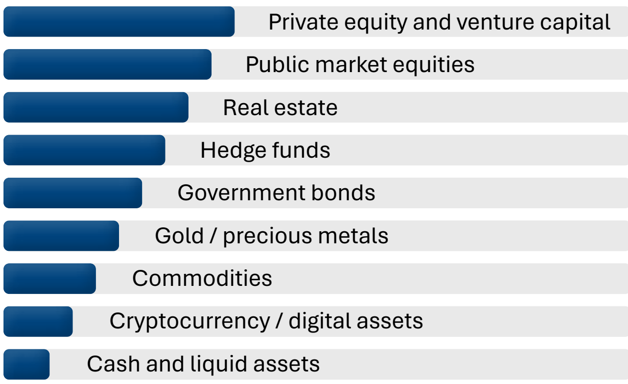
President, single family office, FL

Asset allocation

The asset classes which constitute family offices' strategic asset allocation are characterized by different expected returns and degrees of risk. Historically, private equity and venture capital have delivered the highest returns but also carry the highest levels of risk, since investments are made in emerging companies and technologies. Nonetheless, the average annual returns from private equity and venture capital over the past 25 years are estimated at 12 and 8 percent respectively. This compares with 9 percent for the S&P 500[1].

Family offices and their investment advisors are clearly familiar with these historic rates of return. When we asked survey participants to rank asset classes by their expected risk-adjusted returns, private equity and venture capital appear at the top of the list despite recent disappointments. They are followed by public market equities and real estate. Cash is perceived as a low return asset because of its generally low yield, as is cryptocurrency, but in this case because of its high risk.

Figure 2.9:
Ranking of asset classes by expected risk-adjusted return



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

1 www.cambridgeassociates.com/en-eu/insight/us-pe-vc-benchmark-commentary-calendar-year-2024/

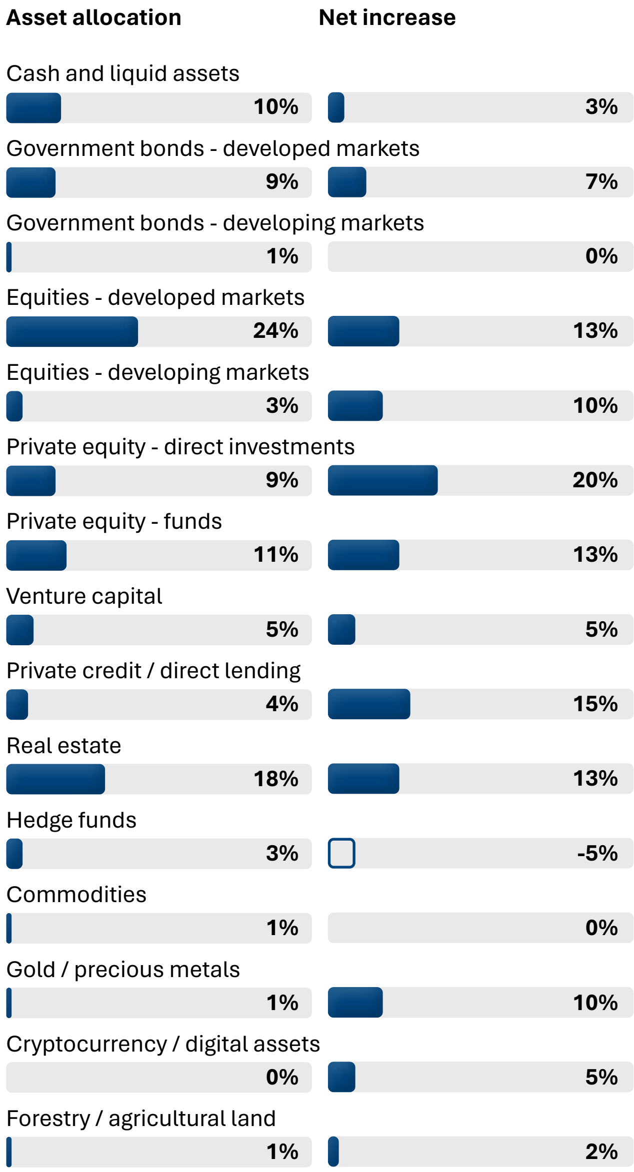
Private markets are key to the strategy of North American family offices. Recognizing that private equity and venture capital provide the best risk-adjusted returns, these asset classes together with private credit constitute 29 percent of the average family office portfolio (Fig 2.10). This is down one percentage point on last year and suggests that family office diversification into private markets, which has been a key feature of recent years, has run its course. Public market equities are the second largest asset class at 27 percent, up 1 percentage points on 2024 reflecting the strong performance of US indices over the period. Real estate at 18 percent (up one percentage point) is the third.

Cryptocurrency, gold and commodities are no more than a couple of percent despite family offices' desire to diversify into alternative asset classes (Fig 2.8). Cash at 10 percent (up one percentage point) is at a near-term high reflecting attractive rates on certificates of deposits and preserving fire power to make acquisitions in the event of another global market drawdown (Fig 2.4).

Why are family offices drawn towards private market investments? The fertility rate of North American women is 1.8 and their average age at childbirth is 30. Therefore, any strategic assessment of family wealth would have to recognize that the size of the family is likely to double approximately every thirty years. Hence maintaining per capita wealth requires a real return of 2.5 percent per annum. Add in inflation and the required nominal return is 4.5 percent assuming the Federal Reserve keeps to its 2 percent inflation mandate. Based on historic performance, it is only private markets, and to a less extent public market equities, which appear capable of delivering long-term sustainable returns materially in excess this requirement.

Figure 2.10:

Average asset allocation and percentage of family offices intending to increase holding less percentage intending to decrease



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

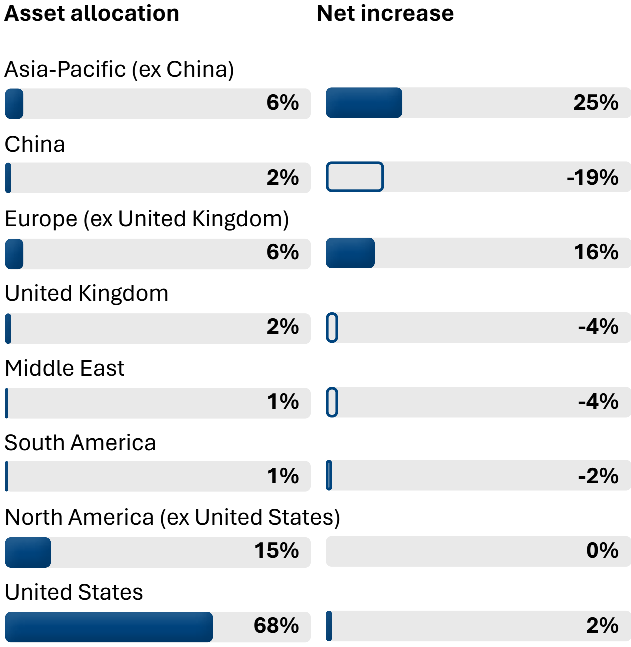
The second "Net increase" column in Fig 2.10 represents the percentage of family offices looking to increase their allocation to a particular asset class less the percentage looking to reduce. These data points indicate that future investment is likely to go towards direct private equity, private credit, and real estate. Private equity funds remain reasonably popular too, despite their recent disappointing performance (Fig 2.2). Although family offices have reported better than expected returns from gold and cryptocurrency, they do not appear excessively keen to increase their exposure to these asset classes. Similarly, although many family offices believe cash is the best asset class to hold over the next 12 months (Fig 2.3) and many report the need to build liquidity (Fig 2.8), they don't appear to be actively promoting this outcome. This might possibly depend on other assets being sold.

Characteristically, North American family offices have around 70 percent of their assets in the US with less than 10 percent in Europe and Asia-Pacific. But the volatility of financial markets and dollar weakness has prompted North American family offices to review their US exposure. Fig 2.11 confirms geographic diversification as one of the key initiatives for family offices, with 25 percent intending to increase their exposure to the Asia-Pacific region (excluding China) and 16 percent looking to increase their European exposure.

The overwhelming majority of family offices agree that the most critical factor in investment success is having access to experienced investment professionals (Fig 2.12). These could be in-house, external wealth managers, or independent members of the investment committee. Other factors are important: investment reporting is essential for sound decision-making and an industry network may be essential for sourcing private equity deals, but reliance on individuals who have "seen a few business cycles" is regarded as paramount.

Figure 2.11:

Geographic asset allocation and percentage of family offices intending to increase holding less percentage intending to decrease



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Running the family office investment portfolio means I need to do due diligence on and select an active US large-cap manager, and an active manager for international developed markets and a bond markets manager; the list is endless. It's simpler just to select a wealth manager who already has a connection with these investment managers and can do the selection work for us. In my experience working with an external wealth manager is efficient and cost-effective."

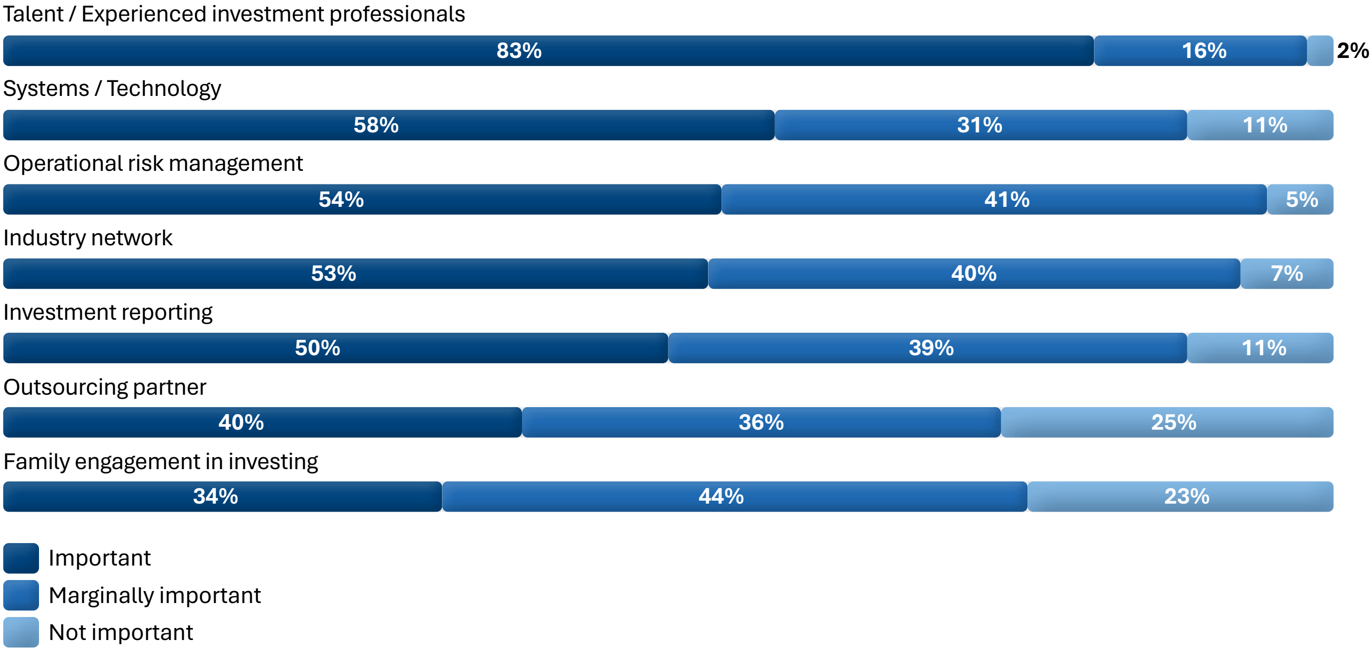
Chief investment officer, single family office, MA

"Historically, our investment managers were almost invariably selected and rubber-stamped by the wealth managers we employed. Effectively, investment management was outsourced. But over the past six months, we've modified the process a bit and it would be fair to say that the family office team is now directly selecting about 40 percent of our managers. I don't know if this is an increasing trend among family offices, I think it probably depends on whether the family office is professionalized and whether experienced investment professionals work there."

Chief financial officer, single family office, PA

Figure 2.12:

Factors seen as important in family offices' investment success



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

2.3 2024 recap

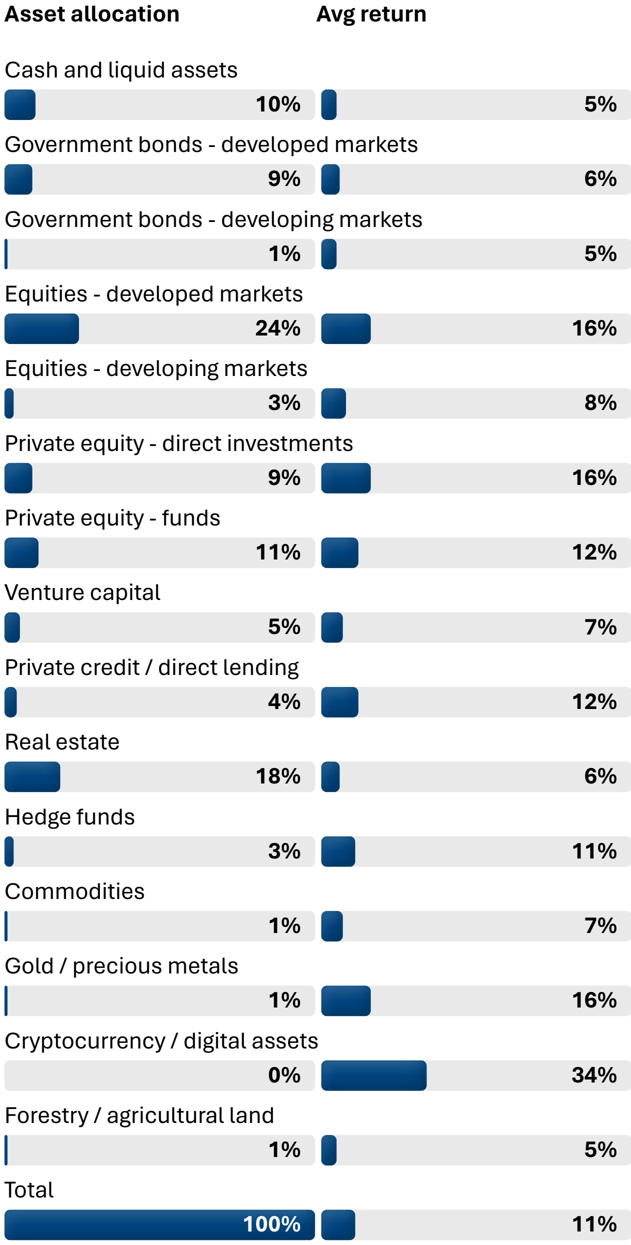
Another bumper year

For 2024, over 80 percent of family offices reported an increase in family wealth and assets under management. For almost 30 percent of family offices, this increase was in excess of 10 percent. Only 5 percent reported a decline. Behind these solid performances were advances in key public markets, the S&P 500 rising 25 percent and Nasdaq 31 percent. However, it hasn't all been plain sailing – The Cambridge Associates LLC US Private Equity Index[2] recorded a return of just 8 percent, elements of the North American real estate market were stressed and long-term government bond yields were higher at the end of the year than at the beginning.

Returns analysis

We asked family offices for returns (capital appreciation plus income) for each individual asset class. By aggregating this data and applying it to the average family office portfolio (Fig 2.13), we estimate the average investment return for 2024 at 11 percent, with the main contributions coming from developed market equities and private equity.

Figure 2.13:
Average asset allocation and average return



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

2 www.cambridgeassociates.com/wp-content/uploads/2025/08/2025-Q1-US-Private-Equity-Benchmark.pdf

2.4 Alternatives

Real estate

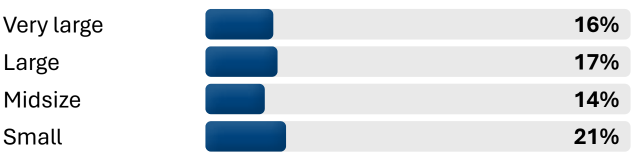
Approximately 40 percent of families own businesses operating in, or generated their wealth from the real estate sector and therefore it's entirely understandable that 75 percent of family offices invest in real estate. As previously noted, real estate is an asset class in which family offices are still keen to invest (Fig 2.10), but recent returns have been lackluster (Fig 2.13). This is because two of the main US real estate sectors, offices and residential, are facing long-term structural problems while the third, retail, is only slowly recovering from the advent of e-commerce.

Figure 2.14:
Percentage of family offices with real estate assets

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

The office market is characterized by high vacancy rates as many companies reduce their footprint with the continued shift towards hybrid working. To address the supply side, new construction is very limited, and there's a growing trend of converting, where possible, offices into residential units. Affordability, the product of rapid house price appreciation over the past 2-3 years and elevated mortgage rates, are making home ownership increasingly difficult and channelling demand into the rental sector. This should be a positive for family offices with residential investment properties, but here too affordability issues are placing a constraint on rental growth in some regions.

Figure 2.15:
Real estate assets as percentage of AUM

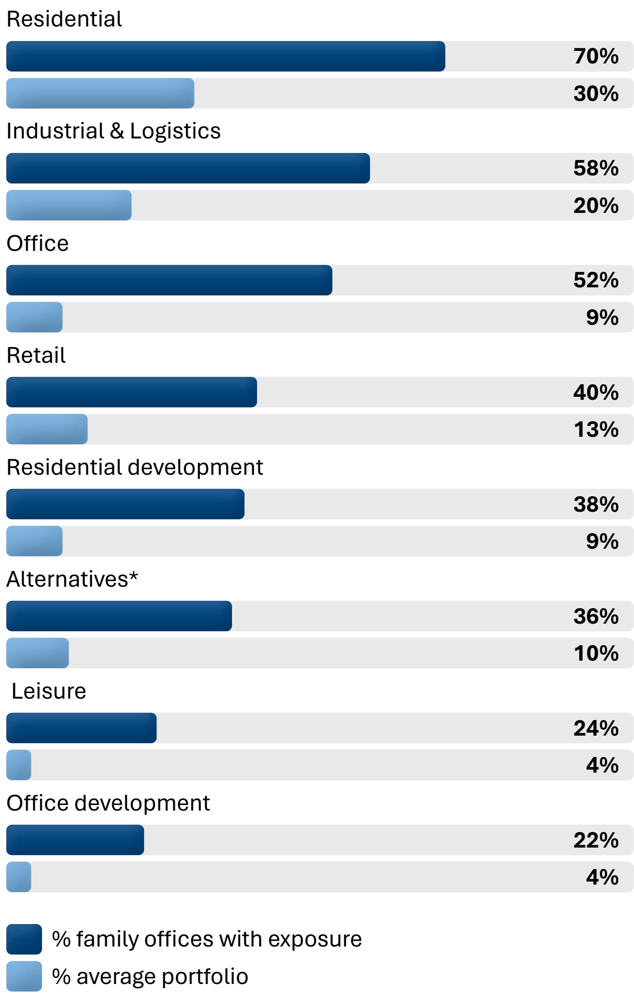


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Compared to the others, the retail sector is furthest along the process of working through its structural problems created by e-commerce. Vacancy rates are low and new construction minimal, enabling rents to make modest progress. On the plus side, e-commerce is fuelling demand for industrial and logistics real estate.

While the big picture is sketched out above, the impact on family offices is much harder to assess because of extreme regional disparities across the United States. Real estate markets in states with strong population and job growth, notably the Sun Belt, are generally performing much better than average. Likewise, the category of real estate is important, with prime office rentals holding up better than the secondary office market.

Figure 2.16:
Percentage of family offices with exposure to real estate category and make-up of average family office portfolio



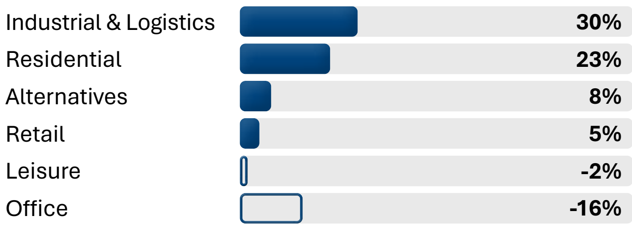
*Senior housing, care homes, data centers, health centers, student accommodation
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Residential is the most popular real estate sector, 70 percent have an exposure (Fig 2.16). But portfolios are well diversified, as commonly, family offices will have an involvement with more than one sector. Hence residential is only 30 percent of the average portfolio followed by industrial and logistics (20 percent) and retail (13 percent).

Family office exposure is primarily through investment properties, not property development, which carries considerably more risk. Almost 90 percent of real estate owned by family offices is located in North America.

Reflecting sector fundamentals, future family office investment is likely to be focused on industrial & logistics and residential sectors (Fig 2.17), with offices likely to remain out of favor.

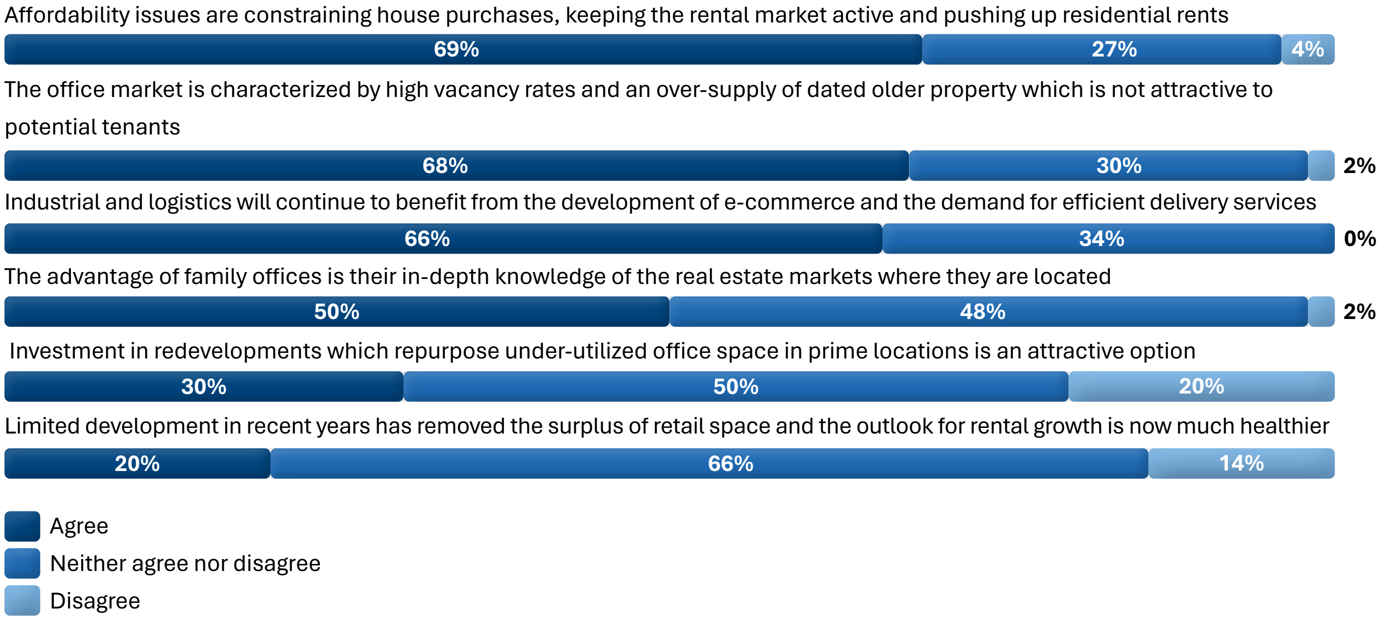
Figure 2.17:
Percentage of family offices looking to increase holding less percentage looking to decrease



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Fig 2.17 reveals family offices agree with our commentary on the office market and industrial and logistics. But they are still positive on the residential sector and don’t recognize affordability issues. Most likely, this reflects the US market really being a collection of regional markets, each with their own particular dynamics. Deep knowledge of their regional and local markets is recognized as a tactical advantage according to exactly half of all family offices.

Figure 2.18:
Extent to which family offices agree or disagree with statement



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Proprietary real estate is about a third of our portfolio. We developed these assets ourselves and we operate them. We have an in-house team that runs the development company and they fully understand the goals and objectives of the family office."

Chief investment officer, single family office, MA

"In some parts of the country it looks like the day of reckoning has arrived but in South Florida the office market is absolutely fine. The residential market is generally fine too, although there has been overdevelopment in some areas. But there's still a lot of demand and occupancy is solid. The main issue for developers are escalating building costs and higher financing rates because the banks are cautious. For the family it means more equity has to go into each development lowering returns but they have seen these cycles before and they are playing a long game."

Director, single family office, FL

"Our property holdings stretch from Georgia to Florida and are predominantly retail. Now Retail has faced a serious headwind from on-line shopping, but our assets have remained highly lucrative. This is because we laid our bets carefully backing grocery stores in urban strip malls. We studiously avoided big box anchored shopping malls which have faced tremendous headwinds, many have been right-sized or repurposed. As it turns out shoppers are still prepared to travel to their local grocery store, it didn't all go on-line and people still need to eat."

President, single family office, FL

"San Francisco was at the epicenter of the storm last year and still feeling the reverberations now. High interest rates, reduced activity in the technology sector and remote working continue to have an adverse effect. Rents are still dropping and vacancy rates are still above 30 percent but there is a bit of a flight to quality with prime offices holding up better than the rest."

Chief executive officer, single family office, CA

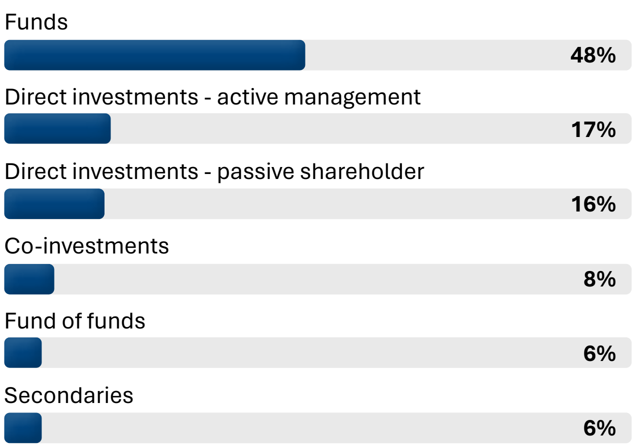
Private equity

Figure 2.19:
Percentage of family offices with exposure to private markets

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Almost 90 percent of North American family offices own private equity investments. This preference is informed by the mid-teens returns that have historically been available (Fig 2.9). The bulk of this exposure is through private equity funds, but a third is through direct participation, either passive or with active involvement in the management of the enterprise (Fig 2.20). Co-investments made alongside private equity managers, and secondaries, positions acquired in the secondary market, play a modest but increasing role in family office investment strategies.

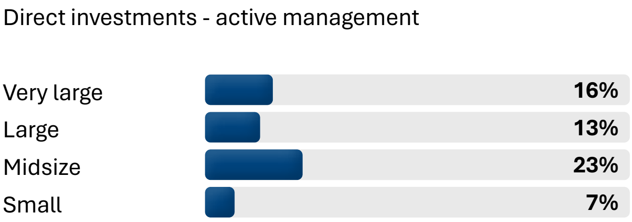
Figure 2.20:
Average family office private markets portfolio



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Family offices' preference for fund investment is often attributed to the burden of in-depth due diligence and specialized investment management expertise that direct investments require. But our data indicates some 80 percent of family offices have direct investments as well as funds. Direct investment can be either passive or active, the latter providing the opportunity for families to leverage their industry-specific expertise and take a hands-on approach. Direct active investment is a popular strategy for all but the smallest family offices (Fig 2.21).

Figure 2.21:
Direct active investments as percentage of private markets portfolio



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

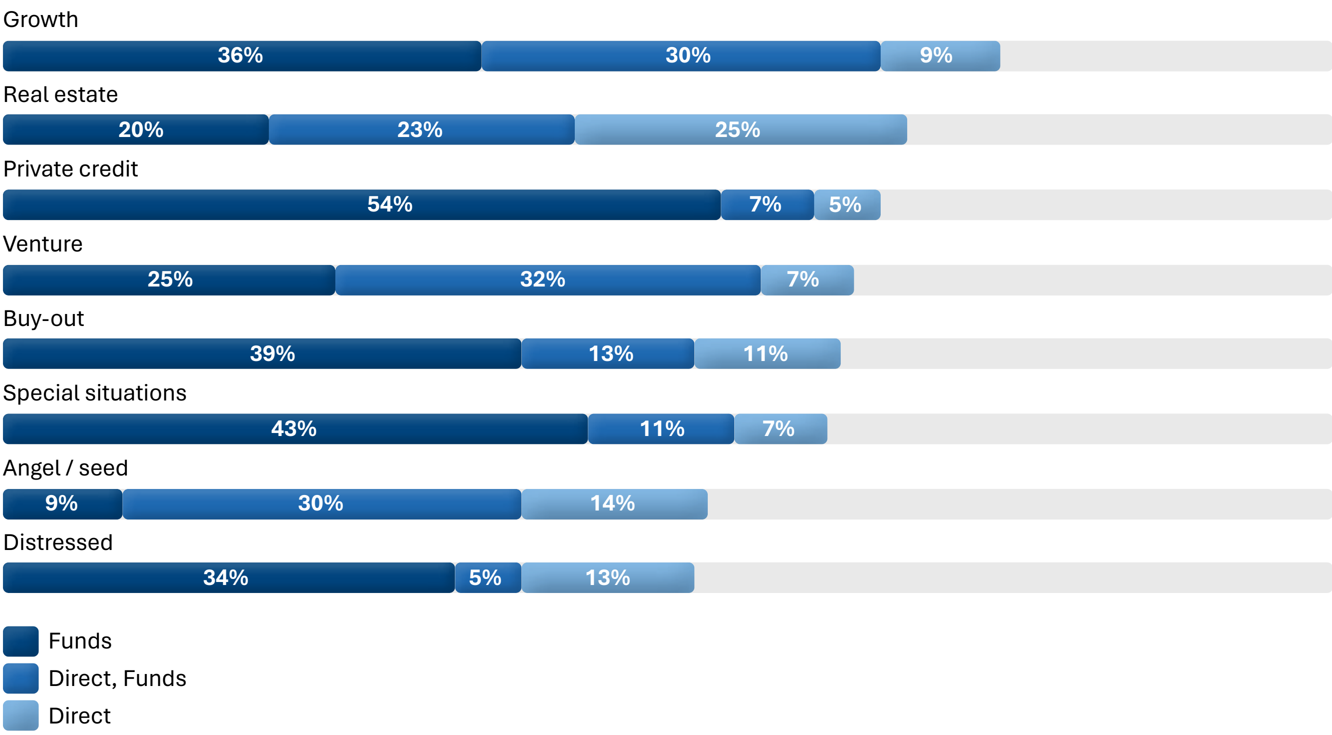
"Private equity returns are highly differentiated. Smaller funds generally produce better returns than larger funds. The lower middle market companies which are acquired by smaller funds come with more attractive entry valuations than the limited number of large corporates. These are attractive to larger funds because of their need to fully deploy capital. Also, operational improvements are easier to effect with smaller companies. We look for funds below US $1billion which will be investing with a deal size in the US $25-100 million range."

Chief investment officer, single family office, MA

"We are offered a lot of co-investment opportunities through fund managers and others. The challenge is that we only get a short period to review these deals and decide whether to participate. This raises a number of issues. Do we have capacity to do our own due diligence, or should we ask another family in our network with expertise in the industry? It's very labour-intensive, and you have deep knowledge of the industry into which you are investing to avoid all the pitfalls?"

Chief executive officer, single family office, Canada

Figure 2.22:
Strategies followed by family offices with exposure to private markets



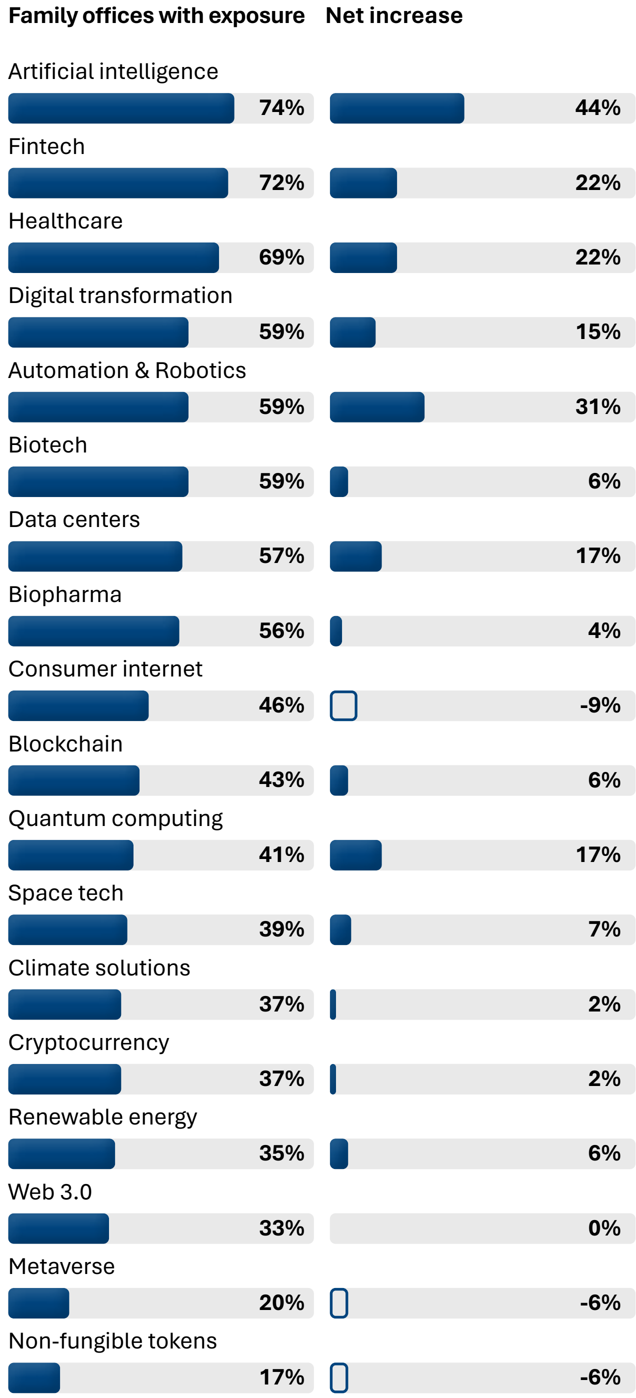
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Across both direct and fund investment (Fig 2.22), the most appealing investment strategies are growth, real estate and private credit. The popularity of private credit reflects the high nominal interest rates that sub-investment grade borrowers are prepared to offer non-bank lenders. Family offices' involvement is mainly through funds to mitigate the underwriting risk. Interestingly venture, high-risk investments in early-stage innovative businesses, which was in top position last year has now slipped down the ranking following its recent poor performance.

Through their direct private equity holdings and private equity funds, family offices get exposure to exciting emerging businesses often harnessing cutting-edge technologies (Fig 2.23). Top of the list of technologies are artificial intelligence, fintech and healthcare (notably, exactly the same as last year). Behind that comes digital transformation, automation and robotics and data centers, following a very similar order to 2024. Exposure to blockchain and blockchain-related technologies like Web 3.0 and non-fungible tokens are comparatively modest by comparison.

Technologies most likely to attract new investment are those in which family offices are already heavily invested.

Figure 2.23:
Percentage of family offices with exposure and percentage looking to increase holding less percentage looking to decrease



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

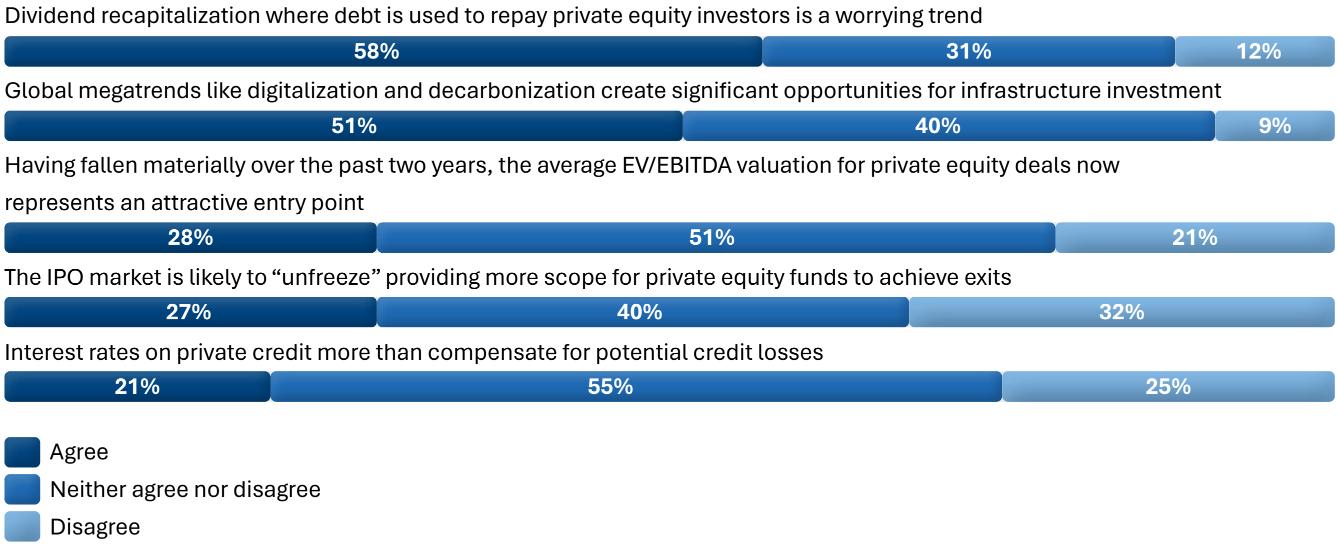
Fig 2.24 shows family offices' attitude towards private markets is mixed. There is concern over the use of debt in dividend recapitalizations and re-opening of the IPO market, but the balance of family office opinion is that valuation multiples are signalling an attractive entry point.

"In early-stage venture we are typically accessing the company in its first institutional round and exiting typically 8 to 10 years later. If the company succeeds we get a windfall because our invested dollars are compounding at a high rate for many years. The problem is that this only happens 20 to 30 percent of the time. The trick is to minimize the number of failures."

Chief executive officer, single family office, CA

Figure 2.24:

Extent to which family offices agree or disagree with statement



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"The payback period for private equity funds has extended from around five to seven years because exits have become more challenging. This has created a bit of a liquidity squeeze which is problematic because our strategy is to invest consistently every vintage year. I don't want too much capital deployed today so that I can't invest anything tomorrow."

Chief investment officer, single family office, MA

"We like buyout funds that invest in mid-market established companies. These are firms which are past the start-up phase but haven't reached the scale of a multinational and can still benefit from operational efficiencies and strategic growth initiatives. Even though the deal size can be in excess of US $100 million there's a lot of inefficiency in this segment of the market."

Chief financial officer, single family office, PA

"More or less all our warm leads come from other family offices. If other family offices are invested then that's a great data point. Rarely do we ever stumble upon something ourselves and end up investing."

President, single family office, FL

"Our private equity portfolio has a strong bias towards secondaries and that's been a good place to be. The challenge that a lot of private equity investors face is extended holding periods. But our managers are managing secondaries. They are buying and selling pre-existing limited partners' commitments to private equity funds. They can buy relatively cheaply because these limited partners need liquidity and because of this they have latitude to accept a slightly lower price on exit."

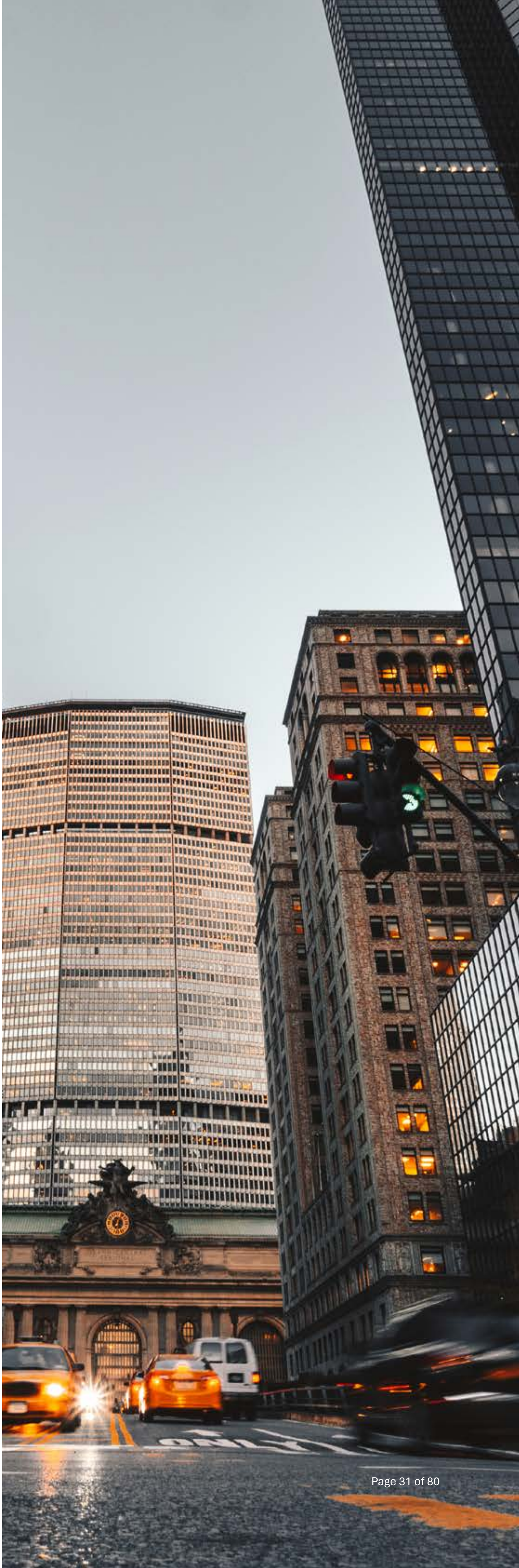
Managing director, single family, office TX

"The hottest part of the market is private credit. Many funds offer a private credit side deal alongside an equity investment in a company. These companies are sub-investment grade but they are not small, and since they are backed by a general partner who could inject more equity if required, the downside risk is limited."

Chief executive officer, single family office, Canada

"We continue to see strong engagement from family offices in private equity, with fund structures delivering GP expertise and diversification. At the same time, larger or more established family offices are leaning into selective direct deals – where their sector knowledge and governance discipline can add real value. The technology sector remains a magnet for capital, reflecting the durable growth engines and scalable business models – and families are accessing it through specialist managers and co-investments. What separates strong outcomes is discipline: having a clear thesis and rigorous governance from sourcing through to exit. Technology is part of the toolkit, not the decision-maker – data and workflow tools can help teams make faster decisions, but judgment leads. In a complex market, that blend of sector focus and investment discipline allows family offices to participate in the innovation while managing the risk."

Beth Francis, Managing Director, Institutional Family Office Solutions, RBC Enterprise Strategic Client Group



Case study: Private markets - Still a favorite asset class for family offices

Private equity underperformed public markets in 2024. Has this changed family offices' view towards what has become the largest asset class in their portfolios? Our interviewee, the CIO of a single family office in Colorado, thinks not. He sees the environment for the asset class continuing to improve, and believes it still has the capacity to generate outsized returns.

Our survey shows a higher percentage of family offices are still looking to allocate capital to this asset class than any other. Why is investor confidence proving so resilient?.

Historically, family offices have been attracted to private equity funds for two reasons: portfolio diversification and its potential to generate outsized returns. Now that private markets is the largest piece in most family office portfolios it follows that the diversification argument is less important. Certainly, we did some rebalancing of our portfolio in 2023 after years in which private equity outperformed public equity markets. This proved to be well-judged because public markets significantly outperformed last year.

However, the argument about outsized returns is still valid because private equity investment takes place at an early stage of a company's life cycle when most value is created. This stage isn't accessible to investors operating in public markets because on average a company has been operating for at least a decade before it's in a position to list on a public market.

So far we've just mentioned private equity funds. But family offices, not mine but others, can also undertake a direct investment in company and exert operational control. This is often the case where the principal has made his money from founding, and subsequently selling, a company in a particular industry and then looks to apply his skill and knowledge to another start up in the same industry. By moving away from traditional pooled private equity funds, family offices investing directly can tailor portfolio company strategies to their own objectives and risk profile. The downside is the cost of acquisition due diligence and subsequent monitoring of company performance can be excessive.

How is the private equity market doing at the moment?

I'd say the market is still stabilizing after the challenges of 2023 and 2024. Dealmaking has picked up marginally, and general partners have deployed more capital but without excessive fundraising from limited partners. There's also some tentative evidence of operational improvements in portfolio companies. Cash distributions to limited partners are starting to come through and for the first time in several years they are of comparable magnitude to capital calls. Limited partners like my family office see distributions as the most important metric of financial performance.

Much of this improvement has been helped by a more benign financing environment. The cost of financing is still much higher than in the boom period of 2019-21 but it has reduced with monetary easing. This has helped both the financing of new deals and the S&P 500 to perform strongly over the past year. Higher valuations for public companies means higher exit multiples for the portfolio companies sold by their sponsors. There's been a notable increase in the number of large private equity deals and exit activity in recent months.

What are the key challenges for family offices operating in private markets?

Family offices are seen as sources of patient long-term capital. Therefore, on the surface they appear to be the perfect private equity investors because of the extended timescales involved and the illiquid nature of the asset. However, good outcomes are not always achieved.

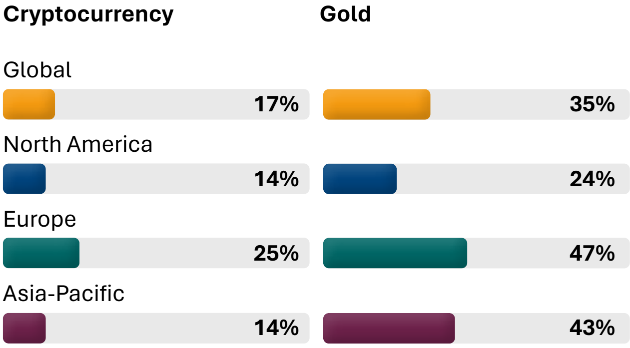
Private equity has the potential to generate market-beating returns, however choosing poor managers or underperforming investments will be a significant drag on portfolio performance. The dispersion of returns from private equity funds is very wide. Top-ranked private equity funds have historically outperformed bottom-ranked funds by a very large percentage. Depends of course on how you measure it, but the difference between a successful portfolio and a not-so-successful portfolio can be very wide because the not-so successful portfolio could have just a handful of portfolio companies which fail and have zero value. By contrast in the public markets the difference in returns of the top and bottom funds is normally just a handful of percentage points because on the whole, public companies don't tend to disappear.

So for family offices investing in funds, identifying the very best managers in any particular sector is extremely important. But this is a complex and time-consuming process. For me, as CIO running the entire family office investment portfolio, I also have to select every manager for every asset class, both domestic and international. This is done by myself in combination with our wealth manager. One of the advantages of this approach is that the wealth manager is aggregating funds from all his clients and therefore gets access to funds which we, as just one family office, would probably not get access to.

With in-house direct investment the risks are rather different. It may be the case that the family office overestimates its area of expertise or commits to a company whose management has different values to those of family members. Above all, successful direct investing requires the family office to develop a clearly defined, repeatable process for identifying genuine value. Sifting through potential deals for nuggets of alpha opportunity is a lengthy and research-intensive activity. Building a portfolio of direct deals therefore requires significant patience. As any collector can tell you, acquiring and cultivating a stable of truly excellent assets cannot be done overnight.

Gold & Cryptocurrency

Figure 2.25:
Percentage of family offices with exposure



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Gold is around one percent of the average office portfolio, but nearly a quarter of all family offices have a holding. It was one of the best performing asset classes in 2024 (Fig 2.13) and has positively surprised year-to-date (Fig 2.2). Previously shunned as a non-productive asset, gold's status as a safe haven in times of geopolitical risk has won it many new friends. It's also a useful hedge against US dollar depreciation.

Similar to gold, cryptocurrency represents less than one percent of the average family office portfolio, but an estimated 14 percent of family offices hold the asset class. This indicates that those which have an allocation are likely doing no more than testing the waters. Excessive volatility and absence of regulation explain why many family offices avoid the asset class. However, perceptions could well change. The SEC's approval of Bitcoin exchange-traded funds, and the introduction of stablecoins which are pegged to the US dollar to reduce volatility, are important steps towards making cryptocurrency mainstream.

"There has been a serious shakeout in crypto and the surviving coins and tokens are there to support underlying technologies. Solana is probably the best example, it's a blockchain platform designed to handle a massive volume of transactions per second and therefore ideal for applications requiring real-time processing."

Founder, single family office, NY

"Blockchain offers an immutable record of ownership and other rights, and is a huge disruptor for organizations like banks, or indeed companies and governments which hold registers of assets or voters. There will be innumerable opportunities."

Chief executive officer, single family office, CA

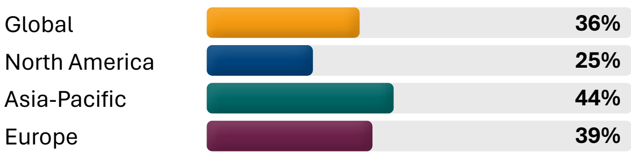
"Resistance to owning cryptocurrency and digital assets is breaking down. Sure, it will take time for them to become mainstream but the Trump administration has taken steps to promote US leadership in this space, notably the Genius Act has established a regulatory framework for stablecoins and helped to legitimize the entire industry."

Chief investment officer, multi-family office, NY

2.5 Responsible Investing & Philanthropy

Approaches to responsible investing[3]

Figure 2.26:
Percentage of family offices engaged in responsible investing

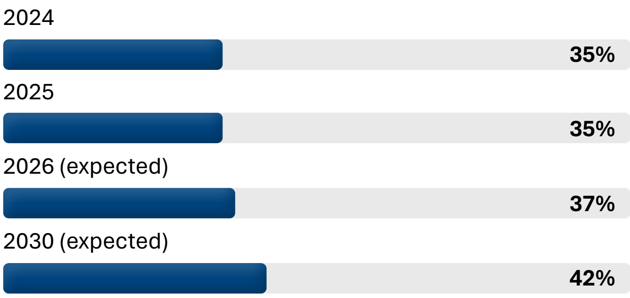


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Proportionately fewer North American family offices have embraced responsible investing than their Asia-Pacific and European peers. However, among those that have, the percentage of their portfolios comprised of responsible investments averages 35 percent. Based on our survey, these family offices believe that the percentages of their portfolios given over to responsible investing will increase steadily over time.

3 www.rbcwealthmanagement.com/en-us/insights/what-is-responsible-investing

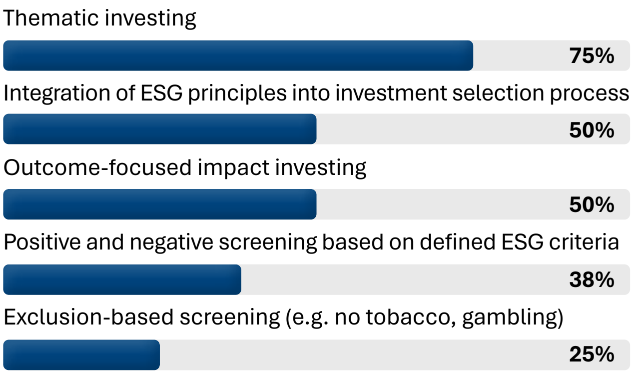
Figure 2.27:
Percentage of family office portfolios allocated to responsible investments



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

The approaches family offices take towards responsible investing are shown in Fig 2.28. The most commonly employed approach is thematic investing, which involves investing in themes aligned with the family's specific interests. Behind that comes integration of ESG principles[4] into the investment selection process, which requires an assessment of the target firm's environmental, social and governance objectives. Exclusion-based screening[5], which blocks investment in certain industries with dubious social or environmental benefits (e.g. gambling, fossil fuels), is a less nuanced approach than positive and negative screening[6], where investments that meet desired ESG product or conduct-related criteria are positively selected.

Figure 2.28:
Responsible investment methodologies adopted by family offices



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

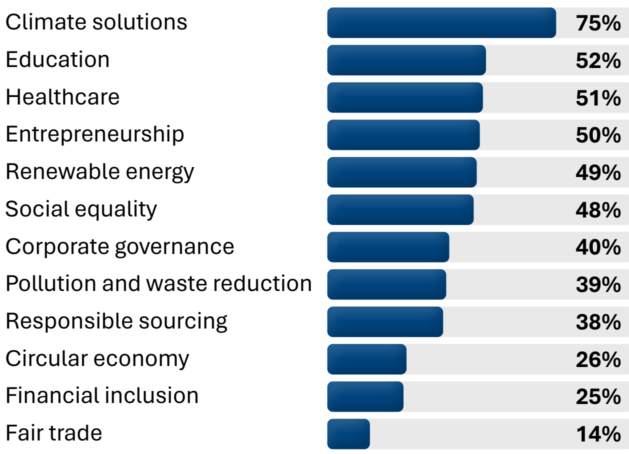
Responsible investment methodologies used by family offices

Impact investing, which aims to produce a social or environmental benefit as well as a financial return, qualifies as another category of responsible investing and is an option used by almost half of all responsible family offices. Key to this approach is measurement of a positive beneficial impact the potential investment might have on society and the environment. Impact investing differs from other applications of ESG in that an element of intentionality is involved; making investments with the specific aim of generating positive measurable outcomes[7]. In short, family offices are doing more than just screening out bad companies, and are actively trying to find solutions.

Each of these approaches requires some element of additional analysis and in many cases, due to the nature of the investment or voids in the data, a particular methodology may not be available. Therefore, family offices tend to adopt more than one, and this is the case for around 60 percent of survey participants.

Themes and motivations

Figure 2.29:
Responsible investment themes supported by family offices



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Popular themes supported by responsible investors are climate solutions, healthcare and education. These themes (Fig 2.29) and the causes that families support through philanthropy (Fig 2.35) are similar but responsible investing is more closely entwined with environmental concerns.

4 www.rbcwealthmanagement.com/en-us/insights/what-is-responsible-investing
5 www.rbcwealthmanagement.com/en-us/insights/what-is-responsible-investing
6 www.rbcwealthmanagement.com/en-us/insights/what-is-responsible-investing
7 www.rbcwealthmanagement.com/en-us/insights/what-is-responsible-investing

"ESG and sustainability need to be part of the company's DNA before we would consider investing. We do ESG due diligence for all our investments, raise ESG issues with their boards and ensure regulated firms are compliant with all sustainability disclosure requirements."

Chief executive officer, single family office, CA

"Sustainable investing is moving towards maturity driven by stricter regulation and the emergence of new innovative financial instruments. Stricter regulation is intended to combat greenwashing, where companies or funds make misleading sustainability-related claims. The market for Green Bonds has also deepened as a result of EU regulation, pushing more capital towards sustainable development projects."

Chief investment officer, single family office, MA

"AI is uniquely positioned to accelerate innovation and drive systemic change to complex systems. The social benefits of impact investing have always been difficult to measure and this is another aspect AI can improve. What has become more evident from studies undertaken over the past decade is that sustainable investment funds have outperformed traditional funds, and this is making it easier for Gen Zs and millennials to make their case."

Chief investment officer, multi-family office NY

The motivations driving responsible investing are many and varied (Fig 2.30). Our survey reveals that for more than 80 percent of family offices, the primary factor is simply the recognition of its importance. Alongside this, families consider they have a responsibility to make the world a better place. Although not the primary reason for investing responsibly, 50 percent believe this course of action will increase investment returns. Other motivating factors encouraging responsible investing are the desire to demonstrate that family wealth can be used to achieve positive outcomes, and support causes which next-gens wish to promote.

Figure 2.30:
Motivation for investing responsibly

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

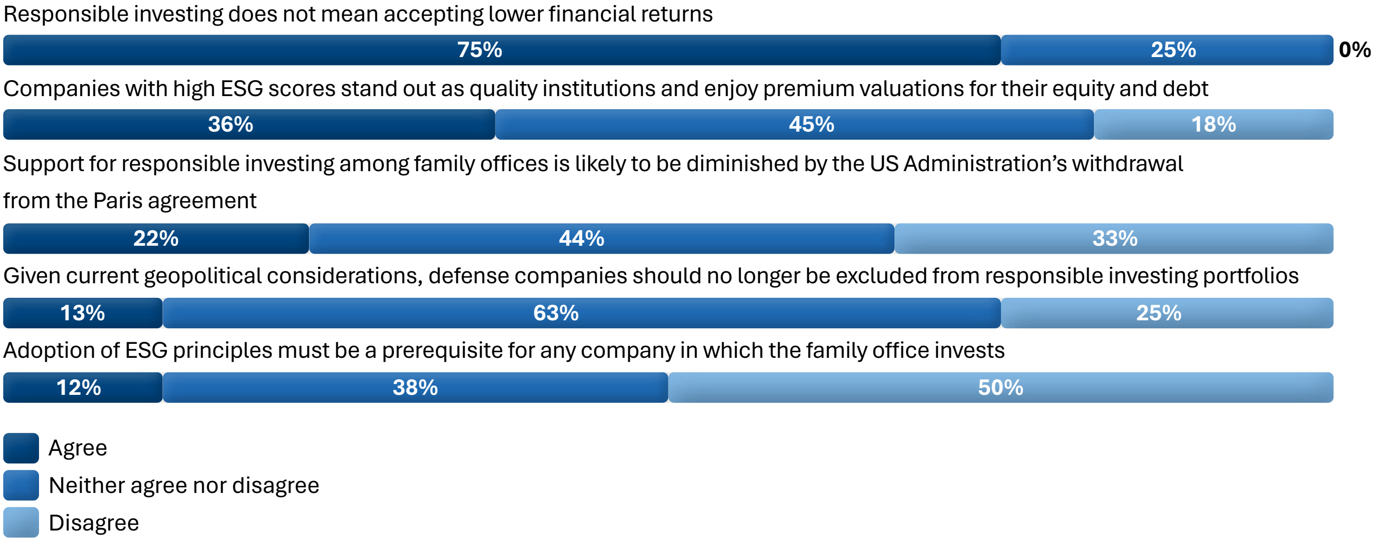
The main motivation for investing responsibly is recognition of its importance

Family offices are emphatic that investing responsibly does not mean accepting lower financial returns (Fig 2.31). There is considerable academic evidence to support this thesis. A meta-analysis published by NYU Stern and Rockefeller Asset Management[8] reviewing over 1,000 papers from 2015-2020, found ESG-compliant assets outperformed in 59 percent of studies. More recently, Morgan Stanley claims sustainable funds outperformed conventional funds over the five years to mid-2024[9], but this and similar surveys are always contested because of different definitions of "sustainable".

Family offices do not see the US Administration's withdrawal from the Paris Agreement as likely to curb their enthusiasm for responsible investing. An interesting anomaly highlighted by our survey is the high regard placed on company ESG scores, but for 50 percent of family offices a company's adoption of ESG principles is not a necessary prerequisite for family office investment.

8 www.stern.nyu.edu/sites/default/files/assets/documents/NYU-RAM_ESG-Paper_2021.pdf
9 www.morganstanley.com/ideas/sustainable-funds-performance-first-half-2024

Figure 2.31:
Extent to which family offices agree or disagree with statement



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

ESG

Family offices talk the talk, but do they walk the walk? We have highlighted their commitment to responsible investing, but do they apply the same rigorous criteria to their own behaviour? We found 16 percent indicated ESG principles are embedded in their governance, and 14 percent plan to reduce greenhouse gas emissions from the operating businesses they control (Fig 2.32). Diversity, equity and inclusion is expected to remain important for family offices despite being de-emphasized elsewhere.

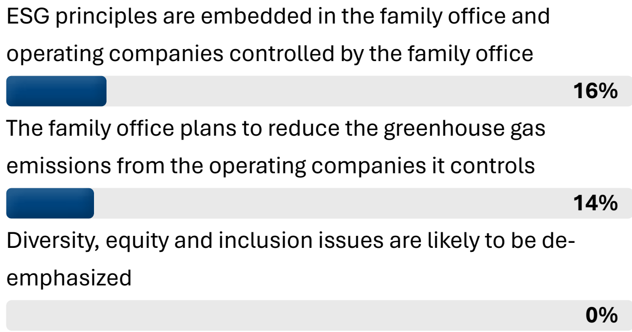
"There's a big question mark over what responsible investing means. The experts agree that we are going to need oil and gas until all our energy requirements can be met by renewables. Across Europe regenerating a defense industry is a national emergency. Should fossil fuel and armament companies still be excluded from responsible portfolios?"

Chief investment officer, single family office, MA

"Family capital is increasingly aligned with family values. This encompasses philanthropy, impact and responsible investing. These are all tools for effecting social and environmental change and the family embraces all of them to different degrees as they seek to give back. This is in stark contrast to the mood music that's coming from the US administration."

Chief investment officer, multi-family office, NY

Figure 2.32:
Family office commitment to environmental and social issues



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Philanthropy

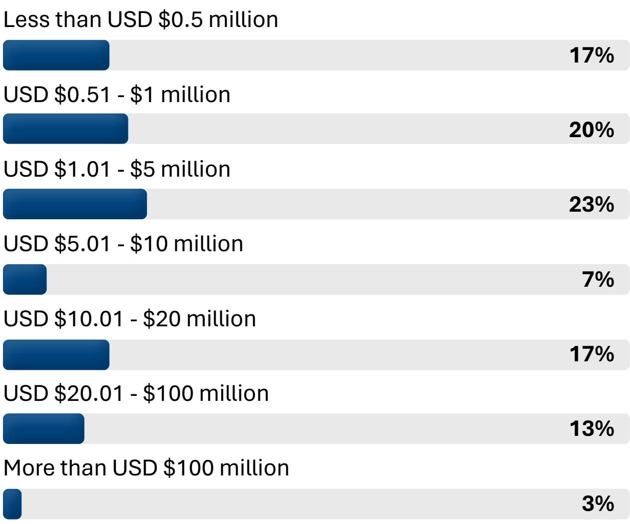
Figure 2.33:
Percentage of families engaged in philanthropy

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

The lines between responsible and impact investing and philanthropy are getting increasingly blurred. But the thread that aligns all three is family wealth supporting family values. Philanthropy is another instrument in the toolbox for supporting positive change while at the same time cementing family unity, facilitating next-gen engagement, and building a legacy.

Almost 90 percent of North American family offices make philanthropic donations. The majority of donations are in excess of US $1 million and a limited number of large donations pushes the average up to US $15 million (Fig 2.34). This represents 1 percent of average family office AUM.

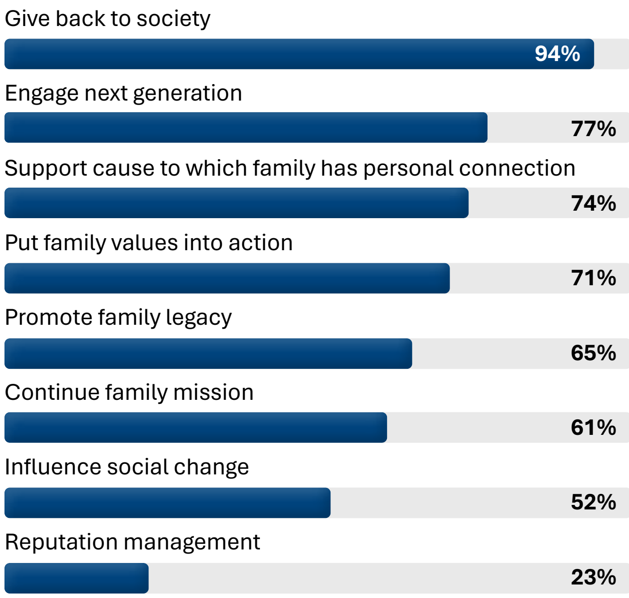
Figure 2.34:
Size of annual philanthropic donations



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Families' strong desire to give back to society is the primary motivation for their philanthropic efforts (Fig 2.35). Another motivation is the opportunity philanthropy presents to engage the next generation and, as one participant told us, "Put family values into action". A personal connection to a particular cause or charitable institution can also be a strong motivating factor.

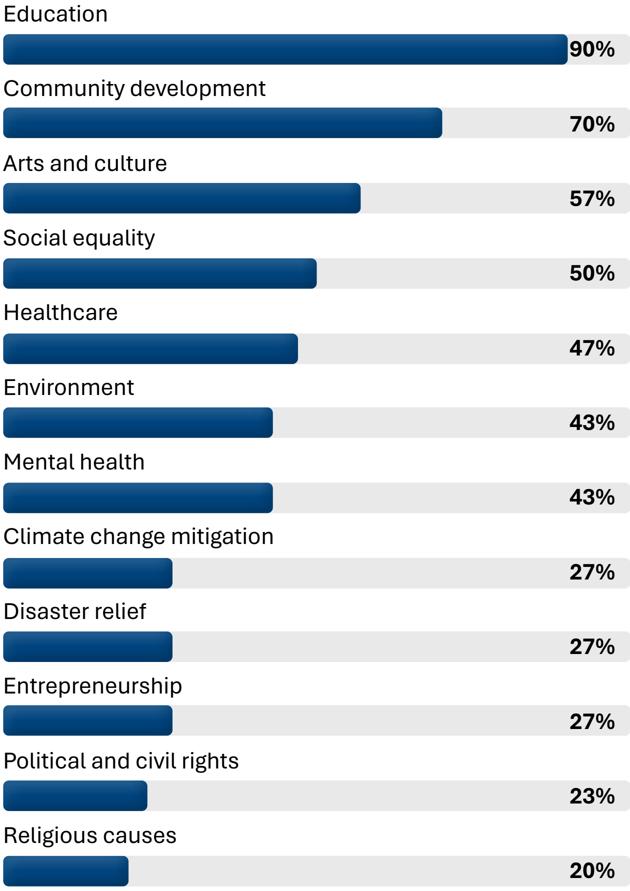
Figure 2.35:
Motivation for philanthropy



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

The most popular philanthropic causes that families support are education, community development, the arts and social equality (Fig 2.36). A general feature of these causes is that they require long-term commitment, with families providing financial support over an extended timescale, rather than one-off donations. This means the root cause of problems is addressed rather than just providing temporary "sticking plaster" solutions. In this regard, family support is genuinely philanthropic rather than simply charitable.

Figure 2.36:
Causes families support



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Foundations

Family foundations are popular vehicles for families seeking to make their philanthropy impactful. As legal entities, foundations can exist over the generations and their philanthropic activity, shaped by the family's values and mission, can include causes and individuals which are not charities. The advantages of a foundation are the ability to involve next-gens in its management (adding to family cohesiveness) and from a tax perspective, family members and the family office can make tax-deductible donations into the foundation up to 30 percent of their gross income (Fig 2.37). A donor-advised fund is a simpler and cheaper option but can only donate to a public charity, unlike a foundation which can support causes or individuals.

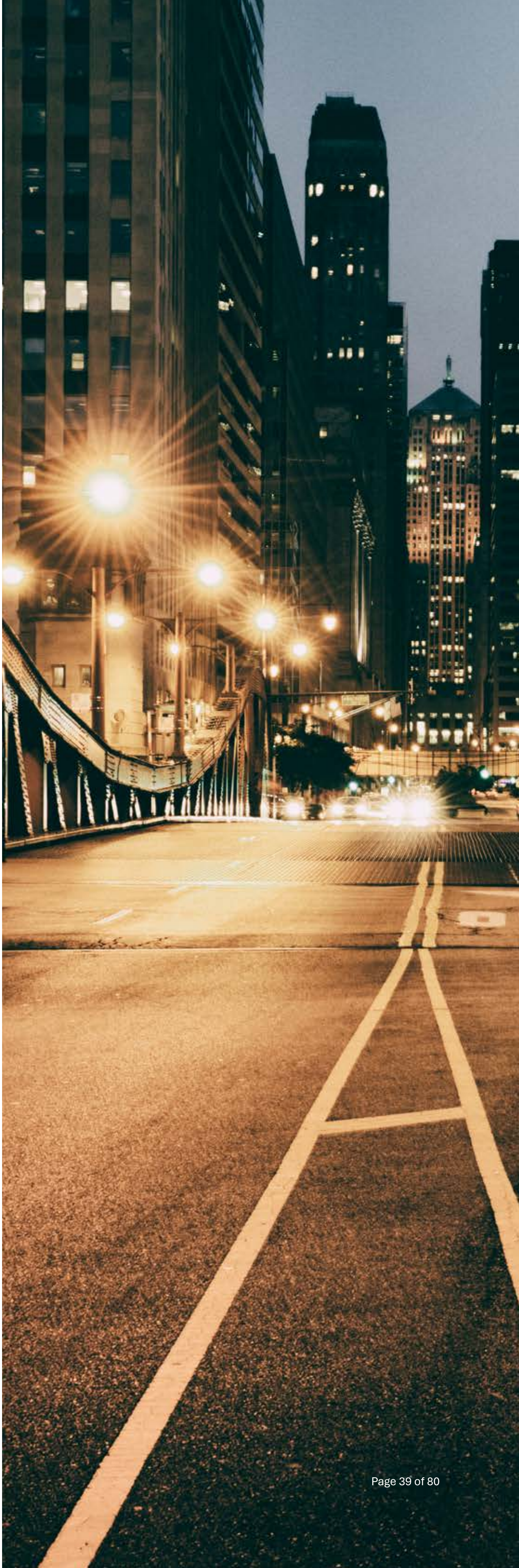
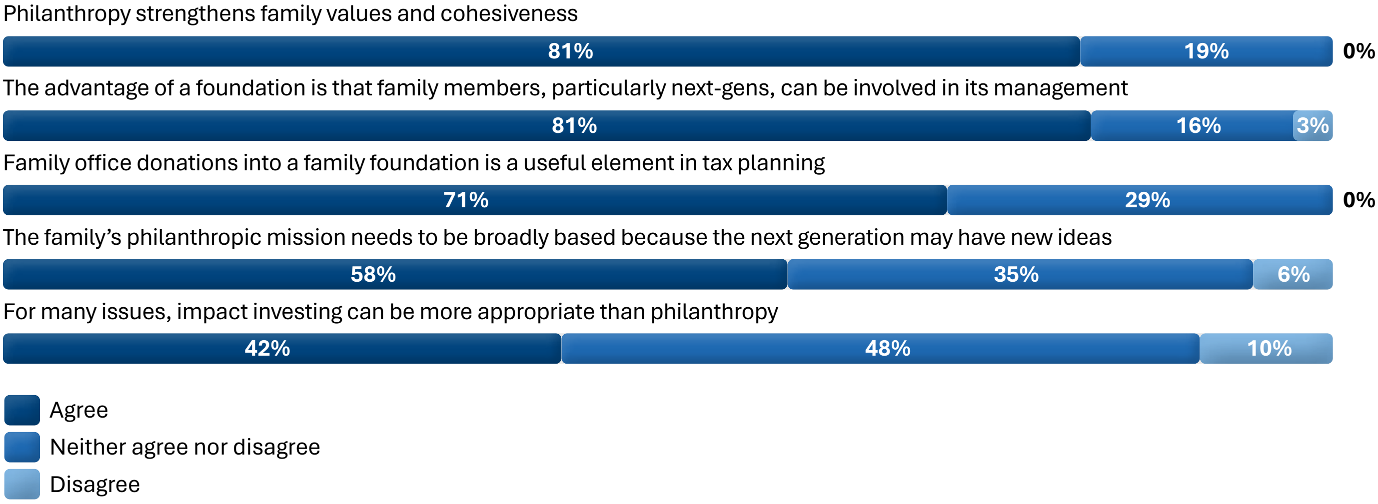


Figure 2.37:

Extent to which family offices agree or disagree with statement



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"We have a family foundation which is entirely ESG-aligned. We support diversity, community developments and access to healthcare. We are involved as a family; everyone has the right to make a donation from the foundation to support any particular cause. However, they have to make a pitch to the family to explain the cause and why a donation would be appropriate."

President, single family office, FL

"Philanthropy is being driven by asset valuations. Many families have experienced tremendous asset appreciation over the last 10 or 15 years leaving them with enormous unrealized capital gains. Rather than paying enormous capital gains taxes, we are seeing a lot of families gifting appreciated securities. This is probably one of the best financial transactions you can do."

Chief financial officer, single family office, PA

"Even with headwinds around ESG, leading family offices remain committed to values-aligned investing and philanthropy, with allocations to responsible investing on track to reach 42% by 2030. Over half are using ESG outcome-focused approaches, and a similar share believe these strategies can deliver both social impact and financial returns. On philanthropy, most families now give upwards of $1 million annually. They see philanthropy not only as a way to give back but also as a way to strengthen family unity and engage the next generation. Their thematic priorities range from climate and oceans to women's empowerment and mental health. These choices reflect a shared belief that aligning capital with purpose is essential for the future."

Dr. Paula Murphy Ives, Managing Director, Social Capital & Impact, RBC Enterprise Strategic Client Group

US $9.8m
Average operational cost of family office with more than US $1 billion of AUM

35 bps
Cost/AUM efficiency ratio

US $1,142,000
Average total compensation of CEO

Inside the office

Family offices participating in the survey vary very considerably in size. For the very smallest, with AUM in the US $100 - 250 million range, operating costs (excluding investment-related fees) are frequently around the US $1 million mark. For those with more than US $1 billion, average costs are 10 times higher. For the smallest costs average 62 basis points (bps), 55 bps for those in the US $250-499 million range and 37 bps for those with AUM between US $0.5 and US $1 billion. For family offices with more than US $1 billion under management, costs average US $9.8 million or just 35 bps, demonstrating the economies of scale available to larger family offices.

Small and midsize family offices operate with a handful of staff and family members will tend to occupy C-level management positions. The bigger staff complement employed in larger family offices are predominantly engaged in advisory and investment functions and, reflecting professionalization, C-level management positions are not exclusively occupied by family members.

There is a huge disparity in compensation levels related to the size of the family office. The average total compensation for CEOs of very large family offices is in excess of US $1million, but only US $286,000 for small family offices. Part of this disparity is linked to the family status of C-level executives. Bonus and other incentivization payments, which make compensation competitive with that offered by financial institutions and other professional firms, are seen as essential if family offices are to be able to recruit from that pool of talent. Nonetheless, over 90 percent of family offices report difficulties recruiting. Nearly 50 percent report difficulties with staff retention.

3.1 Cost footprint

Operating efficiency

Operating costs of the family offices participating in the survey (excluding investment-related fees paid to banks and third-party managers) average US $4.3 million. However, this simple average is misleading, for the very smallest family offices' costs are often less than US $1 million, whilst for their larger peers, figures in excess of US $20 million are not uncommon. Recognizing the wide disparity in the sizes of family offices, we sub-divide cost data into four categories as per Fig 3.1. The table shows how costs increase as family offices get larger and more complex, but they become more efficient because higher costs are spread over a bigger base of assets.

For family offices with less than US $250 million of AUM, costs average US $1.1 million, equivalent to 62 basis points (bps) of AUM. But for family offices with more than US $1 billion under management, costs average US $9.8 million or just 35bps.

We estimate that in 2024, the average net investment return on AUM for North American family offices was 11 percent (Fig 2.13). Therefore, in aggregate family offices would have been operating profitably. However, small family offices, with their higher ratios, would be the most vulnerable if investment returns turned negative.

In absolute terms, the average operating costs of family offices with less than US $250 million of AUM are half those of midsize family offices, which in turn are about a fifth of those of family offices with more than US $ 1 billion. Not surprisingly, this difference in scale is reflected in the number of employees, and also the extent to which services are outsourced rather than provided in-house. Outsourcing accounts for nearly half the overheads of midsize family offices.

Figure 3.1:
Family office categorization by AUM, costs, employees and outsourcing (US $ million)

Very large

Assets under management	More than US $1 billion
Avg costs	9.8
Avg AUM	2,786
Basis points	35
Ave Employees	20
Costs outsourced %	13%

Large

Assets under management	US $500-999 million
Avg costs	2.9
Avg AUM	768
Basis points	37
Ave Employees	7
Costs outsourced %	21%

Midsize

Assets under management	US $250-499 million
Avg costs	2.1
Avg AUM	375
Basis points	55
Ave Employees	7
Costs outsourced %	45%

Small

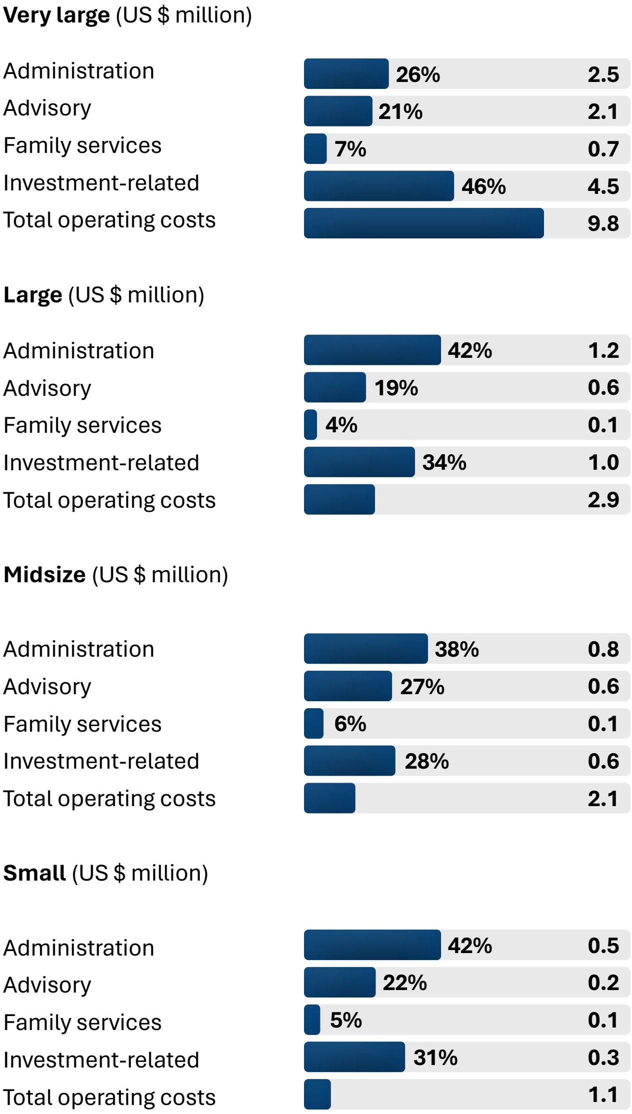
Assets under management	US $100 -$249 million
Avg costs	1.1
Avg AUM	175
Basis points	62
Ave Employees	3
Costs outsourced %	20%

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Cost categories

We asked survey respondents to break down costs into four basic categories: advisory, investment-related, family offices and administration. Advisory includes estate, tax, and legal, while investment includes accounting, reporting and due diligence. Fig 3.2 reveals that administrative expenses are around 40% of the costs of most family offices, but as they get bigger investment-related costs become a larger percentage. This is perhaps not surprising since the effective management of financial assets is often the primary motivating force for establishing a family office. At every stage, family services represent only a small percentage of expenses.

Figure 3.2:
Breakdown of family office operating costs

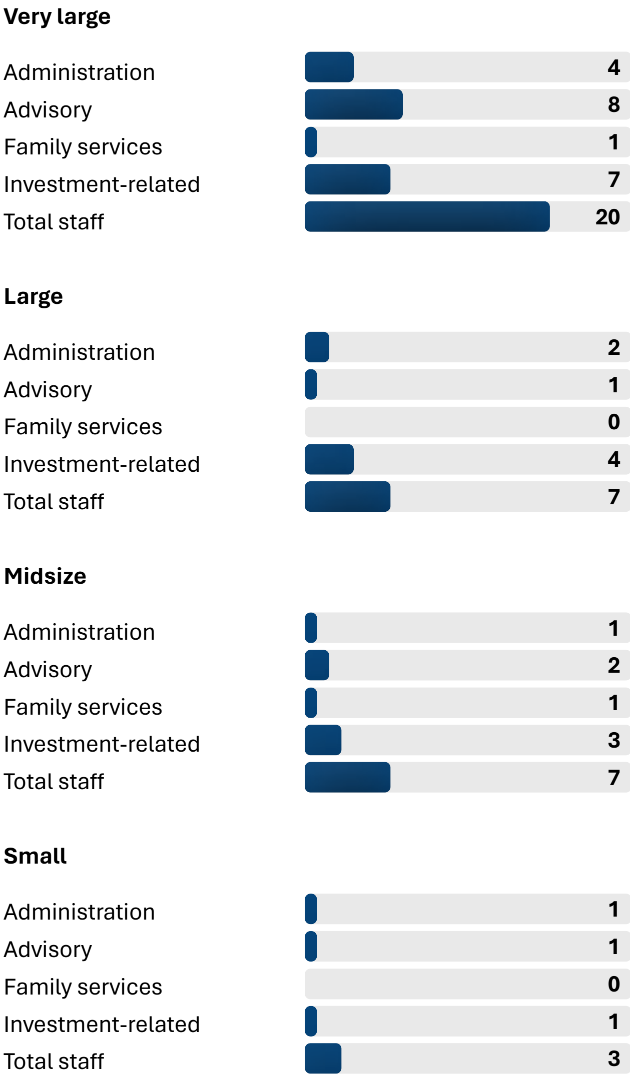


Administration: human resources, information technology, premises
Advisory: estate, financial, tax and succession planning, legal
Family services: concierge / security, governance, next-gen education, travel
Investment-related: accounting, asset allocation, due diligence, reporting and risk management, (excluding custody, administration, and performance fees paid to third-party banks and investment managers)

Source: Campden Wealth / RBC, The North America Family Office Report, 2025

These findings are also reflected in the distribution of family office staff (Fig 3.3).

Figure 3.3:
Family office staff by function



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"It's very tempting for large family offices to overspend. This is because everything you can possibly spend money on is very small alongside the value of the portfolio. At most it will only add one or two basis points to the cost ratio."

Chief financial officer, single family office, PA

"We have a core team of three and we outsource everything; legal, tax, and investment. That way we keep our expenses very low, generally around the US $1 million mark."

Founder, single family office, NY

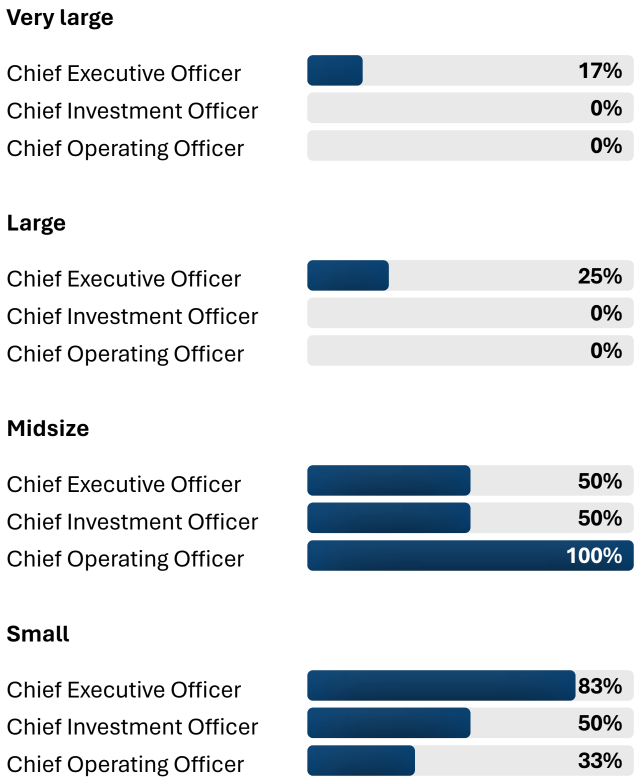
3.2 Talent

Headcount

Staff employed in the largest North American family offices are predominantly in the advisory and investment functions (Fig 3.3). There is a weighting towards accountants, analysts and fund managers but also lawyers, tax and estate planners. Reflecting the professionalization of family offices, C-level management positions are not exclusively family members.

Small and midsize family offices operate with a handful of staff, particularly virtual family offices (6 percent of survey respondents) which outsource as much as possible. These individuals will occupy the C-level management positions (possibly more than one) and they will tend to be family members (Fig 3.4).

Figure 3.4:
Percentage of family office C-level management who are family members

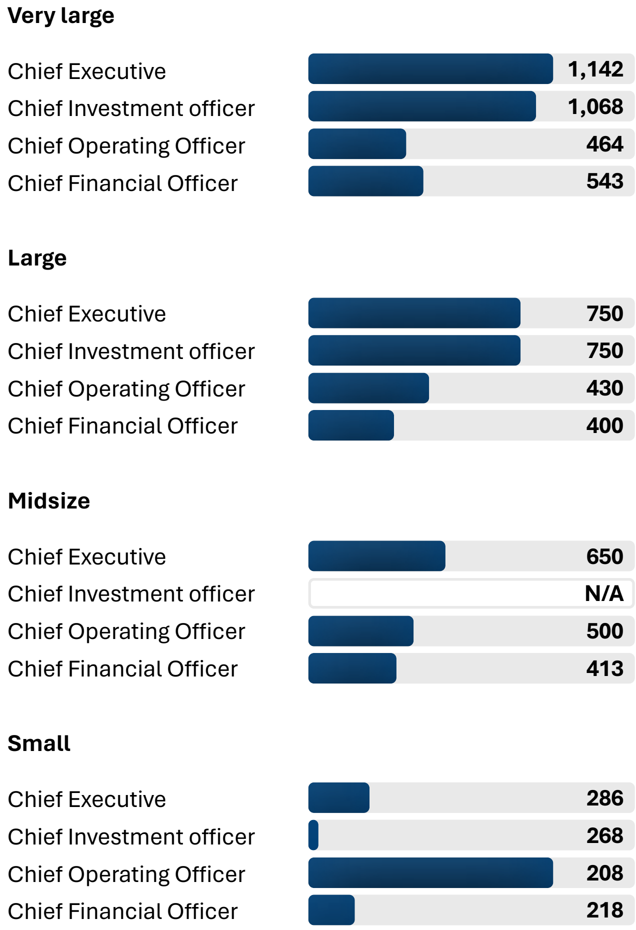


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Compensation

There is a huge disparity in compensation levels related to the size of the family office (Fig 3.5). This is no more than might be expected, except that the disparity is also linked to the status of C-level executives. For example, for small family offices, the average compensation for chief executives who are family members is US $256,000 compared to US $435,000 for those who are not. In support of their families, many CEOs are prepared to forgo market-related rates of compensation.

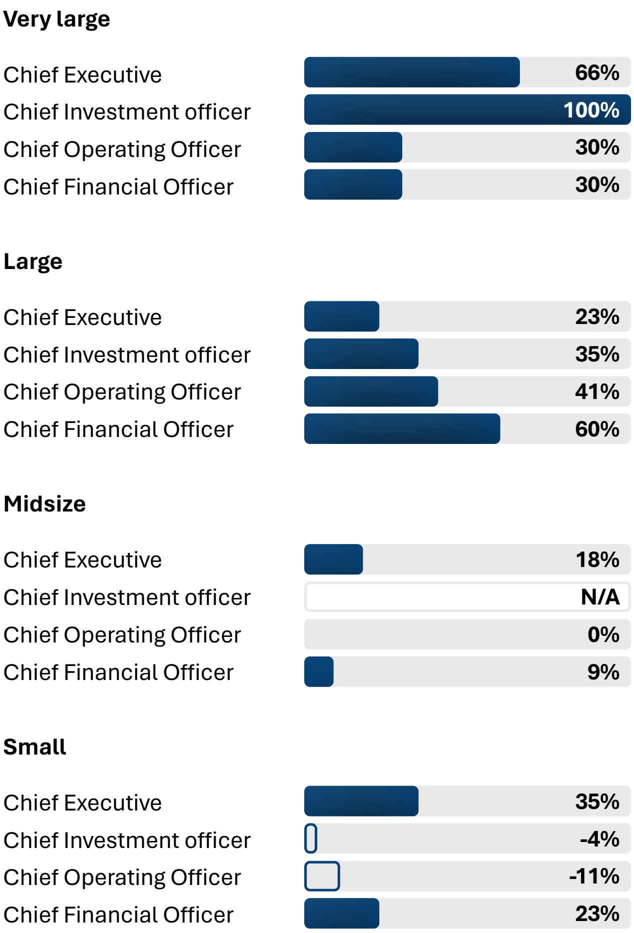
Figure 3.5:
Average total compensation for C-level management ($000)



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

The total compensation figures are the combination of two elements: a base salary and a bonus plus other incentivization payments. These payments can provide a very powerful uplift to base salaries, particularly for those in larger family offices (Fig 3.6).

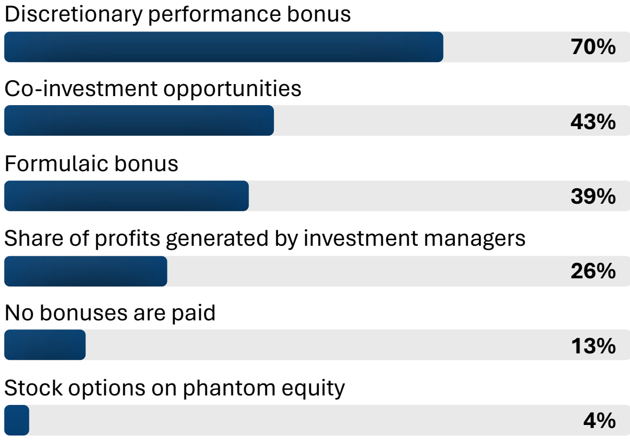
Figure 3.6:
Uplift to base salaries from bonus and incentivization payments



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

87 percent of family offices offer some form of discretionary or formulaic bonus (Fig 3.7), on top of which executives frequently have the opportunity to share in the profits from investment management and/or invest in private markets alongside the family.

Figure 3.7:
Bonus and incentive plans offered by family offices



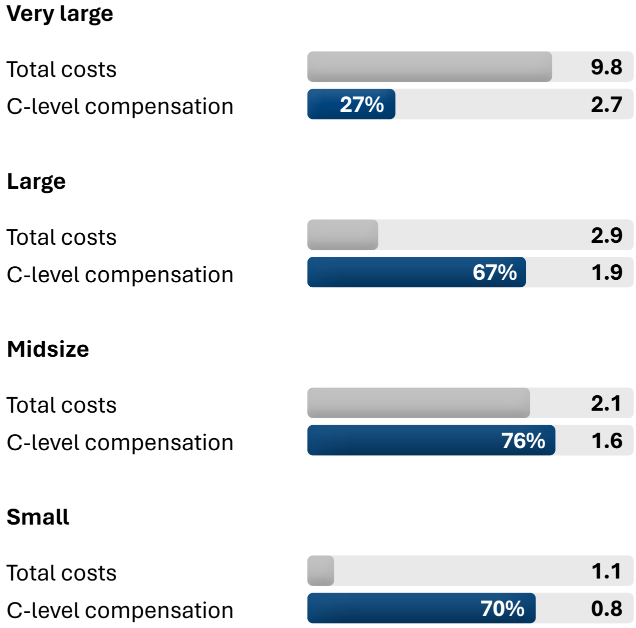
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Bonus and other incentivization payments, making compensation competitive with that offered by financial institutions and services, are essential if family offices want to recruit from that pool of talent and continue to professionalize. As Fig 3.7 illustrates, these incentivization payments are becoming increasingly common and more complex, a trend which the majority of family offices believe is set to continue.

The significance of staff compensation on operating costs is set out in Fig 3.8. Assuming that each family office has three C-level executives, a chief executive, chief investment officer, and either a chief operating officer or chief financial officer, then from Fig 3.4 total executive compensation would range from US $0.8 million for small family offices up to US $2.7million for large family offices. These figures represent only 27 percent of the costs of large family offices, but 70 percent or more for small and midsize offices. There are two strategies which smaller family offices often use to mitigate their cost position, First, more than one management role can be consolidated into the hands of one individual. Second, some family members will work for below-market rates of compensation.

By working at sub-market rates, family members occupying C-level positions are in effect subsidizing their family offices. While this altruistic behaviour is beneficial for the family, it does imply a significant step up in costs if the family office is subsequently professionalized.

Figure 3.8:
Compensation for C-level management as percent of total costs (US $ million)



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Two factors are driving costs inexorably upwards. First, as older staff retire they are replaced with new employees whose salary expectations will inevitably be higher, and there's a one-time cost of finding these people. Second, the cost of advisory work, principally legal and tax is going through the roof."

Chief executive officer, single family office, CA

"Compensation for C-level executives is materially lower if they are family members. This is particularly beneficial for smaller family offices, but it creates a problem when offices professionalize. Replacing a retiring CEO who is also a family member with a professional CEO paid at market rates means a significant uplift in running expenses."

Chief financial officer, single family office, PA

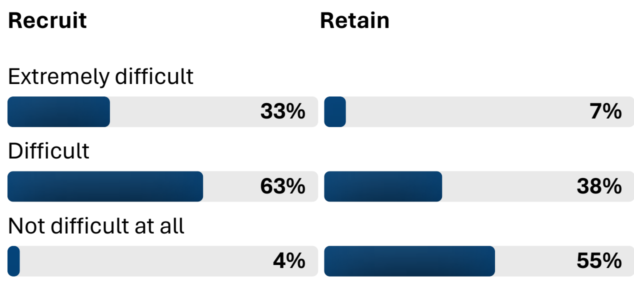
"The biggest element of costs is staff, and the most expensive staff are involved in the investing and accounting functions. You need to make sure that you're researching investments properly and you need to make sure that your reporting and accounting functions are sufficiently sophisticated. So you need good people and that's expensive."

Managing director, single family office, TX

Retention and recruitment

Over 90 percent of family offices report recruiting staff is difficult, or extremely difficult (Fig 3.9). Nearly 50 percent report difficulties with staff retention. Recruitment has always been difficult because of the necessity of finding candidates with not only the relevant professional qualifications, but also the appropriate interpersonal skills. However, as family offices move to recruit finance professionals from external organizations, it's apparent that the adoption of bonus and other incentivization plans hasn't alleviated recruitment difficulties. Further analysis of our data reveals the percentage of large family offices experiencing recruitment difficulties is almost the same as the percentage of small family offices even though the former will almost certainly be offering much higher levels of compensation, at least for senior executives.

Figure 3.9:
Percentage of family offices reporting difficulty with staff recruitment or retention

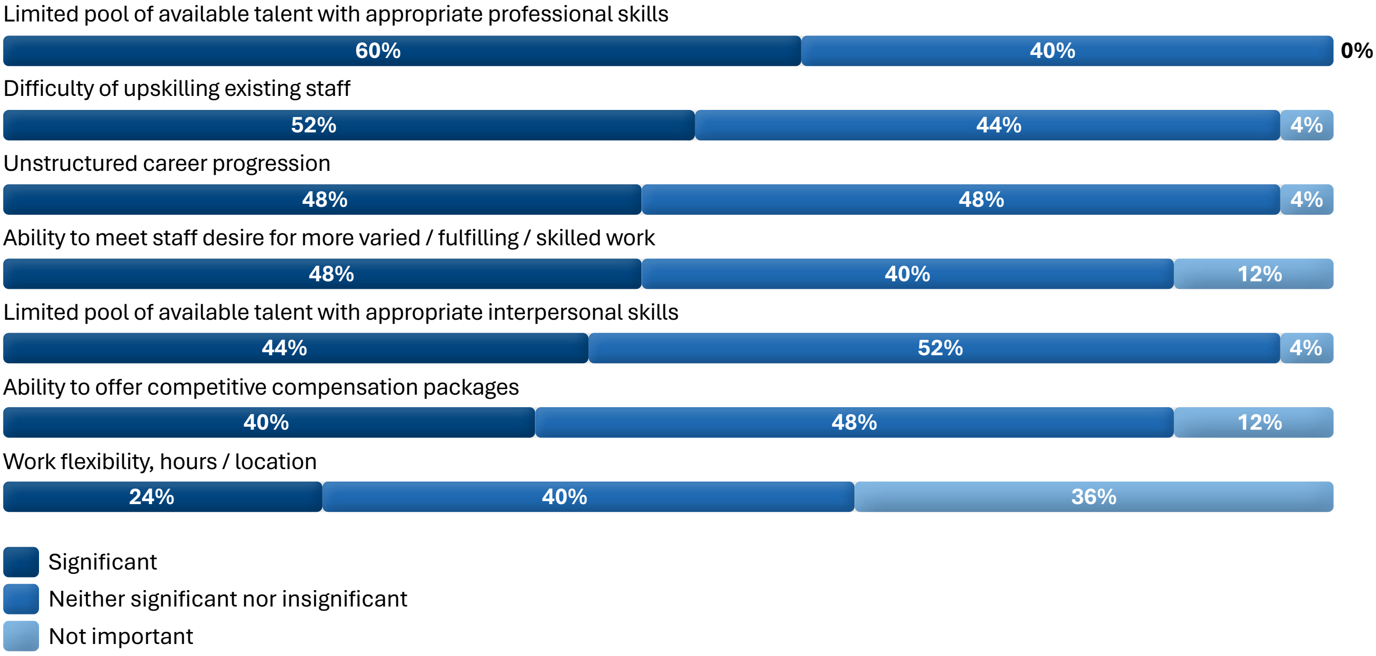


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Family offices themselves attribute their difficulty recruiting to the limited size of the available talent pool. But the unstructured career progression that family offices provide is also recognized as a serious issue. The inability to meet employees' desire for more varied and fulfilling work is cited as the main cause of difficulties with staff retention (Fig 3.10). Compensation only ranks sixth in the list of factors influencing staff recruitment and retention.

Figure 3.10:

Factors affecting staff recruitment and retention



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Hiring has always been a challenge. It's not just about finding capable candidates but those who are going to fit in, who are going to be good team players and can work well with the family. But it's no secret that family offices will use AI to reduce generalist administrative staff in back-office functions. The challenge of finding good hires may recede."

President, single family office, FL

"Family office staff are keenly aware of the financial commitment the family makes in order to keep the family office running. They hope that family members see the advantages in terms of peace of mind, family harmony and legacy, aspects which don't figure in a conventional cost-benefit analysis."

Chief executive officer, single family office, CA

"There have been lots of discussions around deferred compensation and co-investments. We will have to professionalize our compensation and benefits program at some point, but we have to ensure that the employees' and the family's interests are aligned. The employees can't be encouraged to run risks that the family can't see or measure."

Director, single family office, FL

"If you want to have in-house teams of estate planners, lawyers and investment professionals covering stocks, bonds, private equity, and real estate portfolios then US $500 million AUM is probably not quite enough. There's no way the team could enhance the family office's investment returns sufficiently to cover their compensation packages, which have to reflect something close to the millions of dollars they would be earning on Wall Street. There's no question that you are better off simply paying their Wall Street employer for their services rather than hiring these asset managers directly."

Chief financial officer, single family office, PA

#1
Operational concern:
"Too many manual processes"

35%
Percent agree that escalating costs will increase use of outsourcing

47%
Anticipate generational wealth transfer over next decade

Operations, technology and governance

Outsourcing enables small and midsize family offices to provide a very broad range of services to their family members. The decision to outsource is driven by the availability of specialist expertise, although cost savings are important for smaller and midsize family offices where the volume of work may be insufficient to justify a full-time hire.

Increasing confidence in the counter-measures which family offices have put in place to improve cybersecurity has reduced concern around on-line risk. Rather, manual processes, and closely associated with this, over-reliance on spreadsheets, head the list of concerns.

Technology is radically changing family office operations, automating repetitive tasks and streamlining workflow. The most sought-after pieces of technology are automated investment reporting systems and wealth aggregation platforms. Confirming the appeal of this technology to family offices, the adoption rate of 69 percent is up from 46 percent last year.

It's very encouraging that over 60 percent of family offices report having a succession plan, a significant improvement on last year. The key characteristic of family offices which lack a succession plan, mission statement or family constitution is that they are almost exclusively first- and second-generation family offices. There is not much impetus to write a family constitution when the number of family members is in single digits and children are too young for their future roles to be considered.

Over the last decade the next generation assumed control of around 10 percent of family offices. Going forward, the pace of transition seems set to accelerate. Almost a quarter of all family offices expect the transition to happen within the next five years, and around half within the next ten years. This would seem to reflect the surge in family office formation which took place immediately after the turn of the millennium.

4.1 Operations

Relocation

Global migration of wealth has become a hot topic. Record numbers of millionaires are reported to be migrating from Europe to the United Arab Emirates, and in Asia-Pacific there is consolidation in Singapore[10].

The evidence from our survey is that 16 percent of North America's family offices might consider changing domicile if political or geopolitical risks are deemed sufficiently serious. 16 percent may seem quite significant, but actually it is very low by the standards of family offices in Europe and Asia-Pacific (Fig 4.1). There will always be some who are dissatisfied for a variety of reasons, but whether they will choose to do something about it is an entirely different question. A major constraint on movement is that US citizens are required to file tax returns irrespective of their country of residence and renouncing US citizenship is a complex process with material legal and financial consequences.

Figure 4.1:
Percentage of family offices which might consider changing domicile if political or geopolitical risk was deemed sufficiently serious

Global	29%
North America	16%
Europe	38%
Asia-Pacific	54%

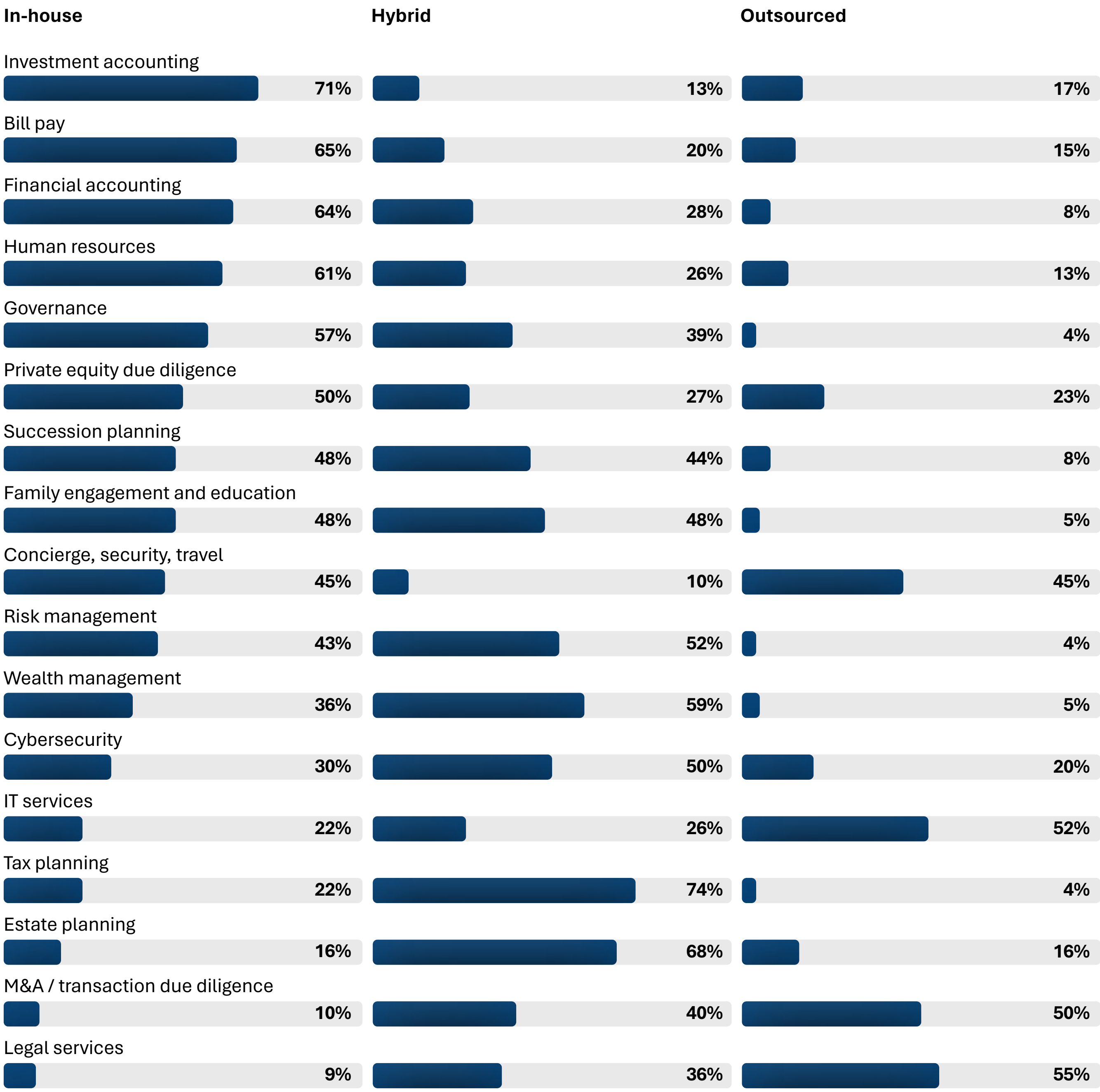
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

In-house vs. Outsourcing

The broad suite of services normally offered by family offices appears in Fig 4.2. Our data indicates that virtually every family office, irrespective of size, provides about 90 percent on these services. This is surprising because small familys have a fraction of the staff of their larger peers (Fig 3.3). Outsourcing explains how this is possible.

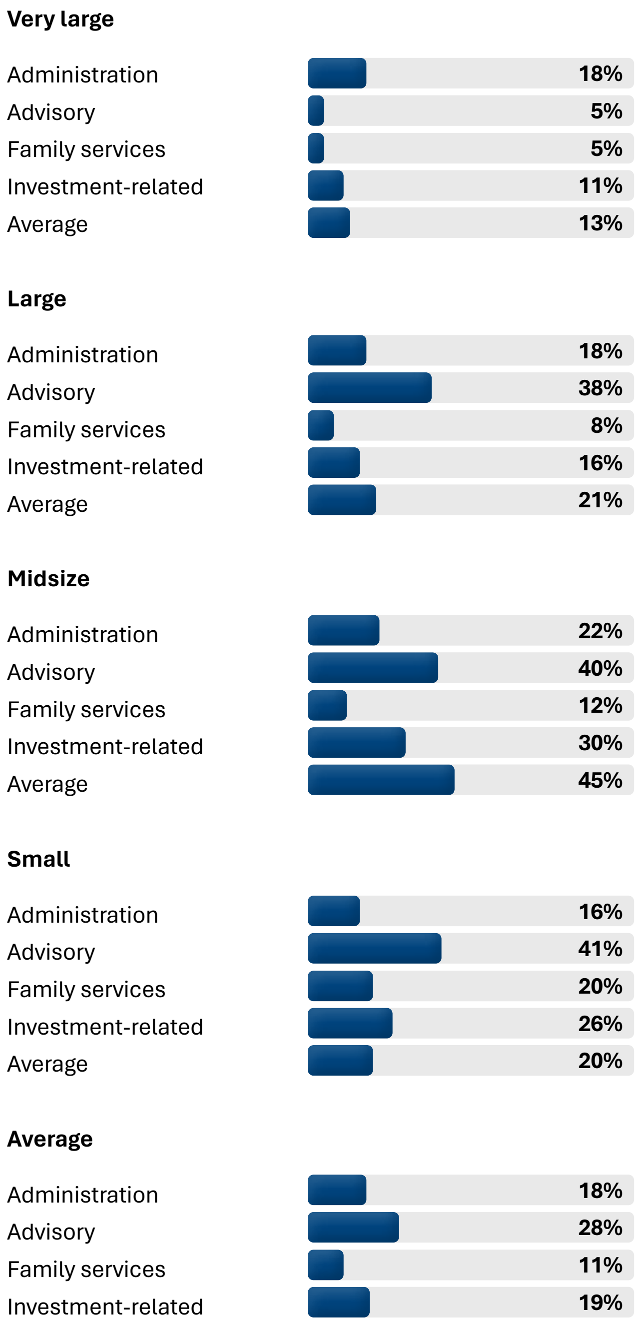
10 www.henleyglobal.com/publications/henley-private-wealth-migration-dashboard/global-wealth-migration

Figure 4.2:
How family offices provide services



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 4.3:
Percentage of costs related to outsourcing



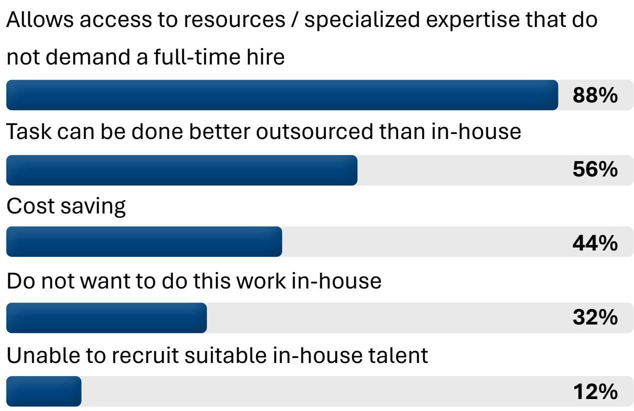
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Services such as IT, legal, tax and estate planning are generally outsourced; there are many external vendors. Less specialist functions such as investment and financial accounting, bill pay, and human resources are generally provided in-house, although a wide range of administrative and investment functions can also be outsourced to commercial wealth managers and multi-family offices. In many categories, the majority of family offices operate a hybrid strategy using in-house resources and buying in external expertise.

Fig 4.3 is a complex matrix breaking services down into four basic categories (administration, advisory, family, and investment-related) and family offices by size. The figures are the average percentage of costs which arise from outsourcing. For example, 28 percent of costs from advisory work stem from outsourcing, but very large family offices have in-house lawyers and estate planners and consequently for them outsourcing is a relatively small 5 percent of advisory costs. Family services are generally provided in-house. Midsize family offices are most reliant on outsourcing, and then dependency falls away with increasing size.

The decision to outsource is driven by the availability of specialist expertise, although cost savings are important for smaller and midsize family offices where the volume of work may be insufficient to justify a full-time hire (Fig 4.4).

Figure 4.4:
Main reasons for outsourcing



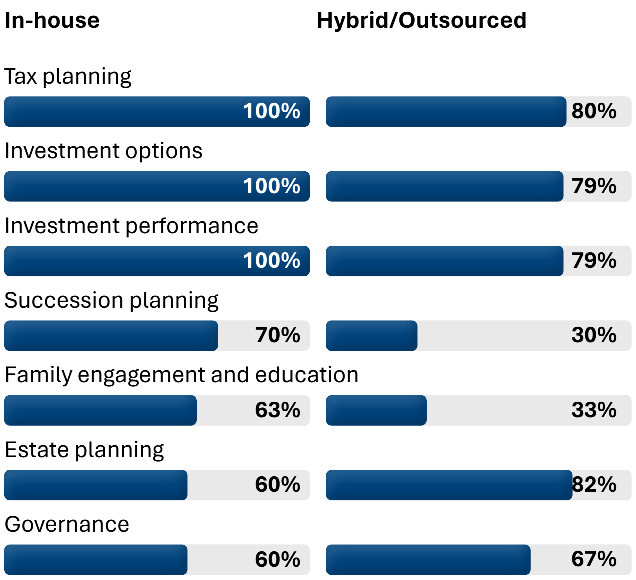
Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Outsourcing is clearly an important strategy for many family offices, but particularly those in the midsize category. But how successful a strategy is it? Overall, 58 percent of family offices reported satisfaction with their outsourcing arrangements, putting it just above halfway in the satisfaction league table (Fig 5.2). More specifically, how does outsourcing compare with keeping functions in-house?.

For seven key services set out in Fig 4.5 (and which also figure in the satisfaction league table Fig 5.2), we look at the percentage of family offices which are satisfied when the function is performed in-house and the percentage satisfied when it is outsourced or hybrid (part in-house, part outsourced). Significantly, all family offices which have in-house wealth management are satisfied with their available investment options and their investment performance. For family offices which outsource wealth management, 79 percent are satisfied with these two functions. Across the board, family offices which carry out functions in-house are more likely to be satisfied, with the exceptions of governance and estate planning, where access to external specialists is a necessity (Fig 4.2).

While in-house provision results in proportionately more satisfied family offices, we recognize that this is not a feasible solution for all but the very largest family offices.

Figure 4.5:
Percentage of satisfied family offices performing function in-house, outsourced or hybrid



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Family offices see themselves as great managers and there is only a limited number of people with the appropriate skills they would want to hire. Therefore, they believe the best course of action is to find outsourcing partners and then manage those outsourcing partners."

Chief executive officer, single family office, CA

"The banks, accounting firms and wealth managers which offer us services think that if they stick their moniker on something then we family offices are bound to buy it. But what they fail to recognize is that every family office is distinct and we each need something very specific and bespoke. For the most part they are not in a position to provide this."

Director, single family office, FL

"The problem with outsourcing to wealth managers is that they tend to do some things well and other things much less well. Consequently, they don't represent a single-source solution. In my view the competitors in the multi-family office space will have to be able to successfully integrate a whole range of capabilities into a comprehensive package of services."

Chief investment officer, single family office, MA

"The number of firms offering services to family offices is exploding. Maybe as a result of this intensified competition, I've noticed that their service offerings are getting more holistic, and actually relevant to what we need at a price we're prepared to pay. It's not perfect yet, but it's better."

Founder, single family office, NY

"How many family offices have a trusted estate planner on their staff? Even with the largest families, there's not enough work to keep someone busy every day. It makes perfect sense to outsource this service. Extrapolating from this example, I think we will see more virtual family offices being established, but every virtual family office will need a very proficient quarterback, that's a person like me who knows how to organize everything. The virtual structure radically reduces the level of financial wealth required to set up a family office."

Director, single family office, FL

Operational risk

Operational risks can be defined as the uncertainties and hazards an organization faces when conducting its normal activities. In addition, there are strategic risks which, if they crystallized, could pose a longer-term structural impediment to family office operations.

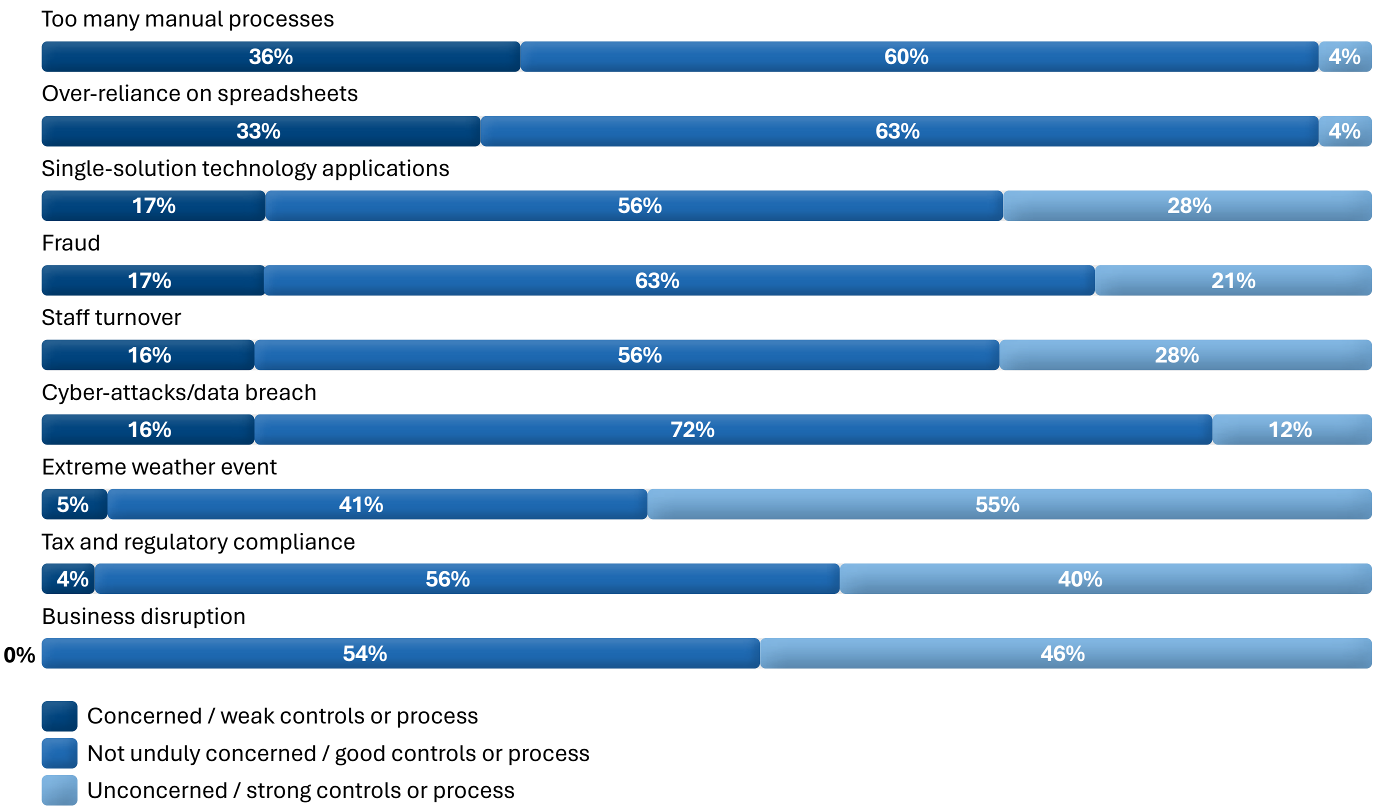
Family offices face some unique challenges where operational risk is concerned, principally the privacy and security of family members and safeguarding the family's reputation. In recent periods their principal operational concern has been cybersecurity. But this year, somewhat unexpectedly, the risk of cyber-attacks and data breaches comes well down the list of concerns (Fig 4.6). Possibly, this relates to increasing confidence in the counter-measures which family offices have put in place, a view supported by our attitudinal survey (Fig 4.10). Additionally, our survey found that although 71 percent of family offices had experienced some form of cyber-attack over the last year, none reported a material financial loss or data breach.

Rather than cybersecurity, heading the list of concerns is the proliferation of manual processes and closely associated with this is over-reliance on spreadsheets. Manual processes remain prevalent in reporting and wealth aggregation according to 65 percent of family offices (Fig 4.10). Many family offices have to operate a hybrid of automated and manual systems because the reporting data for different financial instruments varies considerably. Fraud and staff turnover are significant concerns but not tax and regulatory compliance or business disruption from extreme weather or other event.

"Even though many family offices have wealth aggregation and automated investment reporting a considerable amount of manual processing is still required. This doesn't seem to make much sense, except when you realize that these systems can only do part of the job."

Chief investment officer, single family office, MA

Figure 4.6:
Degree of concern with near-term operational risks

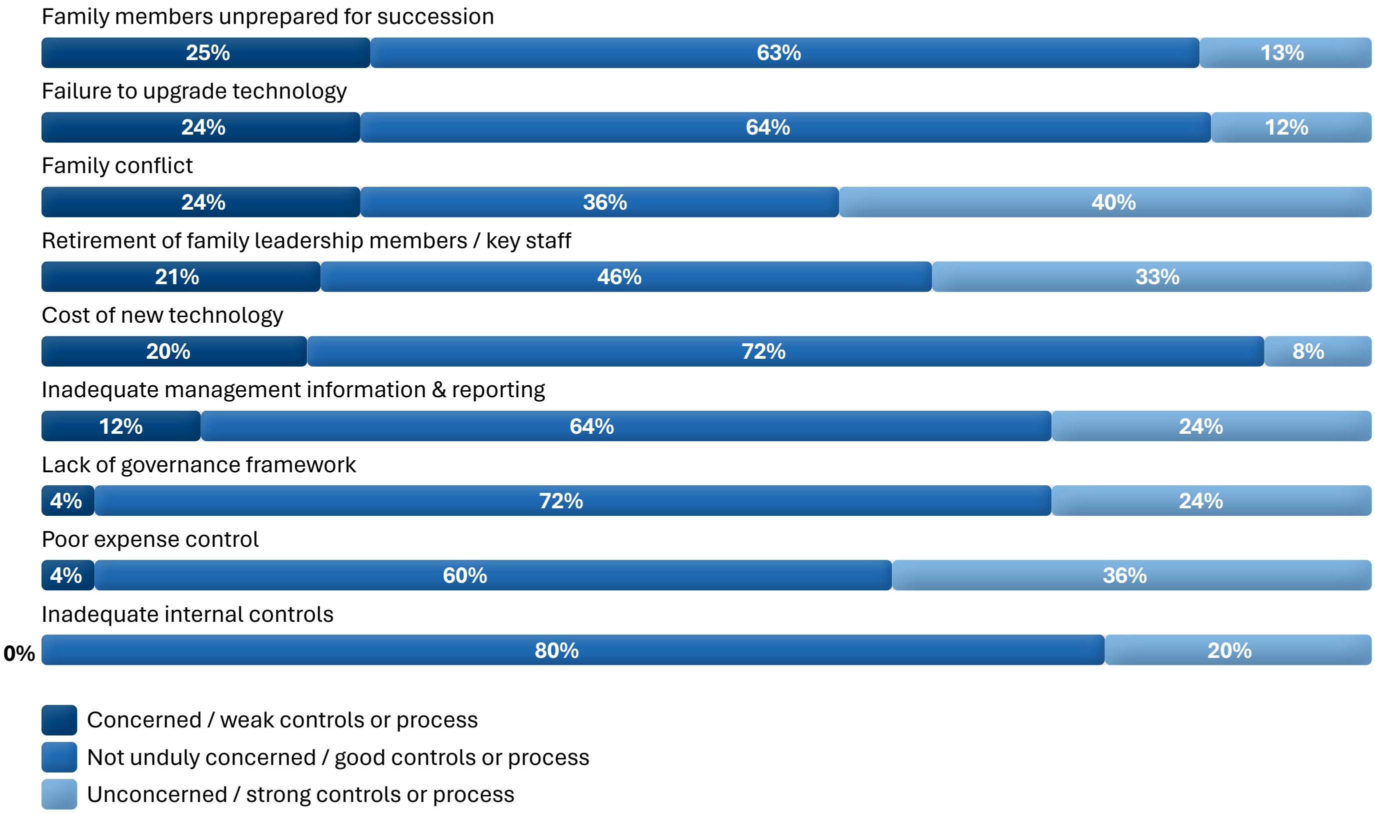


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Strategic risk

The main strategic risks facing family offices (Fig 4.7) are perceived to come from unpreparedness for succession and failure to upgrade technology. In the minds of participants, failure to upgrade technology appears to be related to its cost. Family offices view upgrades as bringing significant benefits (Fig 4.10), but failure to upgrade doesn't seem like an existential threat for a family office, as it could just soldier on with its older technology even if suboptimal. But succession issues and in particular the retirement of family leadership could be existential if they lead to serious family conflict. The majority of family offices believe their management information systems and governance frameworks are up to the task in hand.

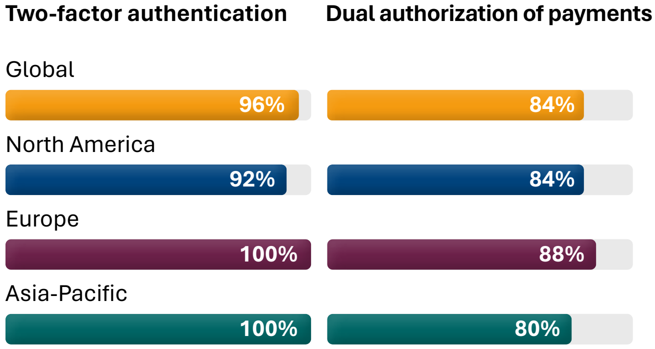
Figure 4.7:
Degree of concern with strategic risks



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Risk mitigation

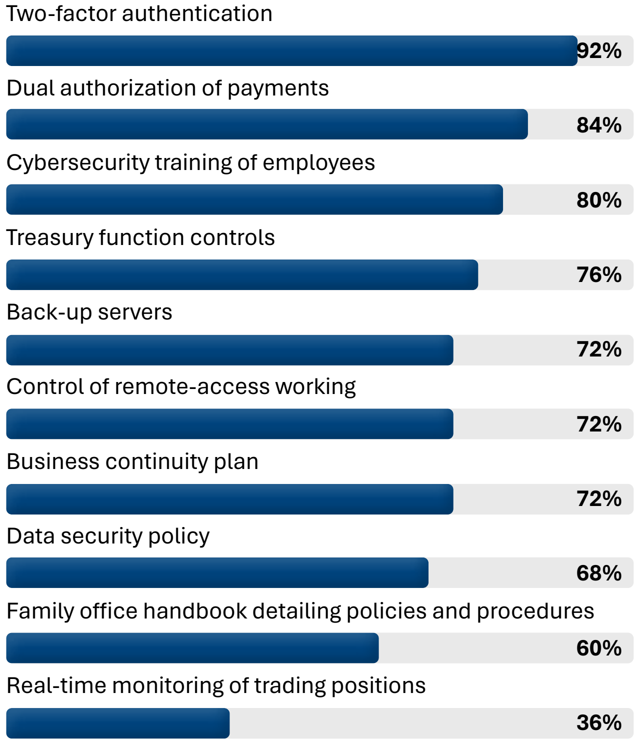
Figure 4.8:
Percentage of family offices operating two-factor authentication



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

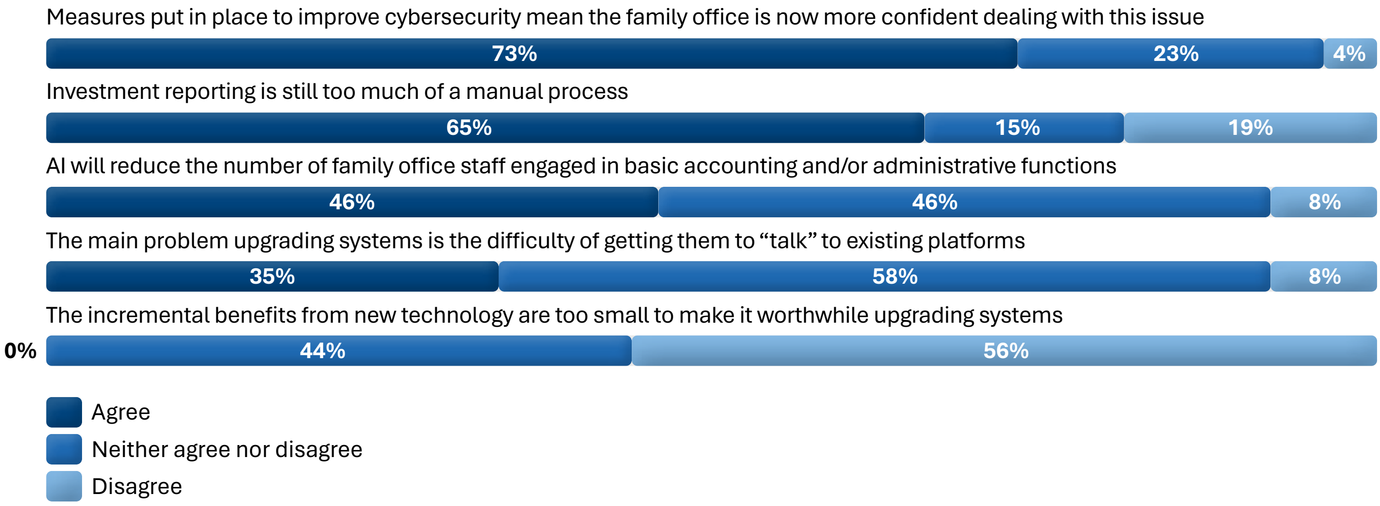
Having highlighted the most prominent operational risks, Fig 4.9 lists the measures family offices adopt to counter them. Dual authorization of payments and two-factor authentication of payees are close to universal, protecting against theft and wire fraud. Cybersecurity training for staff and the use of back-up servers as defense against cyber-attacks and IT system failures have also been widely adopted. Approximately 40 percent of family employ all or 9 out of the 10 measures set out in Fig 4.9. However, having these and other measures in place does not of itself make the family office secure; they need to be monitored, tested and updated regularly because, in a complex world, new operational risks are always going to emerge.

Figure 4.9:
Measures family offices take to mitigate operational risk



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 4.10:
Extent to which family offices agree or disagree with statement



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

4.2 Technology

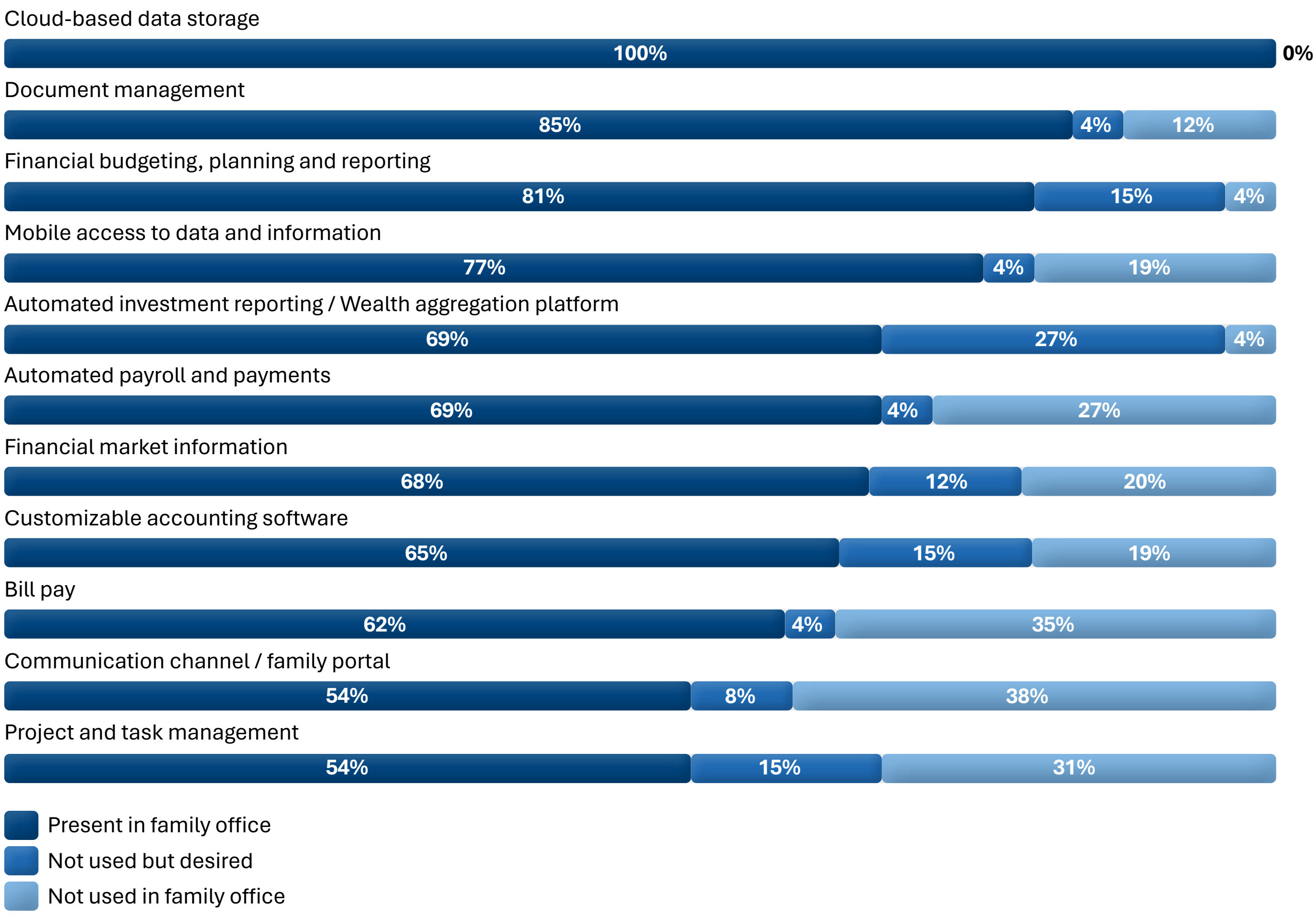
Adoption rates

Technology is radically changing family office operations. Repetitive tasks are being automated, workflow systematized and processes streamlined. Cloud storage enables the transfer of digitized documents both internally and externally. Wealth aggregation platforms provide a comprehensive view of a family office's financial position at the touch of a button.

Fig 4.11 lists the items commonly found in family office tech stacks. Cloud-based data storage, document management systems, and financial budgeting and reporting software, have been almost universally adopted by North American family offices. However other well-established technological products such as automated payroll, bill pay, and customizable accounting software are not utilized as extensively as might be expected. Further, apart from the latter there appears little desire to acquire this technology. Part of the explanation is that functions requiring this technology are often outsourced to external vendors, and therefore they don't form part of the family office tech stack.

Figure 4.11:

Presence and usefulness of technologies used in family offices



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Aggregation software

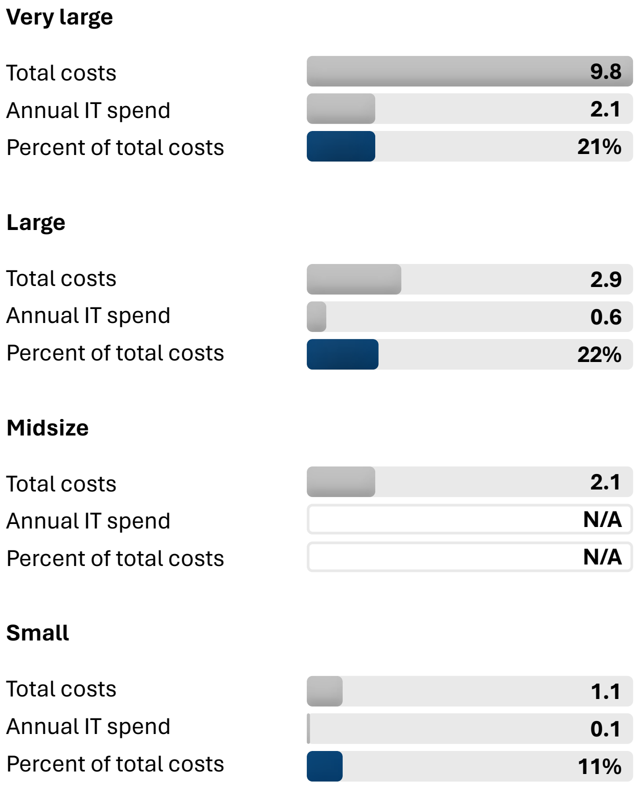
The most sought-after pieces of technology are automated investment reporting systems and wealth aggregation platforms. These can provide a comprehensive real-time view of an organization's financial position by consolidating data from multiple financial institutions. Confirming the appeal of this technology to family offices, the adoption rate of 69 percent is up from 46 percent last year.

Automated investment reporting and wealth aggregation significantly enhance the operational efficiency and financial oversight of family offices as they manage complex and diversified portfolios. Comments from participants indicate that platforms are often regarded as the "source of truth" within the family and their ability to provide real-time information is highly valued. However, to be effective, wealth aggregation platforms have to accommodate all the intricacies of wealth ownership, taking account of legal structures like trusts and limited liability companies, and individual and group interests tied to these structures. Moreover, platforms must be versatile enough to handle the unique characteristics of diverse asset classes, ranging from the redemption cycle of debt securities to the capital call dynamics of private equity, as well as lifestyle assets like works of art or cars.

The downside is that licenses for the use of this technology are not cheap, and would add materially to the IT budgets of small and midsize family offices (Fig 4.12). As alternatives to acquiring, family offices could outsource or simply defer on the basis that something better and cheaper will come to the market within a short time.

The cost of technology, in combination with salary inflation, is prompting many single family offices to consider outsourcing their IT and technology requirements to multi-family offices and wealth managers. These firms can spread the cost of technology solutions over their entire client base. 37 percent of survey respondents agree that cost factors were likely to lead to an increase in outsourcing.

Figure 4.12:
Annual IT spend as percent of total costs (US $ million)



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"The bane of most family offices' existence is the manual work reporting and record-keeping for private equity and alternative assets. A day doesn't go by without receiving a capital account or general partner statement. Taking that data and getting it into our record-keeping systems is manual. But there are now some tools that are AI enabled, that can read these reports and do the updates remotely. From a reporting and record-keeping standpoint, that offers significant savings and time reduction."

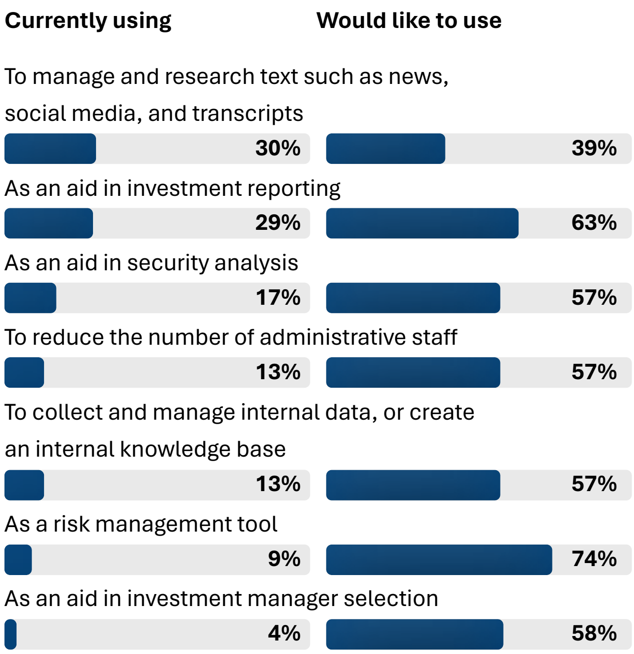
President, single family office, FL

AI

AI solutions stand to transform the way family offices operate. Tasks currently requiring manual data manipulation and report writing are capable of being automated by AI which has clear implications for the otherwise time-consuming function of investment reporting. AI is likely to result in a reduction in the number of family office staff engaged in basic accounting and/or administrative functions (Fig 4.10).

Already a significant percentage of family offices are using AI to assist in investment reporting (Fig 4.13), and to conduct research and security analysis. This trend will only accelerate as more advanced iterations of AI emerge. Most significantly perhaps, family offices would like to use AI as a risk management tool, and as an aid to investment manager selection.

Figure 4.13:
How the family office is using, or would like to use generative AI



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Family offices tend to be late adopters of technology. The only exceptions were those which were founded by a principal who made his money from the technology sector. But even the traditional late adopters are recognizing that large language models and generative AI are now having a going to have a meaningful impact much faster than they might have realized."

Director, single family office, FL

"We are seeing AI integrated into many more client interactions. In the legal community, we are already seeing this in the creation of legal documents. AI is going to have an enormous impact on the family office market, from tracking investment trends to assessing cybersecurity."

Chief executive officer, single family office, Canada

"A lot of progress has been made and it's probable that the addition of AI to systems will reduce the scope for error. We hope that AI is going to be able to reduce the need to check figures entered manually or scanned in from private equity managers' performance reports. But there is almost no end to the applications to which it could be applied."

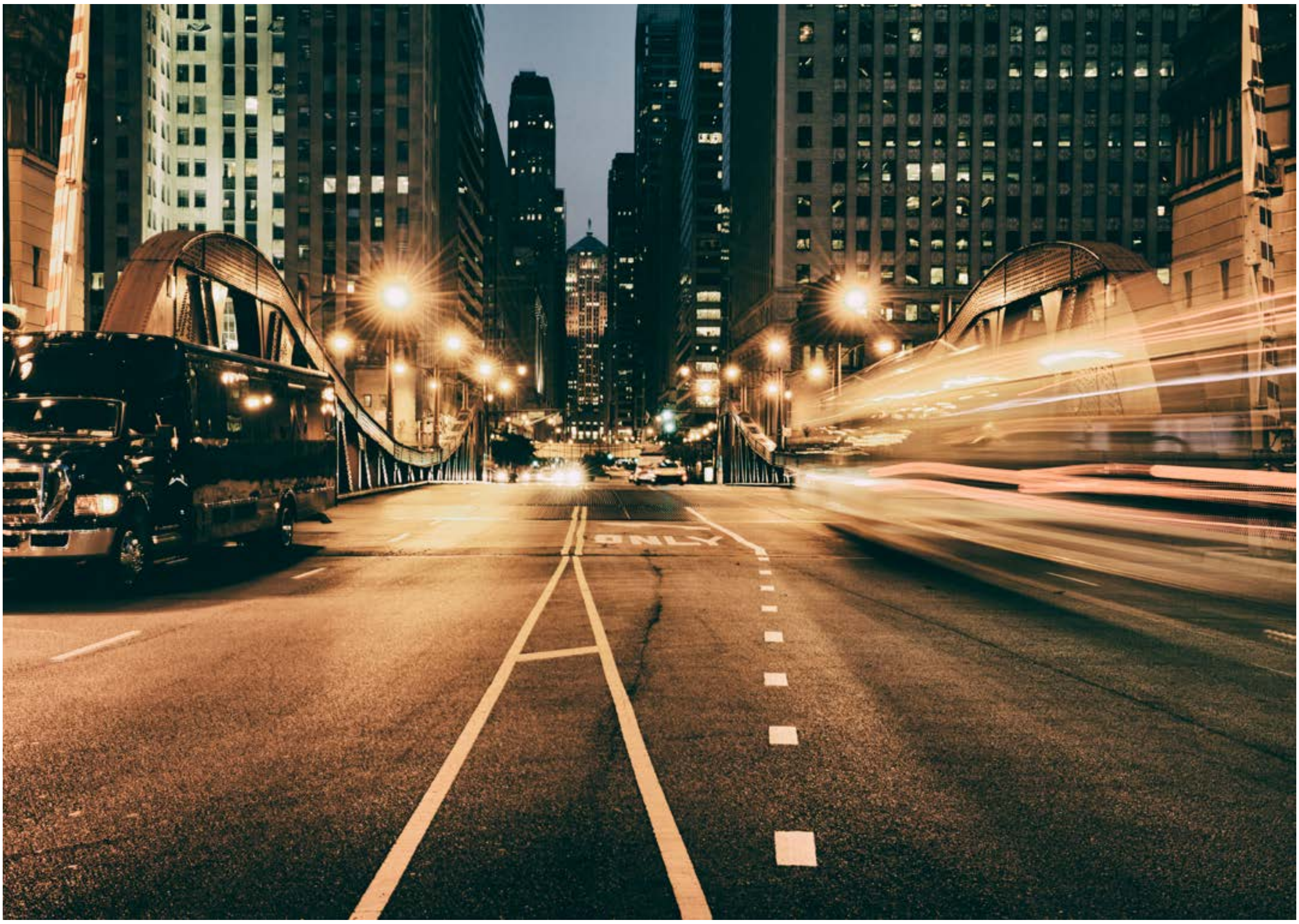
Chief executive officer, single family office, CA

"I'd love to have some new technology which would enable the accounts to update automatically but there are at least 20 or 30 different portals out there which private equity managers use to do their reporting. I'm just not convinced that I'm going to wake up at the close of each quarter and find all the updated numbers plugged into the software, and the charts just popping out in my email. But perhaps AI could make it happen."

Founder, single family office, CA

“Resilience in a family office starts from the inside out. The most effective offices I work with are intentional about how they operate – ensuring that governance, decision-making, and communication flow smoothly across the organization. Many are now running tabletop exercises to stress-test those processes, simulating scenarios such as cyber incidents, death in the family, market shocks and key-person transitions. Technology is not replacing that strength but amplifying it. Whether it is using AI to uncover insights faster or integrating platforms that connect investment, accounting, and reporting in real time, the goal is the same: to build a foundation that is nimble, informed, and ready to act. When structure, systems, and preparation are aligned with the family’s vision, the office can navigate uncertainty with confidence and seize opportunity when it appears.”

Lori Woodman, Managing Director, Family Offices, RBC Enterprise Strategic Client Group



Case study: Transformative technology

The impact of AI, cybersecurity and estate planning are the key issues for the CFO of a single family based in Illinois. He highlights how AI may transform investment reporting, the necessity of adequate cybersecurity, and the need for accessible information to support the process of wealth transfer.

I'll kick off with three observations, regarding technology, cybersecurity, and estate planning. On technology, I'm convinced that AI is going to change the way we do almost everything. It's really difficult to predict what our jobs will look like a few years from now. I consider cyber-attacks as the biggest risk that family offices face. I think that risk has just increased materially. Finally, I'd stress the importance of buttoned-up estate plans to make the process of wealth transfer as seamless as possible.

I think we are close to a big innovation with AI-enabled systems able to scan, read and interpret investment performance reports. This will make the process of investment reporting more fully automated and will be particularly useful for alternative investments like private equity or venture capital. The day of hard-keying data into a spreadsheet are drawing to a close. The implications of this are profound, and not just for family offices. We won't need to employ so many people in so many industries, processes will become seamless, which is all great, except perhaps all our jobs will disappear within the next decade.

AI means that automated investment reporting platforms will become more automated. But as it stands at the moment, leading platforms are very expensive. A single family office adding a platform like Addepar, Eton, or Orion will find it they are adding a six-figure sum to their expenses. It might be cheaper just to employ another accountant.

Multi-family offices have the advantage here. They can spread the cost of this technology over their entire client base. Staff can be trained to understand the technology and make optimal use of it. This is the big unique selling proposition when multi-family offices are marketing their services to single family offices. Also, not all these software packages are equal; a key differentiator is their ability to handle alternative investments. If my single family office with its big private equity portfolio was looking to outsource investment reporting to a wealth manager or multi-family office, I'd certainly be very interested in its tech stack capabilities.

I don't know exactly where the break-even point lies, but unless a single family office has more than US $500 million of AUM, I'd recommend the outsourcing option. Above that size, the family office will be able to afford a lawyer, a tax planner and a team of investment analysts but otherwise the volume of work isn't going to justify the hires.

Investment reporting isn't the only area where multi-family offices have an advantage. As families evolve through the generations and get bigger, family dynamics become increasingly important if their legacy is going to survive. There are psychologists who specialize in working with families to help them understand their values and relationships and remove potential conflicts. This is an expertise which many multi-family offices have added to make their services more holistic in response to increasing demand from single family offices.

You mentioned cybersecurity. Every year our survey highlights cybersecurity as a serious operational concern giving family offices sleepless nights. But if we ask them if they feel confident in their ability to deal with an attack, a surprisingly high percentage do feel confident. So there's a bit of an inconsistency here.

Well, i'd like to feel confident because we've invested heavily in cybersecurity, but so have the bad actors. They are becoming ever-more sophisticated and capable. There's a race between family offices trying to protect themselves and the bad actors trying to find new ways to perpetrate fraud or cybercrime. I believe almost one million incidents of cybercrime leading to financial loss were reported to the FBI last year. Obviously, family offices are only a small part of that but nearer to home I've noticed the increasing frequency with which family member email accounts are hacked. We have a protocol for dealing with this, but what scares me is that these hackers could be operating from a rogue state like Iran or Russia, and therefore the possibility of ever bringing them to justice is remote.

You mentioned the necessity of good estate plans at the start of this interview?

Yes, good comprehensive estate plans are a necessity and they do make the process of wealth transfer very much easier. But apart from being comprehensive estate plans have to be accessible, and given the way we use and store information these days this may not necessarily be the case. Sadly, we lost an elderly family member recently. He was a widower and all the information about his personal wealth, bank accounts, 401K, was contained on his laptop. Of course the password to the laptop hadn't been shared with anyone, nothing was written down anywhere. We tried his iPhone but that relied on face ID and so was effectively locked. We asked Apple for access to the phone but this required a death certificate and a court order. The whole process was very frustrating and took months. My message is that we have a responsibility to ensure that all information relevant to estate plans is in the hands of our loved ones and executors.

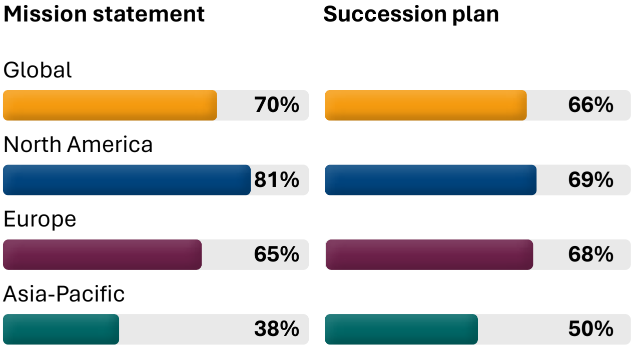
What else is new?

I'm doing a lot more networking with other family offices. We have shared interests and shared challenges, and we can talk candidly about what families are going through. There are three high-level benefits of doing this. One is investments, sourcing potential deal flow. Two is forming peer group relationships and recognizing that your peers have much the same issues that you do. Three is a better understanding of trends and thought leadership. Now I have a much better idea of how the world is changing.

4.3 Governance

Arrangements

Figure 4.14:
Percentage of family offices with mission statement and succession plan



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

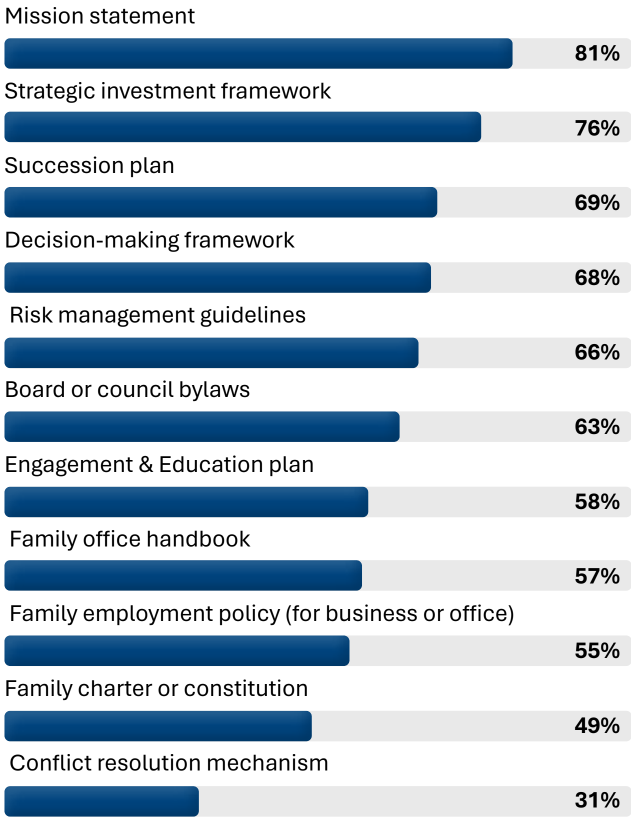
Traditionally, the purpose of a family office has been the collaborative management and safeguarding of family wealth, both for present and future generations. Determining and executing investment policy and managing investment risk are the principal purposes of family offices. But beyond that, the family office is there to service the requirements of family members, protect the family's privacy and reputation, and help build a family legacy.

To do all of this, communication between the family office and family members is an absolute essential. But rules determining the behaviour of the family office and indeed the family itself are also necessary. This is where governance clicks in.

In prior years, the documentation most frequently found in family offices was a strategic investment framework, highlighting the priority given to their investment function. This year, investment frameworks have been overtaken by mission statements and important governance documentation relating to non-investment matters has become considerably more popular. For example, 69 percent of family offices claim to have a succession plan which is up from 53 percent last year. 49 percent now have a family council, up from 40 percent last time.

One of the primary concerns of family offices is the unpreparedness of family members for succession (Fig 4.7) and so having a succession plan in place is a step towards removing some element of that concern. Mission statements are important too, defining family values and give purpose and meaning to the family's wealth above and beyond the prism of investment. If values are fundamental to a family legacy, then a mission statement is a cornerstone.

Figure 4.15:
Percentage of family offices with governance arrangement

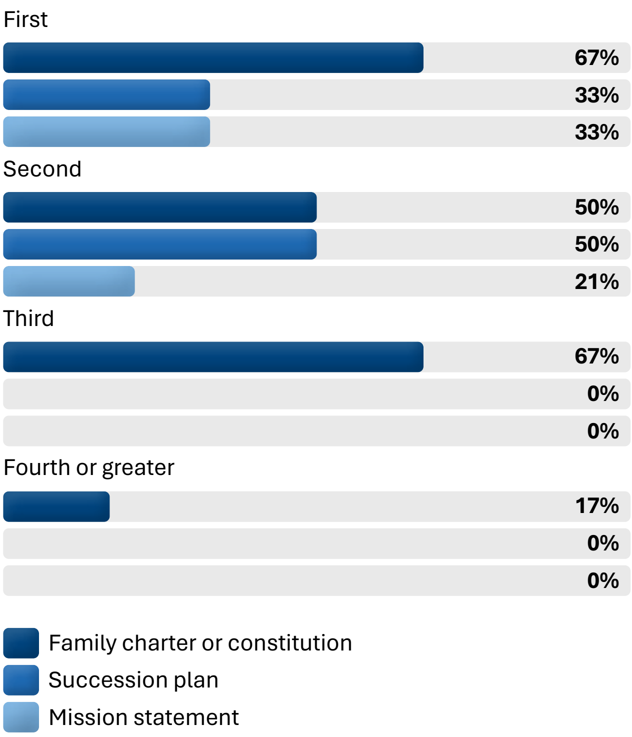


Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Fig 4.15 provides an indication of the extent to which family offices have formal board structures, decision-making frameworks, and mechanisms for conflict resolution. However, although the percentages are heading up there are still significant gaps.

Looking for the defining characteristics of family offices which lack governance arrangements, we found this group is mainly limited to first- and second-generation family offices (Fig 4.16). There is not much impetus to write a family constitution when the controlling family is only first- or second-generation and the number of family members is in single digits. Likewise, for a first-generation entrepreneurial founder, there is not much point in forging a succession plan because their children may be too young for their future roles to be considered. Conversely, anecdotal comments from survey participants suggest that by the time the third generation is in charge, the primary relationship between family members will be as cousins, and with weaker familial bonds stronger governance structures will be essential in order to maintain family dynamics and cohesiveness.

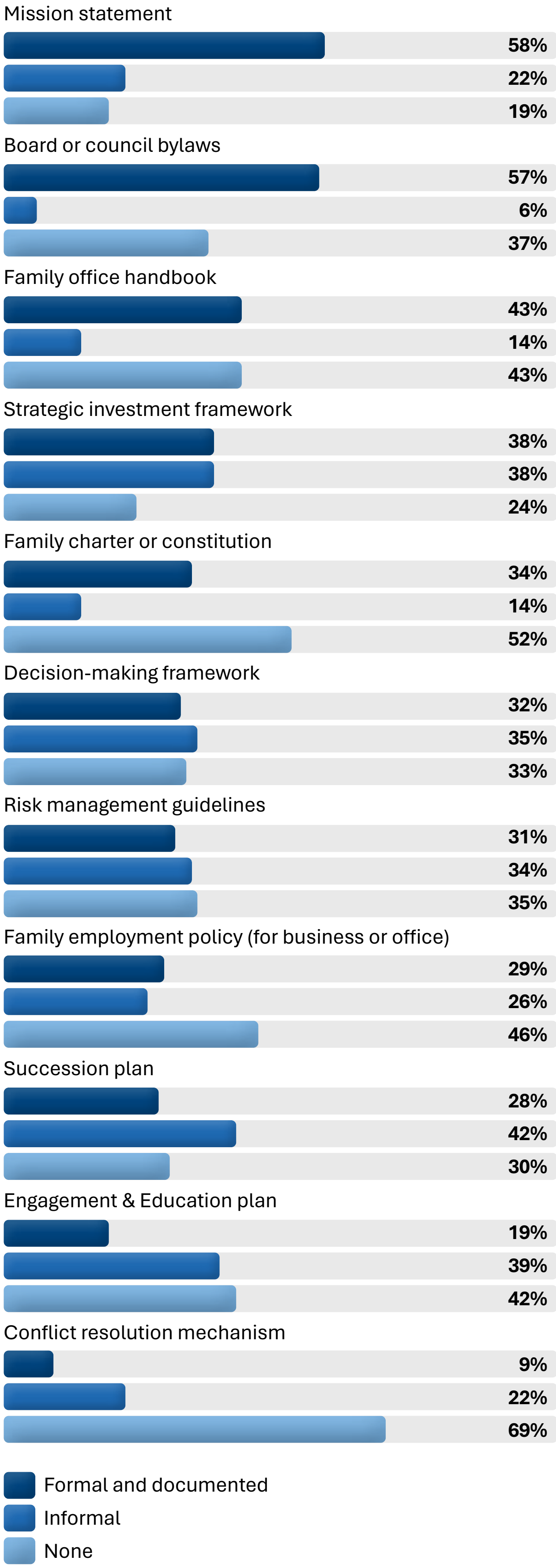
Figure 4.16:
Percentages of family offices with no governance arrangement by generation in charge



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

A lingering concern is that not all the governance arrangements are formally documented (Fig 4.17). Undocumented plans might be communicated and agreed between family members, but their informal status raises a question mark over whether they can be enforced. It might not matter too much if family members can't agree about some esoteric detail in the mission statement, but it will certainly matter if there is a dispute over leadership succession. Significantly, very few families have a formal mechanism for resolving conflict.

Figure 4.17:
Formal documented and informal governance arrangements



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"If i'm asked by a person whether he or she should start a family office, I reply by asking them whether they are truly legacy-minded and really want to do something for generations yet to be born. Some say yes, and others choose a different path."

President, single family office, FL

"For people like me in the second generation, governance is just what we saw Mom and Dad do at the kitchen table. The whole notion of creating governance structures was an unknown for them. But by the time we get to the third or fourth generation, we have cousins or second cousins trying to co-operate and strong governance will be an essential."

Managing director, single family office, TX

"If the founder's values and vision are to be transmitted to the family they have to be written down, codified, and communicated in a meaningful way. This is something first or second family generations should put into practice while the founder is still around. The wealth creator needs to express their intent and transmit those values which have driven them personally. What was his purpose for the wealth he created? Was it about having an impact on the world, philanthropy or responsible stewardship for future generations?"

Chief executive officer, single family office, CA

"I recognize that as families work through the generations then a lot more people are involved and everything gets much more complicated. There will almost certainly need to be more rules and guidelines. Possibly some form of conflict resolution mechanism so that if certain family members want to take a share of the wealth and go their own way, then there's a mechanism for dealing with this eventuality."

Founder, single family office, NY

"I'm familiar with the basic tools, such as mission statements, family constitutions and family councils. But keeping a family office together means keeping the family together, which means keeping the interests of individual family members aligned. Frequent meetings of the family council might help with this, but ultimately it depends on the goodwill of family members towards each other."

Managing director, single family office, TX

"*The number one governance priority is to establish a family legacy. There are two elements here. First, a list of values the family wishes to perpetuate. Second, establish structures like a family council so that everyone's voice can be heard."*

Chief investment officer, single family office, MA

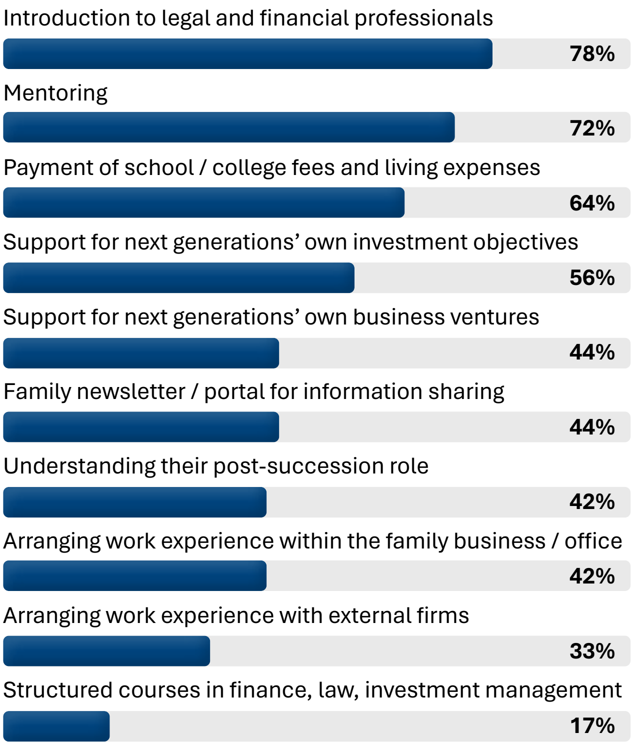
"Enterprising families often stand at a pivotal crossroads where legacy meets transition. Preserving that legacy demands clarity of values, what we stand for, and vision, where we are going together. It requires honoring the family's journey: the founders' sacrifices, failures, resilience, and conviction that built todays success. These stories must be shared and understood, inspiring alignment across generations. With these and with open, consistent communication, a capable steward may emerge to guide the enterprise forward. Not every heir will lead or own the business, and that is perfectly acceptable. What matters most is preparing each generation to embrace the spectrum of opportunities and responsibilities that may arise, ensuring the family legacy not only endures, but thrives."

Asin Nurani, Managing Director, Family Governance, RBC Enterprise Strategic Client Group

Next-gens

Nearly 60 percent of family offices have engagement and education plans (Fig 4.15). For the most part these are focused on the next generation and common elements that go into these plans are set out in Fig 4.18. Some of these elements such as mentoring and arranging work experience outside the family office/ business are clearly related to the succession process. Financial support for next-gen education and business ventures reflects family values being put into action. But importantly, many survey participants do not see their next-gens being given much help to understand their post-succession roles. Succession planning and next-gen education score poorly in our section on satisfaction with family office functions (Fig 5.2).

Figure 4.18:
Support family offices offer their next-gens



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"Families are a lot like volunteer organizations, they are held together by a shared vision and perhaps a governance structure, but members can opt out. If the family members don't want to work together, then no structure will bind them together."

President, single family office, FL

"The principal normally has his arms around everything. That's why you need a succession plan so that his knowledge can be passed on. That knowledge becomes institutionalized so that the family can continue to manage its assets effectively. Then when choosing a successor, it's imperative the family is involved because, whether appointing someone from within the family or an external candidate, the family must have a vested interest in their success."

Chief executive officer, single family office, Canada

"Next-gens often look at money differently. They recognize that they are blessed to have been born into this wealthy family, but they often see wealth as a barrier to self-actualization, preventing them becoming the person they want to be. Wealth becomes a burden for them. This may sound like a ridiculous non-real world problem, but it is a challenge for next-gens."

Chief executive officer, single family office, CA

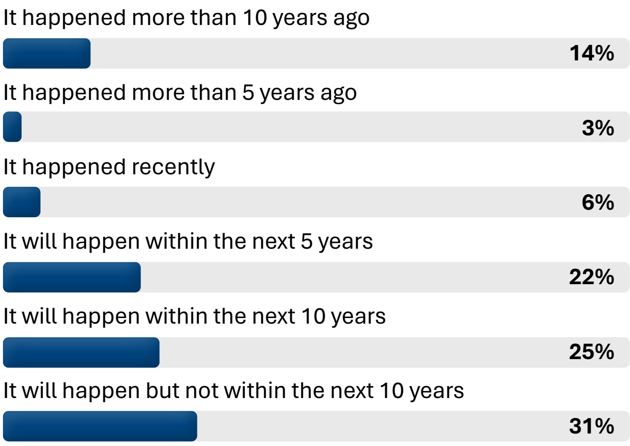
"We're a relatively small, second-generation family. Outside of myself, none of them are engaged with the family office except for some philanthropy. They have never expressed any interest in the family office or the investment portfolio, so succession has been a big issue for me to think about. I have three strategic options. First, wind down and outsource as much as possible to become a virtual family office. Second, hire a non-family chief executive. Third, join a multi-family office."

Managing director, single family office, TX

For around a quarter of the family offices in the survey, the next generation have already assumed control of the family office (Fig 4.19). These are most likely the family offices that were established in the 1970s,1980s and 1990s (Fig 4.20). Going forward, the pace of transition seems set to accelerate. Almost a quarter of all family offices expect the transition to happen within the next five years, and around half within the next ten years. This would seem to reflect the surge in family office formation which took place immediately after the turn of the millennium.

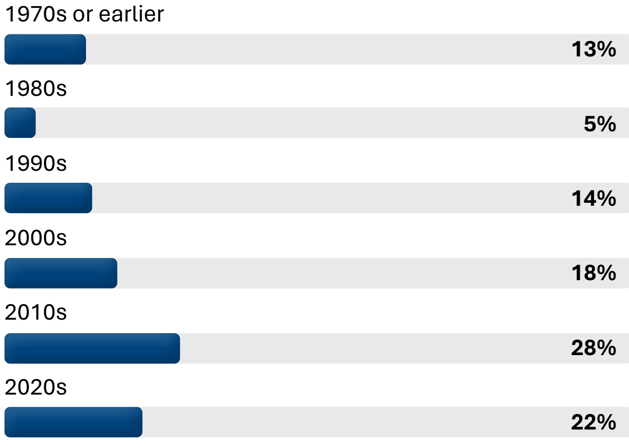
Change of control of the family office is most likely to precede the intergenerational transfer of family wealth but our survey data gives an indication of the timescale over which this might occur.

Figure 4.19:
When the next generation is expected to assume control



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Figure 4.20:
Period when family office established



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

"According to estimates, the great wealth transfer from baby boomers to Gen X, Millennials and Gen Z could total US $14 trillion over the next decade. That's for North America alone. This will present opportunities and challenges for some, but the undisputed winners will be the lawyers."

President, single family office, FL

"Generational wealth transfer is always a focus whether a family has been through it already or will go through it in the future. It's a very important pivot point and a very important time for any family or family office. Now that demographically baby boomers are ageing out, it's not surprising that generational transition is top of mind."

Director, single family office, FL

"When you're transferring wealth from one generation to the next, communication is essential. There are a lot of pitfalls that can happen when you bring the rising generation into the ownership structure. That's why we hired an outside consultant to help with the communication process. They help make sure that everybody has an appreciation of wealth creation and understands their stewardship responsibilities. The communication from the older generation to the younger one has to be carefully thought through, and it's complicated when the next generation is a mix of natural born and stepchildren."

Chief executive officer, single family office, Canada

Case study: Restoring gravitational pull

A third-generation chief executive discusses the evolution and challenges facing his family office. He argues that families have a sort of anti-gravity forcing the individual members apart from each other. In order to counterbalance this, there has to be a positive effort to make family collaboration attractive. To achieve this he believes the family's mission should be financial resilience, aiming to support future generations through education, homeownership, and retirement funds.

I'm assuming that the initial purpose of setting up the family office was to facilitate the collaborative management of family wealth?

Well, that's what it has evolved to, not how it started off. I'm generation three, and generation one, which has sadly passed away left us a challenge because the assets were Swiss real estate. We had to figure out what to do with them, but even before figuring that out, we had to deal with their administration, which meant learning how to fill in Swiss tax returns and other documents. Eventually we were able to consolidate all the assets in a big bucket and realize them. Then the family decided to manage it all in common for everyone's benefit.

By this stage there was no surviving Swiss family and so it was straight forward asset reallocation from Switzerland to the US. Sadly, there's not much legacy to preserve from Switzerland or my parents' generation. Generation three has some vague memories but generation four, none at all. One of the things we are wrestling with is how to give some recognition to the legacy of generation one, who made everything possible, when the current family is so far removed from it.

Other families I've spoken to have documented family histories and mission statements.

My brothers are all much more creative than I am. But together we are hoping to develop a document that establishes a sort of family legacy. It would record values, traditions and principles but we recognize that it can't be overbearing because we are married and there's now another side to our extended family for whom the concept of Swiss heritage appears quaint but essentially irrelevant.

Every large family has a sort of anti-gravity forcing individual members apart from each other. Ultimately everyone takes their share of the wealth and goes their own way unless there's some positive attraction. That's what I'm hoping to provide. However, creating the mission statement has been difficult. The principal assets are a number of US real estate partnerships, all very intangible. It's not something you can go and visit like a factory churning out some well-loved household product. So the focus of the mission statement is probably going to be something around financial resilience. My goal has always been to protect my children, and hopefully in the future grandchildren, from all that unfortunate stuff that just happens in life; things like relationship break-up, losing your job, or worse than that, illness or becoming disabled. So there needs to be a pool of money to help the extended family through these bad times.

What does this look like in practice?

We give our kids down payments for a house purchase which helps bring stability to their personal lives and the lives of their families. Some of them have started their careers relatively late so we contribute to their tax-advantaged retirement accounts. Then we'd like our grandkids to be able to get through the university without having very large student loans hanging over them when they start their careers.

Is this enough to ensure the family office survives?

I've outsourced as much as possible to keep the running costs of the family office down. I don't have enough tax and legal work to put somebody on the staff full time, so I outsource these activities. I even do general ledger and bookkeeping work myself although it is a pain and I will probably outsource it at some point.

Low running costs mean that assets under management will be large enough to provide sufficient investment income to cover both family office expenses and the previously mentioned monetary benefits to family members.

Another factor which will probably ensure the survival of the family office is the changing pattern of family wealth. My parents were genuine property entrepreneurs building up their own empire. Now I run the family real estate portfolio and it's much simpler; sourcing plots of land, raising the finance to buy it, getting it zoned, getting relevant planning permissions and then selling it on to a home builder. Increasingly, I'm partnering with specialist real estate managers who handle more of the process so it's taking up less of my time. For the next-gens it won't even be a part-time job, perhaps just a day a month. It will easily fit into their already very busy lives and career commitments.

So effectively it seems you have outsourced much of your investment management already.

Yes, that's correct. And apart from real estate I also have a wealth manager, who looks after public equities and bonds and so forth. Actually, I don't think of him so much as a wealth manager but rather as a source of business continuity. I give him a full update twice a year on all our assets and what investment strategies we are pursuing so that if something happened to me, I know that he would be able to step in and take the necessary steps.

78%
Satisfied with investment options

54%
Satisfied with capacity to handle complex activities

26%
Satisfied with next gen education

Conclusions

In this final section, we attempt to draw some actionable conclusions by asking family office staff what is working well and what is working less well. More specifically, we asked both family and non-family staff to assess their satisfaction across 14 core family office functions and attributes.

The top five functions for family office satisfaction are investment options, estate and tax planning, family privacy, investment performance and staff dedication. Outsourcing, concierge services, value for money and capacity to handle complex transactions appear mid-table in the satisfaction league.

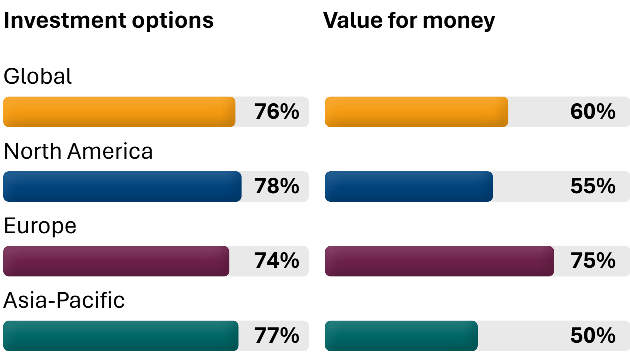
Based on our analysis, succession planning and next-gen education are functions which family offices should seek to improve, and they may need to review the range of services they offer.

Generally, family members are less happy than other employees when functions specifically concern them, notably family privacy, estate and tax planning, value for money, capacity to handle complex activities, and succession planning.

Very large and large family offices are more likely to satisfy their family and non-family staff in the 14 core family office functions and attributes than small and midsize family offices.

5 Conclusions

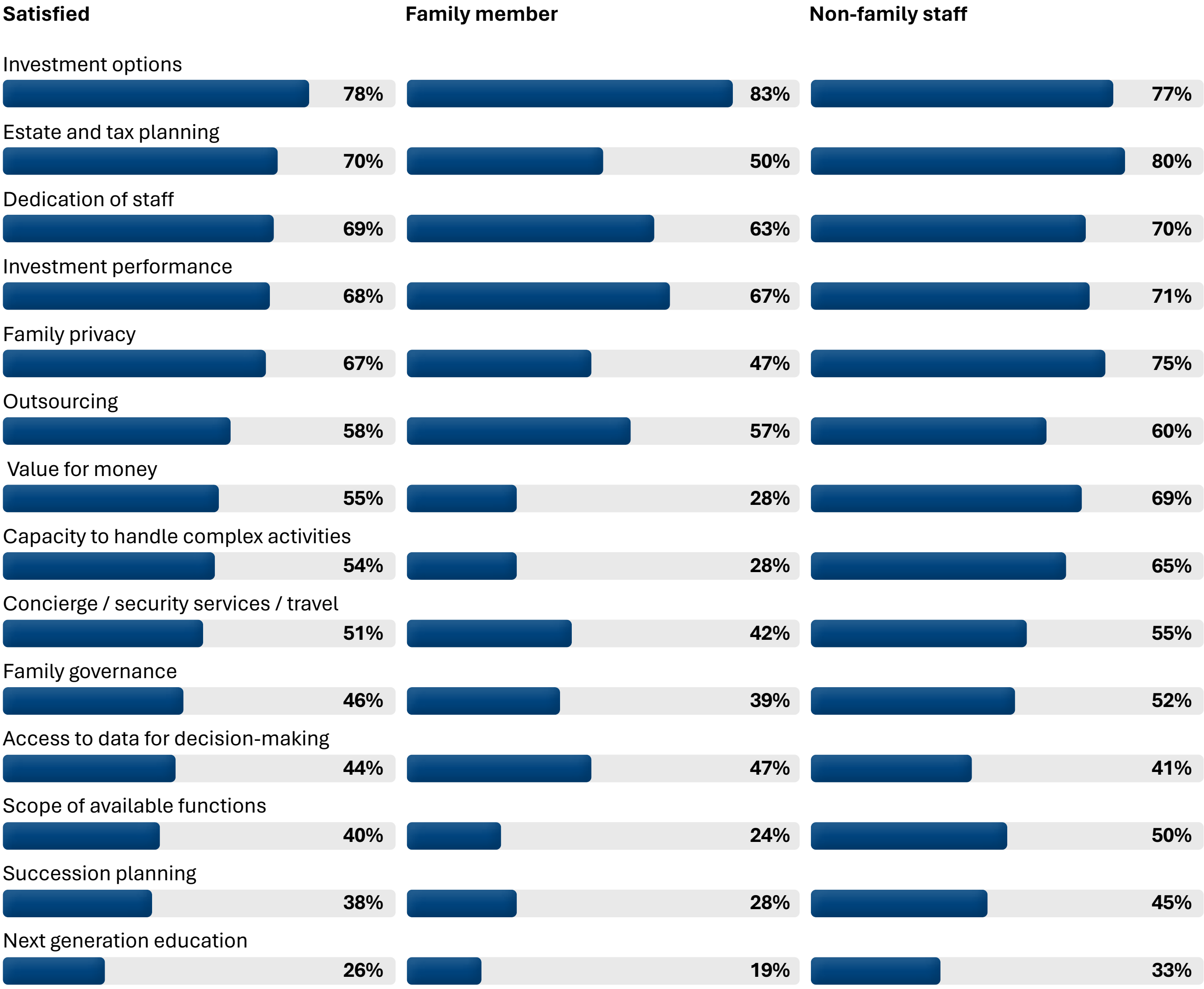
Figure 5.1:
Percentage of family office staff satisfied with family office function



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

We asked both family and non-family staff to assess their satisfaction across 14 core family office functions and attributes. Dissatisfied respondents were deducted from satisfied respondents to give a net satisfaction score (Fig 5.2).

Figure 5.2:
Percentage of family office staff satisfied with family office function



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

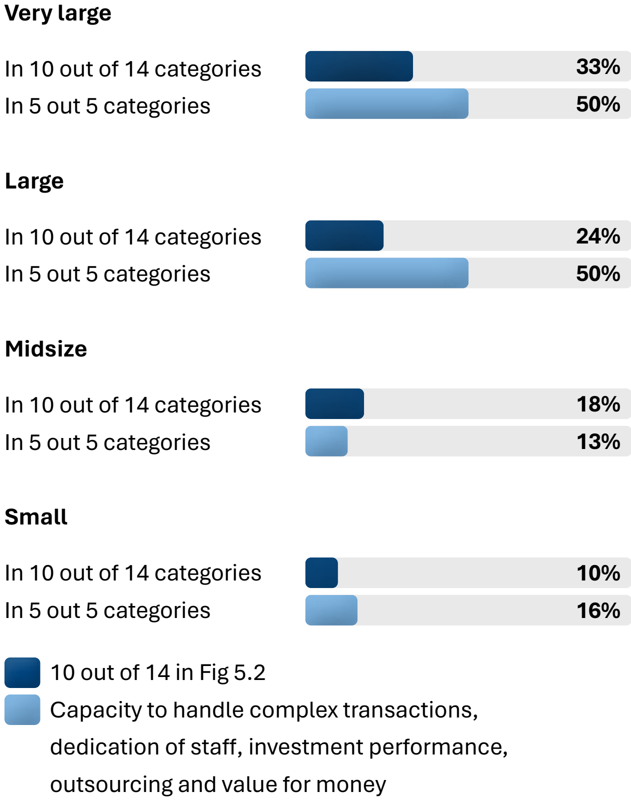
Investment options, estate planning, staff dedication, investment performance, and family privacy, are the top five functions as regards staff satisfaction. There is a degree of overlap between these functions; investment options and performance are closely related, as are staff dedication and family privacy. What's interesting is the difference in satisfaction levels between family members (staff and non-staff) and non-family employees in certain categories. Generally, family members are less likely to be happy than employees particularly when functions specifically concern them, notably family privacy and estate and tax planning.

Outsourcing, concierge services, value for money and capacity to handle complex transactions appear mid-table in the satisfaction league. This might be a bit unfair for outsourcing since it may entail working with numerous external vendors and it's unlikely that the family office will be satisfied with every one of them. As might be expected, far fewer family members believe their family office offers value for money than non-family staff. Satisfaction with the family offices' capacity to handle complex activities is relatively low, which is worrying because that is what family offices are there to do. The low level of satisfaction is particularly marked among family members and may be associated with the difficulty of getting information for decision-making.

At the bottom of the table, family governance, scope of available functions, succession planning and next-gen education fall into the "must do better" category. This analysis identifies the functions which family offices should seek to improve or at least review. Again, in all four categories satisfaction is much lower for family members than other staff. It seems that family members want their family office to provide more services, while next-gens want to improve succession planning and education.

What are the characteristics of family offices with the most satisfied staff and family members? We identified family offices which had a positive satisfaction rating in at least 10 of the 14 categories set out in Fig 5.2. This was achieved by 33 percent of very large family offices and 24 percent of large family offices, but only 18 percent and 10 percent respectively of midsize and small family offices (Fig 5.3). The evidence is that larger family offices are more likely to have satisfied staff and family members.

Figure 5.3:
Percentage of family offices achieving satisfaction rating



Source: Campden Wealth / RBC, The North America Family Office Report, 2025

Satisfaction appears to be a matter of resourcing. Larger family offices have more resource in terms of staff and technology, therefore it's not surprising that they achieve better outcomes. Additionally, this approach treats all of the 14 categories equally, whereas some are more important to staff and family member satisfaction than others.

List of figures

About family offices

What is a family office?

A family office is, in its simplest form, the private office for a family of significant wealth. The number of staff working in the office can vary from one or two employees to 100 or more staff, depending on the type and number of services it provides.

The purpose of an office can range from handling key family assets and core holdings (tax and accountancy, property and estate management) to include more sophisticated wealth management structures, while often providing family members with educational, professional and lifestyle services.

Generally, family offices manage key areas of family assets, including real estate holdings and direct or indirect investments, tax consolidation and estate management.

They can serve as the central hub for a family's legacy, governance and succession. They can furthermore support the education and development of family members, facilitate family governance, coordinate communication and resolve issues within the family enterprise.

A typical family office:

- Affords structure to the management of family wealth, establishing increased control and oversight of the family wealth strategy and costs of managing investments;

- Consolidates tax, accountancy and wealth management reporting execution under one roof;

- Provides a clearly-articulated, efficient governance framework for investment decision-making, as well as family legacy and succession functions (including philanthropic foundations and initiatives);

- Coordinates with service providers, achieving economies of scale (especially in the case of multi-family offices) and preferential deal access and products;

- Ensures confidentiality and privacy for family members, liberating them from the burden of wealth.

Who would benefit from using a family office?

Families with private wealth in excess of US $150 million are ideal candidates for establishing a single family office structure. While it is not uncommon for first-generation entrepreneurs to establish a family office, these offices often support families with greater complexity in terms of households and generations. This is a key characteristic of family office structures and one that offices must account for when designing and executing investment strategies and family governance plans.

While each household will share some similar needs, from the perspective of the family office, each household merits special consideration. Such consideration cannot always be restricted to typical generational needs (i.e. retirees require income, while younger family members can accommodate more risk and longer horizons), because households themselves have differing liquidity requirements (for example, sibling benefactors may hold quite distinct professional ambitions).

Multiple wealthy families which might not necessarily be related to each other but nonetheless share some common values or goals may opt to consolidate and leverage resources by creating a multi-family office, rather than a single family office to manage the family wealth. Such a structure provides the benefit of economies of scale and investment deal opportunities that formal collaboration and a consolidated management structure afford. Naturally, family complexity factors arise for the multi-family office, only on another level of magnitude.

Here things can get quite messy. As such, traditionally, for a multi-family office to be successful and sustainable, families should share a common purpose, interest and risk appetite or, alternatively, comparable levels of wealth.

Traditionally for multi-family offices to be sustainable over the medium to long-term, they must manage cumulative assets of more than US $3.5 billion. For the sake of clarity, a number of terms with specific meaning in this report are defined below:

Private multi-family office: These will all have had a founding family before widening out their offering to multiple families. These offices are owned by families and operated for their benefit.

Commercial multi-family office: These will look after the interests of multiple families, often with wealth of less than US $150 million. Unlike private multi-family offices, they are owned by commercial third parties.

About the creators

About RBC

Royal Bank of Canada is a global financial institution with a purpose-driven, principles-led approach to delivering leading performance. Our success comes from the 101,000+ employees who leverage their imaginations and insights to bring our vision, values and strategy to life so we can help our clients thrive and communities prosper. As Canada's biggest bank and one of the largest in the world, based on market capitalization, we have a diversified business model with a focus on innovation and providing exceptional experiences to our more than 19 million clients in Canada, the U.S. and 27 other countries. Learn more at rbc.com.

We are proud to support a broad range of community initiatives through donations, community investments and employee volunteer activities. See how at rbc.com/peopleandplanet.

About Campden Wealth

Campden Wealth is a family-owned, global membership organization providing education, research, and networking opportunities to families of significant wealth, supporting their critical decisions, helping to achieve enduring success for their enterprises, family offices and safeguarding their family legacy.

The Campden Club is a private, qualified, invitation-only members' club. Representing 1,400 multigenerational business owning families, family offices and private investors across 43 countries. The Club delivers peer networking, bespoke connections, shared knowledge and best practices. Campden Club members also enjoy privileged access to generational education programmes held in collaboration with leading global universities.

Campden Research supplies market insight on key sector issues for its client community and their advisers and suppliers. Through in-depth studies and comprehensive methodologies, Campden Research provides unique proprietary data and analysis based on primary sources.

Campden Education delivers a virtual training platform empowering families with practical knowledge and the tools to make informed decisions. Drawing on deep expertise and real-world experiences, our programmes are designed to guide the whole family through all stages of ownership and growth.

Campden Wealth owns the Institute for Private Investors (IPI), the pre-eminent membership network for private investors in the United States founded in 1991. In 2015 Campden Wealth further enhanced its international reach with the establishment of Campden Family Connect PVT. Ltd., a joint venture with the Patni family in Mumbai.

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