Research Findings Report **2009**
Industry: Wealth Management *Geographic Region: Texas*

Goldline Research recently completed its annual evaluation of independent wealth management professionals in the state of Texas. Our research study was conducted from early March 2009 through April 2009.

Key Research Findings[1]
Median Years of Experience: **24 years**
Median AUM: **$97 million**
Median Number of Investment Advisors: **2**
Median Number of Support Staff: **2**
Median Number of Clients: **150**
Median Client: Advisor Ratio: **65:1**
Median Client Retention Rate: **99%**
Median Assets Managed/Client: **$0.8 million**
[1] Source: Goldline Research

We always enjoy the process of researching wealth management firms (and, for that matter, other professional services industries) in Texas. Consistent with the commonly-held impression, people really do seem to be friendlier in Texas. On a more serious note, Texas wealth management firms enjoy one of the highest client retention rates that we have seen across any geography. In fact, client retention among the Texas wealth managers that we interviewed was a full 2 percentage points higher than the national average. Client retention is, of course, largely tied to client service, and, wealth managers in Texas have one of the best client:advisor ratios in the country, suggesting that they are well positioned to continue to provide strong client service. On the other hand, the typical client in Texas has approximately 20% fewer assets than the national average. This means that Texas wealth managers have to attract more clients to produce the same business economics as many of their peers across the nation. That being said, Texas is one of the fastest growing regions in the country, as evidenced by Dallas and Houston being named the two fastest growing cities in total population in the U.S. by the U.S. Census Bureau. This should enable wealth managers in Texas to attract new clients at a faster rate than their peers in other parts of the U.S.

Regional Demographics
State: **TX**
Estimated Population[1]: **23,400,000**
Estimated Number of Households[2]: **8,100,000**
Estimated Number of Households With[3]:
$100K+ Annual Income: **1,420,000**
RIA's[4]: **1,330**
Certified Financial Planners (CFP®)[5]: **3,800**
[1, 2, 3] Source: U.S. Census Bureau [4] Source: Securities and Exchange Commission [5] Source: Certified Financial Planner Board of Standards

During the course of our research, we identified more than 1,300 Securities and Exchange Commission (SEC) registered investment advisors (RIA's) and more than 3,800 individuals holding the Certified Financial Planner (CFP®) designation in the region. This equates to approximately 1 CFP® for every 6,200 people and 1 CFP® for every 375 households earning at least $100,000 per year in the region. The median years of experience in the region is 24 years and the median firm employs 2 investment advisors and 2 support staff, while managing approximately $97.0 million in assets. The median client-to-advisor ratio in the region is approximately 65:1, with the median number of clients for each firm being 150.

For more information about Goldline Research or this research findings report, please visit our website at www.goldlineresearch.com.