



Circle takes WealthTrust

by Kelly Holman

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TOP DEAL HEADLINES

Circle Peak Capital LLC, a New York private equity firm, has recapitalized money management adviser WealthTrust Inc. in a deal valued between \$50 million and \$100 million.

Falcon Investment Advisors LLC, which has offices in Boston and New York, served as a co-equity investor alongside the management team of WealthTrust.

Circle Peak acquired ownership of WealthTrust from Memphis-based Morgan Keegan & Co., a division of Birmingham, Ala.-based Regions Financial Corp., through a limited auction managed by Cambridge International Partners Inc. banker Elizabeth Bloomer Nesvold, formerly of Berkshire Capital Securities LLC.

The Nashville-based target is a company with 125 employees that holds ownership stakes in 10 affiliated investment advisory firms across the U.S. They collectively manage more than \$6.5 billion in assets.

Additional terms of the transaction, which also included senior debt, were not released.

R. Adam Smith, managing partner of Circle Peak, said the firm's equity investment came from its base of limited partners rather than a fund.

WealthTrust chief executive M. Rush "Rusty" Benton decided to carve out the wealth management business unit, which caters to high-net-worth individuals, via a recapitalization, according to Circle Peak's Smith.

Benton will remain CEO of WealthTrust, which serves about 7,000 high-net-worth clients.