

## BANKING/FINANCE

# BlackRock to Buy SMA, Custom Index Shop for \$1.05 Billion



**BlackRock says the purchase of Aperio will be funded from its current liquid funds and should close in the first quarter of 2021.**

by Janet Levaux

BlackRock is buying personalized indexer Aperio Group from Golden Gate Capital for \$1.05 billion in cash.

Aperio focuses on tax-optimized index equity separately managed accounts (SMAs) and customized ESG portfolios for ultra-high net worth households and institutions served by RIAs and private banks. It had over \$36 billion of assets under management as of Sept. 30 and has grown these assets about 20% over the past five years.

The purchase of Aperio should increase BlackRock's SMA assets by roughly 30% to over \$160 billion, the asset manager said in a press release late Monday. BlackRock, which owns a minority stake of wealth-platform provider Envestnet, currently focuses its SMA business on tailored actively managed fixed income, equity and multi-asset strategies.

The development comes about six weeks after Morgan Stanley agreed to buy money manager Eaton Vance, which includes direct indexer Parametric, for \$7 billion, creating a firm with about \$4.4 trillion. It also happens seven weeks after Triam Fund Management bought 9.9% stakes in assets managers Invesco and Janus Henderson, for some \$881 million in total.

As of Sept. 30, BlackRock managed some \$7.8 trillion in assets, including over \$2 trillion in its iShares ETFs.

"The wealth manager's portfolio of the future will be powered by the twin engines of better after-tax performance and hyper-personalization. BlackRock and Aperio ... will bring unmatched capabilities to meet these objectives," said Martin Small, head of BlackRock's U.S. Wealth Advisory business, in a statement.

"The combination will bring institutional quality, personalized portfolios to ultra-high net worth advisors and will create one of the most compelling client opportunities in the investment management industry today," Small explained.

According to Cerrulli, the U.S. retail and wealth SMA market totaled about \$1.7 trillion as of late 2019 and is growing at roughly 15% a year and 35% among RIAs.

"Aperio has been honored to earn the trust of the most demanding wealth managers by always putting investors' interests first and partnering with advisors to solve the complexities of UHNW investors through research integrity and ex-

cellence in human-centric client experience," said Aperio co-heads, Liz Michaels and Ran Leshem, in a statement.

"With BlackRock, we have found a like-minded fiduciary firm with long-standing roots in tax-efficient indexing, a commitment to sustainable investing, and Diversity, Equity & Inclusion, and a track record of delivering consultative whole portfolio solutions to wealth management intermediaries," they added.

The announcement left David Nadig, chief investment officer and director of Research for ETF Trends, a bit perplexed. "Interesting they don't use the words 'Direct Indexing' in this anywhere ... because folks, that's what this is. Like everything else, it starts institutional, and works down. It's how indexing itself moved through the ecosystem," he tweeted.

And Sonya Dreizler, an ESG consultant and head of Solution With Sonya, responded in a tweet: "I'm surprised a custodian didn't purchase for this reason."

ESG investor Graham Sinclair predicted: "Expect defection from UHNW clients who prefer niche not mega: '#Aperio brand #ESG-SRI processes ... will be integrated w #BlackRock's US Wealth Advisory business.' Strategies of investors who want zero #fossilfuels w max co engagement do not care to be averaged out in quintiles," he explained on Twitter.

BlackRock plans to keep the Aperio brand, as well as its investment, business development, client service and ESG-SRI processes, which will be led by Leshem and Michaels. But the group will be integrated with BlackRock's U.S. Wealth Advisory business.

Aperio CEO Patrick Geddes is set to maintain his role as the firm's chief tax strategist and become a BlackRock senior advisor.

"This transaction deepens our presence in the San Francisco area and reflects the critical importance to BlackRock of tapping the innovation taking place on the West Coast of the U.S.," according to BlackRock Chief Client Officer Mark McCombe.

BlackRock says the purchase of Aperio will be funded from its current liquid funds and should close in the first quarter of 2021. It expects the deal to be "minimally dilutive to earnings per share" and not dilutive on a cash basis.

**Janet Levaux is editor-in-chief of ThinkAdvisor, an ALM affiliate of the Daily Business Review. Contact her at jlevaux@alm.com.**



## CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **ZONING WORKSHOP** on **Wednesday, December 9, 2020 at 6:00 p.m.** The Meeting will take place at the City of Doral, Government Center, 1st Floor Multipurpose Room located at 8401 N.W. 53 Terrace, 1st Floor, Doral, Florida 33166.

**Public Comments:** members of the public that wish to provide comments may do so by emailing the City Clerk at [cityclerk@cityofdoral.com](mailto:cityclerk@cityofdoral.com). Comments must be submitted with your name and full address by **Tuesday, December 8, 2020**. The comments will be circulated to the administration and city staff, as well as remain as a part of the record for the meeting.

The following application will be considered:

**HEARING NO.:** 20-12-DOR-01

**APPLICANT:** James R. Williams, Jr., Esq. on behalf of Kelly Tractor Co. (the "Applicant")

**PROJECT NAME:** Kelly Tractor Co.

**PROJECT OWNER:** Kelly Tractor Co.

**LOCATION:** Generally located south of NW 66th Street and between NW 97th Avenue and NW 99th Avenue.

**FOLIO NUMBER:** 35-3017-001-0490 & 35-3017-001-0500

**SIZE OF PROPERTY:** ± 18.36 acres

**PRESENT LAND USE:** Industrial (I)

**PRESENT ZONING:** Industrial (I)

**REQUEST:** The Applicant is proposing a warehouse facility consisting of two (2) warehouse buildings totaling approximately 343,900 square feet.

**LEGAL DESCRIPTION:**

FOLIO NUMBERS: 35-3017-001-0490 & 35-3017-001-0500

**Parcel 1:**

Tract 49, less the North 35 feet and East 40 feet for right-of-way, in Section 17, Township 53 South, Range 40 East, of Florida Fruit Lands Company's Subdivision No. 1, according to the plat thereof as recorded in Plat Book 2, Page 17, of the Public Records of Miami Dade County, Florida; and less, the external area formed by a 25.00 foot radius arc concave to the Southwest, tangent to the South line of the North 35.00 feet of the SE 1/4 of Said Section 17, and tangent to the West line of the East 40.00 feet of the SE 1/4 of said Section 17.

**Parcel 2:**

Tract 50, less the East 40 feet for right-of-way, in Section 17, Township 53 South, Range 40 East, of Florida Fruit Lands Company's Subdivision No. 1, according to the plat thereof as recorded in Plat Book 2, Page 17, of the Public Records of Miami Dade County, Florida.

Location Map



**ZONING WORKSHOP PROCESS:** The zoning workshop consists of two sessions:

1. First Session. The first session of a zoning workshop shall provide a forum for members of the public to learn about proposed developments within the city. Developments may be presented to the public simultaneously, in several locations within the meeting site. During this session, members of the public are encouraged to ask questions and to provide feedback to the applicant about the proposed development. The applicant shall provide visual depictions, such as renderings, drawings, pictures, and the location of the proposed development. In addition, representatives of the applicant shall be available to answer questions that members of the public may have about the proposed development. The members of the City Council shall not be present during the first session of the zoning workshop.

2. Second Session. The second session of a zoning workshop shall provide a forum for the City Council to learn about the proposed developments discussed at the first session of the zoning workshop. No quorum requirement shall apply. Developments shall be presented by the applicants sequentially, one at a time, for the City Council's review and comment. The applicant shall again present visual depictions of the proposed development. In addition, the applicant shall be available to answer any questions that members of the City Council may have about the proposed development.

**No quorum requirement shall apply nor will any vote on any project be taken, but roll call will be taken, as it is a publicly noticed meeting.**

Information relating to this request is on file and may be examined in the City of Doral, Planning and Zoning Department located at **8401 NW 53rd Terrace, Doral, FL 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

**NOTE:** If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide translation services during the zoning application process or during any quasi-judicial proceeding.

**NOTA:** Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento o durante el proceso de solicitudes de zonificación.

Connie Diaz, MMC  
City Clerk  
City of Doral