

# Family Office Quarterly

Period: Q4 2024

February 24, 2025

*Confidential*

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The unique breadth and depth of Addepar's dataset offers transparency into the investment themes and trends of sophisticated family office investors. This report highlights the performance of family offices and potential benefits of their higher allocation to alternative investments.

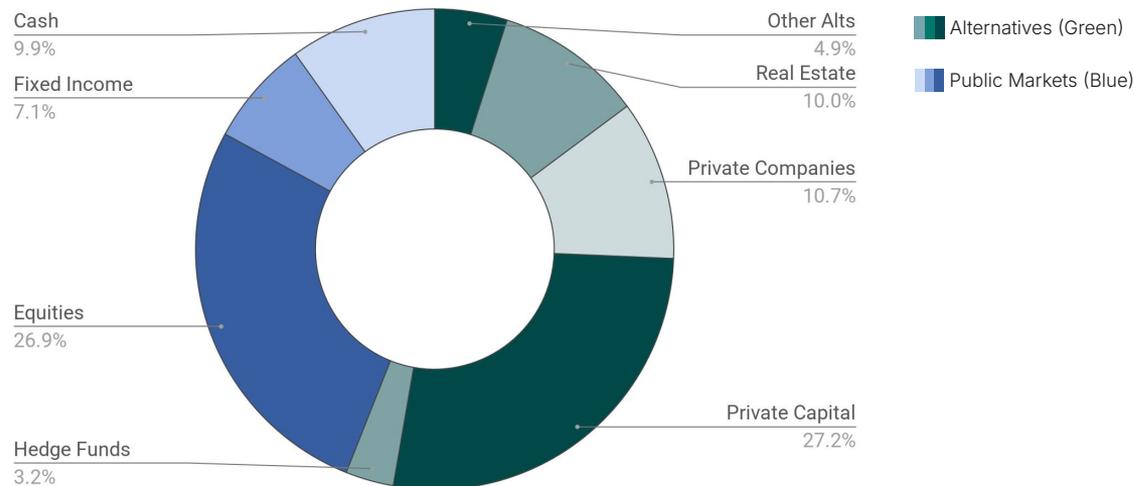
The insights in this report reflect the aggregated and anonymized data of over 550 family offices on the Addepar platform, representing over \$1 trillion in assets.

# Family portfolios tilt heavily towards alternatives

Family offices invest heavily in alternatives. These assets account for **56%** of average allocations, the bulk of which are invested in private capital (27.2%).

Allocations for public markets, which account for 44% of family office portfolios, on average, were primarily comprised of equities (26.9%), followed by cash (9.9%) and fixed income (7.1%).

Average Family Office Portfolio, Q4 2024



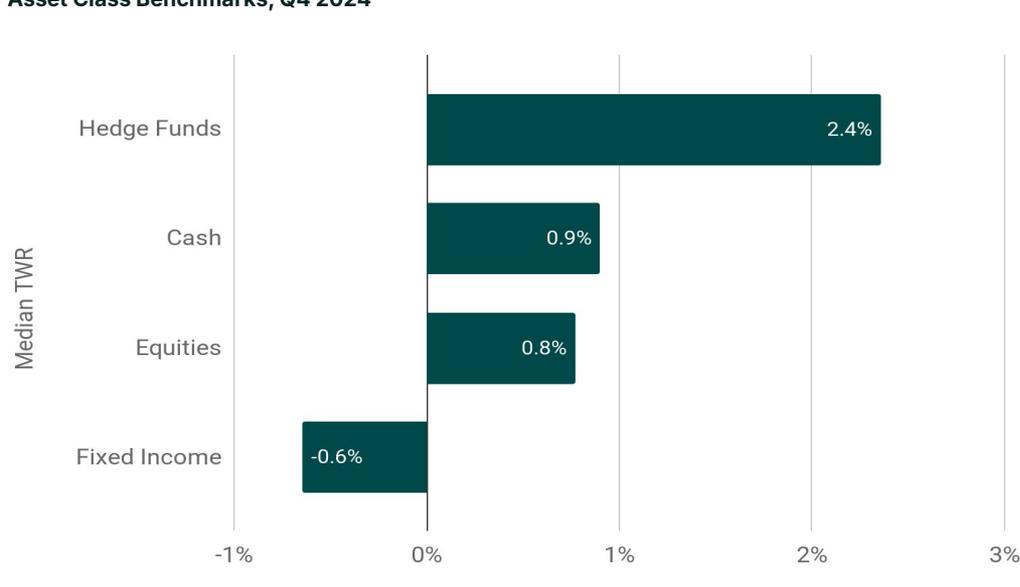
*Note: Private capital includes private equity, venture capital and private credit. Real estate includes funds, REITS and direct. Other alternatives include mixed allocation fund of funds, other collective vehicles, commodities and collectibles. Allocations are weighted as of 12/30/2024.*

# Market events drove bond volatility, equity gains

Treasury yields rose sharply over the quarter (.77 on the 10-year), leading to a sell-off.

The election rally led equities to new highs, which also buoyed equity-focused hedge funds.

Asset Class Benchmarks, Q4 2024



Note: Private capital performance not included due to lagged performance marks.

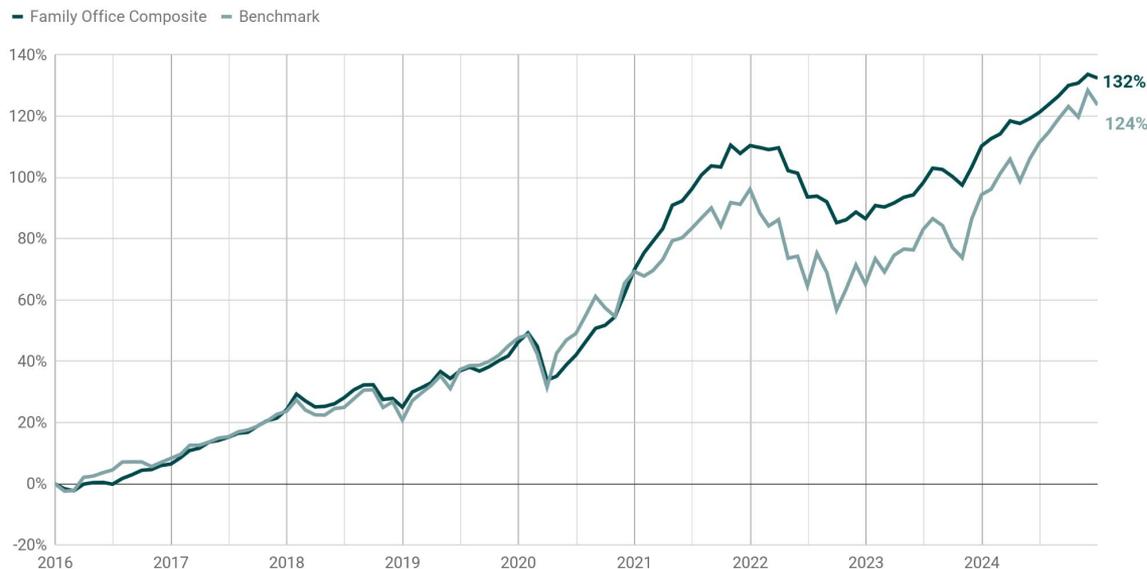
# Family offices have historically outperformed

On average, family offices generated a **1.05% return in Q4 2024**.

Over the long term, the composite of family office portfolios exhibits high and consistent returns relative to a 60/40 benchmark (1.20 vs. .75 Sharpe ratio, respectively), partly due to large allocations to alternative assets.

Since 2016, the cumulative return of our family office composite was **132%**, compared to **124%** for the benchmark.

Cumulative Monthly Family Office & Benchmark Performance, 2016-24



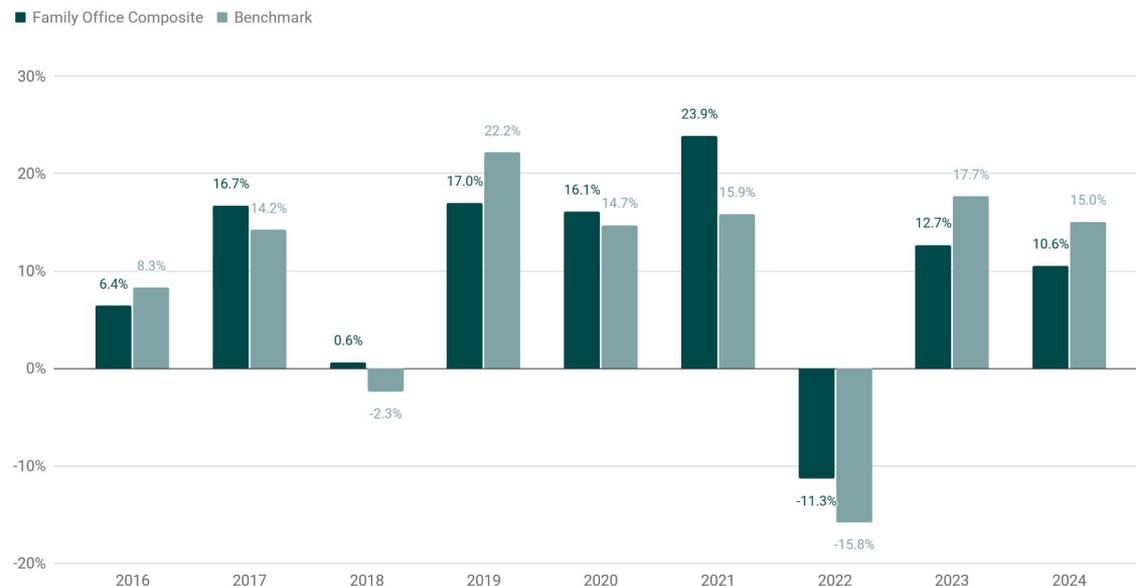
*Note: Composite is defined as the asset-weighted returns of portfolios in the family office cohort. The benchmark is a 60/40 mix of S&P 500 and U.S. Aggregate Bond Index (sourced from Morningstar).*

# In 2024, family office performance lagged the benchmark

Through Q4 2024, our family office composite **gained 10.6%** year-over-year compared to 15.0% for our 60/40 benchmark (1.20 vs. .75 Sharpe ratio, respectively).

Family offices have **outperformed the benchmark 5 out of 9 years** between 2016 and 2024.

Median Family Office & Benchmark Performance, 2016-24



*Note: Composite is defined as the asset-weighted returns of portfolios in the family office cohort. The benchmark is a 60/40 mix of S&P 500 and U.S. Aggregate Bond Index (sourced from Morningstar).*

## About Addepar

Addepar is a software and data platform built for the most complex investment portfolios.

Addepar's Research team produces studies on performance as well as insights on the governance, management, operations and decision making of portfolio managers with the intent to help them understand and improve collective performance.

Please email [research@addepar.com](mailto:research@addepar.com) for a deeper analysis and information on diagnosing your portfolios.

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