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Michael Joyce buys a stake in National Advisors Trust after taking a pass 10 years ago

Deal nets access to cheap trust services, a capital investment, the possibility of a dividend and a close-knit group of RIAs

Thursday 8.4.11 by **Brooke Southall** tags: [Michael Joyce](#) | [National Advisors Trust Company](#) | [Ronald Ferguson](#) | [JoycePayne Partners](#) | [NAPFA](#)

This time Michael Joyce is buying what National Advisors Trust is selling.

The president of JoycePayne Partners, which manages about \$500 million of assets, has bought shares in the Overland Park, Kan.-based trust company after passing on the deal a decade ago when NAT was being founded and was offering shares to RIAs. See: [National Advisors Trust gets busy Northern Trust-ifying the RIA business, minus the big fees.](#)

"I don't know if it's as good as Google, Chipotle or emerging markets – but we view it as a good investment," Joyce quips.

Michael Joyce: You could write several articles about the go-to-the-mat battles I've had with trust companies.

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He declined to say how much money JoycePayne Partners anted up. Typically, buyers pay between \$75,000 and \$100,000 for a stake, according to Ron Ferguson, [National Advisors Trust Company](#) CEO.

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Joyce's purchase brings to 134 the number of RIA firms – or people affiliated with an RIA – who have bought a stake in the venture that has \$7.5 billion of assets in trust and administration.

An additional four firms are in the process of closing deals to purchase shares, says Ferguson.

Eighty-two firms bought shares in the first offering in 2001.

Lack of trust

One reassuring aspect of the purchase for Joyce is that he personally knows about 50 of his fellow shareholders, in part because he is the former chairman of the [National Association of Personal](#)

[Finance Advisors](#) and the NAPFA Consumer Education Foundation.

Still, the chief attraction of the deal is that Joyce, whose firm has offices in Richmond, Va. and Bethlehem, Pa., will now be able to offer trust services without having to do business with any major trust firms.

"You could write several articles about the go-to-the-mat battles I've had with trust companies," he says.

Joyce's beef with the biggies is that trust administration is not their foremost concern. They want to sell investment management and when they do trust administration, they charge 50 to 75 basis points, he says.

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Possible dividends

National Advisors is still accepting RIAs who wish to become part of the venture. Shares are repriced periodically by a third-party firm based largely on assets in custody. The company is also looking to provide cash flow to its investors now that it has become solidly profitable.

"We haven't paid a dividend yet but it's definitely something we're looking forward to doing," Ferguson adds.

Graying clients

Trust services are becoming more relevant as a graying clientele recognizes the need to form trusts, Joyce says.

"A lot of National Advisors' growth in the past couple of years has been from RIAs adding our trust services because they recognize that client asset retention and future growth and profitability rest with trusts," Ferguson says in a statement. "Trust services, along with our custodial services and multi-custodian technology platform, have been a strong draw for RIAs."

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