

Generational Wealth Transfer

The next generation rejected the old 60/40 playbook. The generational divide in how wealth gets allocated.

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A divide in conviction

The generational wealth transfer is usually told as a number: an estimated \$84 trillion to \$124 trillion is projected to change hands over the coming two decades, on industry forecasts. Most coverage stops there, and stops at the wrong place. The more consequential story is behavioural. The generation now inheriting that capital does not invest the way it was built, and that divergence, rather than the size of the pot, is what re-shapes where institutional and family-office money goes. IMS Group, a technology-forward private markets investment group, reads the handover from the buy-side: less an estate-planning event than a re-allocation. What follows is a private-markets account of what the inheriting generation does differently, and why allocators should track the preference shift instead of the headline figure.

The thesis: the next generation rejected the old playbook

The wealth being handed down was largely built through concentrated positions: a founder's company, a property portfolio, a single domestic market, public equities held for decades. The inheriting generation is dismantling that concentration on purpose. It diversifies outward, into private equity, private credit, a widening set of alternatives, and digital assets, and treats the old 60/40, home-market default as one option among many rather than the destination.

The claim the rest of this rests on: the generational wealth transfer is not principally a transfer of money but a transfer of mandate, and the new mandate favours private markets and alternatives over the concentrated, public-market holdings that produced the wealth. That is a different proposition from [the great wealth transfer](#) as most pages frame it. The transfer event describes capital moving between generations; the divide describes the inheriting cohort choosing a different portfolio once it controls the capital. The first is arithmetic. The second is a decision, and decisions are where allocation outcomes are actually set.

What the data shows on the divide

The clearest read on the divide comes from Bank of America's study of younger and older investors. It found that 72% of investors aged 21–43 believe it is no longer possible to achieve above-average returns by relying solely on traditional stocks and bonds, against just 28% of investors over 44 who say the same (Bank of America Private Bank, 2024). That is not a marginal generational preference. It is a near-inversion of conviction about where returns now come from, held by the cohort about to control a far larger share of investable wealth.

The 72/28 split reads most usefully as an allocation signal rather than a demographic curiosity. Younger investors in the same body of research report materially higher interest in private equity, private credit, real assets, and digital assets, and lower confidence that a conventional public-market portfolio will deliver. Industry allocation data points the same way: research houses tracking high-net-worth and family-office portfolios record a steady tilt toward alternatives among younger principals and the next-generation decision-makers stepping into family offices (Cerulli Associates, 2024).

How the next generation actually allocates (the preference shift)

A few patterns recur across the research. Alternatives are treated as a core sleeve, not a satellite indulgence: private equity and private credit show up as deliberate allocations rather than opportunistic add-ons. Digital assets register as a legitimate line item for a meaningful share of younger holders, a shift documented in the family-office surveys and covered in detail in [what the family-office data shows about crypto](#). And the appetite runs toward diversification away from concentrated, local holdings, which is precisely the structure most inherited wealth currently takes. Each pattern is dated and sourced in the references block below; direction here is clearer than any single magnitude.



Why the magnitude is contested: read it as a range

The figure most often attached to this transfer, \$84 trillion to \$124 trillion, is a projection, and it should be stated as a range rather than a search-anchor headline. Estimates vary by source, by time horizon, and by how "wealth" is defined; the often-cited \$84.4 trillion sits at the lower end of the US handover that Cerulli's updated 2024 estimate pushes to roughly \$124 trillion (Cerulli Associates, 2024 — US wealth-transfer projection). Direction is clear. Precise magnitude is contested, and credible commentary says so.

Timing complicates the headline further. Capital moves as a gradual handover across two decades, not a single event, with a sizeable portion flowing to surviving spouses before it reaches a younger generation at all. Some commentators go further and question the framing itself; The Wall Street Journal has noted that the windfall many expect "won't happen any time soon" for most families (The Wall Street Journal, 2026). The Group's posture matches that restraint. The behavioural divide is well-evidenced and worth acting on; the dollar figure is a forecast, and forecasts belong in ranges.

What the transfer re-shapes: the allocation lens

For a private-markets investment group, the consequence is direct. Framed as the millennial wealth transfer, the handover reads on the buy-side as capital the wealth transfer millennials are set to control rather than simply receive: more of it, in the hands of principals who start from a private-markets-first disposition, looking for access rather than another index. The inheriting generation does not simply hold what it received once it takes control; it re-selects managers and mandates against its own convictions, and rebuilds the asset mix to match.

It also coincides with a structural change in who allocates. The number of family offices and next-generation principals is rising, which means [the buy-side is multiplying](#) at the same moment its preferences are tilting toward alternatives. For readers newer to the structure, [what a family office is](#) sets out the vehicle through which much of this capital is now managed. The combination of a larger, younger buy-side with a private-markets bias is the part of the transfer story the wealth-management and encyclopaedic coverage tends to leave out, because it reads the event through an estate-planning lens rather than an allocation one.

This is the read IMS Group is built around. The handover is not a windfall to be administered; it is a re-allocation to be underwritten, sourced, and partnered into. Where that capital ultimately goes is a question of who manages it and on what convictions — which is where [IMS Group's partnership network](#) and [the team behind it](#) come in.

Conclusion

The generational wealth transfer is real. The number is the least interesting thing about it. What matters for allocators is the divide: a 72/28 split in conviction about where returns come from, and an inheriting generation that re-writes the portfolio it receives rather than preserving it. Read through a private-markets lens, that is a demand shift toward alternatives. It lands on a buy-side that is getting larger and younger at the same time. To see how IMS Group's network of family offices and next-generation principals is positioned for that re-allocation, explore [the partnership network](#) and [the team](#) behind it.

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Frequently asked questions

What is generational wealth transfer?

Generational wealth transfer is the movement of accumulated wealth from older generations to their heirs, projected at an estimated \$84 trillion to \$124 trillion in the United States over roughly two decades (Cerulli Associates, 2024). The more material dimension is behavioural: the inheriting generation tends to invest differently from the generation that built the wealth, favouring private markets and alternatives over concentrated public holdings.

Who will benefit from the generational wealth transfer?

The primary beneficiaries are younger heirs, principally millennial and Gen Z inheritors, alongside surviving spouses who often receive assets first. On the buy-side, the multiplying population of family offices and next-generation principals stands to direct a growing share of this capital, which is why the asset managers and private-markets partners positioned for their preferences are also affected.

What does the next generation do differently?

It diversifies away from the concentrated, home-market, public-equity holdings that produced the original wealth, and toward private equity, private credit, a wider set of alternatives, and digital assets. Bank of America found 72% of investors aged 21–43 doubt traditional stocks and bonds alone can still deliver above-average returns, against 28% of over-44s — a clear allocation signal, not merely a demographic difference.

Is the great wealth transfer real?

The direction is well-evidenced; the magnitude is contested. Wealth is genuinely transferring between generations, but the often-cited dollar figures are projections that vary by source and time horizon, and the handover is a slow drip across two decades rather than a single event. Some commentators, including The Wall Street Journal, caution that the windfall many anticipate will not arrive soon for most families.

Sources & important information

1. Bank of America Private Bank (2024). Study of Wealthy Americans. Bank of America Newsroom
2. Cerulli Associates (2024). "Cerulli Anticipates \$124 Trillion in Wealth Transfers Through 2048" — U.S. High-Net-Worth and Ultra-High-Net-Worth Markets; current US wealth-transfer projection (~\$124 trillion through 2048), revised up from Cerulli's earlier 2021 estimate of ~\$84.4 trillion (through 2045). Cerulli
3. The Wall Street Journal (2026). Reporting on the timing and distribution of the Great Wealth Transfer. WSJ

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The next-generation
buy-side, read as a re-
allocation event.

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