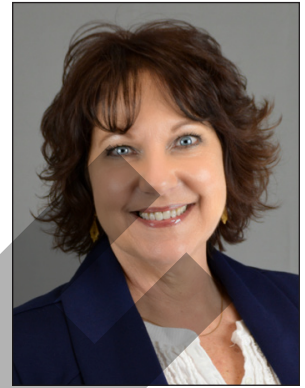


LET'S TALK MONEY[®]

January/February 2026



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I am committed to helping my clients achieve their financial goals for themselves, their families and their businesses by providing them with strategies for asset accumulation, preservation and transfer.

High Net Worth Version

LTM Client Marketing
helping financial professionals stay connected

RETHINKING THE AMERICAN DREAM

With rising market volatility, soaring home prices, and high interest rates, it's no surprise that increasing numbers of people in your position are exploring varied investment opportunities—and finding plenty of reasons to think beyond traditional home ownership.



The Cost of Home Ownership

Owning a home has long been touted as a wise investment. But today's reality is pushing many to reconsider. For those with significant capital, the stock market and other investment vehicles can offer better returns than holding onto a pricey piece of property. Especially in times of market uncertainty, diversifying your investments* can feel more secure than committing to a fixed asset, such as a home.

According to Redfin Estimates, the price of high-end homes (those estimated to be in the top 5% of their respective metro area based on market value) is increasing twice as fast (nearly 9% a year) as non-luxury homes, with high-end homes averaging in the \$1.2 million range. While a 9% "return" may look attractive, you also must look at the expense of rising mortgage costs, if you're financing the purchase, and the costs of selling to realize the gain.

You may also be on the hook for local real estate taxes. Generally, the more expensive the

property, the higher the tax. There's also the expense of insuring the property in addition to your personal belongings. And don't forget upkeep and maintenance costs. What's often touted as a "dream home" can quickly turn into a financial burden.

Weigh Experiences Versus Ownership

This may be especially important for younger investors. Having a home ties you down—both physically and financially. With global travel becoming easier and lifestyles evolving, you may find yourself prioritizing experiences over ownership. Short-term rentals, luxury condos, or even vacation homes in prime locations offer the freedom to switch up your surroundings without the long-term commitment of ownership.

Convenience can also play a role here. Property management, upkeep, and the stress of unforeseen repairs can be significant hassles. If you place a high value on your time, outsourcing these responsibilities becomes a

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INCLUDE HEALTH CARE IN YOUR WEALTH PLAN



Healthcare costs can be difficult to forecast, and while even routine care is pricey, the costs associated with unexpected health issues can be staggering. Now is the time to be proactive and include healthcare arrangements in your wealth plan or review the provisions you already have in place.

Loss of Income

What would happen if you or your spouse suffered an unexpected accident or other health incident and were unable to work? Consider if this income loss was compounded by another family member having to take time off work to serve as a caregiver. Consult with your trusted professional to discuss how to model and account for these types of medical events in your wealth plan. Also, discuss whether short- and long-term disability insurance might make sense for your situation.

Health Savings Accounts (HSAs)

HSAs offer tax savings: contributions are made with pre-tax dollars, earnings are tax-free, and withdrawals for qualified medical expenses are also tax-free. If your employer contributes to an HSA for you, those contributions may be excluded from your gross income. Contributions remain in

your account to grow until you use them. To save in an HSA, you must have a high-deductible health plan. You cannot currently be enrolled in Medicare or claimed as a dependent on someone else's tax return.

Starting in 2026, bronze and catastrophic marketplace plans become HSA-eligible, and direct primary care fees are qualified expenses. Also, HSA funds may be used for telehealth services without requiring a deductible to be met, effective retroactively for 2025.

Plan on a Long Life

High-net-worth people tend to spend more on preventative care and live longer. While including health in your wealth strategy won't prevent a health event, it can help protect you and your loved ones. It's important to weigh not only how health can impact your lifestyle, but also your future aspirations.

TEACH YOUR CHILDREN WELL

Teaching children about finances isn't just about numbers and assets; it's about equipping them with the skills they'll need to manage wealth responsibly. To foster a productive learning environment, separate financial education from discussions about assets.

Easy Does It

Begin with broad, non-financial topics. Covering subjects like cybersecurity or financial etiquette allows everyone to engage, regardless of their financial knowledge. Starting with foundational concepts can nurture curiosity and spark interest among family members, even those who might feel intimidated.

Meaningful Dialogue

These conversations are opportunities to reinforce your family's historic values. Framing your discussions through a contemporary lens can cultivate a shared

vision to guide the family's financial philosophy moving forward. Storytelling is a powerful tool. Share experiences that highlight the values behind wealth. Anecdotes can make seemingly dry topics more relatable and meaningful.

Start Small

Begin with a few interested family members and expand the conversation from there. As word of the program spreads, more relatives may wish to join. The goal is to create a culture that views financial discussions as enriching rather than uncomfortable.



RETIRING EARLY IN 2026?

As your retirement date approaches, it's essential to develop a comprehensive strategy that aligns with your personal goals and desired lifestyle. Retirement is not merely a departure from the daily grind; it's an exciting chapter that offers the opportunity to delve into passions, create lasting memories, and build a legacy that reflects your values. To ensure a smooth transition into this new phase, consider the following essential factors.

Identify What Retirement Means to You

Is it about traveling to new destinations, immersing yourself in hobbies, or dedicating time to family? Articulating your aspirations will guide your financial and lifestyle adjustments. Think about your vision: would you like to spend your winters in a warmer climate? Or perhaps you envision a quieter life enriched with community service and local engagement. Knowing your goals will help you make informed decisions regarding your finances.

Coordinate Your Income Sources

You (and your spouse or partner, if applicable) probably have various retirement investment vehicles at your disposal, such as 401(k), 403(b), 457 plan accounts, company pensions, and IRAs. You may have the proceeds from selling a business. Look at them as a whole and consider how to maximize them before you retire.

If possible, make the maximum retirement savings plan accounts for 2025 (if you haven't already) and 2026 before you retire to pack away more retirement funds and ensure you are maximizing any employer matching contributions. (See table.) Do the same with IRA contributions, if eligible (see page 3). You can make an IRA contribution for

2025 of up to \$7,000/\$8,000 if age 50 or older until April 15, 2026. Contributions for 2026 can be made starting January 1.

Defined Contribution Plan Limits

Plan	2025	2026*
401(k), 403(b), 457	\$23,500	\$24,500
401(k), 403(b), 457 Catch-up		
Age 50 and older	\$7,500	\$8,000
Ages 60-63	\$11,250	\$11,250

**As projected by Millman, 2025*

Consider Taxes

Remember, most retirement plan distributions are taxed at your personal tax rates, while Roth account distributions are tax-free. Discussing your retirement assets with a trusted professional and how they can best serve you is a key step to a secure retirement. Another is aligning your retirement accounts to optimize your tax strategy. This could significantly impact your overall retirement income.

Create a Legacy

Finally, consider how you want to leave a lasting impact. Whether through philanthropic efforts, heritage investments, or maintaining your family's wealth, having an estate strategy in place ensures that your wishes are honored and that your legacy remains intact.

By understanding your retirement goals, optimizing your retirement savings accounts, reviewing your investments, and planning your legacy, you can embark on your retirement journey with confidence and excitement.

RETHINKING THE AMERICAN DREAM



(continued from page 1)

no-brainer. Renting or leasing provides a level of convenience that home ownership can't compete with.

Lifestyle Perks

Let's not forget about lifestyle perks. Renting often opens doors to upscale amenities, including concierge services, world-class pools, and gyms. Instead of being tied to one address, you may choose to live in vibrant city centers, stunning coastal towns, or exclusive gated communities—whatever suits your current lifestyle. It's about enjoying life to the fullest.

For younger generations in particular, priorities are shifting. Many are investing in travel, wellness, and experiences rather than locking themselves into long-term housing commitments. With a growing focus on portfolio diversification, there's an undeniable allure in exploring opportunities that keep pace with evolving interests, rather than tying dollars up in real estate.

Is it time to reevaluate your approach to real estate with your trusted advisor and consider what living well may mean to you in today's world?

ROTH OR TRADITIONAL: CONSIDERATIONS FOR HIGH EARNERS

The higher your income, the more complicated the options. Generally, deductible IRA and Roth IRA contributions aren't permitted if you have a 401(k)/403b/457 retirement savings plan at work.



Individuals with modified adjusted gross income (MAGI) \$89,000 and over and married couples filing jointly with MAGI \$146,000 and over (in 2025) can't make deductible contributions to a traditional IRA. Roth IRA contributions ignore workplace retirement plans, but singles and those married filing jointly become ineligible with MAGI of \$165,000 and \$246,000 (respectively for 2025) or more. But if your employer's plan lets you choose between a traditional or Roth employee retirement savings plan, these contributions aren't subject to any income limitations. So how do you choose? Here

- are some things to consider with your trusted professional.
- Your current and future tax situation
 - Nonretirement investments
 - A Roth conversion if you're nearing retirement
 - Splitting retirement plan contributions between traditional and Roth accounts
 - Starting this year, high-income retirement plan savers over 50 years old must make any employee deferral catch-up contribution as a Roth contribution

THE ONE BIG BEAUTIFUL BILL ACT (OBBBA)

As you look back on 2025 and start planning your financial strategies for 2026, here's a brief overview of provisions in the OBBBA that you may want to consider in that planning.

Personal Taxes

OBBBA retains the reduced federal income tax brackets introduced in 2017, which were scheduled to expire in 2026, and sets the 2026 standard deduction at \$15,750 for single filers and \$31,500 for married couples filing jointly, with inflation adjustments expected in subsequent years. For 2025, the federal child tax credit increases to \$2,200 per child. It will be indexed for inflation in 2026 and later. This credit begins phasing out for single/head of household taxpayers and married filing jointly at \$200,000 and \$400,000 modified adjusted gross income (MAGI). As for your estate planning, the estate tax exemption rises to \$15 million for 2026 (from \$13.99 million in 2025) and will be indexed for inflation in future years.

A new deduction for interest paid on auto loans could let you write off a portion of your car loan interest. The deduction has income limits and strict rules on which cars qualify. The cap on state and local tax (SALT) deductions is temporarily increased from \$10,000 to \$40,000 from 2025 through 2029, with the cap rising 1% annually until it reverts to the previous \$10,000 limit in 2030. The expanded cap phases out for filers earning more than \$500,000 (\$250,000 married filing separately).

Investor Highlights

The OBBBA creates federally managed tax-advantaged savings accounts for children born in the US from 2024 to 2028, seeded with \$1,000 from the federal government. You can contribute up to \$5,000 per year to your child's account until they turn 18. The



accounts are designed to help families build long-term savings for education, homeownership, or retirement.

The Qualified Small Business Stock (QSBS) gain exclusion rules are significantly enhanced to make them more accessible and impactful for early-stage investors. For QSBS acquired at original issuance after July 4, 2025, the exclusion is tiered: 50% for stock held for at least three years, 75% for stock held for four years, and 100% for stock held for five years. The per-issuer exclusion cap is expanded from \$10 million to \$15 million, indexed for inflation (beginning in 2027). Other requirements apply. And the corporate gross asset limitation is increased from \$50 million to \$75 million, also inflation-indexed (starting in 2027), which broadens the range of companies eligible to issue QSBS.

For Businesses

OBBBA makes permanent the 20% small business deduction for pass-through entities such as partnerships and sole proprietorships. It makes permanent the lower corporate tax structure and rates set to expire in 2025, as well as 100% bonus depreciation and full expensing for business investments. For more specific information on how the Act may affect you, talk with your trusted financial professional.

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Your feedback is very important to us. If you have any questions about the subjects covered here, or suggestions for future issues, please don't hesitate to call. You'll find our number on the front of this newsletter. It's always a pleasure to hear from you.



ADVERTISING REGULATION DEPARTMENT REVIEW LETTER

September 9, 2025

Reference: **FR2025-0825-0199/E**

Org Id: 23568

1. LTM - Jan Feb 2026 High Net Worth
Rule: FIN 2210
5 Pages

Our review is based on your representation that the final version of this communication will prominently disclose the name of the member, pursuant to FINRA Rule 2210(d)(3)(A).

The communication submitted appears consistent with applicable standards.

Reviewed by,

Jeffrey R. Salisbury
Principal Analyst

Please send any communications related to filing reviews to this Department through the Advertising Regulation Electronic Filing (AREF) system or by facsimile or hard copy mail service. We request that you do not send documents or other communications via email.

NOTE: *We assume that your filed communication doesn't omit or misstate any fact, nor does it offer an opinion without reasonable basis. While you may say that the communication was "reviewed by FINRA" or "FINRA reviewed," you may not say that we approved it.*