



Incorporating Real Estate Into Your Financial Plan

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360° ADVICE TO HELP WITH EVERYTHING LIFE BRINGS YOUR WAY

MARINER WEALTH ADVISORS

INCORPORATING REAL ESTATE INTO YOUR FINANCIAL PLAN

Chris Bixby, CFP®, EA, CLU®, CASL®, RICP® | January 2021

OUR MISSION: PUTTING CLIENTS FIRST

When we founded our privately held national advisory firm in 2006, our top priority was to keep the client at the center of everything we do and that mission continues today under CEO Marty Bicknell's leadership.

We have built our firm around what our clients need. We began by offering wealth planning resources and then added services from tax planning to insurance – under one roof. We believe this integrated approach to wealth management helps simplify our clients' lives.



CUSTOMIZED SERVICES AND STRATEGIES¹



Investment Management

Developing a portfolio with proper diversification by leveraging leading investment managers.



Tax Planning & Preparation

Strategizing and implementing ideas to help integrate tax and investment strategies, including proactive tax analysis.



Insurance Solutions

Utilizing insurance to create strategies to help protect your assets and your life.



Cash Flow Management

Helping you track personal and business income and expenses while looking for planning opportunities.



Wealth Transfer Planning

Ensuring your wishes and desires for leaving assets or a legacy are in place before you need it.



Investment Opportunities

Access to alternative investments.



Family Office Services

Act as a family CFO by coordinating your family's financial aspects and facilitating meetings with multiple generations of family members.



Business Succession & Valuation Planning

Helping entrepreneurs grow and transition their businesses and provide valuation reports.

See disclaimers for additional information about services listed above.



PRIVATELY OWNED ADVISORY FIRM WITH A NATIONWIDE PRESENCE

OBJECTIVE

Advisors providing tailored advice based upon each client's specific situation and goals.

SPECIALIZED

Experienced, multi-disciplined advisors focused on working with families and individuals building wealth.

RESPONSIVE

Cross-functional team working together to understand, plan and manage clients' ever-evolving financial needs and wealth demands.

DISCIPLINED

Forward-thinkers who help guide consistent decision making to support long-term goals.

RESPONSIBLE

Impartial advisors with a fiduciary responsibility to work in each client's best interests.



- Mariner Wealth Advisors locations
- States where Mariner Wealth Advisors has clients

As of: 01/04/21



REAL ESTATE AS A RISK MODIFIER

REAL ESTATE RISK TERMS

1. Core

- Fully Occupied
- Strong Cash Flow

2. Core Plus

- Improvements
- Increase Cash Flow

3. Value-Add

- Major Improvements
- Quick Turnover

4. Opportunistic

- Significant Capital Expenditure
- No Cash Flow



The information on this piece is for representation purposes only. Chart source: Colliers International.



REAL ESTATE AS A RISK MODIFIER

RISKS IN REAL ESTATE

1. General Market
2. Asset-Level
3. Idiosyncratic
4. Liquidity
5. Replacements
6. Financing



REAL ESTATE TAX CONSIDERATIONS

LOW TAX EARLY YEARS

- Offset by depreciation
- Net Income is Taxable as Income

COMPLEX TAXES WHEN SOLD

- Recapture – Gain due to depreciation
- Capital Gains



REAL ESTATE TAX CONSIDERATIONS

TAX DEFERRAL OPTIONS

1031 Exchange

- Proceeds from Sale Reinvested
- Qualified Intermediary Required

Opportunity Zone

- Long Term Hold
- Project Specific Metrics

Opportunity Zone Funds: A Trio of Potential Tax Advantages



¹ An additional 5% step-up in basis is available for investments made prior to December 31, 2019.

² Assumes that the investor is a resident of a state that conforms with the federal Opportunity Zone provisions.

All investments involve risk and the realization of the benefits is dependent on proper structuring and the structure and performance of the future investments selected. Not all investments will provide all of these benefits.

Source: Cantor-Fitzgerald

The information on this piece is for representation purposes only.



REAL ESTATE FUNDING SOURCES

Non-IRA Funds

1. Easy Distribution of Cash Flows
2. Potentially Tax Inefficient

IRA Funds

1. Bulk of Investable Assets
2. Cash Flow Tax Deferred



REAL ESTATE FUNDING SOURCES

Unintentional Business Taxable Income (UBTI)

- Real Estate is a Trade/Business
- IRAs are not allowed to borrow money

Example:

Mark purchases Real Estate valued at \$500,000. In order to fund the purchase, he uses \$200,000 from his IRA and debt financing of \$300,000. At the end of the year, the property has net income, after depreciation, of \$20,000. His UBTI is \$12,000.



REAL ESTATE FUNDING SOURCES

SELF-DIRECTED IRA DANGERS

1. UBTI
2. Property may not be used by a “related party”
3. Distributed income is taxable and potentially penalized
4. Improvements/Repairs are subject to annual contribution limits
5. Required Minimum Distributions required valuations and cash for distribution



DISCLOSURES

Mariner Wealth Advisors ("MWA"), is an SEC registered investment advisor with its principal place of business in the State of Kansas. Registration of an investment advisor does not imply a certain level of skill or training. MWA is in compliance with the current notice filing requirements imposed upon registered investment advisors by those states in which MWA maintains clients. MWA may only transact business in those states in which it is notice filed or qualifies for an exemption or exclusion from notice filing requirements. Any subsequent, direct communication by MWA with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For additional information about MWA, including fees and services, please contact MWA or refer to the Investment Adviser Public Disclosure website (www.adviserinfo.sec.gov). Please read the disclosure statement carefully before you invest or send money.

MWA does not provide all services listed in this piece. Some services are provided by affiliates and are subject to additional fees.

2Additional fees may apply for tax planning and preparation services.

This presentation is limited to the dissemination of general information pertaining to wealth advisory services offered by Mariner Wealth Advisors. The hypothetical information contained herein should not be construed as personalized investment, legal, tax or insurance advice and should not be considered as a solicitation to buy or sell any security or engage in a particular investment strategy. There is no guarantee that the views and opinions expressed in this presentation will come to pass.

As described in Mariner Wealth Advisors' Form ADV Part 2A, advisory fee arrangements are subject to negotiation and the structure and level of the advisory fee clients pay will vary by client based upon the services provided and other considerations. As a result, the advisory fees paid by solicited clients will likewise vary, but in no event is an additional fee charged to solicited clients beyond the advisory fee set forth in the advisory agreement. However, the annual advisory fee rate of clients will not exceed the maximum annual rate set forth in Mariner Wealth Advisors' Form ADV Part 2A.

Compensation. From the investment advisory fee you pay to Mariner Wealth Advisors as set forth in your advisory agreement, Mariner Wealth Advisors will pay ReAllocate an amount not to exceed an annual fee of twenty percent (20%) of the investment advisory fees you pay for the management of your assets/account(s), and related services rendered. ReAllocate will generally receive the referral fee for as long as you remain a client of Mariner Wealth Advisors. The compensation paid to ReAllocate by Mariner Wealth Advisors is for ReAllocate's solicitation services and for referring you to Mariner Wealth Advisors and covers any expenses of ours relating to these efforts. No payment will be paid to ReAllocate by Mariner Wealth Advisors without delivery to Mariner Wealth Advisors of an acknowledgement of receipt of this disclosure.

Conflict of Interest. Certain affiliates of Mariner Wealth Advisors have an indirect ownership interest in ReAllocate. As a result, ReAllocate is incentivized to pursue solicitation activities which benefit Mariner Wealth Advisors over other non-affiliated investment advisors. ReAllocate performs its solicitation services for Mariner Wealth Advisors pursuant to a written agreement between Mariner Wealth Advisors and ReAllocate.

Please see below for additional information regarding the recognitions included within this presentation as well as the methodology used in determining each ranking, as applicable. Please note, these rankings and recognitions are not indicative of the firm's future performance and may not be representative of a client's experience with the firm. Firms did not pay a fee to participate in the surveys included below.



DISCLOSURES CONTINUED

Barron's Rankings

Barron's – 2020 Top 100 Independent Wealth Advisors – Valerie Newell #10
Barron's – 2020 Top Women Financial Advisors – Valerie Newell #4
Barron's – 2020 Top 100 Women Financial Advisors – Jana Shoulders #57
Barron's – 2020 – 2016 Top Advisor: Ohio – Valerie Newell #1
Barron's – 2020 Top Advisor: Pennsylvania – Rob Thomas #3
Barron's – 2020 Top Advisor: Kansas – Trey Barnes #5
Barron's – 2020 Top Advisor: Oklahoma – Jana Shoulders #6
Barron's – 2020 Top Advisor: Nebraska – Jim Siemonsma #6
Barron's – 2020 Top Advisor: New York – Justin McCarthy #93
Barron's – 2019 Top Advisor: Oklahoma – Jana Shoulders #6
Barron's – 2019 Top 50 Registered Investment Advisory Firms – Mariner Wealth Advisors #4
Barron's – 2019 Top 100 Independent Wealth Advisors – Valerie Newell #9
Barron's – 2019 Top 100 Women Financial Advisors – Valerie Newell #4
Barron's – 2019 Top 100 Women Financial Advisors – Faith Reed Xenos #88
Barron's – 2019 Top 100 Women Financial Advisors – Jana Shoulders #91
Barron's – 2018 Top 40 Registered Investment Advisory Firms – Mariner Wealth Advisors #3
Barron's – 2017 Top 20 Independent Advisory Firm – Mariner Holdings #2
Barron's – 2017 Top Women Financial Advisors – Valerie Newell #4
Barron's – 2016 Top 20 Independent Advisory Firm – Mariner Holdings #1
Barron's – 2016 Top 100 Independent Wealth Advisors – Valerie Newell #20
Barron's – 2016 Top Women Financial Advisors – Valerie Newell #4
Barron's – 2016 Top Women Financial Advisors – Valerie Newell #3
Barron's – 2016 Top Women Financial Advisors – Jana Shoulders #78
Barron's – 2015 Top 100 Independent Wealth Advisors – Valerie Newell #29

Barron's awarded the 2019 #4 and 2018 #3 Top RIA Firms ranking to Mariner, LLC d/b/o Mariner Wealth Advisors. Barron's awarded the 2020 #5, 2019 #4 and 2018 #3 Top RIA Firms ranking to Mariner Wealth Advisors based on data compiled for Mariner Wealth Advisors and the 2017 #2 and 2016 #1 rankings to Mariner Holdings based upon data compiled for Mariner Holdings' registered investment advisor subsidiaries. The number of firms included in the rankings were: 20 (2016), 30 (2017), 40 (2018), 50 (2019) and 100 (2020). Barron's publishes these lists based upon a number of criteria and the firms' filings with the SEC were used to cross-check the data provided to Barron's. The listing includes the firms' numbers of clients, employees, advisors, offices and state locations. The award is not indicative of future performance and there is no guarantee of future investment success. Registration of an investment advisor does not imply a certain level of training or skill.

Barron's also publishes four financial advisor rankings each year: The Top 100, The Top 100 Women, The Top 100 Independents and The Top 1,200, in which advisors are ranked on a state-by-state basis. The rankings are based on data provided by individual advisors and their firms. Advisor data is confirmed via regulatory databases, cross-checks with securities firms and conversations with individual advisors. The formula Barron's uses to rank advisors is proprietary. It has these major components: assets managed, revenue produced, quality of practice, technology spending, staff diversity and succession planning. Investment returns are not a component of the rankings because an advisor's returns are dictated largely by the risk tolerance of clients. The quality-of-practice component includes an evaluation of each advisor's regulatory record. For additional information visit www.barrons.com.

Forbes

2020 – Forbes ranked Valerie Newell number 47 and Jana Shoulders number 322 out of 1,000 on the Top Women Wealth Advisors list.

2020 – Forbes ranked Jake Kem, Jana Shoulders and Faith Xenos as Best-In-State Wealth Advisors.

Advisors are selected for the Forbes rankings by SHOOK Research, is based on an algorithm of qualitative and quantitative data, rating thousands of wealth advisors with a minimum of seven years of experience and weighing factors like revenue trends, assets under management, compliance records, industry experience and best practices learned through telephone and in-person interviews. Portfolio performance is not a criteria due to varying client objectives and lack of audited data. For additional information visit www.forbes.com.

2020 – Forbes ranked Keith Flywaczynski number 15 and Justin Richter number 346 as the Top Next-Gen Wealth Advisors on a list of 500 individuals. The Top Next-Gen list includes 500 rising advisors who help manage over \$1 billion in client assets. Each advisor was nominated by their firm, then vetted and ranked by SHOOK Research. Advisors do not pay a fee for placement on the list, which is independently determined by Shook Research. For advisors already on a ranking, there is a fee to be highlighted in bold. For more information related to the award, visit <https://www.forbes.com/top-next-gen-advisors/#7b7678995d0>. The award is not indicative of future performance and there is no guarantee of future investment success.

2019 – Forbes ranked Faith Xenos number 10 of 51 Top Wealth Advisors in the Miami, Florida, area.

Advisors are selected for the Forbes rankings by Shook Research based on an algorithm of qualitative and quantitative criteria, including: in-person interviews, industry experience, compliance records, revenue produced and assets under management. The rankings are not indicative of future performance, and there is no guarantee of future investment success. For additional information visit www.forbes.com.

2015 – Mariner Wealth Advisors, LLC ranked 12th among Top 100 Wealth Managers with \$10 billion under management.

The 2015 Forbes ranking is based upon information compiled using data for Mariner Wealth Advisors, LLC and its majority owned subsidiary registered investment advisory firms. Data for the Top Wealth Managers list is compiled by RIA Database. Candidate firms qualify based on both quantitative and qualitative criteria. In 2015 the list was expanded to 100 firms, ranked by assets under management for year-end 2014, reported as of March 31, 2015. Members of the list must have managed at least 50 percent of their assets on behalf of retail clients, cannot run a broker-dealer (they can be affiliated with one), cannot be a bank (trust companies are permitted), and must be performing wealth management services. Firms cannot have had any regulatory, civil or criminal disclosures. The list looks beyond exclusively fee-only advisors. For additional information visit www.forbes.com.



DISCLOSURES CONTINUED

FA Magazine

FA Magazine awarded the #9 2019 RIA Ranking to Mariner Wealth Advisors.

The survey is a ranking based on assets under management at year-end of RIA firms that file their own ADV with the SEC and provide financial planning and related services to individual clients. Firms are ranked from largest to smallest (1-653) based on AUM reported to FA magazine by the firms. The award is not indicative of future performance and there is no guarantee of future investment success.

FA Magazine (2018 and Before)

2018 RIA Ranking, Asset Category: \$1 Billion and Over – Mariner Wealth Advisors #13

2015 RIA Ranking, Asset Category: \$1 Billion and Over – Mariner Wealth Advisors #14

The 2015 FA Magazine rankings were based upon information compiled using data for Mariner Wealth Advisors and its majority owned subsidiary registered investment advisory firms. For additional information visit www.fa-mag.com.

ThinkAdvisor

2015 – Marty Bicknell, CEO of Mariner Wealth Advisors, named an Innovator Entrepreneur – The IA 25 is compiled yearly by Investment Advisor magazine to include individuals who have been most influential in and around the business of independent financial advice.

Financial Times

300 Top Registered Investment Advisers 2015 – RiverPoint Capital Management (now part of Mariner Wealth Advisors) and Mariner Wealth Advisors-Oklahoma (now part of Mariner Wealth Advisors).

Financial Times examined the database of RIAs registered with the US Securities and Exchange Commission and selected those that reported to the SEC that they had \$300m or more in assets under management (AUM). The Financial Times' methodology is quantifiable and objective. The RIAs had no subjective input.

The FT invited qualifying RIA companies — more than 1,500 — to complete a lengthy application that provided more information. This was added to their own research into firm practices, including data from regulatory filings. Some 520 RIA companies applied and 300 made the final list.

The formula the FT uses to grade advisers is based on six broad factors and calculates a numeric score for each adviser. Areas of consideration include adviser AUM, asset growth, the company's age, industry certifications of key employees, SEC compliance record, and online accessibility.

Assets under management and asset growth, combined, comprised roughly 80 to 85 per cent of each adviser's score. Additionally, the FT caps the number of companies from any one state. The cap is roughly based on the distribution of millionaires across the US. The research was conducted on behalf of the Financial Times by Ignites Distribution Research, a Financial Times sister publication. For additional information visit www.ft.com.





 **Mariner**
WEALTH ADVISORS

Next Steps

How can we learn more about the following?

- Real Estate Risk
- Tax Considerations
- Use of Retirement Accounts

Get A Second Opinion

Want the team at Mariner Wealth Advisors to review your portfolio?

ReAllocate.com/get-invite

Wrap Up

Q & A