EXPERTISE — TRUST — COMMITMENT

HIGH-NET-WORTH INVESTING KIT

A Guide for Accredited & High-Net-Worth Investors

2026 EDITION

PRESENTED BY

MRB Capital Group, LLC

www.mrb-capital-group.com · 407-220-0740

WHAT'S INSIDE

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How to use this kit

This kit is for investors whose wealth has grown to the point where the questions change — from “am I saving enough?” to “is what I’ve built structured, taxed, and protected as well as it could be?”

It walks through what widens at higher net worth: the private-market opportunity set, the tax levers that matter most, and the structures that protect and transfer wealth. It is educational, not personal advice — several strategies here have strict technical requirements where the details decide everything. Each section ends with the question to answer for your own situation.

SECTION 1

What Changes at Higher Net Worth

As wealth grows, the questions shift from “am I saving enough?” to “is what I’ve built structured, taxed, and protected as well as it could be?”

Households with substantial assets face a different landscape. More of the return you actually keep is decided by tax efficiency, structure, and coordination than by picking the next great fund. Larger portfolios also unlock investments and strategies that aren’t available to everyone — and each one adds complexity, and often illiquidity, that has to be managed deliberately.

Three things that change

- **The tax bill becomes the biggest controllable cost.** At higher brackets, where an asset is held, when gains are realized, and how income is sequenced can matter more than a percentage point of return.
- **The opportunity set widens.** Qualifying as an accredited investor opens private markets — private equity, private credit, real estate, and more — alongside your public portfolio.

- **Protection and transfer move to the foreground.** Estate, gifting, entity, and insurance decisions increasingly determine how much of what you've built actually reaches the people and causes you care about.

> **A note on "high-net-worth"**
> Industry convention loosely calls $1M+ in investable assets "high-net-worth," $5M+ "very-high-net-worth," and $30M+ "ultra-high-net-worth." These are marketing conventions, not legal thresholds — and the planning ideas in this kit scale across all three.

Question to answer: which of these three — tax, access, or transfer — is getting the least attention in your plan today?

SECTION 2

Accredited vs. Non-Accredited Investors

Much of the private-market universe is gated by a single federal definition. Knowing which side of it you're on — and what it does and doesn't unlock — is the starting point.

"Accredited investor" is an SEC classification that determines who can participate in many private, unregistered offerings. It's a test of eligibility and ability to bear risk — not a measure of sophistication, and not a promise of better returns.

The common ways an individual qualifies

Path	How you meet it
Income	$200,000+ on your own, or $300,000+ with a spouse, in each of the last two years — with a reasonable expectation of the same this year.
Net worth	More than $1 million, alone or with a spouse — excluding the value of your primary residence.
Professional	Hold a Series 7, 65, or 82 license in good standing.
Other paths	"Knowledgeable employees" of a private fund, and certain entities (for example, those with $5M+ in assets), can also qualify.

A higher bar — the "qualified purchaser," generally $5 million or more in investments — governs access to certain larger private funds.

What it does — and doesn't — unlock

- **It opens the private markets.** Private placements (Reg D), private equity and venture, private credit, hedge funds, many real-estate syndications, and pre-IPO opportunities.
- **It doesn't change suitability.** An investment still has to fit your goals, liquidity needs, and risk tolerance. Access is not a recommendation.

- **It isn't a dividing line on quality.** Non-accredited investors have a deep, powerful toolkit — ETFs, mutual funds, publicly traded REITs, interval funds, and newer semi-liquid vehicles that bring a measure of private-market exposure to everyone.

> **Verification matters**
> Many private offerings must verify accredited status — sometimes through a letter from your CPA, attorney, or advisor. Keeping that documentation current makes participation smoother when a time-sensitive opportunity appears.

Question to answer: do you qualify — and by which path? If you're close on net worth, do you know what counts and what's excluded?

SECTION 3

Expanding the Opportunity Set — Alternatives

Beyond stocks and bonds lies a wider menu — one that can add return streams and diversification, at the cost of liquidity, complexity, and higher fees.

"Alternatives" is a broad label for investments outside traditional public markets. Used deliberately and sized appropriately, they can complement a core portfolio; used casually, they add risk and cost without a clear job to do.

The main categories, briefly

- **Private equity & venture capital.** Ownership in private companies, from established buyouts to early-stage startups. Higher potential return, long lock-ups, and a wide gap between top and bottom managers.
- **Private credit / direct lending.** Loans to companies outside the traditional banking system, usually held for income. Attractive yields, but sensitive to the credit cycle and typically illiquid.
- **Hedge funds & liquid alternatives.** Strategies that aim for returns less correlated to markets. Complexity and fees vary enormously; "liquid alt" mutual funds offer diluted versions to non-accredited investors.
- **Real estate (private).** Direct property, private funds, and DSTs — covered in Section 5.
- **Structured notes.** Bank-issued instruments with defined payoffs, such as a downside buffer in exchange for a capped upside. The tradeoffs live in the fine print and the issuer's creditworthiness.
- **Direct indexing & SMAs.** Owning the underlying securities directly — enabling security-level tax-loss harvesting and customization — increasingly available at lower asset levels.
- **Qualified Opportunity Zone funds.** Reinvested capital gains can be deferred, with tax-free appreciation after a long hold. The rules were revised in 2025 legislation and reward professional guidance.

> **The cross-cutting cautions**
> Most alternatives share the same watch-outs: illiquidity and lock-ups, higher and layered fees, less

> transparency, harder-to-value holdings, and a wide gap between the best and worst managers.
>
> Size positions so that no single illiquid bet can derail the plan — and treat alternatives as a complement to, never a replacement for, a liquid core portfolio.

Question to answer: for any alternative you own or are weighing, what specific job does it do that your public portfolio can't — and can you comfortably have that money locked up?

SECTION 4

Tax-Smart Investing at Scale

At higher brackets, the after-tax return is the only one that matters — and several levers can meaningfully change it.

Levers worth knowing

- **Asset location.** Hold tax-inefficient assets (taxable bonds, some alternatives) inside tax-advantaged accounts, and tax-efficient assets in taxable ones. Same investments, better tax outcome.
- **Tax-loss and tax-gain harvesting.** Realizing losses to offset gains — most powerful at the individual-security level through direct indexing or an SMA.
- **Municipal bonds.** Interest is generally exempt from federal (and sometimes state) tax — often more valuable the higher your bracket.
- **Roth conversions.** Paying tax now for tax-free growth later can pay off in lower-income years or market dips. The math is personal and worth modeling.
- **Concentrated stock.** A large single-stock position carries outsized risk. Exchange funds, hedging collars, gifting, and charitable transfers can all diversify it thoughtfully and tax-efficiently.

Two areas with recent changes

- **Qualified Small Business Stock (QSBS, §1202).** For qualifying stock acquired after July 4, 2025, 2025 legislation introduced a tiered gain exclusion — 50% at three years, 75% at four, and 100% at five — raised the per-issuer cap to the greater of $15 million or 10× your basis, and lifted the company gross-asset limit to $75 million. Stock acquired earlier generally keeps the prior five-year, $10 million rules. Founders and early employees should confirm eligibility and holding periods.
- **Charitable strategies.** Donor-advised funds, gifts of appreciated stock (which avoid the capital-gains tax), qualified charitable distributions from IRAs, and charitable remainder trusts can turn generosity into real tax efficiency.

> ### Coordinate, don't improvise
>
> Nearly every strategy here is timing- and documentation-dependent, and tax law changes. The biggest wins come from sequencing decisions across the whole year with your advisor and CPA working from the same plan — not from isolated moves at year-end.

Question to answer: are your tax-inefficient assets in the right accounts, and do you have a multi-year plan for realizing gains and conversions — or is it decided each April?

SECTION 5

Real Estate in a High-Net-Worth Portfolio

Property brings advantages a securities portfolio can't — along with concentration, illiquidity, and a management burden it has to be sized around.

Direct real estate offers income you can influence, favorable leverage, depreciation shelter, and returns that don't move in lockstep with stocks. Many successful investors simply hold more of it than any allocation framework would prescribe — so the first task is to count it honestly, at current equity value, as part of the whole balance sheet.

The tools, in brief

- **Direct ownership.** Control, depreciation, and leverage — offset by illiquidity and hands-on management.
- **Public REITs & private funds.** Real-estate exposure without the 2 a.m. phone call, trading some control (and sometimes liquidity or fees) for convenience and diversification.
- **1031 exchanges & DSTs.** Defer capital gains and depreciation recapture by exchanging into like-kind property — 45 days to identify, 180 to close, strict rules. Delaware Statutory Trusts can serve as passive 1031 landing spots.
- **Depreciation & cost segregation.** Powerful deductions — with 100% bonus depreciation made permanent in 2025 legislation — best used when you have income to offset, and always planned with recapture in mind at sale.

The theme

Almost every real-estate tax advantage is a deferral or a status test, which means timing and documentation are the strategy. And because property is illiquid, reserves — cash to cover debt service and vacancies — are what let you never sell into a bad market.

Question to answer: what percentage of your net worth is real estate at honest current values — and did you choose that number, or did it just happen? (For a deeper treatment, ask us for MRB's Real Estate Investor's Wealth Guide.)

SECTION 6

Protecting & Transferring Wealth

Building wealth and keeping it in the family are different disciplines. The second is mostly about structure, timing, and paperwork done ahead of time.

Estate & gift basics (2026)

- **The exemption is historically high.** 2025 legislation made the federal estate and gift tax exemption permanent at $15 million per person — $30 million for a married couple — indexed for inflation going forward. Estates above that face federal tax of up to 40%.
- **The annual gift exclusion.** You can give up to $19,000 per recipient in 2026 ($38,000 as a couple) without touching your lifetime exemption — a simple, repeatable way to move wealth out of your estate.
- **Trusts do the heavy lifting.** Revocable trusts for control and probate avoidance; irrevocable trusts (SLATs, ILITs, and others) to move assets and their future growth out of the taxable estate. The right structure depends on your goals.

Don’t overlook the basics

- **Titling & beneficiaries.** How accounts are owned and who’s named as beneficiary can override your will — and quietly drift out of date after major life events.
- **Liability protection.** Adequate property and umbrella insurance is the cheapest protection per dollar for the wealth you’ve built; LLCs can compartmentalize risk when they’re genuinely respected.
- **State rules differ.** Florida has no state estate or income tax, but many states do — where you (and your property) are located matters for the plan.

> **The window question**
>
> Even with a high exemption, the most efficient transfers often use today’s rules and today’s asset values — gifting growth out of the estate early can move far more than the same dollars later. Whether that fits depends on what you can comfortably afford to give away.

Question to answer: if something happened this year, is your estate plan aligned with the current $15M / $30M exemption — and are your beneficiary designations current?

SECTION 7

Putting It All Together

Each idea in this kit is one instrument. A high-net-worth plan is the orchestra — how the pieces play together across taxes, access, and time.

There’s no single correct order that fits everyone, but a sound approach generally moves through these steps — and revisits them as laws and life change.

- **Map the full balance sheet.** Every asset at honest value, including illiquid and concentrated positions, so allocation and risk are measured on reality — not just the brokerage statement.
- **Get the tax architecture right.** Asset location, a multi-year plan for gains and any Roth conversions, and real coordination between your advisor and CPA.
- **Decide the role of alternatives.** If — and only if — a private investment does a job your public portfolio can’t, size it so its illiquidity is never a problem.
- **Manage concentration and single-stock risk.** Diversify large positions deliberately and tax-efficiently, not all at once and not never.

- **Build the protection and transfer layer.** Insurance, entities, beneficiaries, and the right trusts — sized to your goals and the current exemption.
- **Revisit regularly.** Markets, tax law, and your own goals all move; the plan is a living document, not a one-time event.

The one idea to carry out of this kit

At higher net worth, coordination is the strategy. The households that keep the most aren't the ones who found a secret investment — they're the ones whose tax, investment, estate, and protection decisions were made together, by people who could see the whole picture.

TAKE STOCK

Your High-Net-Worth Readiness Checklist

A quick self-assessment. For each item, ask yourself: do I have a clear, confident answer? The ones you can't check are exactly where the value is.

Access & Investments

- ❑ I know whether I qualify as an accredited investor — and by which path.
- ❑ Every alternative I own has a specific job and a size I can afford to lock up.
- ❑ I've addressed any concentrated single-stock risk in my portfolio.

Tax

- ❑ My tax-inefficient assets are held in the right accounts.
- ❑ I have a multi-year plan for realizing gains and any Roth conversions.
- ❑ I've checked whether QSBS, municipal bonds, or charitable strategies apply to me.

Protection & Transfer

- ❑ My estate plan reflects the current $15M / $30M exemption.
- ❑ My titling, beneficiaries, and insurance (including an umbrella policy) are current.
- ❑ I understand which of my assets would be illiquid or taxable at transfer.

The Whole Picture

- ❑ My advisor and CPA work from the same plan.
- ❑ Someone who acts in my best interest has reviewed the whole picture — not just one account.

THE NEXT STEP

Where MRB Capital Group Fits

Everything in this kit points to the same conclusion: at higher net worth, the returns you keep are decided less by any single investment and more by how the pieces fit together.

MRB Capital Group is an independent, fee-only fiduciary advisory firm. In plain terms, that means two things. We're paid by you — not by commissions on products — so our advice isn't steered by what pays us. And we're held to a fiduciary standard to act in your best interest. We coordinate the investment, tax-aware, and planning decisions in this kit into one strategy, working alongside your CPA and attorney so nothing falls between the cracks.

A no-obligation conversation

If this kit raised a question you can't answer with confidence, that's exactly what a conversation is for. There's no cost and no obligation — just a clear read on where you stand.

MRB Capital Group, LLC · (407) 220-0740 · mrb-capital-group.com · ClientSupport@mrb-capital-group.com

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