LRS Capital Group Newsletter

Your Money Matters

Lisa Reich
Wealth Advisor
LRS Capital Group Inc.
12839 Anthorne Lane
Boynton Beach, FL 33436
561-908-2342
561-908-2369
lisa@lrscg.com
www.lrscg.com

60 million

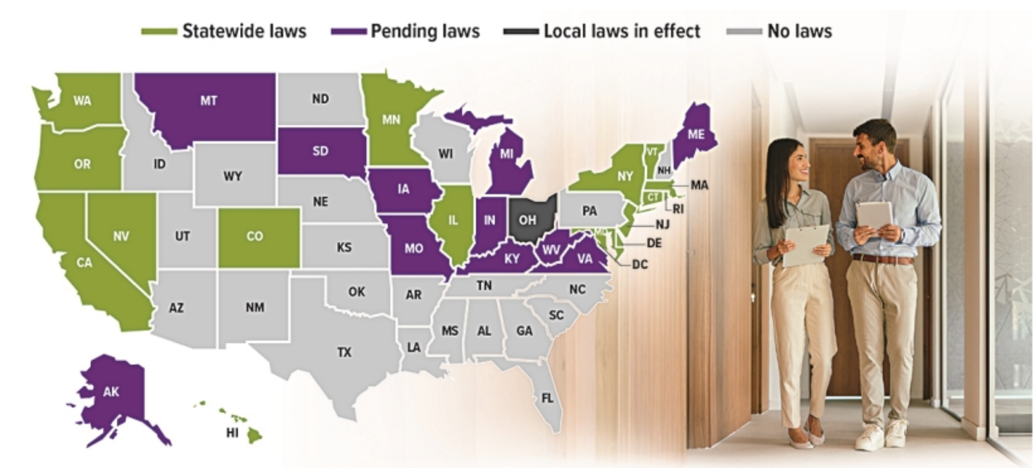
Number of workers covered by pay transparency laws. Less than 10 years ago, zero workers were covered.

Source: beqom, July 2025

Pay Transparency Laws by State

Pay transparency laws require employers to disclose salary ranges at various stages of the employment process, such as in job postings or upon request by job candidates. They may also prohibit employers from asking job candidates about their salary history. The intent of these laws is to make job searches more transparent and to prevent historical wage gaps from following workers throughout their careers.

As of November 2025, 16 states and the District of Columbia have enacted pay transparency laws, and 11 states have pending legislation.



Source: Paycor, November 2025

Locked Out? How to Break Into Today's Housing Market

For many young people today, the prospect of buying a home can seem out of reach. High prices, elevated interest rates, and limited inventory all make the current housing market a challenging one. Fortunately, homeownership can still be an attainable goal. It may just take a bit more planning, flexibility, and creativity than it did in the past. Here is a practical guide that can help you navigate the process.

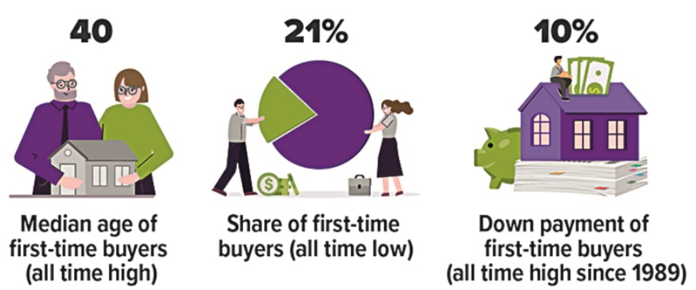
Start with a financial checkup

Before you even start looking for a house, you'll need to assess your financial situation. You should first check your credit score, which is based on your past and present credit transactions. Having a good credit score is important because most mortgage lenders will use it to evaluate your creditworthiness. A higher score will often help you obtain a lower interest rate for a mortgage, which could save you thousands of dollars over the life of your loan. If you discover that you need to increase your credit score, focus on paying your bills on time and reducing high-interest debt.

You should also consider saving for a healthy down payment, since putting more money down can reduce the amount you'll need to borrow and may make your offer more attractive to a seller. Try implementing the following strategies to help boost your down payment:

- Automate your savings so a portion of each paycheck goes directly into a home fund.
- Examine your budget and focus on reducing your discretionary spending.
- Boost your savings with windfalls from tax refunds, bonuses, or gifts from family members.

Profile of First-Time Homebuyers



Source: National Association of Realtors, November 4, 2025

Explore first-time homebuyer programs

There are numerous mortgage programs geared specifically towards first-time homebuyers that can significantly reduce the upfront cost of buying a home. Government programs, such as FHA loans, often require lower down payments. Local and state programs may offer grants, down payment assistance, or reduced interest rates.

Seek out alternative financing options

Buyers can also consider alternative financing options to help lower their interest rates. Here are some that may be worth looking into:

- **Adjustable-rate mortgage (ARM)** also referred to as a variable-rate mortgage, typically has a fixed interest rate at the beginning of the loan, which then adjusts annually or biannually for the remainder of the loan term. The initial interest rate on an ARM is generally lower than the rate on a traditional fixed-rate mortgage, which will result in a lower monthly mortgage payment.
- **Temporary buydown** provides the buyer with a lower interest rate on a fixed-rate mortgage during the beginning of the loan period (e.g., the first one or two years) in exchange for an upfront fee or higher interest rate once the buydown feature expires.
- **Assumable mortgage** allows a buyer to take over a seller's existing loan and loan terms and pay cash or take out a second mortgage to cover the remainder of the purchase price.

Look into other cost-saving opportunities

In addition to alternative financing, there are other ways to help lower the cost of buying a home. One option is to pay an upfront fee at closing, also known as points. By paying points, a buyer can reduce the interest rate, usually by around .25% per point, resulting in a lower mortgage loan payment. Another option, often referred to as a "future refi," allows a borrower to purchase a home at current interest rates, with the ability to refinance the loan to a lower rate at a later date. The cost to refinance is usually rolled into the new loan, depending on the lender and loan type.

Reconsider what "home" means

A first home doesn't need to be your forever home. Look into smaller properties that tend to be more affordable, such as condos, townhouses, or apartments. Are you priced out of a specific area? Consider emerging and up-and-coming neighborhoods where prices may be more affordable or be open to fixer-uppers if you are willing to invest time (and money) into home improvements.

You may even want to look into purchasing a home with someone else, such as a partner, sibling, or close friend, in order to share costs. While shared ownership can make homeownership possible sooner, it does require trust and clear communication, with clearly documented co-buying agreements, to help avoid future conflicts.

What Is Value Investing?

During the period before and after World War II, financial analyst and Columbia University professor Benjamin Graham published two books, *Security Analysis* (1934) and *The Intelligent Investor* (1949), that defined an approach to the stock market that became known as value investing. Although some of Graham's ideas have become outdated, his basic strategy remains a bedrock of modern investing, and his most famous pupil, Warren Buffett, is considered among the greatest investors of all time.

Put simply, Graham's strategy was to analyze the underlying value of a company in relation to its share price and only buy shares of companies that he considered significantly undervalued. He believed that this not only provided growth potential but also what he called a "margin of safety" to help mitigate loss — i.e., he found that undervalued but otherwise healthy companies were less likely to have further large declines in stock prices.[1]

Becoming a business owner

At the heart of this strategy is viewing the purchase of stock shares as becoming a part owner of a company. "A stock is not just a ticker symbol or an electronic blip," Graham wrote, "it is an ownership interest in an actual business, with an underlying value that does not depend on its share price."[2] Graham viewed market downturns as an opportunity to buy shares at better values and market upswings as a time to sell stocks that had become overvalued.

Properly evaluating a company requires substantial work and expertise, examining metrics such as earnings per share, the price-earnings ratio (share price/12 months of earnings), and the price-book ratio (share price/net value of company), as well as the company's operations, market position, leadership, and more. Nonprofessional investors may be unable or unwilling to put in this kind of effort to evaluate individual stocks. However, there are many funds that focus on "value stocks," while others may focus on "growth stocks," which tend to be more expensive in relation to their underlying value but may have more potential for future growth.

Shifting styles?

Although the principles of value investing are timeless, modern analysts point out that Graham underestimated the growth potential of some stocks that might seem overvalued. This has proven to be true over the last 20 years as large technology companies have experienced rapid growth despite being overvalued by traditional analysis. It's impossible to know whether or not this will continue, but there was a notable shift from growth to value in late 2025 and early 2026 that some analysts believe could mark a longer-term trend.[3]

Performance Over Time

The last 20 years have been a strong period for growth stocks, but value stocks outperformed in earlier periods. Annual returns have varied widely.

Average annual returns	1996–2005	2006–2015	2016–2025
Value stocks	10.94%	6.16%	10.53%
Growth stocks	6.73%	8.53%	18.13%

Source: YCharts, 2026, for the period 12/31/1995 to 12/31/2025. Value and growth stocks are represented by the Russell 1000 Value Total Return and Russell 1000 Growth Total Return indexes, respectively. The performance of an unmanaged index is not indicative of the performance of any particular investment. Individuals cannot invest directly in an index. Investment fees, charges, and taxes were not taken into account and would reduce the performance shown if they were included. Rates of return will vary over time, particularly for long-term investments. Past performance does not guarantee future results. Actual results will vary.

Because value and growth stocks tend to perform differently under different market conditions, it may be wise to hold both types of stocks in your portfolio, which can be accomplished by investing in broad index funds. If you want to weight your portfolio toward a value or growth strategy (often called an investing style), you might add a value or growth fund or individual stocks selected for value or growth. Definitions of value and growth stocks differ among funds and may change over time within the same fund, so it's important to understand a fund's objectives and structure.

There is no guarantee that any investment strategy will be successful. The return and principal value of stocks and stock funds fluctuate with changes in market conditions. Shares, when sold, may be worth more or less than their original cost.

Funds are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

1) Investopedia, November 21, 2024

2) Goodreads, 2026

3) Bloomberg, February 4, 2026

Midyear Checkup: Can You Contribute More to Your Retirement Plan?

With traditional pensions in decline, other work-based plans that are driven primarily by employee contributions — such as 401(k), 403(b), and 457(b) plans — are the bedrock of the U.S. retirement system. This means it's up to you to build retirement savings.

The good news is that the contribution limits for these plans are generous, much higher than the limits for IRAs. However, unlike IRAs — which allow contributions up to the April tax deadline of the following year — you generally must make annual contributions to an employer-sponsored plan by December 31.

The middle of the year is a good time to make sure you are on track to meet your annual contribution goal. Employers will typically allow you to change your contribution levels at any time during the year.

Beyond the match

If your employer offers matching contributions, make sure you are at least contributing enough to receive the full employer match. If not, you are leaving money on the table.

However, employers typically match contributions only up to a small percentage of your salary. Increasing your contributions could make a big difference in boosting your retirement savings. Keep in mind that traditional contributions to an employer plan are usually made with pre-tax dollars, so the decrease in your take-home pay will generally be less than the increase in your contributions.

The earlier you start contributing, the longer your savings have to pursue potential growth. But any time is a good time to increase your contributions — and special catch-up contributions provide an extra opportunity for older employees to boost their savings.

Contribution limits

The standard 2026 contribution limit for 401(k), 403(b), and 457(b) plans is $24,500.

Employees who are age 50 to 59 or 64 and older can contribute an additional $8,000 in catch-up contributions for a total of $32,500. Employees who reach age 60 to 63 in 2026 can contribute an additional $11,250 for a total of $35,750.

Beginning in 2026, an employee who earned more than $150,000 in Social Security wages the previous year must make age-based catch-up contributions as Roth contributions. You can find your Social Security wages in box 3 of your W-2 form. Not all employers offer the option to make Roth contributions.

Some 403(b) and 457(b) plans may offer an additional catch-up opportunity that is not subject to the new Roth provision for high earners. These apply to 403(b) participants with 15 or more years of service or 457(b) participants within three years of the plan's normal retirement age. Ask your employer for more information.