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## SECURING YOUR LEGACY WITH PURPOSE AND CLARITY

*Michael Preto, CFP®, CIM®*

When it comes to building a legacy, wealth isn't just about numbers—it's about the impact you leave behind for the people and causes that matter most. At Hillside Wealth Management, we believe estate planning is more than just a financial exercise; it's about ensuring your values and wishes are communicated clearly, preserving family harmony, and creating a lasting legacy.

Estate planning isn't just for the later stages of life—it's about peace of mind today. Knowing that your wealth will transition smoothly, according to your wishes, allows you to focus on what matters most: enjoying life with the confidence that your loved ones will be cared for.

In this edition of *Informed Investor*, we explore why estate planning is so critical and how acting early—while you're healthy and able—can help ensure your wealth is passed down with clarity, purpose, and a strong family dynamic.

### ESTATE PLANNING: MORE THAN JUST DIVIDING ASSETS

Your wealth is more than a financial asset—it's a reflection of your hard work, values, and aspirations. *A thoughtful estate plan doesn't just distribute assets; it passes on your vision, safeguards your family's unity, and prevents unnecessary financial and emotional stress for your heirs.*

One of the most common misconceptions is that estate planning can be put off until later in life. But the reality is that having a plan in place early, and updating it regularly, can significantly reduce uncertainty for your family. Without a clear plan, settling an estate can become an overwhelming, expensive, and sometimes divisive process. Disagreements, confusion over your wishes, and unexpected tax burdens can strain family relationships at a time when support is needed most.

A well-structured estate plan ensures that:

- ✓ Your assets are distributed according to your wishes.
- ✓ Your loved ones avoid unnecessary legal and financial hurdles.
- ✓ Your legacy reflects not just what you've built, but what you value most.



## MANAGING EMOTIONALLY SIGNIFICANT ASSETS: FAMILY CABINS & REAL ESTATE

Certain assets, like a family cabin or cherished real estate, carry deep emotional significance. These properties are often the backdrop for treasured family memories and traditions. But without a clear plan, they can also become sources of conflict.

If your goal is to keep a property in the family, it's important to establish a structured plan to manage it. Here's how to ensure your intentions are honored while avoiding unnecessary stress for your heirs:

### 1. Have an Honest Family Discussion

Before making decisions, bring your family together to discuss the future of the property. Do all heirs want to keep it? Some may feel attached, while others might prefer to sell. Open communication helps align expectations and ensures your estate plan reflects a shared vision.

### 2. Clearly Communicate Your Intentions

Don't leave your family guessing. If you want the property to stay in the family, outline exactly how you envision its future. Will it be passed to one individual or shared among multiple heirs? Defining your wishes in advance reduces misunderstandings later.

### 3. Assign Responsibility for the Property

Ownership is one thing—management is another. Designating a responsible party (or group) to oversee upkeep, taxes, and usage guidelines ensures the property remains an asset, not a burden. Clarity on financial and maintenance responsibilities prevents disputes down the road.

### 4. Use a Family Trust to Hold the Property

A trust can provide a structured way to keep the property in the family while outlining clear usage rules. It also helps avoid probate, ensuring a smoother transition. The trust can specify who can use the property, how expenses are shared, and how decisions about its future will be made.

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## HILLSIDE WEALTH MANAGEMENT | FREEDOM | FAMILY | PERFORMANCE



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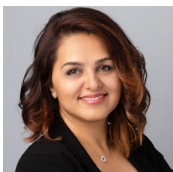
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## 5. Address Financial Considerations

Real estate comes with ongoing expenses—property taxes, maintenance, insurance, and repairs. Who will pay for these costs? Will all heirs contribute equally? Defining a financial plan upfront prevents disputes and ensures sustainability.

## 6. Include a Buyout Clause

If multiple heirs are involved, some may want to keep the property while others prefer to sell. A buyout clause allows one heir to purchase others' shares, preventing forced sales and keeping the property in the family.

## 7. Review and Adjust the Plan as Needed

Family dynamics evolve. Revisiting your estate plan periodically ensures that it continues to align with your family's needs and circumstances. A flexible plan prevents future complications and allows for adjustments as necessary.

## THE CHALLENGE OF KEEPING A FAMILY CABIN: A REALITY CHECK

Many families wish to keep a vacation home in the family for generations, envisioning holidays, traditions, and lasting connections. But the reality of shared ownership can sometimes lead to unexpected conflicts. Differing financial priorities, distance, and maintenance concerns can turn a once-beloved retreat into a point of contention.


A *thoughtful, structured approach* to shared ownership ensures that a property remains a source of joy—not division. Setting expectations early, outlining clear rules for usage and costs, and incorporating legal safeguards (like a trust) help maintain harmony while keeping the property's legacy intact.

Ultimately, preserving family wealth isn't just about holding onto assets—it's about making decisions that serve the best interests of your loved ones. Whether that means keeping a cherished property or selling it to fund new family goals, the key is ensuring that choices are made with *care, communication, and consensus*.

## LOOKING AHEAD: OUR COMMITMENT TO YOUR ESTATE PLANNING NEEDS IN 2025

Estate planning may seem complex, but with the right guidance, it becomes an opportunity to protect your legacy, minimize uncertainty, and give your loved ones peace of mind. At Hillside, we are dedicated to helping you create an estate plan that reflects your values, safeguards your wealth, and keeps your family's best interests at heart.

Whether you're starting from scratch or refining an existing plan, we're here to guide you every step of the way. Let's work together to ensure your legacy is preserved with clarity, purpose, and the confidence that your wishes will be honored.

 **Ready to take the next step in your estate planning journey?** [Contact us today](#) to schedule a consultation. Let's build a plan that provides peace of mind for you—and for generations to come.



## THE HILLSIDE FACTOR(Y) FOCUS: WHAT WE CAN LEARN FROM THE MOST EXPENSIVE SUPER BOWL COMMERCIALS

*Steven Chen, CFA®*

As the most-watched TV broadcast in North America each year, Super Bowl Sunday offers some of the most expensive advertising slots, making itself beyond just a football game to become a battlefield for brand awareness.

Historically, Super Bowl commercials are filled with some iconic businesses that are also long-term stock-market winners (e.g., [PepsiCo](#), [McDonald's](#), [Apple](#)). They not only offer laughs, celebs and surprises to attract eyeballs but also often signal business and industry trends for investors and the like.



Source: "Pepsi: Gladiator with Beyonce, Britney Spears and Pink." [YouTube](#)

In relation to your equity portfolio, here are some of our takeaways from this year's commercial lineup:

### **Meta Is the Only Hillside Portfolio Company Advertising This Year**

Meta is our only portfolio company spending our money on Super Bowl airtime this year. With a hyper-scale advantage and industry-leading margin profile, [the commercial slot](#) is more than affordable for the social-media giant aiming to strengthen its leadership in next-generation computing platform, which could, one day, challenge the status quo of PCs and/or mobile devices. As co-owners of Meta, we look forward to a decent long-term return on marketing investment.

### **Digitalization & AI Are Reshaping On-the-Ground Operations**

On-the-ground operations are increasingly digitalized and "artificially intelligent" with the help of companies like [Samsara](#). We own Karooooo, another leading player focusing on the exactly same domain but totally different geographies (South Africa, Southeast Asia for Karooooo vs. North America for Samsara) and delivering more attractive financial results, in our opinion.





### The Beverage Industry Faces Lower Barriers to Entry

Three out of the four soft-drink sponsors (i.e., water-bottle brand [Cirkul](#), probiotic soda brand [Poppi](#), canned water brand [Liquid Death](#)) on the list this year were founded within the last decade, which sort of echoes our growing concern over the invest-ability of beverage industry primarily due to lowering barrier to entry. All of the three startups compete for share of throat, to some degree, with LaCroix owned by National Beverage (one of our portfolio companies). Adding to the competitive threat here are upstarts over time – remember [Bubly](#) vs. [Bubl  ](#)?

### The Beer Industry Shifts Toward "Lighter" Drinking

In the crowded beer category, four out of the six participating brands promote “light” alcoholic drinking, indicating consumer preference for healthier, more premium options. We do not have direct exposure to premium beer, but it’s worth noting that Molson Coors stands out as the only peer on the list alongside long-time exclusive advertiser AB InBev. The Canadian-American multinational recently acquired the US commercialization rights for Fever-Tree (another portfolio company of ours). Hopefully, the only truly global premium mixer brand is going to see the expansion accelerate soon in its most important market – no [slow Monday](#), please!

### Final Thoughts

Super Bowl ads are more than just entertainment—they provide valuable insights into business trends and consumer behavior. From Meta’s marketing push to the growing competition in beverages and shifting preferences in beer, these trends offer important clues for investors.

As always, we focus on long-term value and strong financial fundamentals when making investment decisions.

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**Join us** on Thursday, February 20th, at 6:30 PM (Vancouver time) for our latest **Portfolio Management Update** where our team will be offering **live insights, updates, and answers to your questions**. [➔ Click Here](#) to reserve your spot now!

**HILLSIDE**  
WEALTH MANAGEMENT

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# PORTFOLIO UPDATE

*with Hillside Wealth Management*

THURSDAY, FEBRUARY 20, 2025  
Online Presentation 6:30 - 7:30 pm PT



## JANUARY 2025 PERFORMANCE RESULTS

An overview of our three portfolios to date.

Performance to January 31st, 2025	YTD	6 Mo	1 Yr	3 Yr**	5 Yr**	10 Yr**	Inception**
Hillside Conservative Growth*	<b>3.14%</b>	<b>8.82%</b>	<b>19.00%</b>	<b>8.92%</b>	<b>8.32%</b>	<b>7.82%</b>	<b>8.32%</b>
HCG Benchmark <sup>1</sup>	1.76%	5.38%	12.01%	3.85%	4.25%	4.41%	4.59%
Hillside Balanced Growth*	<b>4.14%</b>	<b>10.00%</b>	<b>21.48%</b>	<b>10.59%</b>	<b>10.41%</b>	<b>9.62%</b>	<b>10.56%</b>
HBG Benchmark <sup>2</sup>	3.07%	9.23%	20.92%	8.16%	8.60%	7.25%	7.17%
Hillside Focused Growth*	<b>5.52%</b>	<b>13.09%</b>	<b>28.43%</b>	<b>15.15%</b>	<b>15.19%</b>	<b>11.09%</b>	<b>11.87%</b>
HFG Benchmark <sup>3</sup>	4.09%	12.31%	28.44%	11.84%	12.41%	9.90%	9.52%

Past performance is not an indication of future returns.

\* Performance is presented gross of fees. \*\*Inception: Sept 2, 2014. Results beyond 1 year are annualized.

<sup>1</sup> Hillside Conservative Growth Benchmark: 100% Vanguard Conservative ETF

<sup>2</sup> Hillside Balanced Growth Benchmark: 75% Vanguard Balanced ETF & 25% Vanguard All-Equity ETF

<sup>3</sup> Hillside Focused Growth Benchmark: 100% Vanguard All-Equity ETF

Source: SIACHarts.com

The performance presented in this portfolio report is hypothetical and does not represent a specific client account. Details regarding actual returns of an investment account are available from the client's advisor.

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Hillside Wealth Management is a personal trade name of Michael Preto and Jason Del Vicario.

Performance is calculated using month-end market values of the model portfolio. Since we use a model portfolio to calculate performance there are no client-initiated cash flows (deposits/withdrawals) to account for.

Performance is calculated by dividing the change in the model portfolio's market value by the model portfolio's market value at the beginning of the performance period. Also, all income generated by the portfolio's holdings are held within the model portfolio in cash and is accounted for in the portfolio's month-end market value - this results in a total return measure of the model's performance.

Returns for periods less than 1 year are shown as periodic returns while returns for periods greater than 1 year are annualized. Returns do not include fees and actual returns experienced by an investor may differ from those shown. Past performance is not a guarantee of future results.