

SENIOR HOUSING GUIDE



The Twin Cities Senior Housing Guide has all types of resources here are a few:

- Senior Housing
- Memory Care
- Skilled Nursing Care
- Assisted Living
- Short-term Rehab
- Home Care

If you are in need of Housing Information for older adults, we have some copies of this very comprehensive Housing Guide.

The next time you are in our office, please ask us for a copy of the Senior Housing Guide.

COMPLIENTS OF
WEBB FINANCIAL GROUP



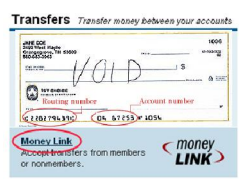
Wells Fargo Plaza
Suite 1920
7900 Xerxes Avenue South
Bloomington, MN 55431

MONEY MOVEMENT SERVICES

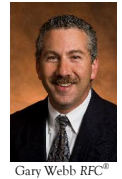
Take advantage of an easy and convenient way to have your funds deposited directly into your checking account. This will save you time and avoid waiting 7-10 days to receive a check in the mail or a lost check. This service is a 24 hour turn around time.

You need to complete a form and attach a voided check, it is that easy.

Please call today to get started!
952-837-3200



2012 in Review



Gary Webb RFC®

Unlike the stock market in 2011 which was volatile and flat, the stock market in 2012 has been volatile but not flat. The S&P500 ended the year +13.2%. I don't believe most people are really aware of that - for many reasons. Negative news mostly about: Unemployment, our government printing money to bolster the economy, major financial issues in Europe and here in the US. The stock market doesn't seem to care! After each pullback, it keeps making strides to move up. This is a positive sign that the stock market cycle is changing direction.

We all still need an allocation to stocks in our portfolios even in retirement because we are now dealing with the risk of living longer lives so we need yields that will help portfolio's grow and keep pace with inflation and taxes. The long-term growth that happens in your portfolio is because of stocks. It is also important to include an allocation of bonds which help to protect the downside, adding further diversification. Bonds help smooth out the volatility of the stock market.

It appears we are near the beginning of the next stock market rally, because of the way that stocks have outperformed bonds this year, in the face of all the negative news. Alternative investments are also doing really well so our portfolios have an allocation to alternatives as well. Real estate is a perfect example of that. Investing in alternatives is critical in the global economy we find ourselves in these days.

We are very pleased the way our portfolios have continued to perform this year. We will continue to add investments that bring further diversification, yield and/or income and help to reduce market volatility. We will continue to rebalance portfolios on a regular basis in order to take advantage of buying low and selling high.

I am confident that our government will work through the major economic issues we are facing but it will take time for the results to be seen. Congress needs to reduce spending and raise taxes. It's painful but fiscally pretty simple and far less painful than the alternative.

Continuing to be patient (staying invested) as this process works it's way through - is critical for all investors because making hasty emotional decisions during difficult times can be quite costly. Expect market volatility to continue but I believe we will see a stock market that will go up more than we expect, considering the headwinds trying to prevent it, often called the wall of worry.

Reasons to be optimistic in 2013 and beyond

- Emerging economies are taking off as we speak.
- Housing starts totaled around 600,000 in 2011. As of 10/31/12, housing starts were close to 900,000.
- Home values decreased throughout 2011 and again in to 2012 but have since bottomed-out and started to rise. Nationally, home prices have risen 4.3% (Oct. 11-Oct. 12). This is a positive sign that the housing cycle is changing direction.
- A reduced reliance on foreign energy sources.
- Holiday retail sales in 2012 has been reported being better than in the previous two years.
- A revitalized manufacturing sector.
- GDP is expected to increase slowly over the next two years
- Consumer Confidence is at 73.7. We've come a long way from the Great Recession when the index averaged 53.7.

Cost Basis Changes

Due to regulation changes, Charles Schwab and Fidelity are now required to include cost basis information on their 1099 forms. These forms are to be sent to clients by mid-February. Please note that every year a few mutual funds reclassify their distributions and must send out corrected 1099 forms. We recommend that you wait until March to submit your tax return. As a result of these changes, Webb Financial Group will not be sending out cost basis information but we are willing to assist with any questions you may have.

All of us at Webb Financial Group wish you a healthy and prosperous New Year.



Best wishes in 2013!

In compliance with the SEC rules and regulations, we would like to offer you the most recent copy of our ADV II brochure. Please call if you would like a copy.

Webb Financial Group provides comprehensive wealth management solutions to individuals and businesses. For over thirty years, we have helped our clients achieve financial security.

Jerry Webb, CFP® & Chairman
Michael Bischoff, CFP® & COO
Gary Webb, RFC® & CEO
Dave Verbeke, Investment Advisor
Crystal Enderson, Insurance Consultant
Michelle Brennan, RP®
Ryan Cobb, Associate Advisor

Desperately Seeking Income

August 2012

SmartMoney
THE WALL STREET JOURNAL MAGAZINE



Michael Bischoff, CFP®

Older Investors had enough to worry about with the volatility with the stock markets and Uncle Sam's bonds paying less than the price of an early bird special. Now, add to the mix the shrinking benefits from annuities. But for some advisors, the low rates and recent tweaks are just too much. Michael Bischoff, a partner at Bloomington, MN based financial advisory firm Webb Financial Group, had for decades built annuities into retirement plans. The changes, he now says, "make it virtually impossible to present them to clients"

Mike's Follow-up comments:

Not all annuities are producing low rates of return. In general annuities purchased before 2011 are performing better. The older contacts have higher internal rate guarantees than newer contacts being issued today. We have other options besides annuities for individuals who require very low risk investments. We're finding yields in the 3% to 4% range with minimal risk using a mix of other investment including; real estate, corporate bonds, international bonds, preferred securities and commodities. We currently manage two different portfolios that have been very attractive in this low interest rate environment. As interest rates increase, annuities will become a more appealing option of risk adverse investors. Until then, we will look at alternatives to provide yields our clients are looking for.

Need help with college financial aid planning?

Anytime you're looking to make an investment, knowledge is power and the key to success. One of our client's biggest financial goals can be paying for college for their children or grandchildren. With higher education costs rising faster than the rate of inflation, our clients have asked us for help. Webb Financial Group has partnered with Collegiate Funding Solutions to provide help for our clients when they navigate the world of tuition cost, financial aid and the "expected family contribution" or EFC.



Dave Verbeke,
Investment Advisor

For a small fee, Collegiate Funding Solutions will take you through a survey to determine an estimated tuition cost, your EFC and propose strategies for increasing financial aid eligibility. Based on the financial information you submitted and their extensive information on costs and financial aid at the school you've chosen, an estimate of what the expected out of pocket costs will be provided. Your expected cost can then be used to create a financial plan to pay for college.

Even our clients that don't expect to be eligible for financial aid may benefit from this service. The report includes strategies for increasing financial aid, savings options, school specific merit based scholarships and funding strategies to cover the shortfalls. It's not only a great tool to help you save for college, but also can help you save on the cost of college. Visit the College Planning link on our website to learn more or visit www.webbcollegeplanning.com.