Separately Managed Accounts
2025 Profile

nuveen
A TIAA Company

State Specific & State Preference

Clients can maximize after-tax returns with municipal bond portfolios by choosing from 11 state specific and 25 state preference portfolios, as well as customized national preference portfolios in every state.

STATE SPECIFIC PORTFOLIOS[1]

- 100% in-state bonds from client's state of residence or U.S. territories

STATE PREFERENCE PORTFOLIOS[2]

- 50% minimum in-state bonds from client's state of residence or U.S. territories

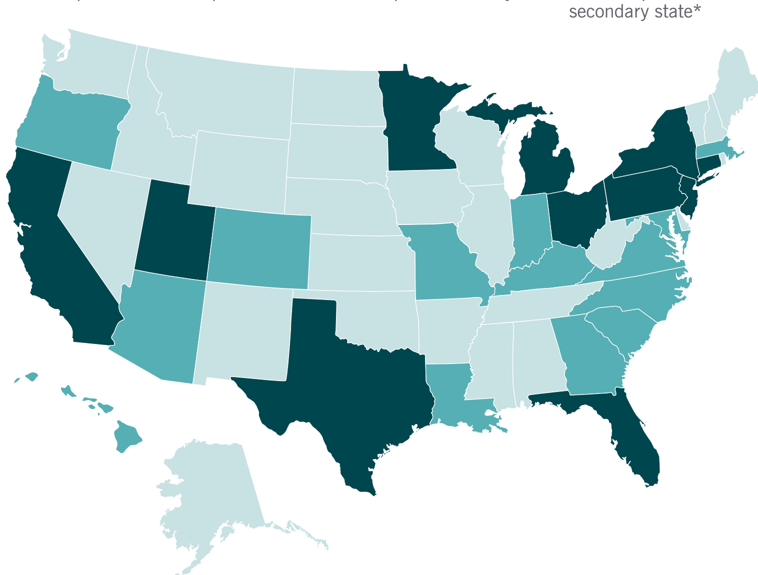
NATIONAL PREFERENCE PORTFOLIOS[3]

- National portfolio with secondary preference to client's state of residence on best-efforts basis

A closer look at state customizations

Minimum investment: $250,000[4]

State specific and state preference | State preference only | National preference with secondary state*



State specific

11 portfolios with 100% in-state bonds

California
Connecticut
Florida
Michigan
Minnesota
New Jersey
New York
Ohio
Pennsylvania
Texas
Utah[5]

State preference

25 portfolios with a minimum of 50% in-state bonds

Arizona
California
Colorado
Connecticut
Florida
Georgia
Hawaii
Indiana
Kentucky
Louisiana
Maryland
Massachusetts
Michigan
Minnesota
Missouri
New Jersey
New York
North Carolina
Ohio
Oregon
Pennsylvania
South Carolina
Texas
Utah[5]
Virginia

* National preference with secondary state is available on a best efforts basis for states not available as state preference.

Investment minimums are generally $250,000 but may be lower in certain cases. Limited customizations are available for strategies that are laddered portfolios.

Availability may change without notice. From time to time, we may close or reopen strategies. Certain strategies may not be available to certain investors, or may be available as other investment vehicles not listed. Not all products are available at all firms. Please check with your firm for availability.

BENEFITS OF STATE CUSTOMIZATIONS: YIELD COMPARISON

For investors seeking to ease their state income tax burden, purchasing municipal bonds within their home state generally avoids paying state tax on interest received. Investors who reside in states with higher state tax rates may stand to benefit more from state specific and state preference portfolios versus investors in states with lower state tax rates.

To measure the tax benefit, calculate the additional yield required from out-of-state bonds to equal the after-state-tax yield of a portfolio with in-state bonds.

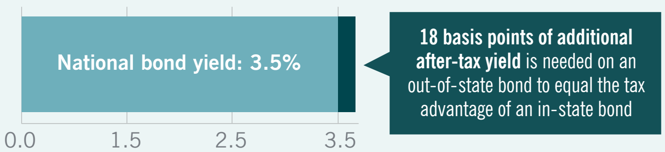
$$\frac{\text{NATIONAL BOND YIELD}}{(1-\text{STATE TAX RATE})} - \text{NATIONAL BOND YIELD} = \text{Additional yield required}$$

Talk to your financial professional to discuss the trade-offs between your state's tax rates and available bonds to help select the best portfolio option.

HYPOTHETICAL COMPARISONS:

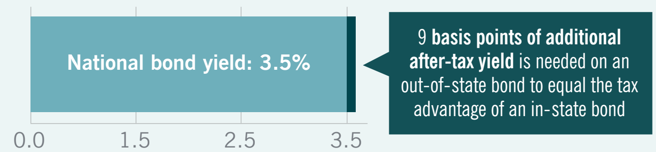
State specific portfolio

$$\frac{3.5\%}{(1-0.05)} - 3.5\% = 0.18\%$$



State preference portfolio

$$\left(\frac{3.5\%}{(1-0.05)} - 3.5\%\right) * 0.5 = 0.09\%$$



Deduction for state taxes is limited under current tax law; therefore, the potential federal benefit of paying state taxes is not included in this calculation. If you itemize your deductions and have not exceeded your cap on deducting state taxes, the additional yield required may be less than what is calculated here. Nuveen, LLC does not provide legal or tax advice. Please consult your tax or legal professional to address your specific circumstances.

5% state tax rate and 3.5% national yield rate are hypothetical; actual figures could be higher or lower. For the state preference portfolio, in-state bonds make up a minimum of 50% of the portfolio, which is shown in the formula.

For more information, please consult with your financial professional and visit nuveen.com.

Endnotes

1 State specific portfolios hold only bonds from the client's state of residence or U.S. territories (Puerto Rico, U.S. Virgin Islands and Guam).

2 State preference portfolios hold bonds from the client's state of residence or U.S. territories, which together will account for a minimum of 50% of the portfolio. Out-of-state bonds may total up to 50% of the portfolio. Nuveen seeks to purchase out-of-state bonds at an after-state-tax yield that is equivalent to or greater than a comparable in-state bond. Prospective clients and their financial professionals should consider that a state preference portfolio may provide a higher yield, better diversification and a shorter invest-up period than a state specific portfolio.

3 The secondary preference will be filled opportunistically over time, if at all. We cannot guarantee the inclusion of any bonds from the client's state of residence.

4 Investment minimums are generally $250,000 but may be lower in certain cases. Limited customizations are available for strategies that are managed as a model, or use feeless mutual funds, or are laddered portfolios. Availability may change without notice. From time to time, we may close or reopen strategies. Certain strategies may not be available to certain investors, or may be available as other investment vehicles not listed. Not all products are available at all firms. Please check with your firm for availability.

5 Utah's reciprocity provision maintains that it will not tax income from bonds issued by states that do not tax income on Utah bonds. Nuveen can manage a portfolio for a Utah resident that considers this reciprocity provision and typically targets 50%–70% across Utah bonds and/or bonds from states/territories that do not tax income on Utah bonds.

Clients should consult their financial professional regarding unknown financial terms and concepts.

Important information on risk

All investments carry a certain degree of risk, including possible loss of principal, and there is no assurance that an investment will provide positive performance over any period of time. An investment in any municipal portfolio should be made with an understanding of the risks of investing in municipal bonds, such as interest rate risk, credit risk, and market risk. The value of the portfolio will fluctuate based on the value of the underlying securities. Please contact a tax professional regarding the appropriateness of tax-exempt investments in your portfolio. Nuveen is not a tax professional.

If sold prior to maturity, municipal securities are subject to gain/losses based on the level of interest rates, market conditions and the credit quality of the issuer. Income may be subject to the alternative minimum tax (AMT) and/or state and local taxes, based on the investor's state of residence. Income from municipal bonds held by a portfolio could be declared taxable because of unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer. Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her advisors.

This report is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell securities or related financial instruments. Investing entails risk, and there is no assurance that an investment will provide positive performance over any period of time. The hypothetical example is provided for illustrative purposes only and is not intended to depict performance of any Nuveen investment.

Concentration in a small number of holdings may increase risk exposure. A $250,000 account typically holds 8–15 individual bonds under normal circumstances. The number of bonds may vary and may be greater or fewer based on factors such as account size, client transactions and market conditions. Accordingly, one or more individual bonds may each represent greater than 10% of the value of the account. A decline in the value of any one or more individual bonds may have a material impact on the total value of the account.

It is important to review investment objectives, risk tolerance and liquidity needs before choosing an appropriate manager or investment style. The report should not be regarded by recipients as a substitute for the exercise of their own judgment. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results.

Glossary

Alternative minimum tax (AMT) is the federal income tax regime in which the taxpayer will pay the "greater of" (a) the taxpayer's "regular" federal income tax or (b) the "alternative minimum" tax determined by adding normally deductible tax preference items back into adjusted gross income. If the alternative income tax calculated by this method is higher than the regular tax liability, the regular tax and the amount by which the AMT exceeds the regular tax are paid. A **basis point** is one one-hundredth of one percentage point, or 0.01%. For example, 25 basis points equals 0.25%.

Nuveen Asset Management, LLC is a registered investment adviser and an affiliate of Nuveen, LLC.