

Is an Investment Advisory Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts/services are right for you.

Depending on your needs and investment objectives, we can provide you with services in an investment advisory account. This document gives a summary of the types of services we provide and how you pay. Please ask us for more information. There are suggested questions on page 2.

**Investment Adviser Services
Advisory Accounts**

Types of Relationships and Services. *Our accounts and services.*

- Carmel Capital Partners, LLC (“Firm” or “Carmel”) provides investment management services to separately managed accounts and a private investment fund. We offer discretionary and non-discretionary investment management services to our clients where our investment advice is tailored to meet our clients’ needs and investment objectives, and at clients’ request, will provide limited financial planning services. We will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the “suitability information”) at the beginning of our advisory relationship.
- If you open an advisory account, you will pay an on-going **asset-based fee** for our services. We will offer you advice on a regular basis. We will discuss your investment goals design with you a strategy to achieve your investment goals, and regularly monitor your account. We will contact you (by phone or e-mail) to discuss your portfolio when we believe material changes in asset allocation are required.
- You can choose an account that allows us to buy and sell investments in your account without asking you in advance (a “discretionary account”) or we may give you advice and you decide what investments to buy and sell (a “non-discretionary account”). If you participate in our discretionary investment management services, we require you to grant our firm discretionary authority to manage your account. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.
- As part of our investment management services, we may customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. We may also invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio’s performance on an ongoing basis, and for discretionary accounts, will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.
- For non-discretionary accounts, we will either obtain your approval prior to executing transactions or for accounts/assets which are not held with Charles Schwab & Co., Inc., we will make recommendations to you and it shall be your responsibility to implement any recommendations. In some cases, we may also periodically monitor accounts managed by third party advisers and provide you with recommendations on transactions which will be executed by the third-party adviser.
- As part of our investment management services, we may use one or more sub-advisors to manage a portion of your account on a discretionary basis. We will regularly monitor the performance of your accounts managed by sub-advisor(s) and may hire and fire any sub-advisor without your prior approval. We will pay a portion of our advisory fee to the sub-advisor(s) we use; however, you will not pay our firm a higher advisory fee as a result of any sub- advisory relationships.
- Carmel also currently serves as General Partner to Asheville Lodging, and Origin Debt Facility (collectively, the “Funds”) which are private investment funds. The Funds are offered only to investors meeting certain sophistication and financial requirements and only by private placement memorandum and other offering documents. Investors and prospective investors should refer to the offering documents for the Funds for a complete description of the risks, investment objectives and strategies, fees and other relevant information pertaining to investments in the Funds.
- We currently serve as the Manager to Carmel Art Block, LLC, a special purpose vehicle formed for the purpose of investing directly or indirectly (by making investments in unaffiliated third party funds) in real estate located in California and to engage in activities incident to the acquisition, holding, management, operation, leasing, financing, refinancing, development and sale of such real estate. Carmel Art Block, LLC is offered only to investors meeting certain sophistication and financial requirements and only by private placement offering documents (subscription agreement and operating agreement). Investors and prospective investors should refer to the offering documents for Carmel Art Block, LLC for a complete description of relevant information pertaining to investments in Carmel Art Block, LLC.

Our Obligations to You. *We must abide by certain laws and regulations in our interactions with you.*

- We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on an ongoing basis.
- Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them.

Fees and Costs. *Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.*

Carmel Capital Partners, LLC
Relationship Summary – Form CRS
March 28, 2025

- Asset-based fees. The Firm charges an annualized fee ranging between 0.60% and 1.50% of the value of your assets under management. The fee is determined based on the type and complexity of the client's account. We may include the value of assets which are not held with Charles Schwab & Co., Inc., including private equity and real estate funds which we may recommend to you and accounts managed by third party advisers, in calculating our advisory fee. Our asset-based investment management fee is billed and payable quarterly in advance based on the value of your account/assets at the end of the previous quarter. Our fees may be negotiable in certain limited circumstances and arrangements with any particular client may vary.
- At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts.
- In some cases, in addition to an asset based fee, we may also charge certain "qualified clients" as defined in Rule 205-3 under the Advisers Act a performance based fee, which will be determined with each client on a case by case basis. The performance based fee is subject to a high water mark which means that that you will only pay a performance fee to the extent that the amount of the capital increase exceeds the sum of any cumulative loss in your account on a per calendar year or quarter. Performance-based fees are generally payable annually or quarterly in arrears, on the earlier of the last day of each calendar year or quarter, or the date on which the investment management agreement is terminated.
- We will deduct our fee directly from your account through the qualified custodian holding your funds and securities in accordance with the asset management agreement. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.
- Regarding the private funds, Carmel receives a management fee quarterly in advance equal to 0.25% per quarter (1.0% annually).
- Investors generally may withdraw all or a portion of their capital at the end of the first fiscal quarter after the first anniversary of such investor's admission to DaVinci and the end of each fiscal quarter thereafter. Any withdrawal made within the first 12-month period after an investor is admitted to DaVinci will be subject to a 3% early withdrawal fee. An investor must give us at least 60 days prior written notice to the Administrator for any withdrawal.
- Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as "surrender charges" to sell the variable annuities.

For our services rendered as Manager, we receive from Carmel Art Block, LLC a fee of 1% of Carmel Art Block, LLC's net assets each year, which shall be payable quarterly in advance from the assets of Carmel Art Block, LLC and as further detailed in Carmel Art Block, LLC's operating agreement.

Conflicts of Interest. *We benefit from the services we provide to you.*

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities. All Associated Persons require written approval from our Chief Compliance Officer prior to any personal securities transaction.

Additional Information. *We encourage you to seek out additional information.*

- For additional information about our services, visit Investor.gov, our website (<https://www.carmelcap.com/>), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD, on Investor.gov, or at https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=875631 and any brochure supplement your financial professional provides. To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor line at (800) 732-0330.

Key Questions to Ask. *Ask our financial professionals these key questions about our investment services and accounts.*

1. How much would I expect to pay per year for an advisory account?
2. What additional costs should I expect in connection with my account?
3. What are the most common conflicts of interest in your advisory accounts?