



## Introduction

Hotaling Investment Management, LLC (“Hotaling”) is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

Hotaling provides personalized investment management and financial planning services. The firm offers its services to individuals, families, trusts, foundations, endowments, and corporations. Hotaling requires each client to place at least \$500,000 with the firm. This minimum may be waived in the discretion of Hotaling. Investment management services may be provided on either a “discretionary” or “non-discretionary” basis. When clients engage Hotaling, clients generally share financial information including income, investments, savings, insurance, and other items that are helpful to Hotaling in assessing the client’s unique situation, needs, and goals. With all of this information, Hotaling is able to provide the client with a financial and investment plan that it believes consists of the best possible ways to reach the client’s goals while satisfying all of their financial needs.

When Hotaling is engaged to provide investment management services on a discretionary basis, Hotaling monitors an account to ensure that it meets the client’s asset allocation requirements. If any changes are needed to the investments, Hotaling makes the changes. These changes may involve selling a security or group of securities and buying others or keeping the proceeds in cash. Clients may, at any time, place restrictions on either the types of investments that Hotaling purchases on their behalf or on the allocations to each investment type. Clients may receive at their request written or electronic confirmations from the account custodian after any changes are made to an account. Clients engaging Hotaling on a discretionary basis are asked to execute a Limited Power of Attorney (granting Hotaling discretionary authority over a client account) as well as an Investment Management Agreement (IMA) that outlines the responsibilities of both Hotaling and the client. When a client engages Hotaling to provide investment management services on a non-discretionary basis, the account is monitored by Hotaling. The difference between a discretionary account and a non-discretionary account is that, in a non-discretionary account, Hotaling does not make any changes to the account until it has confirmed with the client (either verbally or in writing) that the proposed changes are acceptable. This may lead to a delay in the execution of an investment decision and accordingly a negative effect on performance. Hotaling allocates client assets among ETF’s, Mutual Funds, Equities, Bonds and other securities necessary to meet client’s investment objectives. For more detailed information, please refer to our Disclosure Brochure, the ADV Part 2A, under Item 4 Advisory Business and Item 7 Types of Clients, which can be found by [clicking here](#).

## What fees will I pay?

Generally, assessed fees vary from 0.55% to 1.75% per annum of the market value of a client’s assets managed by Hotaling. Fees are negotiable and may be higher or lower than listed above based upon several factors including account size, complexity of assets, and individual client needs. Investment advisory fees are debited directly from each client’s account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the account value as of the last market day of the previous quarter. Therefore, if the annual fee is 1.00%, then each quarter, Hotaling multiplies the value of the account by 1.00% and divides by 4 to calculate the quarterly fee. The fee is then adjusted (on a time-pro-rated basis) for any deposits into or withdrawals out of the account. To the extent there is cash in the account, it is included in the account’s value when calculating fees only if the cash is part of the investment strategy. Once the calculation is made, Hotaling instructs the account custodian to deduct the fee from the account and remit it to Hotaling.

There are several other fees that can be associated with holding and investing in securities. Clients are responsible for fees including transaction fees for the purchase or sale of a mutual fund and commissions for the purchase or sale of a stock or bond. Mutual fund expenses are not included in management fees because they are deducted from the value of the shares by the mutual fund manager.



You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more specific information regarding our fees, please refer our Disclosure Brochure, the ADV Part 2A under Item 5 Fees and Compensation by [clicking here](#).

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as your investment adviser**, we have a fiduciary obligation to act in your best interest by always putting your interest ahead of our own. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the investment advice provided to you. At this time, Hotaling does not have any material conflicts to disclose.

For more specific information regarding our fees, please refer our Disclosure Brochure, the ADV Part 2A under Item 5 Fees and Compensation by [clicking here](#).

**How do your financial professionals make money?**

Financial professionals of Hotaling are paid a portion of the asset management fees collected from clients. Financial professionals are not rewarded sales bonuses.

**Do you or your financial professionals have legal or disciplinary history?**

No. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS).

**Additional Information**

Additional information about our investment advisory services can be found at [www.hotalingllc.com](http://www.hotalingllc.com) or by [clicking here](#). A copy of our *relationship summary* can also be requested by calling (610) 688-0616.

**Consider asking your financial professional these questions:**

- ? "Given my financial situation, should I choose an investment advisory service? Why or why not?"
- ? "How will you choose investments to recommend to me?"
- ? "What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?"
- ? "Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?"
- ? "How might your conflicts of interest affect me, and how will you address them?"
- ? "As a financial professional, do you have any disciplinary history? For what type of conduct?"
- ? "Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?"
- ? "Who can I talk to if I have concerns about how this person is treating me?"