

# Financial Advisory Partners, LLC

## Form CRS – Client Relationship Summary

March 18, 2025

### Item 1 – Introduction: Is an investment advisory account right for you?

Financial Advisory Partners, LLC is registered with the Securities and Exchange Commission as an investment adviser. Please be aware that brokerage and investment advisory services and fees differ and that 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://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### Item 2 – What investment services and advice can you provide me?

We offer investment advisory services to retail investors. Our services generally include portfolio management services, financial planning services, and selection of other advisers. Please refer to our Form ADV Part 2A and 2A Appendix 1 for information on our services. As part of our portfolio management services, we provide ongoing financial advice and discretionary investment management services. If you open an investment account with our firm, we will monitor your investments on an ongoing basis and will review your account(s) no less than annually. We primarily manage investment accounts on a *discretionary* basis where we *will decide* which investments to buy or sell for your account. In limited circumstances and in our sole discretion, we may accept instructions from you that limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account). In certain circumstances, we offer non-discretionary management services we will provide advice, but you will ultimately decide which investments to buy and sell for your account. You have an unrestricted right to decline to implement any advice provided by our firm on a nondiscretionary basis. We primarily offer advice on equity securities, mutual fund shares, and real estate investment trusts (REITs). Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. In general, we require a minimum of \$100,000 to open and maintain an advisory account. For clients where alternative investments are included in their allocation, we require a minimum account size of \$50,000 for each strategy selected. Our financial planning services are offered on either an hourly or fixed fee basis, and typically involve a variety of advisory services regarding the management of the client's financial assets based upon an analysis of their individual needs. Services range from broad-based financial planning with investment recommendations and a written financial plan to consultative or single-subject planning.

**For additional information, please refer to Items 4, 7, & 13 of our Form ADV Part 2A and/or or Items 4 and 5 of Form ADV Part 2A Appendix 1 at the following link: <https://adviserinfo.sec.gov/firm/brochure/310914>**

*Conversation Starters. Ask your financial professional—*

- ❖ *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?*

### Item 3 – What fees will I pay?

We are primarily compensated by a percentage of assets under management fee. Our fees vary depending on the services you receive. Portfolio management fees are based upon a percentage of your assets under our management and are typically payable quarterly in advance and is based on the value of your portfolio on the last business day of the preceding quarter. The more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. Asset-based fees associated with our wrap fee program will include most transaction costs and fees to a broker-dealer that has custody of these assets, and therefore are higher than a typical asset-based advisory fee. Since our firm pays the transaction costs associated with securities transactions, we have an incentive to minimize the trading in your account. Our fees are negotiable depending upon the complexity and scope of the service, your financial situation, and your objectives.

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**Description of Other Fees and Costs:** The broker-dealer or custodian may also charge your account for custodial fees, retirement account fees, trust fees, exchange fees, redemption fees that may be assessed on investment company shares, transfer fees, account termination fees or other special service fees and charges. The wrap program fee does not include: Interest on debit account balances, where applicable; Investment Access Account fees, where applicable; IRA custodial fees, qualified retirement plan account fees and other account maintenance fees; Usual and customary transaction charges on the liquidation of assets not eligible for the ProAm Program; Management and other fees on the ETF securities purchased in the account; Margin interest, if applicable; and Check reordering cost and fees, where applicable. Clients will be responsible for these additional fees and expenses.

We do not share in any portion of these fees imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by investment companies, broker-dealers, our firm, and others.

**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.**

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*Conversation Starter. Ask your financial professional—*

- ❖ *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?*

**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 to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here is an example to help you understand what this means:

- Third-Party Payments: Our firm's financial professionals are registered representatives with a broker-dealer and/or licensed as insurance agents. These persons receive commission-based compensation in connection with the purchase and sale of securities and/or insurance-related products, which is separate and in addition to our advisory fees. These practices present conflicts of interest because these persons have a financial incentive to recommend certain investment products to you.
- Northstar Bank, a state-chartered Michigan bank, has a minority ownership interest in our firm. We do not anticipate any material conflicts of interest as a result of Northstar Bank's relationship with our firm; however, we may refer advisory clients to Northstar Bank (or its affiliates) for banking and/or lending services. There are no referral or compensation arrangements.
- We may utilize Alternative Investment solutions that are created, managed and advised by Blackstone(BX). David Sutphin, CCO of FAP, LLC has an immediate family member who is employed in a non-conflict/non-management/non-policy making role by Blackstone in Europe.

*Conversation Starter. Ask your financial professional—*

- ❖ *How might your conflicts of interest affect me, and how will you address them?*

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

The financial professionals servicing your account(s) receive compensation that is based on the amount of client assets they service, the revenue the firm earns from the financial professionals' services, and/or the time and complexity required to meet a client's needs.

#### **Item 4 – Do you or your financial professionals have legal or disciplinary history?**

No, for our firm. Yes, for our financial professionals.

**For a free and simple search tool to research us and our financial professionals please visit [Investor.gov/CRS](https://Investor.gov/CRS).**

*Conversation Starter. Ask your financial professional—*

- ❖ *As a financial professional, do you have any disciplinary history? For what type of conduct?*

#### **Item 5 – Additional Information**

For additional information about our firm's advisory services, please refer to our firm's ADV Part 2A and 2A Appendix 1 (<https://adviserinfo.sec.gov/firm/brochure/310914>) and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please call us at (407) 478-6314.

*Conversation Starters. Ask your financial professional—*

- ❖ *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?*

## **Exhibit to Form CRS**

**March 18, 2025**

### **Material Changes Summary**

The purpose of this addendum is to inform you of any changes that might be considered material since the previous version of this Form CRS.

On March 18, 2025, we amended our Form CRS (Client Relationship Summary) to disclose that our firm offers its portfolio management services under a wrap fee program. A wrap fee program is a type of investment program consisting of an all-inclusive fee that covers portfolio management, custodial services and the associated costs of the related securities transactions. Please review our firm's ADV Part 2A and the new Part 2A Appendix 1 for more information, including important disclosures about wrap fee programs.

If you have questions about this material change to our Form CRS, please contact us at (407) 478-6314.