

JUNE 2020: FORM CRS (CLIENT RELATIONSHIP SUMMARY) A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH NORTHSTAR INVESTMENT ADVISORS, LLC

Northstar Investment Advisors, LLC is registered with the Securities and Exchange Commission (SEC) as an Investment Adviser. Brokerage and Investment Adviser's fees differ, and it is essential for you to understand these differences. As an Investment Adviser, our Financial Professionals are paid a percentage of the assets under management. Registered Representatives at a broker-dealer are paid commissions based on the investment products they recommend and sell. Free and simple tools are available to research firms and our Financial Professionals at Investor.gov/CRS and <https://brokercheck.finra.org>. These websites also provide educational materials about broker-dealers, Investment Advisers, and general education about investing.

ITEM 2 – RELATIONSHIPS AND SERVICES

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Our Firm manages advisory accounts on a discretionary and non-discretionary basis. We continuously monitor your investments, and this service is included as part of the Firm's standard advisory services. In order to provide advisory services to you, our Firm requires a minimum relationship value, which begins at \$1.5 million for new relationships, and may include multiple accounts.

- **Discretionary:** You have granted written investment authority to your Financial Professional to execute purchase and sell orders in your advisory accounts without speaking with you first.
- **Non-Discretionary:** You have not granted written trading authority to your Financial Professional, and he or she will speak with you before executing trades in your portfolio, and you retain the control to buy or sell each security recommended. As the retail investor, you make the ultimate decision regarding the purchase or sale of your investments.

Our Firm provides general investment recommendations, on a limited basis, to our clients.

In a consulting engagement, you will be required to select your own investment managers, custodian, and/or insurance companies for the implementation of consulting recommendations.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Given my financial situation, should I choose an investment advisory service?
- 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?

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 4, 7, AND 13

ITEM 3 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

WHAT FEES WILL I PAY?

Our Firm receives a fee as compensation for providing investment advisory services on your account. The investment management fee includes investment management supervision, trade entry, and other account maintenance and/or service activities. Our investment management fees are based on a percentage of the total account value. Our **maximum investment advisory fee is 1.5%, billed in advance, on a quarterly basis.** The more assets in your advisory account, the more you will pay in fees, and therefore, the Firm has an incentive to encourage you to increase the asset value in your account. The custodian will charge transaction costs, custodial fees, redemption fees, retirement plan, and administrative fees or commissions. **Fees for consulting services are negotiated on an hourly or fixed dollar amount. You will pay fees and costs whether you make or lose money on your investments. These fees and costs will reduce the amount of money you make on your investments and will also affect the value of your account over time.** Ask your Financial Professional about the fees you will pay.

QUESTIONS TO 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 affect the recommendations we provide you. Such as, **asset-based fees present a conflict because our Firm is incentivized by encouraging you to invest additional funds in your investment advisory accounts.** The following are examples where asset-based fee compensation poses a conflict: 1) Advising you to rollover a 401(k) balance, when equivalent and less costly options are available if funds are left with the employer's fund manager. 2) Advising you to not pay off a mortgage (thus diminishing assets), even when the mortgage carries a high interest rate. 3) Advising you against making a large charitable contribution to get a tax deduction (but decrease assets under management). 4) Advising you to take a margin position in your managed account and charging fees on the margin balance. **Our Firm allows our Financial Professionals to trade in their personal accounts** and they are permitted to invest in the same securities as clients. All Financial Professionals are required to follow a Code of Conduct and their personal securities accounts are supervised on an ongoing basis.

Please note, some of the products, services and other benefits provided by your custodian benefit our Firm and may not benefit you, or your account.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- How do your conflicts of interest affect me? How will you address them?

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our Firm's Financial Professionals are compensated by *the investment advisory fees as described above in Item 3 - Fee section*, and compensation is based on the amount of assets they service, amount of time spent, and the complexity required to meet the client's needs or revenue based on the recommendations provided by our Financial Professionals.

Some of *Firm's Financial Professionals are engaged in Outside Business Activities*, and they are required to disclose material outside business activities and any conflict it may pose to you. Our Firm supervises the outside business activities of our Financial Professionals through our compliance program, and our Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you.

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 5, 10, 11, AND 14

ITEM 4 – DISCIPLINARY HISTORY

DO YOU OR YOUR FINANCIAL REPRESENTATIVES HAVE LEGAL OR DISCIPLINARY HISTORY?

No. Please visit www.investor.gov/CRS or <https://brokercheck.finra.org/> for a free and simple search tool to research our Financial Professionals and us. For additional information about our Firm, Financial Professionals, and our services, please visit and our web site at www.northstarinvest.com.

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- As a Financial Professional, do you have any disciplinary history?
- For what type of conduct?

FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 9

FOR ADDITIONAL INFORMATION OR A COPY OF THIS RELATIONSHIP SUMMARY, CONTACT:

Northstar Investment Advisors, LLC
700 17th Street, Suite 2350, Denver, Co 80202
Phone: 303-832-0034

QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Who is my primary contact person?
- Who can I talk to if I have concerns about how this person is treating me?