



## FORM CRS (CLIENT RELATIONSHIP SUMMARY)

A SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH APPLIED CAPITAL, LLC

JANUARY 20, 2025

### ITEM 1 – INTRODUCTION

Applied Capital, LLC (“Applied Capital”) is registered with the Securities and Exchange Commission (“SEC”) 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.

### ITEM 2 – RELATIONSHIPS AND SERVICES

#### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Applied Capital offers investment advisory services to retail investors. Our firm manages advisory accounts on a discretionary basis. In a discretionary account, you have granted written investment authority to your financial professional to execute purchase and sell orders of securities in your advisory account(s) without consulting with you first. You may limit our discretion, such as by imposing reasonable restrictions on investing in certain securities or groups of securities. Our Firm monitors your investment advisory accounts, and specific investments within your accounts, on an ongoing basis to align with your investment goals. This service is included as part of the Firm’s standard advisory services. Our Firm maintains a minimum of \$100,000 in aggregate investable assets to become a client of Applied Capital. This minimum is negotiable.

[FOR MORE INFORMATION REFER TO OUR FIRM’S ADV PART 2A BROCHURE- ITEM 4, 7, 8, 13, AND 16](#)

#### QUESTIONS TO 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 – FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

#### WHAT FEES WILL I PAY?

Our firm charges an annual investment advisory fee based on a percentage of assets under our management. The investment management fee includes investment management supervision, trade entry, and other account maintenance and/or service activities. Our maximum annual investment advisory fee is 1.80%, billed quarterly, in arrears, based on the market value of assets under our management. You pay this fee even if you don’t buy or sell investments. Fees are not negotiable, however, at the Firm’s discretion, family accounts may receive discounted fees. The more assets in your advisory account(s), the more you will pay in fees, and therefore, our firm has an incentive to encourage you to increase the assets in your account(s). Your custodian may charge transaction costs, custodial fees, redemption fees, retirement plan and administrative fees, or commissions. The mutual funds and/or ETFs held in your advisory account(s) will charge management fees and other expenses. 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 INFORMATION REFER TO OUR FIRM’S ADV PART 2A BROCHURE - ITEM 5](#)

#### 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 can affect the investment advice we provide you. Here are some examples to help you understand what this means: 1) Asset-based fees present a conflict because our Firm is incentivized by encouraging you to invest additional funds in your advisory accounts. Asset-based fee compensation also poses a conflict when: a) 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. b) Advising you not to pay off a mortgage (thus diminishing assets), even when the mortgage carries a high interest rate. c) Advising you to take a margin position in your managed account and charging fees on the margin balance. 2) The custodians we use provide us with access to their institutional brokerage/support, trading, custody, reporting, and other related services at no charge to us. We use these services to help us manage and administer our advisory accounts, and to help us manage and grow our business. This presents a conflict of interest because receipt of these benefits creates an incentive to recommend that you open or maintain your account(s) with these custodians. 3) Lastly, our firm allows our financial professionals to invest in the same securities as you. This presents a conflict of interest because our financial professionals have an incentive to favor their personal account(s) over your advisory account(s). If you have questions about whether any of these situations could apply to your investments, ask your Financial Professional.

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHUR- ITEM 5, 10, 11, AND 14](#)

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

#### **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Our financial professionals are compensated based on the revenue our firm earns from our investment advisory fees described in Item 3 above. This presents a conflict of interest because our firm has an incentive to encourage you to invest, transfer, and/or, rollover additional funds in/to your advisory account(s). Additionally, some of our Firm's Financial Professionals are engaged in outside business activities. We are required to disclose material outside business activities and any conflict it may pose to you. Our Firm supervises the business activities of our Financial Professionals through our compliance program. All Financial Professionals are required to follow a Code of Conduct to mitigate any conflicts to you. We recognize our duty to place your interests first and have established policies in this regard to avoid any conflicts of interest.

#### **ITEM 4 – DISCIPLINARY HISTORY**

#### **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No. Visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

[FOR MORE INFORMATION REFER TO OUR FIRM'S ADV PART 2A BROCHURE - ITEM 9](#)

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**

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

**FOR ADDITIONAL INFORMATION ABOUT OUR SERVICES OR AN UP TO DATE COPY OF THIS CLIENT RELATIONSHIP SUMMARY:**

For additional information about our investment advisory services visit the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Our firm's IARD number is: 128996. You may also contact us directly for up-to-date information and to request a copy of the relationship summary at: 561-690-9955 or [www.appliedcapitalllc.com](http://www.appliedcapitalllc.com)

#### **QUESTIONS TO 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?

#### **MATERIAL CHANGES SINCE LAST FILING**

January 2023- Formatting has been updated since our previous filing.