Form CRS Relationship Summary

FINRA Member Broker-Dealer and Registered Investment Adviser

July 15, 2022

Thornhill Securities, Inc. (‘‘TSI’’ or ‘‘Firm’’) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Firm is also an investment adviser registered with Texas and New Jersey.

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We are a broker-dealer and investment adviser and offer both broker-dealer and investment advisory services. However, not all our financial professionals are able to offer you investment advisory services. Please discuss this with your representative.

We offer broker-dealer services and investment advisory services to clients only with respect to a single asset class (real estate) and, specifically a subset of real estate including Delaware Statutory Trusts (DSTs), Qualified Opportunity Zone funds (QOZs), and certain real estate investment trusts (REITs). These investment options are not suitable for every investor and will have strict suitability requirements that each TSI representative must adhere to before the investment can be offered to a client. TSI seeks to ensure that advice given to clients is suitable, considering the information shared by the client with respect to his or her overall financial situation, investment experience, liquidity needs, investment objectives, and other holdings. However, we do not advise clients with respect to their entire investment portfolio, and we advise clients to carefully consider their overall portfolio and diversification strategy, taking into account holdings outside of the clients’ TSI account. DSTs and other Alternative Investments are generally sold through subscription documents, so clients will need to sign required paperwork before the DST or other Alternative Investment can be bought or sold. This prohibits your representative from buying or selling DSTs and other Alternative Investments using discretion.

For broker-dealer services, if you purchase a product, you will pay us a transaction-based fee, generally referred to as a commission, every time you buy an investment. For investment advisory services, you will not pay a transaction-based fee upfront but will pay a quarterly advisory fee based upon your Assets Under Management. You may select investments, or we may recommend investments, but the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours. Depending on where your security is held, either at the investment product sponsor or custodian, an account statement will be delivered to you no less than each quarter in paper or electronic format. For broker-dealer accounts, we will not monitor your accounts as part of our service. For advisory accounts, we will monitor your holdings and performance and communicate with you regularly about your account. We offer a limited selection of investments through our platform and these solutions are designed to support a Tax Optimized Investment Strategy. Other firms may offer a wider range of choices, some of which might have lower costs. Not all investments, however, are able to support a 1031 Exchange or participate in a Qualified Opportunity Zone.
Through the use of our proprietary analytical software, we will work with you to understand your financial and liquidity needs, your risk tolerance, your financial goals and objectives, your investment experience, and the details of your Real Estate transaction(s) to assess suitability and determine which products to recommend for your portfolio. Once constructed, we will assist you in implementing the strategy and building your portfolio. The DSTs and/or other products recommended for your portfolio may be in primary or secondary distributions or a combination.

Based on the information you share with us, we will analyze your situation and tailor a portfolio of alternative investments in line with your investment strategy. Our recommendations and ongoing management are based upon your investment goals, objectives, and risk tolerance.

For additional information, please see Regulation Best Interest Disclosures, Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A) and other applicable documents.

WHAT FEES WILL I PAY?

The fees you pay depend on whether you choose broker-dealer services, advisory services, or both.

For broker-dealer services, the fee, or commission, you pay is based on the specific transaction and not the value of your account. For example, if you have a higher volume of trades, the more commissions you would be charged. Therefore, we have an incentive to encourage you to trade more frequently, and in greater amounts. With DSTs and QOZs, this fee is usually a separate commission, typically called a “load,” which is paid at the time you make your investment. Our commissions are negotiable.

For advisory services, our advisory services fees are based on Assets Under Management. For purposes of account billing, we define Assets Under Management to be the lesser of a) the total amount of client funds that have been invested or b) the total Net Asset Value of the real estate assets included in securities held in the account. Our fee schedule is attached as Schedule A to our Advisory Agreement with each client, and our fee schedules are also included in our ADV 2A as Schedule A. Fees are charged quarterly in arrears. Our minimum account size is $10,000,000. Our fees and account minimums are negotiable.

You will pay fees, commissions, 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 additional information, please see Form ADV, Part 2A brochure (Items 5.A., B., C., and D.), advisory agreements, and Regulation Best Interest Disclosures.
WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we provide you with a recommendation as your broker-dealer or 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

Examples of Ways We Make Money and Conflicts of Interest:

Brokerage compensation: Our advisory representatives receive broker-dealer compensation from the sale of investment products including DSTs, QOZs and REITs in non-advisory accounts. This arrangement creates a conflict of interest in that the Firm has an incentive to offer the products through the broker-dealer so it can earn commissions on the transactions. We will never receive broker-dealer compensation from advisory transactions.

Revenue from Third Parties: We receive payments from certain third-party product sponsors and managers (or their affiliates) when we recommend or sell certain products. As such, we have an incentive to recommend (or to invest your assets in) products of third-parties that pay us over products of third-parties that do not pay us or pay us less. Certain managers and sponsors (or their affiliates) share the revenue they earn when you invest in certain of their investment products with us. As such, we have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.

Non-Cash Compensation: TSI and its financial professionals receive non-cash compensation from investment sponsors that is not in connection with any customer or investment. Compensation includes such items as gifts valued at less than $100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, customer workshops or events, or marketing or advertising initiatives.

For additional information, please see Regulation Best Interest Disclosures, Form ADV, Part 2A brochure, Disclosure — Thornhill Securities, and other applicable documents.

CONVERSATION STARTERS ➔ 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?

• How might your conflicts of interest affect me, and how will you address them?
HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

**Cash Compensation** - Your financial professional, in his/her capacity as a registered representative or advisory representative of TSI, is paid a salary plus a bonus based upon revenue.

**Non-Cash Compensation** - From time to time, product sponsors contribute toward training and educational programs. Financial professionals do not receive a portion of these payments; however, receipt of non-cash compensation such as occasional gifts, meals or entertainment and/or their attendance and participation in educational or training forums, and the increased exposure to vendors who sponsor these events, may lead financial professionals to recommend the products and services of those vendors as compared to those vendors that do not provide non-cash compensation or sponsor such events.

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

CONVERSATION STARTERS ➔ Ask your financial professional:

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

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

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?

For additional information about our services, please visit our website, www.thornhillsecurities.com. If you would like additional, up-to-date, information or a copy of this disclosure, please call 512.472.7171.