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March 30, 2011

This brochure provides information about the qualifications and business practices of CAP Advisors. If you have any questions about the contents of this brochure, please contact us at 248-305-8900 or pcapozzoli@cap-adv.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about CAP Advisors is also available on the Sac's website at www.adviserinfo.sec.gov

Table of Contents

- I. Advisory Business
 - A. Ownership
 - B. Types of Services
- II. Fees & Compensation
- III. Types of Clients
- IV. Method of Analysis, Investment Strategies, Risk of Loss
- V. Code of Ethics
- VI. Account Review
- VII. Custody
- VIII. State Registrations
- IV. Organization
 - A. Management
- X. Conclusion

I. Advisory Business

A. Ownership

Capozzoli Advisory for Pensions, Inc. (CAP Advisors) was formed in 1989 to provide real estate advisory, mortgage advisory, and management services to meet the needs of retirement systems. CAP Advisors' parent company, CAPROC, L.L.C., (CAPROC) was formed in 2000 and qualifies as a Real Estate Operating Company under the applicable U.S. Department of Labor regulations. CAPROC is owned by two pension funds, Wayne County Retirement System (34.74%) and Southfield Fire and Police Retirement System (38.42%), and CEO Joe Capozzoli (26.84%). CAPROC owns 100% of all subsidiaries and affiliates.

B. Types of Services

CAP Advisors is a fully integrated real estate company providing services to public retirement systems. The company and its subsidiaries provide asset management, property management, leasing, marketing, acquisition, disposition, development, redevelopment, syndication, renovation, construction, finance and other related services.

The Company will investigate real estate investment opportunities from real estate brokers and mortgage brokers and other sources active in the real estate market to determine their suitability for client's investment objectives. The company will negotiate amount and terms for client portfolio, prepare accounting for payments to the broker, mortgage banker, attorney, appraiser and title company, engineer, and any other parties rendering service on the transaction. Each real estate investment is made by the Company as a fiduciary according to the prudent man investing standards.

Supervision of real estate investments includes monitoring the collection of income and/or interest-amortization and such other deposits by the borrower or property manager used for payment of real estate taxes and hazard insurance premiums and any reserve funds established to safeguard the security of the property; review of custodial bank accounts for the deposit of these funds; review of periodic remittance to the client of amounts due to client and other expenses incident to ownership or preservation of the asset.

II. Fees and Compensation

CAP Advisors negotiates the applicable fee schedule with the client prior to its appointment to provide the real estate advisory service based upon the nature and scope

of the services rendered. The company does not withdraw its monthly advisory fee from its customer accounts.

The basic fee schedule and performance-based fees for its clients is as follows:

Acquisition Fee:	1% of an acquisition cost of the investment property up to \$15 million of cost; plus .75% of acquisition cost in excess of \$15 million.
Asset Management Fee:	Multi tenant equity - an annual fee is paid monthly of 7.5% of NOI not to exceed (80) basis points on an annual basis of the gross asset value. Single tenant equity - an annual fee, paid monthly of 6.0% NOI.
Disposition:	Advisor shall receive 10% of total cumulative return in excess of 5% net real rate of return for assets.
Mortgage Servicing:	One-eighth of one percent (.125%) of the outstanding principal balance annually.

If client requests other analysis or reviews of another company there will be an hourly charge. All costs relating to due diligence of an asset is reimbursed to the Company.

The fees charged by the company may be higher than fees charged by other advisory firms; but because of its expertise and specialized services, the Company believes its fees are competitive with other, similarly qualified advisors offering comparable services.

The contract will prohibit assignment of the contract by the advisor without the consent of the client. The contract will provide the clients right to terminate their agreements.

III. Types of Clients

CAP Advisors' currently provides real estate advisory services to public pension plans.

IV. Method of Analysis, Investment Strategies, Risk of Loss

CAP Advisor's primary business objective is to maximize the value of the properties owned by its clients by achieving long term growth value and cash available for client distribution. The company intends to enhance the value of its client's portfolio through effective management, acquisition, investment, value enhancement, development and financing strategies. Properties are acquired based on the guidelines of each client's Investment Plan. The Plan incorporates the clients existing investment policies and

provides specific guidelines for property type, age, geographic location, stage of development, tenant mix, size and investment vehicles.

When looking to acquire a real estate asset for investment the following key components assessed in the due diligence process is the following:

- * Location of the property
- * Construction quality, condition and design of the property
- * Current and projected cash flow of the property and the anticipated ability to increase cash flow through lower debt service and aggressive management by the Company
- * Potential for capital appreciation of the property
- * Potential for rent increases
- * Potential for economic growth of the community in which the property is located
- * Occupancy and demand for properties of a similar type in the vicinity
- * Prospects for liquidity through sale, financing or refinancing of the property
- * Barriers to entry of competitive properties in the community or region
- * Diversity of the economic base in the community
- * Quality and credit of the tenants occupying the property

Real property investments are subject to varying degrees of risk. The financial returns available from equity investments in real estate depend on the amount of revenue generated and expenses incurred in operating the properties. If the properties directly or indirectly acquired by CAP Advisors do not generate revenue sufficient to meet operating expenses, debt service and capital expenditures, cash flow and ability to make distributions to it clients will be adversely affected. A property's income and value may be adversely affected by national and regional economic climates, local real estate conditions such as the oversupply of similar types of properties or reduction in demand for such properties, the attractiveness of properties to occupants, completion from other similar properties, the ability of the owner to provide adequate maintenance and to obtain adequate insurance, and increased operating costs (including real estate taxes). The properties income will also be adversely affected if a significant number of tenants are unable to pay rent or if the properties cannot be rented on favorable terms. With the state of the current national economy, there can be no assurance that the tenants will have sufficient funds to pay their rent. Certain significant expenditures associated with real estate, including debt service, real property taxes and insurance, are generally not reduced when there is a reduction in income. The value of any property is also affected by other matters, including changes in zoning, environmental, rent control and other laws and regulations, changes in real property taxes and interest rates, the availability of financing and other factors beyond the control of CAP Advisors.

V. Code of Ethics

The Company has adopted a Code of Ethics policy required under Rule 204A-1 under the Investment Advisors Act of 1940. The Code is intended to reflect fiduciary principles that govern the conduct of the company and its supervised persons in those situations where the company acts as an investment advisor as defined under the Advisors Act in providing investment advice to its clients. The Code consists of an outline of policies regarding several key areas: accurate disclosure, conflicts of interest, and compliance with law, rules and regulations.

The Code of Ethics will be provided to any client or prospective client upon request.

VI. Account Review

Each client account is assigned a Portfolio Manager who bears the responsibility that the client investment policies and objectives, as stated in written investment guidelines, are carried out by the internal staff of the company. Reports to the client are reviewed by the Portfolio Manager for accuracy and compliance with the investment guidelines. The decision for investing, capital expenditures, property operating budgets and disposition are made by the Executive Committee and implemented by the Asset Management group. Asset Management supervises and gives direction to the Property Manager who is responsible for submitting timely monthly scheduled reports (for properties under their management) which includes a narrative about the current status, cash flow performance, tenant delinquencies, leasing status and strategy, and competitive market conditions. These reports are submitted to Asset Management which produces consolidated quarterly reports to each client. Annual business plans and operating budgets are prepared for each property and approved by the Executive Committee. Client receives on an annual basis physical property reports, updated value assessments and a recommendation on whether to hold, sell, and/or change or increase the investment in the asset.

VII. Custody

CAP Advisors does have custody of its clients funds at the property level and through a 501© corp. account. It maintains these funds in a “qualified custodian” account. Each month statements are sent to the client from the custodial accounts directly for their review. The Company does not take its fees directly from these accounts.

VIII. State Registrations

CAP Advisors is currently registered with the State of Michigan.

IV. Organization

CAP Advisors firmly believes in bringing together a blend of experiences, skills and expertise to the asset management decision process. The management team has educational, business and real estate background and experience to equip them to competently provide real estate advisory services to clients.

A. Management

Joseph Capozzoli

Mr. Capozzoli is the President and Chief Executive Officer (CEO) of CAP Advisors. As founder, President and CEO of CAP Advisors since 1989, he is responsible for advising, investing, and managing over \$350 million in assets for municipal and institutional pension funds. Mr. Capozzoli served as an Officer of the United States Armed Forces.

Pamela Capozzoli

Ms. Capozzoli is Senior Vice President, Treasurer, and Chief Compliance Officer of CAP Advisors. As co-founder, since its inception in 1989, she has been responsible for the oversight of the accounting systems of CAP Advisors, its subsidiaries and affiliates. Ms. Capozzoli received her B.S. from Oklahoma State University.

Kathleen J. Burt, CPA

Ms. Burt serves as Senior Vice President of Finance of CAP Advisors and has been responsible for all of corporate and property accounting at CAP Advisors since 1991. She holds a B.A. in Accounting from Oakland University, and is a Certified Public Accountant.

Matthew L. Byron

Mr. Byron is the Senior Vice President of Asst Management for CAP Advisors. He has been responsible to ensure the financial performance of a portfolio of commercial real estate assets since 2002. Mr. Byron has over 20 years experience in the area of commercial real estate management, development and construction financing. Mr. Byron received a B.A. in economics and a M.B.A. in Finance from the University of Michigan.

Mark S. Korinek

Mr. Korinek has been the Director of Acquisitions for CAP Advisors since 2004. His 23 years of commercial real estate experience includes acquisitions, dispositions, asset management, project management and commercial mortgage originations. Mr. Korinek earned his B.S. in Business Administration from Drexel University in Philadelphia.

Brad W. Gaubatz

Mr. Gaubatz is the Vice President of CAPROC Residential, LLC. Mr. Gaubatz is responsible for the design and implementation of land development strategies for real estate holdings and joint ventures. Mr. Gaubatz is an award winning architect and urban planner and has over 20 years experience in commercial, institutional, retail and residential projects. He earned Bachelor of Environmental Design and Bachelor of Architecture degrees from the University of Kansas. He is a member of the American Institute of Architects (AIA), is a LEED Accredited Professional and is certified with the National Council of Architecture Registration Boards (NCARB).

X. Conclusion

The following are items listed in the Form ADV Part 2 guidelines that are not applicable to our business at this time:

- Disciplinary Information
- Other Financial Industry Activities and Affiliations
- Brokerage Practices
- Client Referrals and Other Compensation
- Investment Discretion
- Voting Client Securities
- Financial Information