

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

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Item 2 Material Changes

As this is the first FIRM BROCHURE (Form ADV Part 2A) prepared by Eastman Realty Co., no material changes exist since there have been no previous versions.

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ADVISORY BUSINESS

Item 4 Advisory Business

INTRODUCTION

Eastman Realty Co. is a fee-based investment adviser that offers two types of advisory services: *Portfolio Management Services* and *Financial Planning Services*.

Eastman Realty Co. is a newly formed investment advisory firm, but the experience, education, and background of its principals and investment adviser representatives (hereafter “IA Reps”) can be found in the accompanying *BROCHURE SUPPLEMENT* document.

Eastman Realty Co.’s principal owner is: **John L. Eastman** (hereafter “Eastman”). Eastman owns 100 percent of Eastman Realty Co.

INITIAL CONSULTATION

Eastman Realty Co. will begin by providing the Client a free initial consultation. Eastman Realty Co. uses the initial consultation to:

- Introduce the Client to Eastman Realty Co.’s firm, its services, and staff;
- Gather information about the Client’s investment objectives, financial condition, and risk tolerance, which Eastman Realty Co. uses in forming its investment advice; and
- Reach an agreement on the terms of service and compensation arrangements.

The consultation must be completed before Eastman Realty Co. will make any specific recommendations about the Client’s asset allocation or securities to buy or sell.

At the conclusion of the initial consultation, the Client will sign Eastman Realty Co.’s *Investment Advisory Agreement*, which serves as the contract between the Client and Eastman Realty Co., specifying the precise nature of services to be rendered by Eastman Realty Co. and fees to be paid by the Client.

PORTFOLIO MANAGEMENT SERVICES

If the Client elects *Portfolio Management Services*, the Client will have the choice of whether the portfolio management is performed on a discretionary or non-discretionary basis. Eastman Realty Co. primarily seeks to manage Client accounts on a discretionary basis, but will also offer non-discretionary management services to those Clients that choose to enter their own transactions.

Whether discretionary or non-discretionary, Eastman Realty Co. will evaluate the Client’s financial condition and risk tolerance in order to tailor its securities recommendations to meet the Client’s investment objectives and individual needs. Eastman Realty Co. also allows the Client to impose any restrictions on investing in certain securities or types of securities.

Eastman Realty Co. will make ongoing recommendations primarily involving: exchange-listed stocks, mutual funds, index funds, exchange-traded funds (ETFs), stock options, and bonds. However, in rare instances, Eastman Realty Co. may recommend investments in private placement offerings. Eastman Realty Co. may use margin or leveraged products depending on the Client’s comfort level. Given that the market will affect the value of these securities, Eastman Realty Co. will monitor Client accounts on a

daily basis so that it may make any necessary transactions in discretionary accounts or make any necessary recommendations to Clients in non-discretionary accounts.

The securities mentioned above reflect a broad range of investment risk, including some securities that entail high degrees of risk, such as stock options. Private placement offerings also involve a high degree of risk that may not be suitable for the average investor.

Eastman Realty Co. does not provide any “wrap programs” (programs that bundle brokerage and advisory services under a single comprehensive fee) so all securities recommended by Eastman Realty Co. may include additional transaction charges by the Client’s broker-dealer/custodian separate from Eastman Realty Co.’s advisory fees.

DISCRETIONARY PORTFOLIO MANAGEMENT

For discretionary accounts, the Client will grant Eastman Realty Co. limited trading authority (discretionary authority) in the Client’s brokerage account by executing the appropriate documents with the Client’s broker-dealer/custodian. The discretionary authority will allow Eastman Realty Co. to enter securities transactions on the Client’s behalf, determining which securities and the amount of securities to buy or sell. Clients will be notified of all transactions by trade confirmations from their broker-dealer/custodian and through communication with Eastman Realty Co..

Eastman Realty Co. will also request the Client provide written authorization to allow Eastman Realty Co. to automatically deduct its advisory fee from the Client’s account (discussed at greater length in the “FEES AND COMPENSATION” section on page 5 of this *FIRM BROCHURE*); however, Eastman Realty Co. will not have the authority to make any other withdrawals from the Client’s account(s) under management.

As all Clients will be recommended discretionary portfolio management, Eastman Realty Co. anticipates the vast majority of its *Portfolio Management Services* will be rendered on a discretionary basis. With regard to current discretionary accounts, Eastman Realty Co. had no discretionary assets under management at the time this document was prepared (10 January 2011) since it had not yet started operation at that time.

Eastman Realty Co. recommends the Client grant discretionary authority to Eastman Realty Co. so that it may execute recommendations in a timely fashion, but Clients should always review their brokerage account statements to verify the trading activity and withdrawals that occur in their account(s).

NON-DISCRETIONARY PORTFOLIO MANAGEMENT

For non-discretionary accounts, Eastman Realty Co. will prepare securities recommendations as it does for discretionary accounts, but will provide these recommendations to the Client directly so that the Client may enter the transaction on their own.

Since Eastman Realty Co. will recommend all Clients grant it discretionary authority, Eastman Realty Co. anticipates very little of its *Portfolio Management Services* to be rendered on a non-discretionary basis.

With regard to current non-discretionary accounts, Eastman Realty Co. had no non-discretionary assets under management at the time this document was prepared (10 January 2011) since it had not yet started operation at that time.

Since Eastman Realty Co. merely recommends securities transactions for non-discretionary accounts, Clients should take measures to ensure that recommendations are executed in a timely fashion and should review their account(s) to ensure that transactions were entered properly.

FINANCIAL PLANNING SERVICES

If the Client elects *Financial Planning Services*, Eastman Realty Co. may extend the initial consultation to include discussions necessary to begin creating a financial plan or may arrange a follow-up meeting to review additional information about the Client's finances. In any case, the Client will have the choice to:

- (a) Consult with Eastman Realty Co. on the Client's overall financial situation and obtain a comprehensive, written financial plan; or
- (b) Consult with Eastman Realty Co. on a specific topic or an individual security.

As the *Comprehensive Financial Plan* option would include the opportunity to discuss any specific topic or any individual security, Eastman Realty Co. recommends this option for all new Clients. For returning Clients that need to consult with Eastman Realty Co. on a specific topic or individual security, they can do so during an *Annual Financial Plan Review* or engage Eastman Realty Co. for a *Separate Financial Planning Consultation*.

COMPREHENSIVE FINANCIAL PLAN

Eastman Realty Co. will review all aspects of the Client's finances to prepare a written financial plan that makes comprehensive recommendations to help the Client meet their financial objectives. These areas of analysis include: overall asset allocation, securities recommendations, insurance needs, mortgage planning, consumer debt, retirement planning, college planning, trust & estate planning, savings & budgeting, and tax planning.

Eastman Realty Co. will compile this financial information and use it to construct a *Comprehensive Financial Plan* tailored to the Client's specific financial situation. The written financial plan will typically be constructed within a month, but will never take longer than six months.

Clients can execute the *Comprehensive Financial Plan* on their own or Eastman Realty Co. can assist in implementation. If *Portfolio Management Services* are recommended in the *Comprehensive Financial Plan*, Clients may engage Eastman Realty Co. for those *Portfolio Management Services* as described above.

ANNUAL FINANCIAL PLAN REVIEW

As financial conditions or objectives change over time, Clients should engage Eastman Realty Co. to review their financial plan annually. Largely, this review merely confirms the Client's financial information is accurate, evaluates whether the financial plan is reaching its goals, and makes any revisions needed.

However, at this annual review, Clients may also raise new objectives or discuss other financial topics of their choice. Also, if Clients experience life-changing events, they may initiate an *Annual Financial Plan Review* earlier than the typical annual time frame.

SEPARATE FINANCIAL PLANNING CONSULTATION

If Clients need to consult with Eastman Realty Co. outside of the initial consultation(s) that led to their *Comprehensive Financial Plan* and before their *Annual Financial Plan Review*, Clients may engage Eastman Realty Co. on a limited basis. Eastman Realty Co. is available through a *Separate Financial Planning Consultation* to make changes to a *Comprehensive Financial Plan*, discuss a specific financial topic, or evaluate a specific securities investment.

FEES AND COMPENSATION

MANAGEMENT FEE FOR PORTFOLIO MANAGEMENT SERVICES

Whether *Portfolio Management Services* are performed on a discretionary or non-discretionary basis, Eastman Realty Co. charges the same management fee based on a percentage of assets under management.

The percentage of assets charged per year (annum) is listed in the following table by assets level.

Under \$100,000: 2 percent per annum
\$100,001 to \$500,000: 1.75 percent per annum
Above \$500,001: 1.5 percent per annum

Eastman Realty Co. does not negotiate its management fee, but does offer discounts to select friends, employees and family.

Eastman Realty Co. charges the above management fee at the end of each calendar quarter. As the management fees are charged in arrears, Eastman Realty Co. does not offer refunds as services have already been performed. For the first quarter a Client engages Eastman Realty Co. or if a Client terminates the service during the quarter, the fee will be prorated for only those days that Eastman Realty Co. rendered its services.

For Clients that provide written authorization to their broker-dealer/custodian, Eastman Realty Co. will arrange to have its management fee automatically deducted from the Client's brokerage account. In this case, the Client's broker-dealer/custodian will send statements, at least quarterly, to the Client that will reflect the advisory fee paid to Eastman Realty Co., but the Client should verify the accuracy of fees paid. Eastman Realty Co. requests all Clients allow for the direct deduction of fees, but for those Clients that do not, Eastman Realty Co. will send directly to the Client an invoice for Eastman Realty Co.'s fees. This invoice will require payment within thirty days after the mailing date on the invoice.

PLANNING FEES FOR FINANCIAL PLANNING SERVICES

For *Comprehensive Financial Plans* and *Annual Financial Plan Reviews*, Eastman Realty Co. charges a fixed fee; however, for *Separate Financial Planning Consultations*, Eastman Realty Co. charges an hourly fee.

Comprehensive Financial Plan \$1,500 fixed fee
Annual Financial Plan Review \$500 fixed fee
Separate Financial Planning Consultations \$150 hourly fee

Eastman Realty Co. may negotiate its fixed fee amount for *Comprehensive Financial Plans* based on the complexity of the financial plan. Typically, the standard financial plan takes 10 hours; those plans that take significantly less time may negotiate a lower fee while those financial plans that take significantly longer may be charged a slightly higher amount. Additionally, Eastman Realty Co. may offer discounts to select friends, employees and family. The final amount will be specified in the *Investment Advisory Agreement*.

The fixed fees for *Annual Financial Plan Reviews* and the hourly rate for *Separate Financial Planning Consultations* are both non-negotiable. If the *Annual Financial Plan Review* or *Separate Financial Planning Consultation* finds that a new *Comprehensive Financial Plan* needs to be prepared and Clients engage Eastman Realty Co. to do so, Clients will be charged for a new *Comprehensive Financial Plan* minus either the \$500 paid for the *Annual Financial Plan Review* or the total hourly fees charged for the *Separate Financial Planning Consultation*. Eastman Realty Co. charges the above financial planning fees upon delivery of the *Comprehensive Financial Plan* or the *Annual Financial Plan Review*. Hourly fees are charged at the conclusion of the *Separate Financial Planning Consultation*. As all the financial planning fees are charged in arrears, Eastman Realty Co. does not offer refunds as services will have already been performed. If a Client chooses to terminate *Financial Planning Services* before the product is delivered or service is complete, Eastman Realty Co. will charge a prorated amount for the work completed and will deliver any work product completed.

If Financial Planning Clients have been recommended *Portfolio Management Services* and provide written authorization to their broker-dealer/custodian so that Eastman Realty Co. can deduct its management fees directly from their brokerage account, those Clients may also opt to have their financial planning fees deducted from their brokerage account as well. In that case, the Client's broker dealer/custodian will send statements, at least quarterly, to the Client that will reflect the advisory fees paid to Eastman Realty Co., but the Client should verify the accuracy of fees paid.

Otherwise, Eastman Realty Co. will include an invoice upon delivery of the *Comprehensive Financial Plan* or *Annual Financial Plan Review* or at the conclusion of the *Separate Financial Planning Consultation*.

This invoice will require payment within thirty days after delivery.

OTHER COMPENSATION

In addition to the management and financial planning fees described above, individual IA Reps of Eastman Realty Co. may also be licensed as insurance agents to sell insurance products and may receive insurance commissions for the sale of those insurance products.

This creates a conflict of interest and may offer IA Reps an incentive to recommend insurance products that produce insurance commissions for the IA Rep. When any such recommendations are made, IA Reps will disclose their commissions prior to completing any transaction and will obtain specific consent from the Client before purchasing any insurance product. Additionally, Clients always have the option to purchase insurance products through other agents not affiliated with Eastman Realty Co.

Such insurance commissions will be a marginal part (approximately 10 percent) of the IA Reps' business as their primary focus will be the investment advisory business rather than their insurance business. Any insurance commissions will be charged separately through the insurance company or agency and remitted to the IA Rep in their capacity as an insurance agent. Eastman Realty Co. will not receive any insurance commissions paid to its IA Reps.

Any insurance commissions will be in addition to the advisory fees and Eastman Realty Co. will **not** reduce advisory fees for Clients that purchase insurance products through Eastman Realty Co.'s IA Reps. Aside from the insurance compensation described above, neither Eastman Realty Co. nor any of its IA Reps will accept any compensation for the sale of securities or other investment products.

Lower fees for comparable services may be available from other sources.

PERFORMANCE-BASED FEES
AND SIDE-BY-SIDE MANAGEMENT

If a client wishes to pay performance-based fees, Eastman Realty Co. will charge a percentage of annual profits paid quarterly or annually. The percentage can range from 1% to a maximum of 20% of profits.

TYPES OF CLIENTS

Eastman Realty Co. will provide advisory services to various types of Clients, including:

- ***Individuals:*** The majority of Eastman Realty Co.'s Clients will be individuals seeking financial planning and management services for their personal accounts. While *Financial Planning Services* can be provided regardless of account values, *Portfolio Management Services* will be restricted to individual accounts (or multiple accounts in one household) with a minimum value of \$5,000.

Note: Eastman Realty Co. may waive the minimum for select friends and family.

METHODS OF ANALYSIS, **INVESTMENT STRATEGIES AND RISK OF LOSS**

For *Financial Planning Services*, Eastman Realty Co. analyzes the Client's financial goals and objectives, income and spending, savings and investments, risks and insurance needs, asset allocation, and tax implications. This analysis seeks to ensure that the Client's needs are addressed while making progress toward their financial goals and objectives.

For *Portfolio Management Services*, Eastman Realty Co. uses fundamental and technical analysis to determine the investments in a given portfolio.

In its fundamental analysis, Eastman Realty Co. seeks to determine the intrinsic value of equities based on a thorough analysis of the fundamental business factors of the given stock(s) at issue. This includes: analysis of financial statements, earnings, dividends, management structure, competitive advantages, product offerings, competitors and markets. In essence, this method of analysis evaluates the overall condition of the company (or companies in a mutual fund or ETF) to determine whether it is a sound investment. Despite the fundamental analysis performed by Eastman Realty Co., any investment in securities carries market risk and investors may lose their principal investment.

In its technical analysis, Eastman Realty Co. seeks to determine the future direction of prices through the study of past market data, primarily price and volume. This is done by charting the movement of investments to identify trends and patterns used in the selection of securities to purchase and price points to buy and sell. Eastman Realty Co. uses a number of stock screeners and other software to chart and analyze the movement of various investments. Despite the technical analysis performed by Eastman Realty Co., any investment in securities carries market risk and investors may lose their principal investment.

For *Portfolio Management Services*, the investment strategies used will vary depending on the Client's financial goals and risk tolerance. Generally, Clients seeking capital preservation with limited risk will be managed with passive strategies using fixed income products (e.g. bonds) and index funds whereas Clients seeking growth with greater risk will be managed with active strategies using stocks, mutual funds, ETFs, and stock options.

While Eastman Realty Co. will not engage in day-trading, active strategies may entail additional risk due to a greater frequency in transactions, which may involve additional brokerage fees, transaction costs, and taxes. Also, strategies that use options may entail additional risk as losses may exceed those seen in the underlying stock. Lastly, strategies that include private placement offerings entail greater risk as these offerings have limited regulatory oversight, have less liquidity, and depend on the due diligence of the investor or investment adviser.

DISCIPLINARY INFORMATION

Neither Eastman Realty Co. nor any of its related persons (including management and IA Reps) have had any legal or disciplinary events in their past. Clients and prospective Clients can always view the CRD records (registration records) for Eastman Realty Co. or any of its IA Reps through the SEC's Investment Adviser Public Disclosure (IAPD) website at www.adviserinfo.sec.gov or through FINRA's BrokerCheck database online at www.finra.org/brokercheck if the IA Rep is also a broker-dealer agent. The CRD number for Eastman Realty Co. is 166590 and the CRD numbers for management and IA Reps are listed alongside their biographical information in the accompanying *BROCHURE SUPPLEMENT* document.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

While Eastman Realty Co. is not engaged as a real estate brokerage currently, IA Reps of Eastman Realty Co. may be licensed as independent real estate agents or real estate brokers. Specifically, John L. Eastman is a licensed real estate broker in California but is not currently practicing as a real estate broker.

Eastman Realty Co. requires that all IA Reps disclose any conflict of interest when such recommendations are made to real estate or any other financial products or investments.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

Pursuant to SEC Rule 204A-1, Eastman Realty Co. has a Code of Ethics that promotes the fiduciary duty of Eastman Realty Co. and its IA Reps. The Code of Ethics articulates the importance of trust as a foundation to the relationship between an investment adviser and its Clients and establishes policies and procedures to ensure that Eastman Realty Co. and its IA Reps place the interests of the Clients first. The Code of Ethics requires that Eastman Realty Co. and its IA Reps adhere to all applicable securities and related laws and regulations. The Code of Ethics also requires Eastman Realty Co. and its IA Reps follow industry “best practices” involving: confidential information, suitability of investments, personal trading on the part of Eastman Realty Co. and its IA Reps, outside business activities of IA Reps, and the disclosure of conflicts of interest.

A copy of the Adviser’s Code of Ethics is available upon request for any Client or prospective Client.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

While Eastman Realty Co. has no proprietary interest in Client transactions, its IA Reps may have a financial interest in those recommended transactions that involve the purchase of an insurance product.

As explained in the “OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS” section (page 12), John Eastman is a licensed real estate broker in California. As IA Reps of Eastman Realty Co., John Eastman may participate in real estate transactions. Eastman Realty Co. requires that all IA Reps disclose any conflict of interest with regard to John L. Eastman’s participation in real estate transactions.

Additionally, IA Reps of Eastman Realty Co. may have an interest in Client transactions insofar as they may personally invest in the same securities recommended to Advisory Clients. These transactions involve a conflict of interest as Eastman Realty Co. or IA Reps may benefit from an increase in price from subsequent purchases by Advisory Clients. To address this conflict of interest, Eastman Realty Co. and its IA Reps will adhere to the following procedures regarding their personal trading:

- (1) Client transactions will always be placed ahead of those for Eastman Realty Co., its management, and its IA Reps;
- (2) Eastman Realty Co. and its IA Reps will mostly recommend investments that are widely traded;
- (3) In the rare instance where private placement offerings are recommended to Clients and an IA Rep also has an ownership interest in the private offering, full disclosure will be given so the Client fully understands that conflict of interest; and
- (4) Neither Advisory Clients nor IA Reps will have enough funds invested in any given security to move the market in that particular security.

BROKERAGE PRACTICES

Eastman Realty Co. will recommend Interactive Brokers LLC (hereafter “Interactive Brokers”) to all Advisory Clients using Eastman Realty Co.’s *Portfolio Management Services* and other Advisory Clients that request a recommended broker-dealer and custodian. Eastman Realty Co. recommends Interactive Brokers primarily for its relatively low transaction costs and Eastman Realty Co.’s familiarity with its trading platform.

Clients have no obligation to use Interactive Brokers for the broker-dealer and custodian, but if Clients seek to have Eastman Realty Co. manage their accounts on a discretionary basis, the Client’s chosen broker-dealer and custodian must allow Eastman Realty Co. to have trading authority within the account.

RESEARCH AND OTHER SOFT DOLLAR BENEFITS

While not a factor in Eastman Realty Co.’s recommendation of Interactive Brokers, Interactive Brokers does offer proprietary research tools and publications created by Interactive Brokers to their account holders. Eastman Realty Co. will have access to these research tools and publications, which may be considered “soft dollar benefits” and constitute a conflict of interest. As Eastman Realty Co. and its IA Reps have accounts at Interactive Brokers, the benefits of the research tools and publications are already available to Eastman Realty Co. regardless of the Client’s decision to invest with Interactive Brokers.

Eastman Realty Co. will use Interactive Brokers’ research tools and publications to service all Advisory Clients regardless of the broker-dealer/custodian they choose to use, but Clients who invest with Interactive Brokers will also have their own access to the research tools and publications as Interactive Brokers account holders. Again, Clients have no obligation to use Interactive Brokers for their broker-dealer and custodian.

DIRECTED BROKERAGE AND AGGREGATED ORDERS

Eastman Realty Co. will rely on Interactive Brokers (or the broker-dealer/custodian selected by the Client) for the execution of transactions and will not direct trades to specific brokers. As such, Clients may not receive the lowest price possible if they were to have their trades directed to specific brokers.

While Eastman Realty Co. may make the same recommendations for similarly-situated Clients, Eastman Realty Co. will not aggregate Clients’ orders.

REVIEW OF ACCOUNTS

For Portfolio Management Clients, Eastman Realty Co. reviews all Clients' account holdings daily, but reviews individual Client accounts on a quarterly basis in conjunction with calculating their management fees. *Portfolio Management* Clients are encouraged to meet with Eastman Realty Co. at least once per year to review their account as a whole, ensuring that the management aligns with their current financial condition, goals and objectives.

For Financial Planning Clients, Eastman Realty Co. reviews the Client's account in the initial preparation of a *Comprehensive Financial Plan* and may review the Client's account during a *Separate Financial Planning Consultation*, but does **not** review those accounts again unless engaged for an *Annual Financial Plan Review*. Financial Planning Clients are encouraged to meet with Eastman Realty Co. at least once per year to review their account as a whole, ensuring that their financial plan aligns with their current financial condition, goals and objectives.

CLIENT REFERRALS AND OTHER COMPENSATION

Eastman Realty Co. may compensate other financial professionals (e.g. accountants, tax preparers) to refer their Clients to Eastman Realty Co. for investment advisory services. The use of referral compensation may constitute a conflict of interest. For referrals that engage Eastman Realty Co. for investment advisory services, Eastman Realty Co. will compensate the financial professional a portion of Eastman Realty Co.'s fees.

Generally, this portion will be a one-time payment of 15 percent of the total fees initially collected. This would be 15 percent of the first quarter's management fee, 15 percent of the total fixed fee amount for a *Comprehensive Financial Plan*, or 15 percent of the total hourly charges for a *Separate Financial Planning Consultation*. Clients may not negotiate this compensation, but Clients will not be charged any higher fees when referred by a third party than when engaging Eastman Realty Co. directly. Eastman Realty Co. will only compensate financial professionals that are licensed as investment advisers or investment adviser representatives or demonstrate some exemption from licensing.

CUSTODY

Clients will engage an independent broker-dealer and custodian to maintain their accounts and so Eastman Realty Co. will not have *physical* custody of Clients' assets, monies, or securities. However, since Eastman Realty Co. may withdraw advisory fees directly from Clients' accounts (as described in the "FEES AND COMPENSATION" on pages 6 and 7 of this Brochure), Eastman Realty Co. is considered to have custody in a limited capacity. Again, this custody is due solely to the direct withdrawal of fees and does not entail all of the same legal and regulatory requirements as an investment adviser with physical custody of Clients' assets, monies, or securities. Accordingly, Clients will only receive account statements from their broker-dealer and custodian (though Eastman Realty Co. may send invoices or other communication).

INVESTMENT DISCRETION

As described in the “ADVISORY BUSINESS” section (pages 3 - 5 of this *FIRM BROCHURE*), Eastman Realty Co. will have investment discretion for those Advisory Clients that elect *Discretionary Portfolio Management Services*. Clients will select this option specifically in Eastman Realty Co.’s *Investment Advisory Agreement* and will sign a trading authorization form with their broker-dealer/custodian.

When Advisory Clients grant discretionary authority to Eastman Realty Co., Clients may still place restrictions on the advisor, such as a prohibition on investing in specific securities, industries, or markets that the Client chooses. Additionally, unless specifically instructed otherwise by the Client, Eastman Realty Co. seeks to maintain diversified investment portfolios for its Portfolio Management Clients and will not concentrate more than 15 percent of a Client’s investable assets into any ETF or non-diversified product (e.g. stock, bond, options contract) and will not concentrate more than 50 percent of a Client’s investable assets into any diversified products (e.g. mutual funds, index funds).

VOTING CLIENT SECURITIES

For any security that entails a voting right in the underlying company, Eastman Realty Co. will not have or accept authority to vote Client securities. All voting issues, proxies, and solicitations will be communicated to Advisory Clients through the Client's broker-dealer/custodian. Upon request, however, Eastman Realty Co. may help explain or answer questions regarding a given voting issue.

FINANCIAL INFORMATION

Eastman Realty Co. would be required to disclose additional financial information if it were to charge fees in advance, but as described in the “ADVISORY BUSINESS” section (pages 3 – 5 of this *FIRM BROCHURE*), Eastman Realty Co. charges all advisory fees in arrears, upon delivery of a plan, or at the conclusion of a consultation. In any case, Eastman Realty Co., its management and IA Reps have no material financial information (e.g. bankruptcies, liens, judgments) in their backgrounds.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Eastman Realty Co. has only one principal executive officer (or management person): John L. Eastman. John L. Eastman's biographical information is given on the attached *BROCHURE SUPPLEMENT* document.

Under the "FEES AND COMPENSATION" section of this *FIRM BROCHURE*, the subsection titled "*OTHER COMPENSATION*" explains that IA Reps of Eastman Realty Co. may also be licensed as real estate brokers may engage in real estate transactions. This activity and the conflicts of interest associated with it are discussed at greater length in the "*OTHER COMPENSATION*" subsection on page 7 of this *FIRM BROCHURE*.

Eastman Realty Co. would be required to disclose additional information if it: were to charge performance-based fees; had any other relationship or arrangement with any issuer of securities; or was ever found liable in either: (a) an arbitration, or (b) a civil, self-regulatory organization, or administrative proceeding.

As none of these apply to Eastman Realty Co., its management persons, or IA Reps, Eastman Realty Co. has no information to disclose in these regards.