

Customer Relationship Summary

November 2024

Item 1. Introduction

Grassi Investment Management, LLC (Grassi) is an investment adviser registered with the U.S. Securities and Exchange Commission. Investment advisory and brokerage services and fees differ; therefore, 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 investment advisers, broker-dealers, and investing.

Item 2. Relationships and Services

"What investment services and advice can you provide me?"

Description of Services and Monitoring

Grassi Investment Management, LLC provides discretionary and nondiscretionary investment management services. We provide personalized confidential investment management to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. We assist you in determining investment objectives and monitor accounts on a daily basis. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted. We do not act as a custodian of your assets. You always maintain asset control. We place trades for you under a limited power of attorney. [*Please go our complete ADV Part 2A*](#)

Assets are invested primarily in the following types of portfolios:

GIM Equity Portfolio - A focused group of stocks designed to compete with the S&P 500 value index.

GIM Balanced Portfolio - Implements the GIM Equity Portfolio and allocates a portion to fixed income thus providing cash flow, and reducing risk and overall volatility to the portfolio

GIM Income Strategy Portfolio – Invests primarily in dividend paying stocks and fixed income securities, which offer total return opportunities and provide a cushion during times of challenging market conditions.

GIM Fixed Income Portfolio - Invests in a variety of high quality and to a lesser extent medium quality fixed income securities.

Investment Authority

We accept discretionary authority to manage securities accounts on your behalf. We have the authority to determine, without obtaining your specific consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, we consult with you prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

You approve the custodian to be used and the commission rates paid to the custodian. We do not receive any portion of the transaction fees or commissions paid by you to the custodian on certain trades. A limited power of attorney is a trading authorization for this purpose. [*Please go our complete ADV Part 2A*](#)

Investment Offerings

We generally require discretionary advisory clients to maintain a minimum account size of \$1,000,000, although this minimum may be waived in certain circumstances. Clients receiving ongoing asset management services will be assessed a \$10,000 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management. [*Please go our complete ADV Part 2A*](#)

Additional Information

For additional Information, please see our Form ADV Part 2A (with special emphasis on Items 4, 7, and 16 of Part 2A or Items 4.A. [*Please go our complete ADV Part 2A*](#)

Conversation Starters

- 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?"

We base our fees on a percentage of assets under management. We, in our sole discretion, may waive our minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

For asset management, we charge a tiered ongoing asset-based fee in advance, at the end of each quarter. The fee is charged as a percentage of your assets that we manage. The more assets there are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account.

Equity and Balanced Funds **Annual Fee**

On the first \$2,000,000 1.00%

On the next \$8,000,000 0.75%

On the balance of assets 0.50%

Other Fees and Costs:

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More detailed information about our fees and costs are included in our Form ADV Part 2A (Items 5).

Conversation Starters

- 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?”

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.

“How else does your firm make money and what conflicts of interest do you have?”

We only generate revenues from our asset management services as described above.

Conversation Starter

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

“How do your financial professionals make money?”

Our financial services professionals are compensated on a portion of the total fees received by us and a base salary. This is a conflict of interest because our financial professionals have an incentive to encourage you to increase your assets in your accounts, recommend our advisory services to you. For more information about our conflicts of interest, we recommend reading our ADV Part 2A, Items 4 and 10.

Item 4. Disciplinary History

“Do you or your financial professionals have legal or disciplinary history?”

No – Neither the Firm nor any of our financial professionals have a disciplinary history. We invite you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research our Firm and financial professionals.

Conversation Starters

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

Item 5. Additional Information

We encourage you to seek out additional information about our investment advisory services in our Form ADV Brochure on [Investor.gov](https://investor.gov) or adviserinfo.sec.gov (CRD #108690). Alternatively, you can call Grassi at (650-934-0770) to speak with us directly.

Conversation Starters

- 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?