



Lucrum Capital Securities, Inc.

Form CRS- Customer Relationship Summary

~~June 2024~~

Item 1: Introduction

Lucrum Capital Securities, Inc. (referred to as “we”, “us”, or “Lucrum”) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Lucrum was approved as a broker-dealer on June 27th, 2023.

Lucrum also has an affiliated Virginia state-registered adviser, Lucrum Capital Advisors, Inc. (“LCA”) that is under common ownership and control with Lucrum. The adviser is currently approved but has conducted no business. Both Lucrum and LCA are wholly owned by Lucrum Companies, Inc. This relationship summary explains the various services Lucrum offers, how we charge for those services, and conflicts of interest that exist when we provide our services.

Brokerage and investment advisory services and fees differ. It is important that retail investors understand the differences which are summarized here. In addition, 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. You should carefully consider which types of accounts and service are right for you.

Item 2: Relationships and Services

What investment services and advice can you provide me?

We offer brokerage services to accredited retail investors and institutional investors that are limited to private placement offerings in the commercial real estate sector. These offerings are conducted pursuant to an exemption from registration, namely the private offering exemption of Section 4(a)(2) of the Securities Act of 1933 and the safe harbor provided under Rule 506 of Regulation D.

Generally, the investments offered by Lucrum require investment minimums between \$25,000 and \$100,000, depending on the requirements of each individual offering. You must be an accredited investor as defined in Regulation D of the Securities Act of 1933 to invest with Lucrum. With regard to the private placement offerings, Lucrum may act as the placement agent as well as a best-efforts underwriter. Private placements generally require a minimum holding period before your principal may be redeemed. As a result, private placement offerings may not be suitable for all investors.

While Lucrum may present various investment options, you, not your financial professional, make the final investment decision as to whether or not to invest in a given offering. Lucrum does not exercise discretion over any brokerage account. Lucrum does not provide ongoing monitoring but may conduct periodic reviews to determine whether additional investments are appropriate.

Conversation Starters. Ask your financial professional -

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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, Conflicts, and Standards of Conduct

What fees will I pay?

Lucrum Capital Securities may charge commissions to investors, ranging from 1% to 3.5% of the total amount invested from the particular investor, for their participation in an offering and may charge investors any reasonable fees related to direct administrative costs of coordinating funds transfers with the designated escrow agent of an offering.



However, other fees may apply: (a) Lucrum Capital Securities charges Sponsors due diligence and placement fees in connection with the private placement offerings, ranging from 2% to 5% of the total offering sizes. Sponsors may pass these costs on to the Issuer, and some may pass these on to the investors who invest in the Issuer, directly or indirectly; (b) Sponsors, their affiliates, and third parties charge fees and expenses related to the real estate project to the Issuer pursuant to the governing documents for the Issuer. These fees and expenses, if charged to the Issuer, reduce the Issuers' proceeds available for distribution to investors, and therefore the amount of money you make on your investments over time. If these fees and expenses are charged directly to you by the Issuer, they will reduce the amount available for investment, and therefore may reduce the amount of money you make on your investment over time. Please make sure you understand what fees and costs you are paying. These fees vary for each offering and are described in the offering memorandum for each offering with Lucrum Capital Securities. For additional information, please see the PPM, subscription agreement, and/or related sales literature of the offering. Our receipt of any portion of these fees creates an incentive to recommend certain products or sponsors that pay such fees.

Additional Information. 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. Please read each subscription agreement and/or private placement memorandum (PPM) carefully.

Conversation Starter. 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 providing recommendations as my broker-dealer? 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 that we provide to you. Below are some examples to help you understand what this means. If you have any questions about whether these situations apply to your investments, ask your financial professional.

- **Limited offerings:** Lucrum only offers private placement offerings. The more you invest, the more money we make since we are paid a percentage of the principal amount invested. As a result, we have an incentive to recommend that you increase the size of your investment.
- **Underwriting:** In some offerings, we may act as both a placement agent and a best-efforts underwriter. This creates an incentive for Lucrum to recommend offerings where they receive fees in both capacities.

Conversation Starter. Ask your financial professional—

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

Additional Information. Please review each offering memorandum to understand the capacity that Lucrum is acting in for a given offering and their associated fees.

Item 4: Disciplinary History

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

No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional—

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

Item 5: Additional Information

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

Conversation Starter. 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?**