

Executive Summary

Note: Please check [our website \(coastlinecapitalfm.com\)](http://coastlinecapitalfm.com) to tender an offering subscription.

Coastline Capital Opportunity Fund, LLC (the “Fund”) offers units in a Delaware limited liability company that are not registered with any state or federal securities authority. Class A Member Units (“Units”) are offered to Accredited Investors only who will become Unit Holders once their subscription is duly accepted by the Fund and its Manager. The Fund has been established to: (i) purchase non-performing, performing, reperforming notes and interests in real property both residential and commercial, and related assets; (ii) engage in any and all general and incidental activities related to the investment focus cited in (i); and (iii) enter into any lawful business[es] and transaction[s] relating to North American real estate for profit opportunities.

The manager of the Fund is [Coastline Capital Fund Management, LLC](#) (“CCFM” or “Manager”), a separate Delaware limited liability company. CCFM’s manager members are Sean Irwin and Harrison Silverstein. Sean also is CCFM’s President and Chief Executive Officer and Harrison is CCFM’s Executive Vice President and Chief Operating Officer. The Fund shall be operated in conformance with the Fund’s Operating Agreement and each Unit Holder and Manager will be a signatory to the Operating Agreement. Under the Fund’s Operating Agreement, Manager is responsible for general operation of the Fund and making all investment decisions regarding deployment of the Fund’s capital, among other responsibilities.

The Fund is uniquely positioned to acquire real estate related assets (which include notes and foreclosed properties) at a discount through established and long-term relationships with the real estate community as well as Wall Street hedge funds. The Fund seeks to profit from acquired assets by, among other means, liquidating portfolio assets at higher prices through various liquidation procedures such as foreclosure sales, re-selling loans, short sales, short payoffs,

and selling REO properties (properties that fail to sell through a foreclosure process and are then owned by the mortgage lender to sell).

CCFM through Sean and Harrison will use their experience and established networks of relationships to seek preferred access and better pricing to purchase notes and other assets in conformance with the Fund focus.

Highlights of Offering:

- **Target Raise: \$2.0 Million**
- **Profit Split: (60/40) - higher amount going to Unit Holders and lesser to CCFM)**
 - **UPGRADES to 70/30 once capital raised is \$1MM+**
- **Units - \$5,000 per Unit**
- **Minimum Investment: \$25,000 (5 Units)**
- **Minimum Fund Offering to Close: \$1,000,000**
- **Investment Hold Time: 3 years (projected)**

Management Fee means a monthly fee paid by the Fund to Manager to compensate and offset ongoing administrative costs of Manager. The Fee is calculated on 2.0% of the Fund's Assets Under Management ("AUM") divided by 12. The Fund will calculate AUM at least once annually, but will calculate AUM at more frequent intervals if the Manager reasonably believes that AUM values have materially changed due to, among other things, recent purchases or sales of Fund Assets and/or changes in the fair market value of such Assets due to market conditions. Prospective subscribers should read the Operating Agreement and are encouraged to contact Manager to discuss further details on how the AUM is calculated in connection with setting the Management Fee.

- **Fund offering opens** April 24th, 2023 @ 8 am PST.
- **Fund offering closes** July 24th, 2023 @ 5 pm PST.*

*Manager reserves the option to close the offering earlier and the option to extend the offering for 90 days beyond the closing date upon notice in writing to subscribers and accepted Unit Holders. Additionally, the Manager and the Fund reserve the right to accept subscriptions for an amount less than the \$25,000 Minimum Investment and close on funds and commence Fund operations on acceptance of aggregate subscriptions of less than \$1 million while keeping the offering open to raise further subscription funds until the referenced closing date and any extensions thereunder.

How Unit Holders Get Paid:

CCFM expects most asset liquidations will occur within 6-18 months after asset acquisitions. Net proceeds beyond what the Fund (at Manager's discretion) needs to hold in reserve will be disbursed in the following order:

1. To Unit Holders until they receive return of 100% of their initial capital
2. Then to share profits: 60% to Unit Holders and 40% to CCFM (Or 70%/30% accordingly after \$1MM+ raised)

We forecast that the profit split to Unit Holders will equate to an annualized 18% return for Unit Holders. This is a forward-looking statement. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

The Fund is a limited purpose, non-leveraged, close-end vehicle, designed to generate returns to Unit holders with a limited time commitment. The Fund envisions liquidation of all acquired assets within three years of the date that the Fund commences asset acquisitions.

Coastline Capital Fund Management, LLC

The Fund **Manager** is [Coastline Capital Fund Management, LLC](#) or CCFM, which is headquartered in Saint George, UT. CCFM was founded by Sean Irwin as an asset acquisition and management company focused on the residential non-performing loan market. Since 2007, Sean has traded more than \$250 million in Unpaid Principal Balance (UPB) of Non-Performing Notes.

Over the years, both Sean and Harrison have seen extreme market fluctuations in the assets for which the Fund will seek exposure; because of this, Manager will stay attuned to market trends and develop strategies allowing the Fund to mitigate volatility while seeking price appreciation of Fund assets.

In 2016, Sean formed Coastline Capital Asset Management, LLC ("CCAM"), an affiliated company focused on maximizing profits specifically for REOs. CCAM track record is one of attention to detail, working to ensure that the right renovations are made at reasonable cost, and getting full market value for acquired properties. Prior to his extensive involvement in the real estate

note industry, Sean worked in mortgage originations. As an entrepreneur, he also owned and managed his own restaurant in Denver, Colorado.

Harrison Silverstein

Harrison Silverstein is a veteran of the United States Marine Corps where he served for seven years through 2017, earning an Honorable Discharge as a Sergeant. In 2018, he founded Note Agent, LLC (“NAL”), focusing on real estate debt investing. Through NAL, Harrison gained experience in purchasing 1st position mortgage notes, non-performing notes, land contracts, contracts for deeds, and lease options nationwide. Harrison has hands on experience in conducting due diligence, making acquisitions, performing portfolio management, and overseeing investor relations. While actively investing in these real estate asset classes, Harrison mentored and educated prospective note investors wanting to build personal wealth through their own private portfolios.

As CCO of CCFM, Harrison will be responsible for the same critical functions he performed at NAL. Through CCFM, he is committed to focusing his attention on the success of the Fund and meeting the Fund’s objectives as disclosed herein.

Market Overview

A **Non-Performing Note** or NPN is a note or mortgage secured by residential real estate that is currently in *default* because of the borrower’s failure to make agreed payments. Profits are generated by buying NPNs at a discount and liquidating them at a higher price through:

1. **Foreclosing** on the note and selling the property to a buyer at an auction.
2. **Foreclosing** and taking **possession** of the property, REO, to renovate and then sell the property to a retail buyer.
3. Allowing the borrower to **deed the property** back to our Fund to then renovate and sell the property to a retail buyer.
4. Allowing the borrower to conduct a **short sale** of the property or a **short payoff**, where borrower pays less than what's owed.
5. Getting the asset to **re-perform** by having borrower **reinstate** the loan and start making regular payments.

Competitive Advantages

Since 2009, Sean has spent time and resources to develop very close relationships with owners, CEOs, other officers, investors, and loan traders at large private equity funds and hedge funds that hold large pools of real estate related assets. This enables Manager on behalf of the Fund to get **first look capability** and **preferred access** to select assets before the pools are broken up into smaller groups to sell down the line to smaller hedge funds and individual investors.

The NPN trading community is small and those active in it tend to know all the other active players. One's reputation matters greatly. Failure to complete trades and/or acting without integrity can ruin a participant's ability to do business indefinitely. CCFM and its manager members benefit from an excellent reputation of consistency and reliably completing negotiated trades and acting with the utmost honesty and integrity.

With preferred access, CCFM can buy assets at **steeper discounts** than those available to individual investors and smaller and lesser known marketplace participants. Likewise, CCFM can resell seasoned re-performing notes to banks and institutional investors through this same network for a **premium**.

CCFM is agile and has the advantage of being more responsive and attentive to the assets it manages. CCFM thereby can make better choices for exit strategies to maximize profit opportunities.

CCFM has access to the connections and know-hows of CCAM, an affiliated company focused on the REO marketplace. From 2016 to present, CCAM successfully transacted in more than **\$60 million** in REOs.

Asset Selection and Due Diligence

The Fund will buy assets nationwide. When evaluating pools (tapes) of assets for purchase, CCFM uses proprietary software that aggregates data and performs calculations to identify assets with the greatest potential for profit with low to moderate volatility risk.

CCFM obtains "BPOs" (Broker Price Opinions) through a third-party vendor to confirm property values. In addition, CCFM uses local agents that can provide accurate valuations by the use of their MLS network.

CCFM also obtains third party title reports to examine the condition of title on the underlying properties.

Proceeds and Returns

To generate Fund returns, CCFM seeks assets that have the prospect of generating a **30% gross annualized return**, although gross returns have the potential to be smaller or larger based on our economies of scale, actual market conditions, and Manager's ability to work assets to their most profitable resolution.

Based on our experience, we expect that most assets will liquidate between 6 and 18 months from the date of asset purchase. Distributions to Unit Holders will generally be made upon liquidation of an asset depending on cash holdbacks based on the needs of the Fund with the emphasis on returning Unit Holders their initial capital contributions as expeditiously as possible.

Please note that the projected gross returns and asset liquidation timing are forward looking statements and cannot be guaranteed. Although affiliated funds have experienced the above referenced returns, past performance is no guarantee of future results.

Profits will be calculated after Fund expenses are paid, which are generally: vendor fees, insurance, administration fee, and any related expenses to the fund.

The **proceeds of asset resolutions** will be used in the following order:

- a. To Unit Holders until they receive 100% return of their capital contributions.
- b. Next, to pay the profit split: 60% to Unit Holders and 40% to CCFM (Or 70% / 30% accordingly once \$1MM+ of capital is raised)

Fund Termination

The Fund targets **liquidation of all acquired assets on or before three years** after the Fund commences asset acquisitions. CCFM has the right to extend the termination of the Fund on a month-to-month up to a period of 12 months. Manager shall provide prompt written notice to Unit Holders of any such extension.

Accredited Investors Only

To invest in this offering, you must be an "Accredited Investor" as defined in Rule 501 of the Securities Act of 1933 (the "Securities Act"). Subscribers to the Fund will be required to sign a Subscription Agreement, which includes a questionnaire attesting to their Accredited Investor status. Additionally, Manager in most cases will require subscribers to further prove their Accredited Investor status through a CPA or attorney's attestation letter or by showing bank or brokerage statements or excerpts from past tax returns evidencing their status. Finally, accepted subscribers will be required to execute the Fund's LLC Operating Agreement, that should be read carefully in connection with the other offering documents, which include the Subscription Agreement and this Executive Summary of the offering.

This offering is being made as private placement in accordance with one or more exemptions under federal and state securities laws, including Regulation D, Rule 506 under the Securities Act. A Form D notice will be filed with the U.S. Securities and Exchange Commission ("SEC") on or before the 15th day after the close of any subscription funds by the Fund. Additionally, coordinate state notice filings shall be made during the same time frame to reflect subscribers from the various states who participate in the Fund as Unit Holders.

For more information on verifying your accreditation status, follow this [link](#)

Why Should You Invest with Us?

CCFM has built a solid business reputation in the community over the years allowing the Fund it manages to have preferred access to quality mortgage and real estate assets of the nature described herein. We are **full-time,**

note and real estate professionals and offer Unit Holders access to this investment opportunity that is not correlated with the stock market. We have the knowledge and expertise to handle all mortgage and real estate asset classes nationwide.

Risk Factors and Other Considerations

Neither Manager, the Fund or any of their affiliates, including Sean and Harrison, act as a subscriber's financial advisor, investment advisor, tax advisor, and/or broker-dealer. Subscribers acknowledge that none of these Fund associated and related parties are registered in any of these capacities

with any federal, state and/or self-regulatory organization securities authority. Accordingly, a subscriber is encouraged to consult his, her or its own such advisors, including attorney, in determining whether to participate in the Fund.

As in any private placement offering, the Fund's proposed portfolio assets involve a high degree of risk in that: (i) an investment in the Fund is highly speculative. Only subscribers who can afford the loss of their entire investment should consider participation in the Fund; (ii) an Unit holder will not be able to withdraw their investment prior to termination of the Fund; (iii) transferability of the Units is extremely limited; and (iv) in the event of a disposition, a Unit Holder could sustain the loss of his, her or its entire invested amount.

While Manager reserves this right to cause an audit of the Fund by an independent accounting firm, for cost considerations and in light of the size of the Fund, there is no requirement that an annual audit or otherwise be conducted per the Fund Operating Agreement.

Unit Holders also should recognize that there is currently no public market for any of the Units and even if there were, Rule 144 under the Securities Act requires, among other conditions, up to a one-year holding period prior to the resale of securities acquired in a non-public offering without having to satisfy



the registration requirements under this Act. The Fund and Manager have determined not to register the Units. Therefore, Unit Holders should be prepared to hold their Units for three years or more, if Manager exercises its extension rights.

This Executive Summary does not constitute an offer of the Units, which are being issued strictly in accordance with the required delivery of an executed

Subscription Agreement for the Coastline Capital Opportunity Fund. All Unit sales are strictly conditioned on the acceptance by CCFM of the subscriber along with full payment by the subscriber for the requisite Units, and the execution of the Fund's Limited Liability Company Operating Agreement.

The terms and conditions contained in the referenced Subscription Agreement and Operating Agreement shall solely control the offering and issuance of the Units.

Prospective subscribers are encouraged to contact Manager at the contact information below to ask further questions or seek clarification of any ambiguity found in this Executive Summary or any of the other offering documents before considering whether to participate as a Unit Holder in the Fund.

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