

PRIVATE OFFERING · INFORMATIONAL SUMMARY

Fineline Capital

Supportive Housing Investor Teaser

A plain-language introduction to the February 24, 2026 Private Placement Memorandum

IMPORTANT

This teaser is not an offer to sell or a solicitation of an offer to buy any security. It is qualified in its entirety by the Private Placement Memorandum (PPM), Operating Agreement, and Subscription Documents. Private investments are speculative, illiquid, and may result in the loss of the entire investment.

Fineline Capital LLC · Los Angeles, California · February 2026

1 The Opportunity, in Brief

WHAT FINELINE CAPITAL IS BUILDING

Fineline Capital LLC develops and manages accessible, service-enriched supportive housing in Los Angeles. The investment thesis described in the PPM centers on transforming raw land or underused residential lots into high-density residential care settings, then stabilizing the assets with qualified operating partners and long-term provider-based or government-backed lease arrangements.

The Company's work is intended to serve people with serious mental illness, medical complexity, aging-related support needs, and youth transitioning from foster care or institutional settings. This is a specialized real-estate strategy—not a conventional multifamily product—and it depends on successful development, operator relationships, public funding mechanisms, and property-level execution.

\$500K–\$7M

Stated offering size

\$10,000

Class A price per Unit

\$100,000

Standard minimum subscription

8.0%

Class A preferred return*

*Preferred return is not guaranteed

The 8.0% Class A preferred return described in the PPM is subject to available cash flow and the Operating Agreement. It is a distribution priority, not a promise of payment.

1.1 How the development model is designed to work

01

Acquire & entitle

Identify appropriate land or residential sites; secure entitlements, building permits, and applicable tax treatment.

02

Build & lease

Construct the project and work toward a master lease or operating relationship with qualified providers.

03

Stabilize & decide

Hold, refinance, or sell when management determines that doing so is in the Company's best interests.

POLICY AND OPERATING CONTEXT

The PPM discusses a development strategy that may use the [Executive Directive 1 \(ED1\)](#) pathway for qualifying 100% affordable projects, nonprofit partnerships that may support [Welfare Property Tax Exemption \(Section 214\)](#) treatment, and operator funding sources such as DMH Enriched Residential Care and CalAIM. These mechanisms involve eligibility requirements, governmental decisions, operational performance, and regulatory change; none should be treated as certain.

2 Portfolio Focus and Distribution Priority

DEVELOPMENT NODES DESCRIBED IN THE PPM

HARBOR CITY**1668 255th Street**

A 30+ bed supportive-care concept in Council District 15, where the PPM cites high concentration of small residential units.

EAST LOS ANGELES**1329 Eastern Avenue**

A supportive transition-living concept positioned near transit and walkable amenities.

PALMS / WEST ADAMS**5933 & 5940 Comey Ave**

Urban infill and repositioning opportunities with planned financing and redevelopment strategies.

HOW THE DISTRIBUTION WATERFALL IS DESCRIBED

A distribution waterfall is the agreed order in which available cash flow and capital-event proceeds are allocated. It does not ensure that cash flow will exist. The following is a simplified description; the definitive terms are in the Operating Agreement and PPM.

During ordinary operations

1. Available Net Cash Flow first goes to Class A Members pro rata until accrued and unpaid **Class A Preferred Return (Preferred Return)** is addressed.
2. The Manager may elect to apply excess operating cash flow to return Class A capital.
3. Remaining annual operating cash flow is split 40% to Class A and 60% to Class B.

At a sale or refinance

1. Class A receives unpaid preferred return and unreturned capital balances first.
2. Proceeds then split 80% Class A / 20% Class B until Class A achieves the stated 15% **Internal Rate of Return (IRR)** hurdle.
3. Thereafter, proceeds split 40% Class A / 60% Class B.

A hurdle is not a performance forecast

The 15% IRR figure is a contractual waterfall threshold used to determine how proceeds are allocated in a capital event. It is not a projected, promised, or guaranteed return.

3 Considerations Before Requesting the Full PPM

WHO THIS MAY BE FOR

The PPM states that the Company will accept Accredited Investors and a limited number of Non-Accredited Investors. The offering also describes IRA eligibility. Eligibility does not establish suitability. A prospective investor should consider investment objectives, liquidity needs, time horizon, tax circumstances, and capacity to absorb a complete loss before requesting or subscribing for Units.

KEY RISKS**Development & construction**

Permitting, timelines, cost escalation, subcontractor performance, and construction execution may vary materially from assumptions.

Operators & revenue

Lease arrangements, resident services, public funding programs, rent support, and counterparty performance may change.

Liquidity & capital markets

Units are restricted and illiquid. Refinancing availability, interest rates, property values, and exit timing are uncertain.

NEXT STEPS

To evaluate the offering, request the complete PPM, Operating Agreement, and Subscription Packet from Fineline Capital. Review all materials, including risk factors, and consult independent legal, tax, and financial advisers. An information request is not a commitment to invest.

Fineline Capital LLC

3126 S. Sepulveda Blvd., Ste 314 · Los Angeles, CA 90034

Investor information: info@fineline-capital.com · (510) 913-7035

3.1 Key Terms

ED1 – Executive Directive 1: A City of Los Angeles ministerial approval pathway described in the PPM for qualifying 100% affordable housing projects. Eligibility, timing, and approvals are not guaranteed. [1](#)

IRR – Internal Rate of Return: A time-weighted return calculation. The 15% IRR discussed in the PPM is a distribution-waterfall hurdle, not a forecast, target, or guarantee. [2](#)

Preferred Return – Class A Preferred Return: A stated 8.0% non-compounded annual distribution priority, subject to available cash flow and the offering documents. It is not guaranteed. [2](#)

Section 214 – Welfare Property Tax Exemption: A potential California property-tax exemption referenced in the PPM, subject to applicable legal requirements and nonprofit partnership structure. [1](#)

This document is a summary prepared for discussion purposes only. It is not investment, legal, tax, or accounting advice. Securities offered by Fineline Capital LLC have not been registered under the Securities Act of 1933 or applicable state securities laws. Offers and sales are made only pursuant to the PPM and other definitive offering documents, and only where lawful.