

SELF STORAGE REIT OPERATOR

The Borrower, via affiliates, manages a portfolio of 35 institutional grade self storage facilities across 6 states in the Northeast and Midwest. These properties are owned by a publicly traded REIT, the Borrower holds ownership in the REIT and receives dividends based on the performance of the properties in the Borrower's portfolio.

In addition to the 35 properties in the portfolio, the Borrower partners with the REIT to make new acquisitions on the REIT's behalf. To ensure alignment the Borrower must invest in each new acquisition, and in exchange for the investment, the REIT issues new shares to the Borrower.

CAPITAL REQUEST

The Borrower has requested \$25 million to support growing their portfolio with the REIT. The proceeds would be used as follows:

- Fund the capital requirement for two properties the REIT has acquired on the Borrower's behalf (\$8 million).
- Refinance friends and family funding that contributed to earlier portfolio growth (\$7.5 million).
- Near term property acquisitions the Borrower has identified as attractive targets (Up to \$9.5 million).

Self Storage Portfolio Loan

Loan Amount: \$25 million.

Interest Rate: 15.0%** gross / 12.5% net to investors. 2.5% administrative fee paid after the 9% investor current return.

Current Returns: First 9% per annum paid quarterly, 3.5% per annum may be accrued (annual compounding).

Term: 5-year initial maturity, with two renewals at lender's option for additional 5 years in total.

Other: \$250,000 investment minimum. Background check required for investors new to Coulton Creek.

**** Greater of 15.0% or Prime + 6.5%**

INVESTMENT HIGHLIGHTS

The Borrower's current REIT ownership generates annualized dividends of \$3.7 million equating to a 23.8% yield on the initial \$15.5 million advance (2.4x year 1 DSCR), or 14.8% on the full \$25 million (1.5x year 1 DSCR) before the economic benefit from new acquisitions. Once new properties are acquired, it is anticipated that the dividends should increase proportionately, increasing the yield and debt service coverage.

Additionally, the Borrower holds ownership in the REIT with a current market value of approximately \$44 million, anticipated to increase to \$60 million after the acquisitions made using the proceeds from the subject loan. A portion of these shares could be sold if needed to support the loan.

The principal of the Borrower will be providing a personal guaranty, and Coulton Creek will have a pledge and assignment of the cash flow generated from the REIT shares.

MANAGEMENT

The principal and management of the Borrower have been active in self storage for over 24 years including development, construction, brokerage and management. Over the course of their career, they had accumulated a sizeable portfolio of self storage properties which were then contributed to the REIT in 2019. Subsequently, they have continued to manage the original contributed portfolio while also making strategic acquisitions sourced primarily through the principal's extensive network resulting from many years as a broker and owner.

Important Note: The information contained herein does not constitute an offer to sell or the solicitation of an offer to buy securities or invest in the interest offered by Coulton Creek Capital LLC ("CCC"), or its affiliates. No money is being solicited and if sent in response will not be accepted. No sale of securities will be made or commitments to purchase accepted until delivery of the offering documents selling such securities and related documents including a subscription agreement (collectively the "Offering Materials"), each of which shall contain the terms and conditions of an investment. Any offering of securities or the solicitation of the potential investment opportunity described herein will be made only pursuant to the Offering Materials. The Offering Materials, when available, will be provided for the recipient's sole and exclusive use. The Company reserves the right to accept or reject any subscription agreement and investment in its sole and absolute discretion.

If interested in the opportunity, please contact Chris Hanks, Managing Director, at 720.502.1149 or chanks@ccrcapital.com