



Investors, Partners, and Friends,

2024 was a milestone year for Coulton Creek Capital, marked by significant exits, strategic investments in New York City, and continued growth despite a challenging economic landscape. With over \$300 million deployed across hundreds of investments since our founding, we remain steadfast in delivering the diversification our investors seek and the diligence they expect.

As we step into 2025, we are excited to build on this legacy and navigate evolving market dynamics—including shifts in interest rates, Federal Reserve policies, housing supply, and property insurance—together with your valued input. Your questions, ideas, and insights are vital to our shared success, and we deeply appreciate your continued engagement.

2024 Reflections: Strategic Exits and Investments

Project Storage Investment Successful Exit

The \$25M mezzanine loan facility underscores our strategic investment approach—leveraging trusted relationships and providing innovative capital solutions for complex situations. This investment not only exceeded projected returns but also delivered strong results for both investors and borrowers. This achievement was made possible through exceptional collaboration with top-tier partners such as Investment Real Estate, LLC.





Hidden Gems in Plain Sight

New York City is universally recognized as a competitive real estate market, and it takes a keen eye to identify untapped opportunities within its vibrant landscape. In 2024, we presented investors with promising, mixed-use developments in two often overlooked areas—Harlem and the Marble Hill neighborhood, each of which capitalizes upon a unique NYC tax abatement incentive.

Harlem, once known for its rough reputation from the 1970s, is today one of the most desirable neighborhoods in all of NYC. With its cultural diversity, an unsurpassed arts, food, and entertainment scene, plus a convenient location near New York’s Central Park, Central Harlem boasts some of the strongest multifamily dynamics in the country. We made a well-positioned investment in a new mixed-use development in the Upper Manhattan neighborhood, working with an exceptional local development team.

Farther north, we uncovered a similar opportunity in Marble Hill, entering a mixed-use development with 115 rental units as well as first-floor retail space. This unique location is inside the borough of Manhattan but actually located off the island, adjacent to the Bronx. This untapped area, typically known for mid-century single-family homes offers stunning views of the Harlem River and the New York skyline.



Uncovering Opportunities in NYC

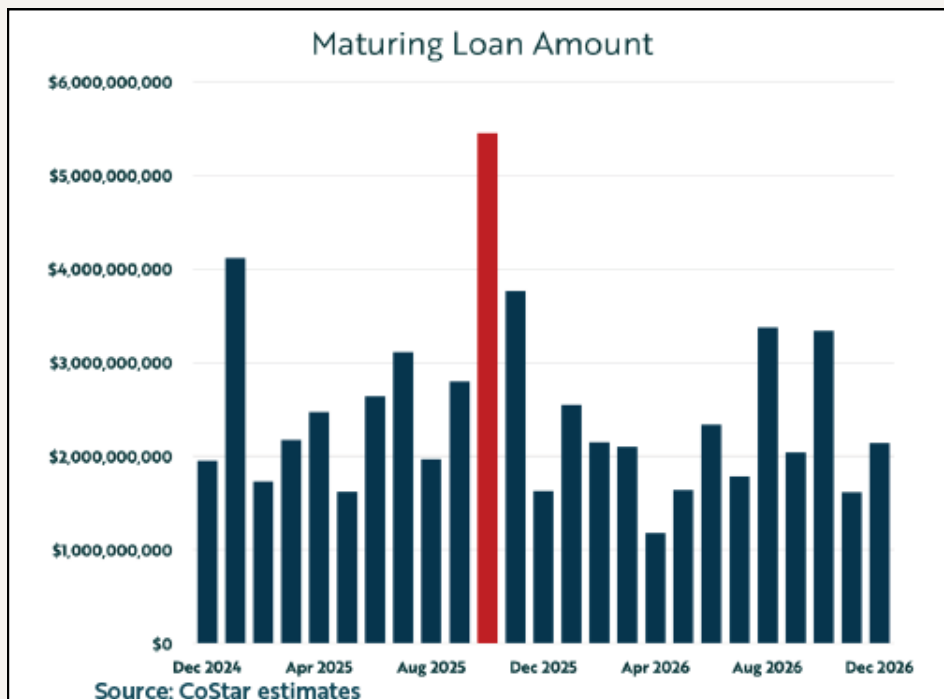
Harlem’s resurgence and Marble Hill’s unique potential have provided for impactful investments in emerging multifamily and retail developments.



Flowing into 2025: A Year of Growth and Opportunity

Loan Maturities Could Entice Multifamily Investors in 2025

With over \$1 trillion in CRE loans maturing by 2025, elevated interest rates and stricter conditions for loan extensions are expected to drive sales activity. Special servicing rates are at their highest since 2015, increasing market pressures. These factors, combined with favorable lending environments, could catalyze multifamily market transactions in the coming years. Coulton Creek is collaborating with partners focused on distressed multifamily real estate sellers. We closed one deal in Q4 2024 and plan to close another in Q1 2025, with expectations for additional opportunities throughout 2025. Read more about loan maturities and multifamily investing [here](#).





Oversupply of New Multifamily... Followed by Undersupply of Future Multifamily Construction

2024 was expected to be the peak year for new multifamily real estate deliveries before a decline in 2025. Strong demand and favorable conditions drove a surge in construction starts, but economic factors, rising construction costs, and tightening finances are slowing new construction growth. While 2025 is projected to see strong demand, with Moody's forecasting it to be the fourth-strongest year for demand and absorption since 2000, multifamily construction starts are expected to decline by 74% from their 2021 peak by mid-2025, leading to fewer deliveries in subsequent years. This could result in tighter supply, especially in high-demand areas, influencing rental rates and market dynamics.

For a deeper dive into the future of multifamily construction and market supply, see these articles from the [Urban Land Institute](#) and [VidTech](#).

Creekside Update

We're proud to announce the promotion of Will Hensley and Scott Brown to Managing Directors. As key leaders, they oversee opportunity sourcing, underwriting, portfolio management, and investor relations. Their expertise and vision are instrumental to Coulton Creek's continued success. Learn more about our professional investment team [here](#).



Interested in hearing more? Contact:

[Will Hensley](mailto:whensley@ccrcapital.com)
whensley@ccrcapital.com

[Scott Brown](mailto:sbrown@ccrcapital.com)
sbrown@ccrcapital.com

[Leigh Hierholzer](mailto:lhierholzer@ccrcapital.com)
lhierholzer@ccrcapital.com



Coulton Creek Capital
5613 DTC Parkway, Suite 830
Greenwood Village, CO 80111

ccrcapital.com