

MJ PARTNERS  
SELF STORAGE GROUP

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# SELF STORAGE MARKET OVERVIEW

## First Quarter 2017 Results

*Analysis of the Public Self Storage Companies*

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## Summary

### Moderating Growth Continues

- Deceleration of growth reverting back to the mean may be expected after several years of outsized revenue and net operating income growth.
- The self storage REITs generated same-store revenue growth in the first quarter of 2017 ranging from 3.2% to 6.6%. Revenue growth unevenly spread across specific markets. With occupancies plateauing in the first quarter in comparison to last year, rental rate increases had greatest impact on revenue growth.
- Net Operating Income in the first quarter 2017 range from 3.2% to 9.2%.
- The bid-ask spread between buyers and sellers remains wide driving lower acquisition volume for operating properties and certificate of occupancy transactions during the first quarter of 2017. An uptick in transactions anticipated in the second half of the year as the gap between buyers and sellers narrows, and impact of new supply pipeline defined.
- A flight to quality persists as cap rates for the best assets remains stable.

### Implied CAP Rates

Public Storage (NYSE: PSA)	5.1%
Extra Space Storage (NYSE: EXR)	5.3%
CubeSmart (NYSE: CUBE)	5.6%
Life Storage (NYSE: LSI)	6.1%
National Storage Affiliates (NYSE: NSA)	6.2%

*-BMO Capital Markets  
Implied capitalization rates based on common share prices*

# Earnings Results

## Same-Store Comparisons

	Total Properties Operating	Revenue	Net Operating Income	Occupancy/ Previous Year*	Rent Per Occupied Square Foot
<b>Public Storage</b>	2,354 U.S. 220 Europe	+4.0%	+4.1%	93.1% 93.6%	\$16.81
<b>Extra Space Storage</b>	1,441	+5.8%	+9.2%	92.2% 91.4%	\$15.47
<b>CubeSmart</b>	~750	+5.4%	+6.0%	92.7% 92.2%	\$16.17
<b>Life Storage</b>	675	+3.2%	+3.2%	90.9% 90.9%	\$13.23
<b>National Storage Affiliates</b>	456	+6.6%	+9.1%	89.2% 89.5%	\$11.32

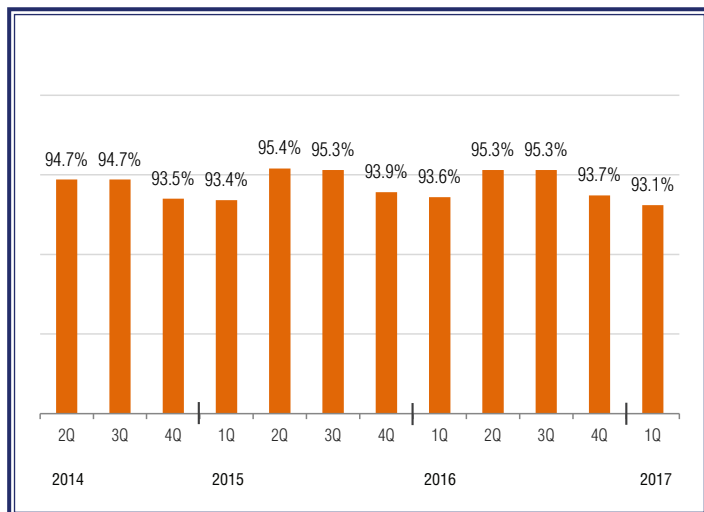
## Capital Markets

	Market Capitalization	Funds From Operations (adjusted)	Annual Dividend Yield	Common Stock Price (May 8, 2017)	52-Week High/Low
<b>Public Storage</b>	\$36.18 billion	\$2.34/share (+11.4%)	3.84%	\$208.45	\$267.34 \$200.65
<b>Extra Space Storage</b>	\$9.63 billion	\$1.03/share (+19.8%)	4.25%	\$73.21	\$94.81 \$68.09
<b>CubeSmart</b>	\$4.54 billion	\$0.36/share (+12.5%)	4.34%	\$24.94	\$32.78 \$23.65
<b>Life Storage</b>	\$3.45 billion	\$1.26/share (+8.6%)	5.35%	\$74.36	\$116.22 \$72.08
<b>National Storage Affiliates</b>	\$1.67 billion	\$0.39/share (+16.0%)	4.03%	\$23.72	\$26.15 \$18.81

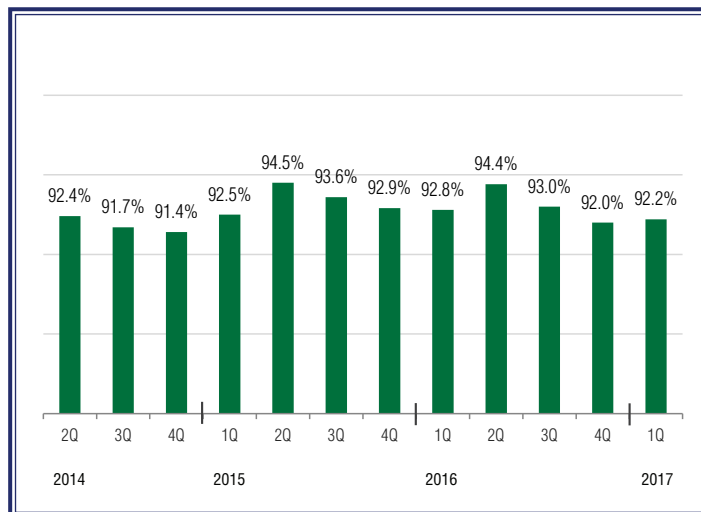
\*Occupancy for Public Storage weighted average, all others end-of-quarter.

## Portfolio Occupancies

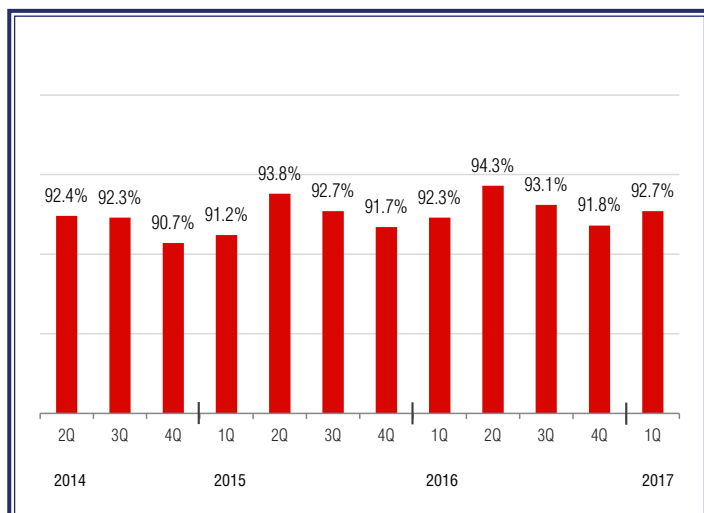
Public Storage



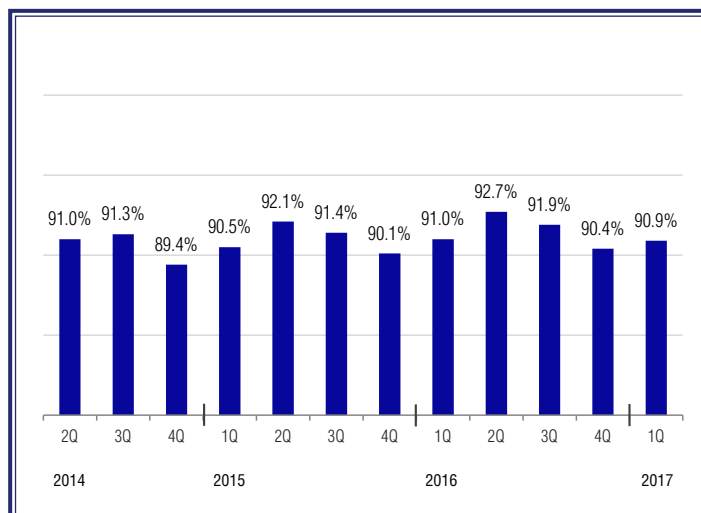
Extra Space Storage



CubeSmart



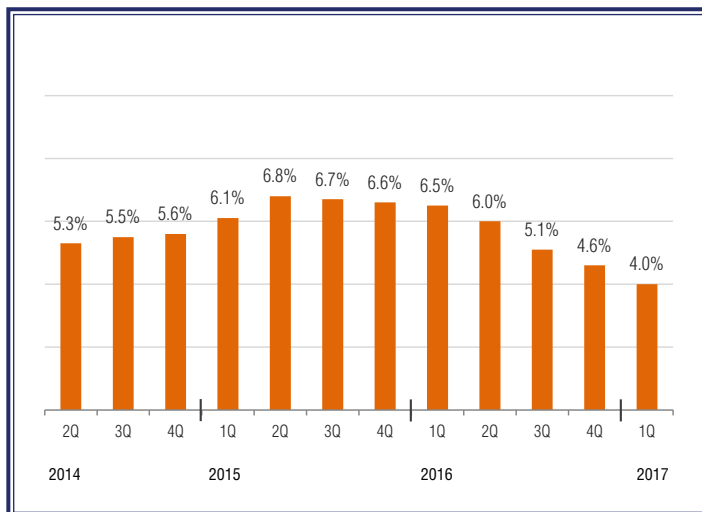
Life Storage



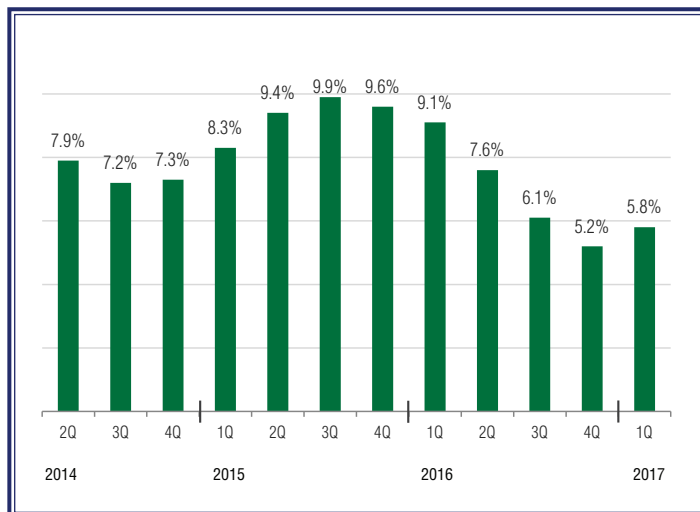
## Portfolio Revenues

Same-Store Year-Over-Year Change

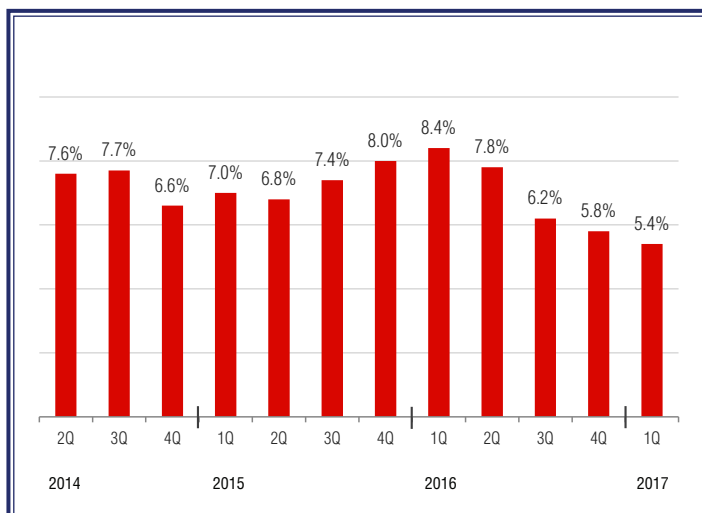
Public Storage



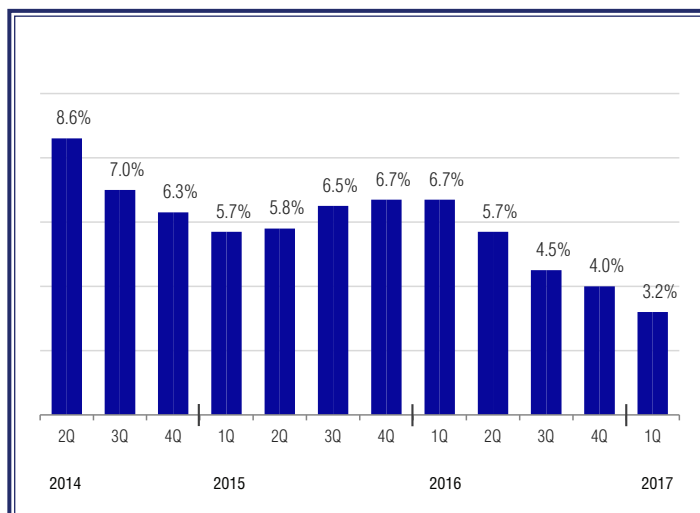
Extra Space Storage



CubeSmart



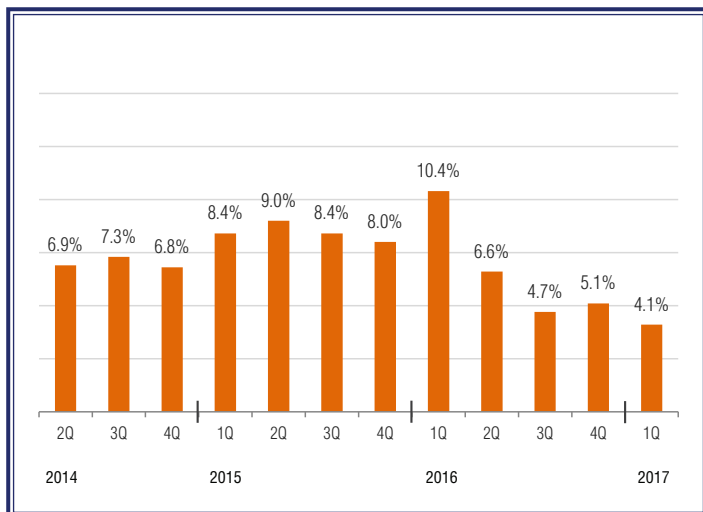
Life Storage



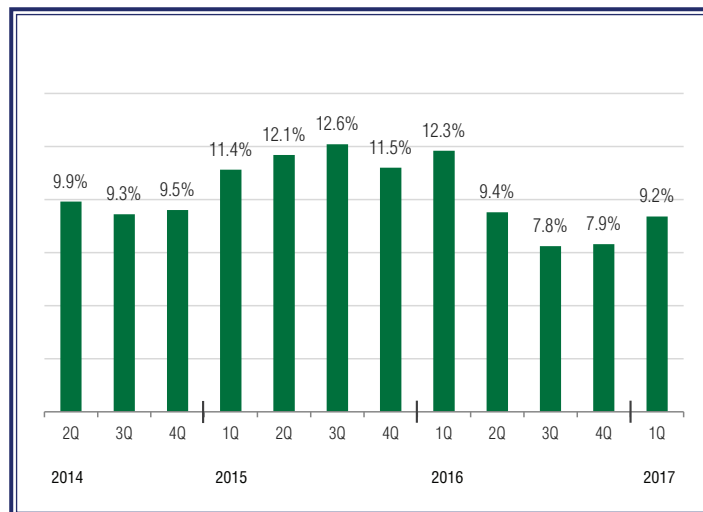
## Portfolio Net Operating Income

Same-Store Year-Over-Year Change

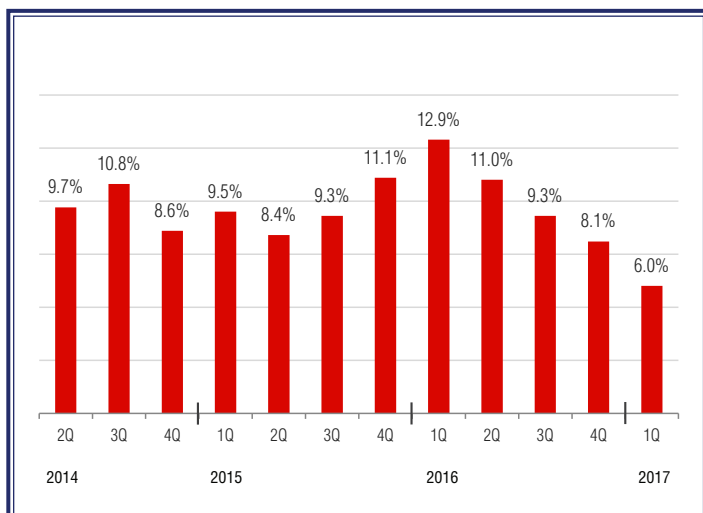
Public Storage



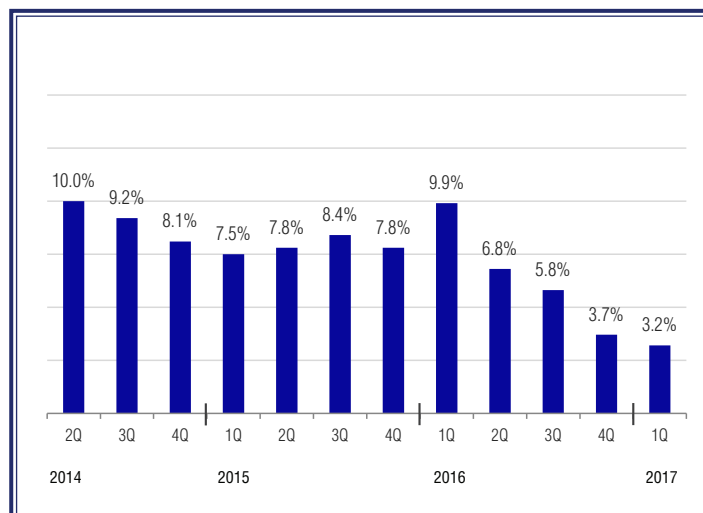
Extra Space Storage



CubeSmart



Life Storage



## Investment Activity

*Acquired four facilities in the first quarter for \$23 million. Locations include one each in Minnesota, New York, North Carolina, and Ohio.*

- Subsequent to end of the quarter, acquired or under contract five facilities for \$25 million. Locations include two in Indiana, two in South Carolina, and one in Ohio.

## Public Storage

(NYSE: PSA)

### Development and Expansions

- At March 31, 2017, approximately \$470 million at various stages of development consisting of about four million rentable square feet; and, various expansion projects estimated to cost \$148 million consisting of about 1.2 million rentable square feet. Developments expected to be incurred primarily within the next 18 months.
- Public Storage completed the development of the largest self storage facility in the country. The property, located on 2nd Street in Jersey City, New Jersey, totals 3,978 units and represents the most units under one roof at any single location. The property is a renovation of a 100-year old, block-long, multi-story building in the Powerhouse Arts District neighborhood.
- Still bullish on Texas - developing over 5.2 million square feet in key markets of Texas.

### Development Activity - Top States

Market	Approximate Pipeline
Texas (primarily Dallas, Houston)	5,200,000 sq.ft.
California	1,000,000 sq.ft.
Colorado	500,000 sq.ft.
Seattle	342,000 sq.ft.
Florida	300,000 sq.ft.
Washington State	300,000 sq.ft.
North Carolina	170,000 sq.ft.

- When underwriting new development, use spot rental rates from PSA's pricing group, and do not use projected rates over the next three to five years. Do not underwrite tenant insurance or merchandise sales. Underwrite 90% occupancy.
- Current market fundamentals may impact overall industry development pipeline. If rental rates down - such as in Houston and Denver - difficult to underwrite new developments since return requirements remain the same.
- The transaction market has declined due to a gap between sellers and buyers expectations. Estimate cap rates for acquisitions in overall market last year about 4.0% to 4.5%. This year difficult to estimate due to lack of transaction activity. Cap rates maybe 5.5% to 6.0%.

## Investment Activity

### Extra Space Storage

(NYSE: EXR)

*Acquired two wholly-owned operating stores during the first quarter for a total purchase price of approximately \$25.5 million.*

- Acquired two stores at completion of construction (“certificate of occupancy stores”) with joint venture partners for a total purchase price of approximately \$16,205,000.
- Subsequent to end of the quarter, acquired one store for \$7.3 million in Orlando.
- Selling a majority interest in 36 assets, plan to maintain minority interest and retain management.

### Redevelopment and Expansions

- Taking acquisition resources and focusing on redevelopment and expansion of existing portfolio. About 55 projects in the pipeline now in various stages of the development process, from financial underwriting to feasibility, to pre-construction and a couple under construction. About \$175 million worth of projects, projecting double-digit returns. The timing of entitlement process in different jurisdictions may impact the volume of redevelopment and expansions.
- Historically, targeting \$30 million to \$40 million of value added activity.
- Overall market, continuing to see a significant fallout rate of 40% to 60% in proposed developments.
- Focusing on South Orange County, California where Irvine Company is aggressively building, and Extra Space to manage. Trying to evaluate the impact of new supply coming in San Diego and San Jose.



## Investment Activity

Extra Space Storage  
(NYSE: EXR)

### Certificate of Occupancy and Development Stores - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price	Price Per Square Foot	Ownership
<b>2017 Projected Openings</b>					
Philadelphia, PA	2Q 2017	78,320	\$15,850,000	\$202.37	73%
Orlando, FL	2Q 2017	67,800	\$7,300,000	\$107.67	100%
New York, NY	2Q 2017	65,188	\$30,000,000	\$460.21	25%
Venice, FL	2Q 2017	62,820	\$7,830,000	\$124.64	20%
Ft. Meyers, FL	2Q 2017	80,000	\$8,970,000	\$112.13	100%
Cohasset, MA	2Q 2017	52,475	\$8,800,000	\$167.70	10%
Philadelphia, PA	3Q 2017	73,800	\$16,500,000	\$223.58	50%
Portland, OR	3Q 2017	74,040	\$12,800,000	\$172.88	25%
Vancouver, WA	4Q 2017	67,455	\$8,250,000	\$122.30	25%
Westwood, NJ	4Q 2017	72,700	\$19,975,000	\$274.76	50%
Totowa, NJ	4Q 2017	85,000	\$18,000,000	\$211.76	50%
Portland, OR	4Q 2017	67,975	\$11,700,000	\$172.12	25%
Raleigh, NC	4Q 2017	75,000	\$8,800,000	\$117.33	10%
Cherry Creek, CO*	4Q 2017	91,125	\$15,340,000	\$168.34	100%
Total	14	1,013,698	\$190,115,000		

\*Development

## Investment Activity

Extra Space Storage  
(NYSE: EXR)

### Certificate of Occupancy and Development Stores - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price	Price Per Square Foot	Ownership
<b>2018 Projected Openings</b>					
Vista, CA	1Q 2018	104,400	\$16,000,000	\$153.26	10%
Buford, GA	1Q 2018	79,250	\$7,500,000	\$94.64	100%
Jamaica Plain, MA	1Q 2018	97,500	\$21,333,000	\$218.80	100%
New York, NY	1Q 2018	62,385	\$33,000,000	\$528.97	25%
Houston, TX*	1Q 2018	75,025	\$10,611,000	\$141.43	100%
Riverview, FL	1Q 2018	78,000	\$10,400,000	\$133.33	10%
New York, NY	1Q 2018	128,095	\$57,000,000	\$444.98	25%
New York, NY	1Q 2018	140,659	\$80,000,000	\$568.75	25%
Newton, MA	1Q 2018	80,000	\$20,000,000	\$250.00	10%
North Olmstead, OH	1Q 2018	60,000	\$5,700,000	\$95.00	100%
Parma, OH	1Q 2018	60,000	\$5,700,000	\$95.00	100%
Lawrenceville, GA	2Q 2018	80,000	\$7,500,000	\$93.75	100%
Morristown, NJ	2Q 2018	77,300	\$21,700,000	\$280.72	50%
Manayunk, PA	2Q 2018	57,675	\$14,600,000	\$253.14	50%
Alexandria, VA	2Q 2018	79,500	\$17,500,000	\$220.13	10%
Plantation, FL*	2Q 2018	75,750	\$11,800,000	\$155.78	100%
Largo, FL	2Q 2018	89,000	\$11,500,000	\$129.21	100%
Portland, OR	2Q 2018	83,320	\$22,500,000	\$270.04	25%
Tacoma, WA	2Q 2018	88,025	\$13,200,000	\$149.96	100%
Hollywood, FL	2Q 2018	60,525	\$12,000,000	\$198.27	100%
East Rutherford, NJ	2Q 2018	71,025	\$19,000,000	\$267.51	50%
Brooklyn, NY*	3Q 2018	82,900	\$36,000,000	\$434.26	100%
Norwood, MA	3Q 2018	85,650	\$19,000,000	\$221.83	10%
Charlotte, NC	4Q 2018	74,800	\$9,300,000	\$124.33	100%
Wakefield, MA	4Q 2018	84,075	\$16,800,000	\$199.82	100%
San Jose, CA	4Q 2018	76,000	\$13,500,000	\$177.63	100%
Total	26	2,130,859	\$513,144,000		
<b>2019 Projected Openings</b>					
Aurora, CO	4Q 2019	79,900	\$10,528,000	\$131.76	100%

\*Development

## Investment Activity

Extra Space Storage  
(NYSE: EXR)

### Certificate of Occupancy and Development Stores - Operating

Location	Date Opened	Rentable Square	Purchase Price	Price Per Square Foot	Occupancy 3/31/17	Ownership
Gilbert, AZ	3Q 2015	62,200	\$5,429,000	\$87.28	93.7%	10.0%
Bloomfield, NJ	3Q 2015	74,126	\$16,100,000	\$217.20	93.3%	50.0%
San Antonio, TX	4Q 2015	82,578	\$8,700,000	\$105.35	87.9%	100.0%
Charlotte, NC	4Q 2015	69,202	\$5,300,000	\$76.59	84.0%	100.0%
San Diego, CA	4Q 2015	74,392	\$9,708,000	\$130.50	96.4%	100.0%
Quincy, MA	1Q 2016	85,214	\$16,150,000	\$189.52	48.9%	100.0%
Chicago, IL	1Q 2016	81,683	\$16,500,000	\$202.00	60.6%	100.0%
Aurora, CO	1Q 2016	84,855	\$11,470,000	\$135.17	50.4%	10.0%
Bronx, NY	3Q 2015	66,890	\$23,000,000	\$343.85	82.3%	44.4%
Mesa, AZ	2Q 2016	63,395	\$5,000,000	\$78.87	95.3%	100.0%
Roswell, GA	2Q 2016	77,110	\$7,900,000	\$102.45	48.7%	100.0%
New York, NY	2Q 2016	62,549	\$52,000,000	\$831.35	49.5%	25.0%
Columbia, SC	3Q 2015	80,676	\$8,000,000	\$99.16	73.7%	20.0%
San Antonio, TX	2Q 2016	55,325	\$10,500,000	\$189.79	67.8%	100.0%
Elmont, NY	3Q 2016	80,153	\$24,700,000	\$308.16	41.8%	50.0%
Glendale, CA	3Q 2016	66,665	\$13,800,000	\$207.01	42.5%	100.0%
Hillsboro, OR	3Q 2015	27,200	\$3,672,000	\$135.00	95.3%	25.0%
Vancouver, WA	3Q 2016	82,485	\$8,700,000	\$105.47	75.2%	25.0%
Murray, UT	4Q 2016	77,010	\$3,750,000	\$48.69	40.6%	100.0%
Smyrna, GA	2Q 2016	61,720	\$8,000,000	\$129.62	48.5%	100.0%
Portland, OR	4Q 2016	44,405	\$8,700,000	\$195.92	38.2%	25.0%
Sarasota, FL	4Q 2016	66,930	\$10,340,000	\$154.49	14.0%	20.0%
Lake Worth, FL	1Q 2017	78,305	\$8,455,000	\$107.98	11.4%	10.0%
Clearwater, FL	1Q 2017	56,588	\$7,750,000	\$136.95	20.8%	20.0%
Total	24	1,661,656	\$293,624,000			

## Investment Activity

### CubeSmart (NYSE: CUBE)

*No acquisitions in first quarter of 2017. Two properties under contract for \$22 million.*

- There continues to be a disconnect between REITs and their costs of capital and sellers expectations.
- Not seeing shift in seller expectations in major markets including New York, Washington D.C. and California. Maybe 25 basis points in higher cap rates in other markets.
- Targeting \$25 million to \$75 million of acquisitions, excluding joint ventures and certificate of occupancy acquisitions.

#### **Development Activity**

- Currently six joint venture development properties, and one wholly-owned project under development. Anticipated investment for these developments of \$311.2 million. Locations include five in New York, one in Massachusetts, and one in Washington D.C. Openings between second quarter 2017 and fourth quarter 2018.
- Opened a wholly-owned development property in North Palm Beach, Florida for a total investment of \$9.7 million.
- As of March 31, 2017, CubeSmart reports four properties under contract at certificate of occupancy for a total acquisition price of \$61.1 million. Locations include two in greater Chicago, and two in Florida. Acquisitions to occur between second and fourth quarters of 2017.
- Subsequent to quarter end, acquired one facility in Riverwoods, Illinois (Chicago suburb) at certificate of occupancy for \$11.2 million.
- Difficult to predict if 2017 new deliveries overall U.S. market will exceed 2016 new deliveries.
- CubeSmart to cautiously continue to look for development opportunities in company's top markets of Boston, New York and Washington D.C.
- Pricing on relative basis to company's cost of capital is less attractive than one year ago. Plus, an uncertain future cost of capital necessitates a disciplined approach in pursuing future development deliveries.

## Investment Activity

CubeSmart  
(NYSE: CUBE)

### Acquisitions At Certificate of Occupancy

Location	Expected Opening	Contract Price
Riverwoods, IL	Q2 2017	\$11,200,000
Chicago, IL	Q4 2017	\$11,300,000
Miami, FL	Q4 2017	\$20,800,000
Delray Beach, FL	Q4 2017	\$17,750,000
Total		\$61,050,000

### New Development

Location	Expected Opening	CUBE's Anticipated Investment
Washington, D.C.	Q2 2017	\$25,400,000
New York, NY	Q3 2017	\$74,290,000
Brooklyn, NY	Q4 2017	\$49,800,000
Bronx, NY	Q2 2018	\$90,000,000
New York, NY	Q2 2018	\$10,000,000
Waltham, MA	Q3 2018	\$16,000,000
Queens, NY	Q4 2018	\$45,700,000
Total		\$311,190,000

## Investment Activity

CubeSmart  
(NYSE: CUBE)

### Facility Acquisitions At Certificate of Occupancy - Operating

Location	Date Completed	Rentable Square Feet	Total Price	Price Per Square Foot	Occupancy 3/31/2017
Long Island City, NY	Q4 2014	88,825	\$38,000,000	\$427.81	66.1%
Dallas, TX	Q2 2015	114,550	\$15,800,000	\$137.93	64.1%
Brooklyn, NY	Q1 2016	109,846	\$48,500,000	\$441.53	33.6%
Fort Worth, TX	Q2 2016	77,654	\$10,100,000	\$130.06	30.8%
Grapevine, TX	Q2 2016	77,344	\$10,800,000	\$139.64	29.3%
Total		468,219	\$123,200,000		

### New Development Facilities - Operating

Location	Date Completed	Rentable Square Feet	Total Cost	Cost Per Square Foot	Occupancy 3/31/2017
Arlington, VA*	Q2 2015	96,144	\$17,100,000	\$177.86	72.5%
Queens, NY*	Q4 2015	74,238	\$17,400,000	\$234.38	51.3%
Brooklyn, NY*	Q4 2015	56,025	\$14,800,000	\$264.17	51.2%
Queens, NY	Q1 2016	91,018	\$31,800,000	\$349.38	57.3%
Bronx, NY	Q2 2016	90,325	\$32,200,000	\$356.49	26.0%
North Palm Beach, FL**	Q2 2016	46,310	\$9,700,000	\$209.46	8.9%
Total		454,060	\$123,000,000		

\*The company owns a 90% interest in this property.

\*\*This store opened for operation on January 20, 2017.

## Investment Activity

### Life Storage (NYSE: LSI)

*During the first quarter, acquired one wholly-owned property upon issuance of certificate of occupancy in Chicago for \$10.1 million, consisting of approximately 78,000 rentable square feet (\$129 per square foot).*

#### Joint Venture Acquisitions

- Also during the quarter, two of the company's joint ventures acquired a total of five properties for a total cost of \$135.5 million. Life Storage's contribution to the acquisitions totaled \$19.8 million. The acquisitions include four properties in California - Los Angeles and Sacramento - and one in Long Island City (Queens), New York.
- Recent joint venture acquisitions cap rates in year one projected in the low 5's.
- Considering more joint venture acquisitions to limit company capital outlays.
- Under contract with a joint venture partner to acquire three properties for an aggregate purchase price of \$59.2 million, with Life Storage committed to contribute \$11.8 million to the acquisition.
- Also, remains in contract on a certificate of occupancy facility in Charlotte, North Carolina . The \$12.4 million transaction is anticipated to close in late 2017.
- Currently in negotiation to acquire 21 properties for about \$370 million.
- Negotiating an additional \$110 million worth of properties with joint venture partners.

#### Life Storage Portfolio Performance

- Acquisition of Life Storage portfolio last year running slightly behind projections, with current yield of 4.1% and annualized yield of 4.5%. Includes both 72 stabilized properties and 11 in lease-up. Occupancy increased to 86%, after cleaning up significant accounts receivables.
- Biggest concern with Texas properties. All 11 non-stabilized properties leasing up well.

#### Certificate of Occupancy Transactions

- Not considering any new properties for acquisition upon certificate of occupancy.
- Previously purchasing at yield 150 basis points over current stabilized yield. May consider 175 basis point spread over stabilized yield with joint venture partners.

## Investment Activity

Life Storage  
(NYSE: LSI)

### Certificate of Occupancy Properties Under Construction

Market	Expected Completion Date	Expected Net Rentable Sq. Ft.	Expected Price	Price Per Sq. Ft.
Austin, TX	April 2017	58,609	Lease	-
Charlotte, NC	Oct. 2017	71,780	\$12,425,000	\$173.10
Total			\$12,425,000	

### Certificate of Occupancy Operating Properties

Market	Date Acquired	Net Rentable Sq. Ft.	Price	Price Per Sq. Ft.	Occupancy 3/31/2017
Chicago, IL	May 2014	52,013	\$5,500,000	\$105.74	91.8%
Chattanooga, TN	Sept. 2014	57,260	\$6,550,000	\$114.39	86.5%
Chicago, IL	Nov. 2014	106,200	\$5,750,000	\$54.14	91.1%
Chicago, IL	March 2015	64,775	\$8,690,000	\$134.16	74.2%
Phoenix, AZ	June 2015	64,118	\$7,904,000	\$123.27	82.1%
Boston, MA	June 2015	63,475	\$10,291,000	\$162.13	82.9%
Phoenix, AZ	Feb. 2016	67,795	\$9,275,000	\$136.81	90.5%
Miami, FL	Feb. 2016	69,801	\$11,274,000	\$161.52	77.7%
Los Angeles, CA	March 2016	79,465	\$18,600,000	\$234.07	65.4%
Charleston, SC	July 2016	70,165	\$8,620,000	\$122.85	10.5%
Chicago, IL	Nov. 2016	68,235	\$8,884,000	\$130.20	23.5%
Chicago, IL	Feb. 2017	78,118	\$10,089,00	\$129.15	2.0%
Total		841,420	\$111,427,000		



## Investment Activity

### National Storage Affiliates

(NYSE: NSA)

*Acquired five properties during the first quarter for about \$31.9 million in five states consisting of over 300,000 square feet and 2,200 units.*

- Recent acquisitions trended 150 to 200 basis points in lower occupancy than the stabilized same-store pool. The occupancy upside and potential rate growth inherent in the acquisitions provides an opportunity to achieve an average targeted year one yield of about 6.5%.

#### **Pipeline of Acquisitions**

- Future acquisition pipeline of over 120 facilities from properties managed by the eight PROs that have not been added to the REIT, valued about \$1 billion.
- Acquired over 240 properties thus far through NSA's built-in captive and third-party pipeline since formation.
- Acquisitions target in 2017 from \$200 million to \$500 million. Higher guidance predicated on larger portfolio transaction, or addition of a new PRO.
- Recent gap between seller expectations and buyers estimated at 25 basis points; for higher quality properties willing to match this gap.
- An additional source of new acquisitions is the potential addition of new participating regional operators. NSA is in discussion with several operators about adding to the platform.

#### **New Supply**

- Overall new construction levels less than one-half of peak compared to last building cycle in late 1990's and early 2000's. Estimate about a 2% increase in supply in markets that NSA operates.

#### **iStorage Joint Venture Acquisition**

- Portfolio occupancy increased over 200 basis points from first quarter of 2016 to about 88% in the first quarter of 2017.
- Revenue increase of about 10% above first quarter 2016 levels.

## Operations

### Public Storage

(NYSE: PSA)

*In the top 20 markets during the first quarter 2017, every market had a lower revenue growth rate than last year. In the fourth quarter 2016, 80% of revenue base was down year-over-year.*

#### Same-Store Comparison

- Same-store facilities represent those facilities that have been owned and operated at a stabilized level of occupancy, revenue and cost of operations since January 1, 2015. The same-store pool increased from 2,000 facilities at year-end 2016 to 2,060 facilities at March 31, 2017.
- Twenty year average same-store revenue growth about 3.9% to 4.0%. From 2012 to 2016 revenue growth above trend line and now coming back towards the trend line. Public Storage reports first quarter 2017 revenue growth of 4.0% bolstered by 4.9% increase in realized annual rental income per occupied square foot.
- Same-store weighted average square foot occupancy was 93.1% in the first quarter 2017 compared to 93.6% in first quarter 2016. Public Storage does not anticipate any impact from occupancy changes in the near term.
- Combination of same-store revenue growth of 4.9% and cost of operations increase of 3.9% generated 4.1% of net operating income year-over-year.
- Sacramento best performing market, street rates up 10.3%. Houston other extreme, with street rates down 8.1%.
- Denver revenue growth -1.1%.

#### Negative Rollover Rates

- Average move-out rate \$137 per month versus \$124 per month move-in rate. Represents negative \$13 delta between move-in and move-out rates.
- Gap closes in the higher demand spring and summer leasing season.

#### Customers Under Stress

- There are concerns over macroeconomic factors over stretching customers. Softness in demand may be attributed to an increase in credit card debt, auto loans, and student loans. Uptick in delinquent tenant sales past two to three quarters, and decline in merchandise sales of locks and boxes.

## Operations

### Public Storage

(NYSE: PSA)

#### Retirement Announcements

- David Doll, President of Real Estate, and Candace Krol, Chief Human Resource Officer, retirements effective April 28, 2017.

#### Operating Metrics

- Street rates up 2% to 3%, but move-in rates flat.
- Move-in demand metrics include call volume, internet traffic and walk-ins. During first quarter, same-store call center calls up about 1%; website inquiries - combining desktop and mobile down about 5%; and walk-in traffic down 9% .
- Promotional discounts down slightly year-over-year (\$700,000), in part, due to flat rates and lower move-in volume.
- Public Storage aggressive in pricing, promotions and discounts until a property reaches 92% occupancy for one or two years.

#### New Development Strong Performance

- Opened Jersey City, New Jersey facility with nearly 4,000 units about 60 days ago, and already 10% occupied.
- Opened new facility in Irvine, California on Red Hill with about 3,000 units a little less than one-year ago, and already 55% occupied.

#### Shugard Europe

- Same-store revenue up 1.7%  
Same-store expenses down 2.6%  
Same-store up NOI 4.8%
- Occupancies down to 89% from about 89.9%, rates up modestly.

#### Select Markets Revenue Growth

Holland	+7.7%
France	+5.3%
United Kingdom	-1.7%
Denmark	-1.2%

## Operations

### Public Storage (NYSE: PSA)

#### Top Market Same-Store Performance

Market	Facilities	Rent Per Occupied Square Foot	Weighted Avg. Occupancy	Revenue Growth
Los Angeles, CA	201	\$23.97	95.5%	6.2%
San Francisco, CA	124	\$24.58	95.2%	4.7%
New York, NY	84	\$24.37	93.2%	2.8%
Chicago, IL	129	\$15.52	90.1%	2.0%
Miami, FL	79	\$19.81	93.5%	3.3%
Washington D.C.	84	\$20.81	91.6%	2.6%
Atlanta, GA	98	\$12.59	92.5%	4.6%
Seattle-Tacoma, WA	69	\$18.33	93.9%	6.7%
Houston, TX	79	\$13.94	90.4%	(1.4)%
Dallas, TX	82	\$13.10	92.8%	3.5%
Philadelphia, PA	56	\$15.23	93.9%	4.7%
West Palm Beach, FL	41	\$17.60	94.6%	6.5%
Orlando-Daytona, FL	62	\$12.87	94.5%	5.4%
Minneapolis-St. Paul, MN	44	\$14.45	89.5%	3.3%
Denver, CO	39	\$16.35	91.6%	(1.1)%
All other markets	789	\$13.74	93.0%	4.2%
Total	2060	\$16.81	93.1%	4.0%

## Operations

### Extra Space Storage

(NYSE: EXR)

*Positive revenue growth in all MSAs. Acceleration of revenue growth in several markets including Boston, Chicago, Philadelphia, and Denver.*

#### Same-Store Comparison in First Quarter

- Same-store facilities represent those facilities that were stabilized by the first day of the earliest calendar year presented. Extra Space considers a facility to be stabilized once it has been open for three years or has sustained average square foot occupancy of 80% or more for one calendar year.
- The addition of SmartStop facilities and other 2015 acquisitions increased the same-store pool by 168 facilities to a total of 732 facilities. The change in the same-store pool added approximately 110 basis points to revenue growth during the quarter.
- Achieved occupancy of 92.2% at end of quarter for same-store pool of 732 properties – an 80 basis point increase year-over-year.
- Increased achieved rates to new customers through an approximately 3% to 4% increase in street rates.
- The combination of growing occupancy and increase in street rates helped increase same-store revenue by 5.8% during the first quarter.
- Same-store net operating income increased 9.2% due, in part, to a decrease in same-store expenses by 2% in first quarter.
- Property taxes beat budgets by about \$1.2 million - over half as a result of favorable appeals and end of accruals in SmartStop acquisition and results in Texas and Illinois.

#### Third-Party Management

Third-Party Managed	421 stores
Joint Ventures	182 stores
Total Stores Managed	603 stores

- Added 27 stores in first quarter to third-party management platform.
- There are about 300 in facilities in the Extra Space management pipeline, one year ago had 150 in pipeline. They are experiencing a more balanced mix of development and existing stores in the pipeline. 40% of properties retaining Extra Space for management in the first quarter were existing facilities. The benefit is the immediate fee income as a percentage of gross income generated from existing facilities, rather than the longer time frame necessary to achieve fee income in development properties in lease-up.

## Operations

Extra Space  
Storage  
(NYSE: EXR)

### Guidance For Full Year 2017

Same-store revenue growth	4% to 5%
Same-store expense growth	2.25% to 3.25%
Same-store NOI growth	4.25% to 5.75%
Net tenant reinsurance income	\$78 million to \$79 million
Funds from operations, adjusted	\$4.21 to \$4.29
Acquisitions of operating stores, wholly-owned	\$305 million
Development and C of O stores, wholly-owned	\$20 million
Development and C of O stores, joint ventures	\$190 million*

\*Company investment about \$75 million

## Operations

### Extra Space Storage

(NYSE: EXR)

#### Select Markets Same-Store Performance

MSA	Stores	Rent Per Occupied Sq.Ft.	Average	Revenue Growth
Los Angeles-Riverside-Orange County, CA	77	\$17.29	94.6%	+7.8%
New York-N. New Jersey-Long Island, NY-NJ	67	\$22.01	92.3%	+4.0%
Dallas-Forth Worth, TX	44	\$12.90	90.2%	+5.8%
Atlanta, GA	43	\$11.86	90.5%	+6.0%
Washington-Baltimore, DC-MD-VA-WV	39	\$18.75	90.9%	+3.3%
Boston-Worcester-Lawrence, MA-NH-ME-CT	39	\$19.87	91.1%	+2.7%
San Francisco-Oakland-San Jose, CA	37	\$24.69	93.1%	+6.1%
Miami-Fort Lauderdale, FL	25	\$18.26	92.6%	+5.5%
Chicago-Gary-Kenosha, IL-IN-WI	24	\$14.04	90.5%	+6.4%
Philadelphia-Wilmington-Atlantic City, PA-DE-NJ	20	\$13.59	92.6%	+6.9%
Phoenix-Mesa, AZ	18	\$10.99	93.4%	+8.5%
Houston-Galveston-Brazoria, TX	16	\$12.91	88.7%	+2.6%
Norfolk-Virginia Beach-Newport News, VA-NC	16	\$11.71	91.1%	+5.6%
Tampa-St.Petersburg-Clearwater, FL	15	\$15.38	92.4%	+7.0%
Las Vegas, NV-AZ	14	\$8.19	93.4%	+8.9%
Cincinnati-Northern Kentucky	14	\$9.64	91.2%	+5.7%
Memphis, TN-AR-MS	12	\$8.78	92.2%	+5.0%
Sacramento-Yolo, CA	11	\$13.90	96.0%	+15.2%
Charleston-North Charleston, SC	11	\$13.29	87.8%	+5.5%
Orlando, FL	11	\$12.53	93.0%	+7.4%
West Palm Beach-Boca Raton, FL	10	\$13.57	91.0%	+9.4%
Richmond-Petersburg, VA	7	\$12.91	90.4%	+4.4%
Columbia, SC	7	\$10.85	87.6%	+4.6%
Denver-Boulder-Greeley, CO	7	\$13.29	89.6%	+1.7%
Salt Lake City-Ogden, UT	6	\$11.90	93.1%	+6.9%
Austin-San Marcos, TX	6	\$18.45	88.0%	+7.5%
Portland-Salem, OR-WA	5	\$14.82	92.4%	+12.3%
Seattle-Tacoma-Bremerton, WA	5	\$15.51	96.6%	+10.2%
El Paso, TX	5	\$7.48	92.0%	+13.3%
Hawaii, HI	5	\$31.89	94.4%	+7.5%
Pittsburgh, PA	5	\$11.72	87.4%	+9.3%

## Operations

### Extra Space Storage

(NYSE: EXR)

#### Select Markets Same-Store Performance (continued)

MSA	Stores	Rent Per Occupied Sq.Ft.	Average	Revenue Growth
Hickory-Lenoir-Morganton, NC	5	\$9.86	91.7%	+3.1%
Stockton-Lodi, CA	5	\$13.16	97.4%	+13.8%
Colorado Springs, CO	5	\$14.10	89.4%	+4.1%
St. Louis, MO-IL	5	\$12.70	90.6%	+0.1%
Indianapolis, IN	5	\$11.56	93.3%	+4.4%
San Diego, CA	4	\$16.90	93.1%	+5.8%
Sarasota-Bradenton, FL	4	\$13.06	91.4%	+1.3%
Greensboro-Winston-Salem-High Point, NC	4	\$10.19	91.8%	+1.4%
Columbus, OH	4	\$10.18	91.8%	+3.2%
Savannah, GA	4	\$11.20	90.1%	+7.1%
Cleveland-Akron, OH	4	\$7.75	93.1%	+5.3%
Other MSAs	62	\$12.61	90.3%	+6.2%
Totals	732	\$15.45	91.8%	+5.8%



## Operations

### CubeSmart

(NYSE: CUBE)

*In the first quarter 2017, same-store revenue growth of 5.4% was driven by a 4.9% increase in effective rents, and 50 basis point increase in occupancy to 92.7% at quarter end. A combination of revenue and occupancy gains and in-line expense growth generated same-store net operating income of 6% for the quarter.*

#### Same-Store Comparison in First Quarter

- CubeSmart considers a store to be stabilized once it has achieved an occupancy rate that, based on CubeSmart's assessment of specific market data, is representative of similar self storage assets in the applicable market for a full year measured as of the most recent January 1st. Same-store pool includes 432 stores, approximately 89.6% of total rentable square feet and 93% of NOI.
- Same-store cost of operations increase of 5% mostly attributable to 8.7% increase in real estate taxes.
- Same-store revenue growth continues to moderate with 40 basis point decrease from previous quarter.
- Scheduled annual rent per square foot increased only 80 basis points year-over-year. That compares to 2.5% increase last quarter, and 3.5% increase for full year 2016.
- Markets that experienced strong acceleration in revenue growth as compared to the fourth quarter 2016 include Chicago and Phoenix. Markets with strong year-over-year growth include California, Utah, Nevada and the major markets of New York, Dallas, and Washington DC.
- Expect to push rates more in busy leasing season from April through July.

#### Third-Party Management

- Added 44 stores to third-party management program, and now with 356 stores under management.
- Expect new third-party management properties to be roughly evenly split between existing stores and new developments.
- Approximately \$0.06 per share to \$0.07 per share dilution in 2017 related to development activity.

#### Guidance Full Year 2017

Same-store revenue growth	3.75% to 4.75%
Same-store net operating growth	4% to 5%
Same-store expense growth	4% to 5%
FFO per share, adjusted	\$1.52 to \$1.57

- Dispositions guidance range from \$0 to \$50 million.

## Operations

### CubeSmart (NYSE: CUBE)

#### **New York Supply Remains Low Per Capita**

- Biggest impact of new supply in the Bronx.
- New self storage development ban proposal for New York's Industrial Business Zones.
- Brooklyn and Queens each only two square feet per capita after new deliveries anticipated in 2017 and 2018.

#### **Concessions**

- First quarter 2017, discounts were 3.8% of revenues, representing a 10 basis point decline from last year's first quarter.

#### **Macroeconomic**

- CubeSmart not witnessing meaningful change in customer behavior in 2017 versus 2016 based on length-of-stay, receivables and write-offs.

# Operations

CubeSmart  
(NYSE: CUBE)

## Select Markets Same-Store Operating Performance

MSA	Facilities	Rent Per Occupied Sq. Ft.	Average Occupancy	Revenue Change
New York-N. New Jersey-Long Island, NY-NJ-PA	53	\$26.95	91.2%	3.6%
Chicago-Naperville-Joliet, IL-IN-WI	38	\$13.98	92.5%	4.5%
Miami-Fort Lauderdale-Pompano Beach, FL	35	\$17.24	93.6%	6.4%
Dallas-Fort Worth-Arlington, TX	28	\$13.61	91.7%	3.8%
Washington-Arlington-Alexandria, DC-VA-MD-WV	22	\$19.74	92.1%	5.9%
Atlanta-Sandy Springs-Marietta, GA	18	\$12.21	91.3%	6.5%
Riverside-San Bernadino-Ontario, CA	16	\$11.63	95.2%	10.9%
Phoenix-Mesa-Scottsdale, AZ	15	\$11.19	93.6%	11.4%
Tuscon, AZ	15	\$10.20	93.1%	5.0%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	13	\$15.60	91.7%	4.6%
Houston-Sugarland-Baytown, TX	13	\$12.80	90.1%	(0.2%)
Hartford-West Hartford-East Hartford, CT	12	\$11.82	93.1%	6.7%
Orlando-Kissimmee, FL	10	\$12.20	93.1%	6.7%
Columbus, OH	10	\$10.03	91.2%	5.7%
Cleveland-Elyria-Mentor, OH	10	\$12.93	90.4%	2.7%
Sacramento-Arden-Arcade-Roseville, CA	8	\$12.83	95.8%	12.6%
Jacksonville, FL	7	\$15.13	92.7%	6.0%
Austin-Round Rock, TX	7	\$14.23	89.1%	3.1%
Denver-Aurora, CO	7	\$15.02	88.6%	0.3%
Boston-Cambridge-Quincy, MA-NH	7	\$21.07	90.3%	7.1%
Nashville-Davidson-Murfreesboro-Franklin, TN	6	\$11.98	88.2%	4.7%
San Diego-Carlsbad-San Marcos, CA	6	\$15.45	93.9%	7.8%
Los Angeles-Long Beach-Santa Ana, CA	6	\$15.66	95.8%	11.2%
Cape Coral-Fort Meyers, FL	5	\$14.52	91.7%	5.5%
Bridgeport-Stamford-Norwalk, CT	5	\$21.52	91.0%	1.4%
Salt Lake City, UT	4	\$11.28	95.3%	9.4%
Providence-New Bedford-Fall River, RI-MA	4	\$14.08	89.6%	5.8%
Naples-Marco Island, FL	4	\$15.65	93.7%	5.2%
Other	48	\$13.30	92.6%	6.6%
Total	432	\$15.78	92.2%	5.4%

## Operations

### Life Storage

(NYSE: LSI)

*Same-store revenue growth in 24 of 30 major markets in same-store pool. Only five markets report average quarterly occupancy below 90%.*

#### Rebranding/Renaming

- As of April 30th, company essentially completed its renaming/rebranding process with all but seven of 675 owned and managed properties at an overall cost of approximately \$22 million. The rebranding includes new “Life Storage” signage, complete LED lighting and improved visibility. Other changes include store manager, apparel, installation of point of sale signage, and new lease forms.

#### Same-Store Comparison in First Quarter

- Same-store facilities for Life Storage represent those properties that have been owned by Life Storage and included in the consolidated results since January 1, 2016, excluding facilities purchased prior to January 1, 2016 that have not yet stabilized. There are 435 facilities in Life Storage's same-store pool.
- Same-store revenues increased 3.2% during the first quarter 2017 compared to the prior year period, the result of a 20 basis point increase in occupancy to 90.6%, 2.7% increase in rental rates, and increases in tenant insurance and administrative fees.
- Six markets experienced negative same-store revenue growth, including Houston, Life Storage's largest market representing 11% of same-store revenues.
- Property taxes, employee benefit expenses and internet advertising costs contributed significantly to same-store operating expense increase 3.2% during the quarter.
- Consequently, same-store net operating income increased 3.2% over the first quarter of 2017.
- Markets with the strongest revenue growth included all major markets in Florida, Atlanta, and St. Louis.
- Life Storage remains committed to its presence in the four major Texas markets of Dallas, Houston, San Antonio, and Austin, despite a temporarily over-built point in the cycle. Houston and Beaumont, Texas retained strong occupancy while showing slightly negative growth.
- Experienced strong lease-up and net operating income improvement at the 12 certificate of occupancy developments acquired over the past three years, as well as the 11 stores in Life Storage acquisition that have yet to stabilize.
- Plans to complete \$30 million to \$35 million of expansions in 2017 with expected yields in excess of 8% at stabilization.
- Expect continuing same-store revenue growth softness in the overall portfolio in the next few quarters, although market specific; Dallas, Houston, and San Antonio expect trouble ahead, and Southeast Florida. Although tied all-time record portfolio occupancy at the end of the first quarter at 90.9%. And, actually reached the all-time record of 92.7%.

## Operations

### Life Storage

(NYSE: LSI)

- Same-store occupancy at the end of April increased 50 basis points from March, which is down from last year's 80 basis point increase at end of April versus March.
- Anticipating free rent to pick up significantly in the second quarter. Currently about 2.1% of revenue in first quarter. Average discount rose to \$71 from \$62.
- No pick-up in bad debt versus last year.
- Call volume down slightly, but traffic to website up slightly.
- No change in delinquencies. Merchandise sales are up.
- Rent increases on existing customers in first quarter of 9.9%, although only on 2% of total customers. In second quarter, rate increases 8% to 9%.
- 46% of customers below current street rates at the end of March 2017. And, 46% of customers over street rates, and 8% at current street rates.

#### Customer Stickiness

- Only 11.7% of move-outs in the first quarter, even after consistent rate increases on existing customers.

#### New Supply

- Tracking 25 new properties within five-miles of a company store over the past 18 months.
- Houston rates down 10%, but occupancy is holding steady.

#### Third-Party Management Platform

- Added 15 stores to third-party management platform in the first quarter, including five purchased on behalf of two joint ventures.

#### Guidance Full Year 2017

Revenue	2% to 3%
Operating Costs (excluding property taxes)	2% to 3%
Property Taxes	6.5% to 7.5%
Total Operating Expenses	3.5% to 4.5%
Net Operating Income	1.5% to 2.5%

- In 2017 expects FFO dilution of \$0.01 to \$0.03 per share due to acquisitions at certificate of occupancy.

## Operations

Life Storage  
(NYSE: LSI)

### Select Markets Same-Store Performance

Market	Stores	Rent Per Occupied Sq. Ft.	Occupancy	Revenue Growth
Houston-The Woodlands-Sugar Land, TX	41	\$13.36	90.1%	(0.6%)
New York-Newark-Jersey City-NY-NJ-PA	24	\$22.12	90.5%	2.7%
New England-Other	24	\$16.87	89.9%	2.4%
Buffalo-Upstate, NY	23	\$12.54	87.9%	2.6%
Atlanta-Sandy Springs-Roswell, GA	21	\$12.84	90.2%	4.8%
Dallas-Fort Worth-Arlington, TX	20	\$12.10	91.8%	0.7%
Austin-Round Rock, TX	17	\$12.38	88.5%	2.6%
Miami-Ft. Lauderdale-West Palm Beach, FL	16	\$18.36	91.6%	3.8%
San Antonio-New Braunfels, TX	15	\$13.03	90.3%	0.4%
Tampa-St. Petersburg-Clearwater, FL	13	\$14.67	91.4%	4.3%
St. Louis, MO	13	\$12.92	90.0%	5.2%
New Orleans-Lafayette, LA	13	\$12.17	90.0%	2.5%
Virginia Beach-Norfolk-Newport News, VA	12	\$10.37	91.1%	4.3%
Chicago-Naperville-Elgin, IL	11	\$14.02	90.9%	4.0%
Phoenix-Mesa-Scottsdale, AZ	10	\$11.11	88.9%	3.8%
Boston-Cambridge-Newton, MA-NH	9	\$17.82	90.5%	4.3%
Jacksonville, FL	9	\$12.06	91.5%	7.8%
Cleveland-Elyria, OH	9	\$11.23	92.5%	7.1%
Space Coast, FL	8	\$12.92	92.6%	11.5%
Raleigh-Durham, NC	8	\$12.14	90.7%	(0.7%)
Charlotte-Concord-Gastonia, NC	8	\$12.24	92.3%	9.4%
Cape Coral-Fort Myers, FL	8	\$12.37	92.8%	4.3%
Pensacola-Ferry Pass-Brent, FL	8	\$8.67	92.8%	(0.9%)
Beaumont-Port Arthur, TX	7	\$13.62	91.1%	1.1%
Montgomery, AL	7	\$9.54	89.2%	10.3%
Jackson, MS	6	\$10.96	92.6%	(0.7%)
Columbia, SC	6	\$11.16	91.9%	(1.3%)
Orlando-Kissimmee-Sanford, FL	5	\$11.74	92.1%	5.1%
Chattanooga, TN-GA	5	\$11.52	92.2%	4.8%
Youngstown-Warren-Boardman, OH-PA	5	\$8.79	92.3%	6.7%
Other Markets	54	\$11.57	90.3%	4.7%
Same Store Portfolio Total	435	\$13.23	90.6%	3.2%

## Operations

### National Storage Affiliates

(NYSE: NSA)

*Closed on addition of company's eighth Participating Regional Operator ("PRO"), Personal Mini Storage of Orlando, Florida.*

#### Same-Store Comparison in First Quarter

- Same-store facilities represent those properties that were included in National Storage Affiliates' consolidated results since January 1, 2016, excluding two properties that are targeted for disposition in 2017. The same-store pool increased 25% from last year to 277 facilities.
- Same-store revenues gained 6.6% from a year ago primarily from rate increases. Average rent per square foot increased 6.1% versus last year's first quarter.
- Street rates up about 6% in the first quarter. Rate increases on existing customers 6% to 9% thus far in the second quarter.
- A combination of revenue growth and 1.6% increase in operating expenses boosted same-store net operating income 9.1% during the first quarter 2017 as compared to the first quarter 2016.
- The addition of 55 properties to the same-store pool during the quarter helped boost same-store revenue growth by about 110 basis points and net operating income by 170 basis points.
- Experienced strong double-digit net operating income growth in California, North Carolina and Arizona.
- More than 60% of the revenues from the new facilities added to the same-store pool are from assets in California and North Carolina.
- Oklahoma was the weakest market due to increased new supply and the downturn in the energy sector.
- Over 60% tenant insurance penetration portfolio-wide.
- Maintaining overall occupancy levels with lower marketing spend. Discounting about the same as last year.
- Average rate per square foot as a percentage of household income is lower than peers. It may offer an opportunity to move rates with limited resistance.

## Operations

### National Storage Affiliates

(NYSE: NSA)

#### Same Store Performance Summary

State	Stores	Rent Per Occupied Square Foot	Occupancy at 3/31/2017	Revenue Growth
Oregon	50	\$14.16	89.0%	6.7%
Texas	48	\$9.42	88.4%	4.3%
California	48	\$12.77	90.8%	10.1%
Oklahoma	29	\$8.65	85.1%	(0.2%)
North Carolina	28	\$10.28	89.4%	8.9%
Georgia	18	\$9.02	93.1%	4.5%
Washington	14	\$12.77	90.6%	4.0%
Arizona	13	\$12.42	89.7%	8.1%
Colorado	8	\$11.64	93.5%	3.3%
Louisiana	5	\$9.69	78.9%	3.0%
New Hampshire	4	\$12.03	92.4%	10.6%
South Carolina	4	\$10.24	90.4%	6.6%
Other	8	\$9.66	91.3%	9.6%
Total	277	\$11.32	89.2%	6.6%



## Capital Activities

Extra Space  
Storage  
(NYSE: EXR)

- Did not sell any shares of common stock in the first quarter using its “at-the-market” (“ATM”) equity program. At March 31, 2017, \$349.4 million available for issuance.
- Subsequent to end of the quarter, swapped \$300 million of variable-rate debt to fixed-rate debt.

### Debt Structure

	Percentage	Weighted Avg. Interest Rate
Fixed-rate debt	69%	3.3%
Variable-rate debt	31%	2.5%
Combined		3.1%

Average maturity of approximately 4.5 years.

## Capital Activities

CubeSmart  
(NYSE: CUBE)

### Debt Structure

	Amount	Interest Rate Weighted Avg.	Maturity Weighted Avg.
Floating rate debt	\$352,364,000	2.28%	1.9 years
Fixed rate debt	\$1,246,596,000	4.10%	7.0 years
Total debt	\$1,598,960,000	3.70%	5.8 years

## Capital Activities

## Life Storage (NYSE: LSI)

- In January, issued 52,304 shares at a price of \$80.52 through Dividend Reinvestment Plan.
- At March 31, 2017, approximately \$4.8 million cash on hand, and \$201 million available on its line of credit.

### Key Financial Ratios

Debt to Enterprise Value @ \$82.12/share	30.9%
Debt to Book Cost of Facilities	40.1%
Debt to Recurring Annualized EBITDA	5.8x
Debt Service Coverage (DSC)	5.0x

### Investment Grade Ratings

Moody's:	Baa2
Standard & Poor's:	BBB

## Capital Activities

### National Storage Affiliates

(NYSE: NSA)

- Entered into agreements with a syndicated group of lenders to expand credit facility by \$170 million for a total credit facility of \$895 million. Created a new \$105 million sec-year term loan tranche. Increased five-year term loan tranche by \$10 million and six-year by \$55 million.



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