

MJ PARTNERS
SELF STORAGE GROUP

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SELF STORAGE MARKET OVERVIEW

Third Quarter 2016 Results

Analysis of the Public Self Storage Companies

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Summary

Revenue Growth Decelerating

- Self storage REITs generated same-store revenue growth ranging from 4.5% to 7.2%. This growth is down from last quarter's growth of 5.7% to 8.5% year-over-year.
- Net Operating Income increases ranged from 4.7% to 9.5%. Last quarter, NOI growth ranged from 6.6% to 11%.
- Promotions and discounts increase in quarter.

Large Transactions

- Former Sovran Self Storage completed acquisition of LifeStorage L.P. for approximately \$1.3 billion. The transaction included 83 wholly-owned properties and four third-party managed locations. Revised year one yield of 4.6% expected. Company changed brand name to LifeStorage (NYSE: LSI).
- National Storage Affiliates acquired 66 property iStorage portfolio for about \$630 million in a joint venture with a state pension fund advised by Heitman Capital Management. National Storage Affiliates will retain 25% ownership in the joint venture. The acquisition in-place cap rate was 5.3%. Separately, the company acquired the iStorage property management platform for \$20 million.

Implied CAP Rates

based on common share prices

Public Storage (NYSE: PSA)	4.7%
Extra Space Storage (NYSE: EXR)	4.8%
CubeSmart (NYSE: CUBE)	5.2%
LifeStorage (NYSE: LSI)	6.7%
National Storage Affiliates (NYSE: NSA)	5.4%

BMO Capital Markets, KeyBanc Capital Markets

Summary

New Development Estimates - Select Markets

Market	Facilities Planned
New York Boroughs	
Brooklyn	11
The Bronx	9
Queens	8
Manhattan	2
Staten Island	2
Total	32
Dallas	93
Houston	74
Denver	51
Austin	45
Phoenix	42
San Antonio	28

Sources: STR, Jernigan Capital

Earnings Results

Same-Store Comparisons

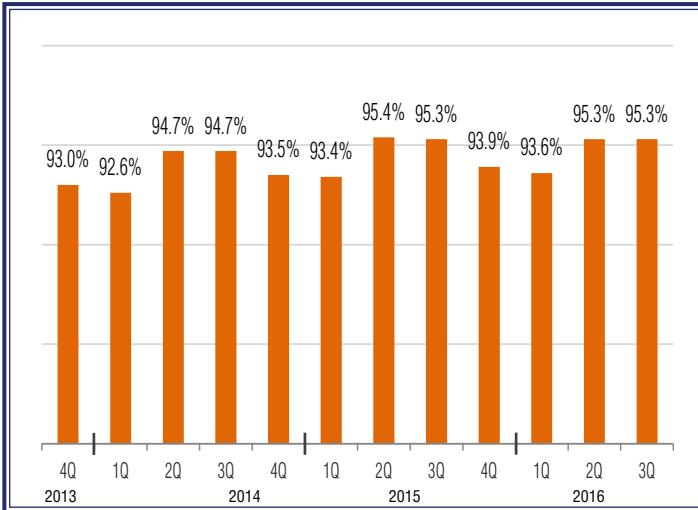
	Public Storage	Extra Space	CubeSmart	LifeStorage	National Storage Affiliates
Properties Operating:	2,319 U.S. 218 Europe	1,421	~708	657	352
Revenue: Q3 2016:	+5.1%	+6.1%	+6.2%	+4.5%	+7.2%
Net Operating Income: Q3 2016:	+4.7%	+7.8%	+9.3%	+5.8%	+9.5%
Occupancy: vs. last year:	95.3% 95.3% (weighted avg.)	93.0% 93.4% (end of qtr.)	93.1% 92.7% (end of qtr.)	91.9% 91.4% (end of qtr.)	90.2% (end of qtr.)
Rent Per Occupied Sq. Ft.:	\$17.06	\$16.57	\$15.83	\$13.38	\$11.39

Capital Markets

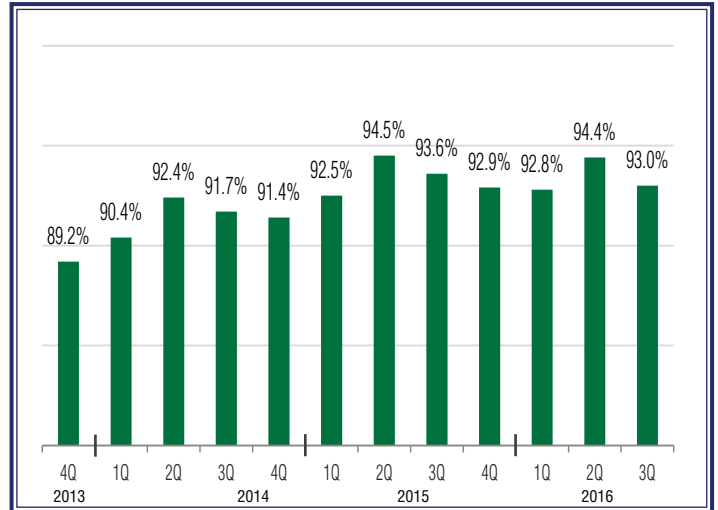
	Public Storage	Extra Space	CubeSmart	LifeStorage	National Storage Affiliates
Market Capitalization:	\$37.24 billion	\$9.64 billion	\$4.62 billion	\$3.78 billion	\$1.14 billion
Funds From Operations: (qtr. adjusted)	\$2.51/share (+10.6%)	\$1.02/share (+25.9%)	\$0.38/share (+11.8%)	\$1.34/share (+1.5%)	\$0.29/share (+20.8%)
Annual Dividend Yield	3.70%	4.14%	3.18%	4.58%	4.35%
Common Stock Price: ^{11/10/2016}	\$214.74	\$76.07	\$25.45	\$81.02	\$19.42
52-Week High:	\$277.60	\$94.81	\$33.52	\$118.18	\$22.86
52-Week Low:	\$200.65	\$70.01	\$24.48	\$77.00	\$14.41

Portfolio Occupancies

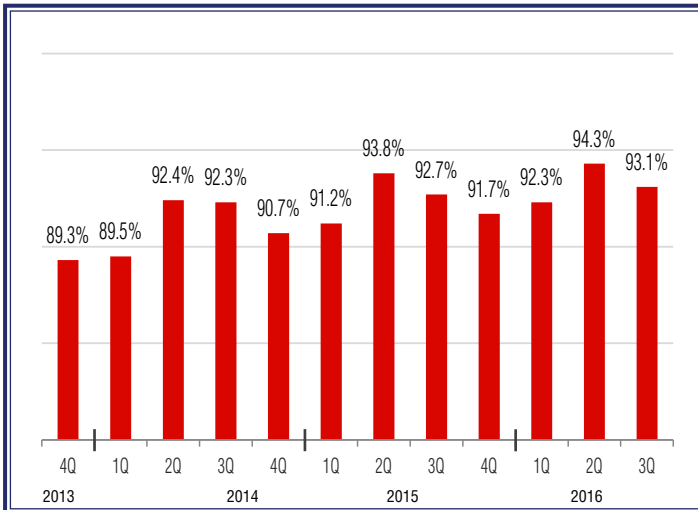
Public Storage



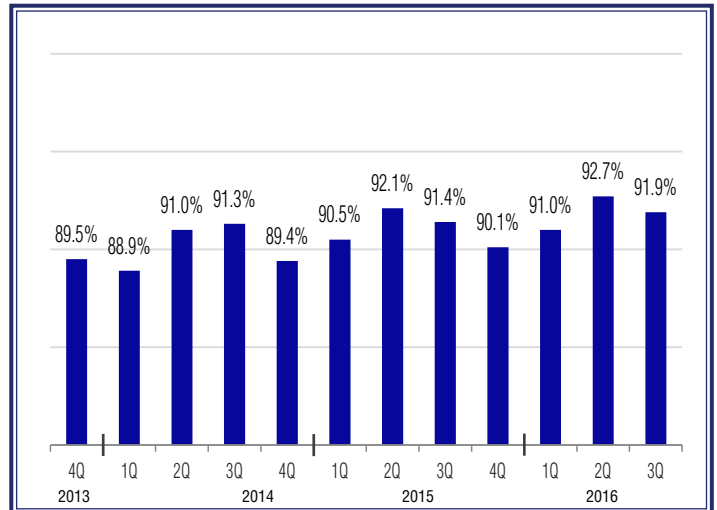
Extra Space Storage



CubeSmart



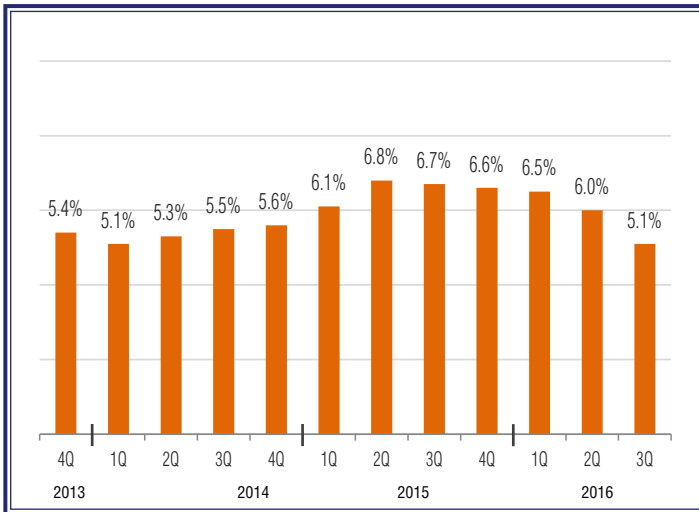
LifeStorage



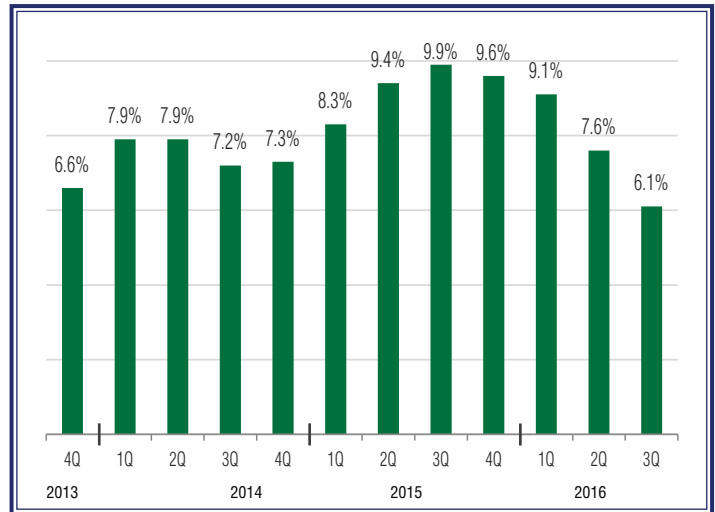
Portfolio Revenues

Changes from Same Quarter a Year Earlier

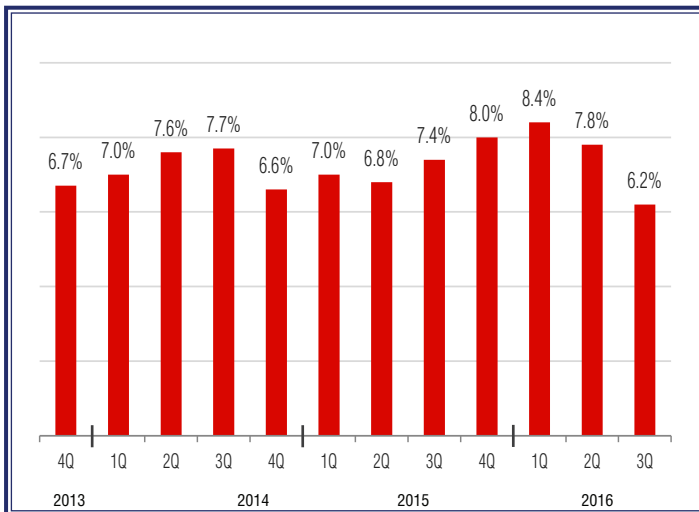
Public Storage



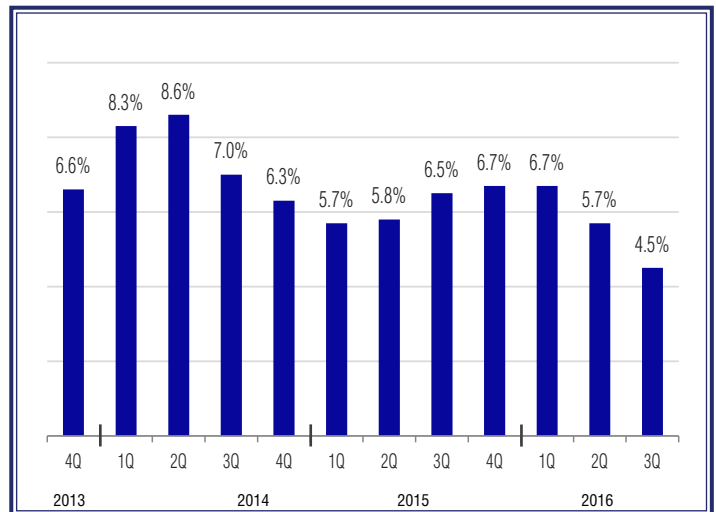
Extra Space Storage



CubeSmart



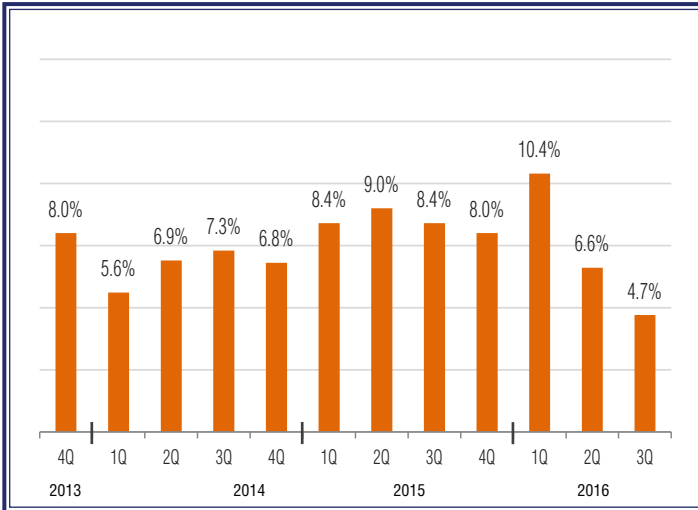
LifeStorage



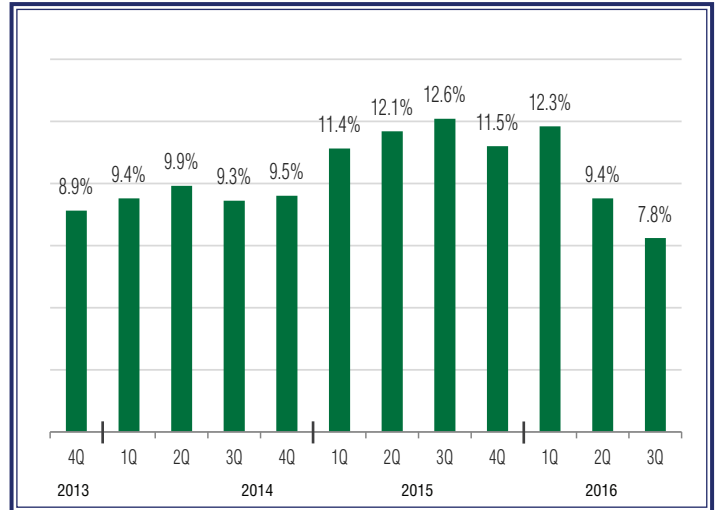
Portfolio Net Operating Income

Changes from Same Quarter a Year Earlier

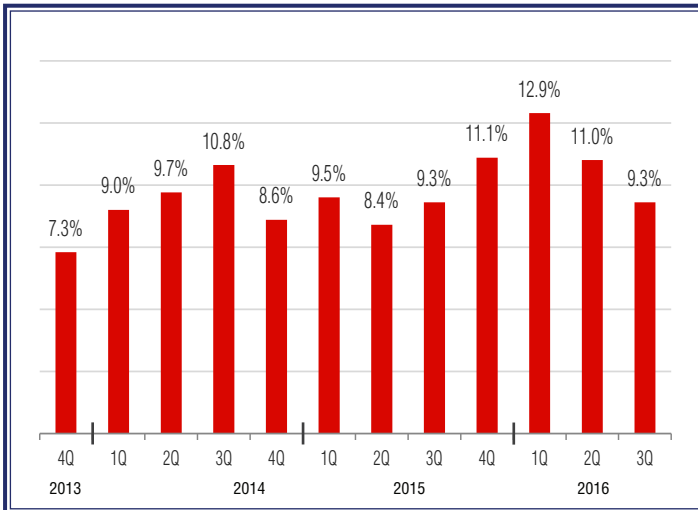
Public Storage



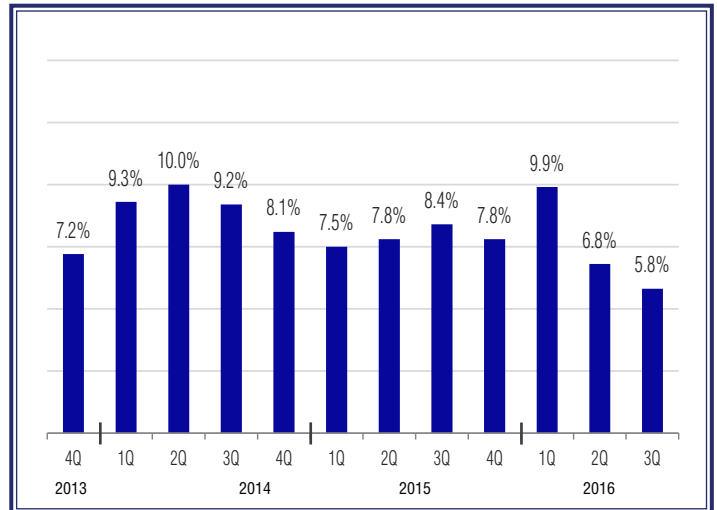
Extra Space Storage



CubeSmart



LifeStorage





Investment Activity

Public Storage (NYSE: PSA)

Year-to-date ending September 30th, acquired 32 facilities with 2.3 million net rentable square feet for \$271 million.

Acquisitions

- Subsequent to September 30th, acquired or under contract to acquire 21 facilities with 1.4 million rentable square feet for \$149 million. Locations include 11 in Oklahoma, four in Ohio, four in Tennessee, one in California, and one in Texas.
- In third-quarter alone, acquired eight facilities consisting of about 600,000 rentable square feet for \$73 million. Locations include four in Kentucky and one each in Colorado, Michigan, Georgia and Utah.
- Acquisitions from 2013 through 2016 performing ahead of projections.
- No material changes in cap rates for stabilized assets. Lower quality properties are coming to market as compared to prior quarters.

Development

- Public Storage is the most active developer of self storage amongst the public REITs. Since the beginning of 2013 through September 30, 2016, they have opened newly developed or redeveloped projects adding 4.4 million net rentable square feet at a cost of \$468.8 million.
- Year-to-date completed ten newly developed facility and various expansion projects totaling 1.7 million net rentable square feet, costing an aggregate of \$162 million.
- Additional development of 4.2 million net rentable square feet estimated to cost \$543 million, and various expansion projects of 1.1 million rentable square feet to cost an additional \$145 million; total new development of \$688 million.

Development Pipeline

State	Square Feet
Texas	1,900,000
California	900,000
Florida	550,000
Washington	430,000
North Carolina	270,000
New Jersey	240,000
Arizona	150,000
Tennessee	150,000

Investment Activity

Public Storage
(NYSE: PSA)

New Facilities and Expansions

2016 Acquisitions	32
2015 Acquisitions	17
2014 Acquisitions	44
2013 Acquisitions	105
Developed Facilities	30
Other	80
Total	308

New Supply

- Seeing little new supply in core San Francisco, Los Angeles, or Orange County.
- Portland and San Diego have a fair amount of new supply coming for the size of their markets.
- Since January 2013, added 308 facilities to non-same store pool through a combination of acquisitions, developments and expansions.

Investment Activity

Extra Space Storage (NYSE: EXR)

Year-to-date acquired 67 wholly-owned operating stores for \$706.5 million and five stores at completion of construction for \$59.35 million, for total purchase price of approximately \$765.9 million.

- Year-to-date, acquired seven stores at completion of construction with joint venture partners for a total purchase price of approximately \$131.5 million.
- During the third-quarter, acquired 26 wholly-owned operating stores and one store at completion of construction for a total purchase price of approximately \$296.4 million.
- Acquired in the third-quarter three stores at completion of construction with joint venture partners for a total purchase price of approximately \$37.1 million.
- Shall acquire approximately \$1 billion wholly-owned properties in 2016. Almost all not broadly marketed, originating from joint ventures, third-party managed, and other relationships.
- Expect to close \$255 million in certificate-of-occupancy acquisitions in 2016, \$90 million wholly-owned and balance in joint ventures with investments totaling \$53 million.

Joint Venture Activity

- Bought out the 95.6% interest of joint venture partner, Prudential Global Investment Manager (“PGIM”) in 23 stores held in ESS PRISA II, LLC for a total purchase price of approximately \$237.6 million. Cap rate of 5.8% projected in year one.
- Sold 4.4% interest in the remaining 42 properties held in the joint venture for approximately \$35 million. Will continue to manage the 42 stores on behalf of PGIM.
- Agreed with a joint venture partner to buy out its 95% interest in 11 stores for approximately \$153.1 million, expected to close prior to December 31, 2016.

Investment Activity

Extra Space Storage
(NYSE: EXR)

Certificate-of-Occupancy Stores - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price	Price Per Square Foot	Ownership
2016 Projected Openings					
Ladera Ranch, CA	4Q 2016	32,600	\$8,500,000	\$260.74	100%
Murray, UT	4Q 2016	65,250	\$3,750,000	\$57.47	100%
Smyrna, GA	4Q 2016	62,580	\$8,000,000	\$127.84	100%
Orlando, FL	4Q 2016	67,800	\$7,300,000	\$107.67	100%
Portland, OR	4Q 2016	46,975	\$8,700,000	\$185.20	25%
Lake Worth, FL	4Q 2016	78,225	\$8,200,000	\$104.83	10%
Philadelphia, PA	4Q 2016	73,800	\$16,500,000	\$223.58	50%
Total	7	427,230	\$60,950,000		

2017 Projected Openings

Cohasset, MA	1Q 2017	52,475	\$8,800,000	\$167.70	10%
Philadelphia, PA	1Q 2017	78,320	\$16,250,000	\$207.48	50%
Westwood, NJ	2Q 2017	72,700	\$19,975,000	\$274.76	50%
Ft. Meyers, FL	2Q 2017	80,000	\$8,970,000	\$112.13	100%
New York, NY	2Q 2017	65,188	\$30,000,000	\$460.21	25%
New York, NY	3Q 2017	128,095	\$57,000,000	\$444.98	25%
New York, NY	3Q 2017	140,659	\$80,000,000	\$568.75	25%
New York, NY	3Q 2017	62,385	\$33,000,000	\$528.97	25%
Portland, OR	3Q 2017	74,040	\$12,800,000	\$172.88	25%
Jamaica Plain, MA	4Q 2017	97,500	\$21,333,000	\$218.80	100%
Dallas, TX	4Q 2017	85,300	\$12,800,000	\$150.06	100%
Vista, CA	4Q 2017	104,400	\$16,000,000	\$153.26	100%
Palm Beach Gardens, FL	4Q 2017	80,000	\$14,500,000	\$181.25	100%
Total	13	1,260,644	\$331,428,000		



Investment Activity

Extra Space Storage
(NYSE: EXR)

Certificate-of-Occupancy Stores - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price	Price Per Square Foot	Ownership
2018 Projected Openings					
Raleigh, NC	1Q 2018	75,000	\$8,800,000	\$117.33	10%
Riverview, FL	1Q 2018	78,000	\$10,400,000	\$133.33	100%
Buford, GA	2Q 2018	79,250	\$7,500,000	\$94.64	100%
Hollywood, FL	2Q 2018	60,525	\$12,000,000	\$198.27	100%
Charlotte, NC	2Q 2018	74,800	\$9,300,000	\$124.33	100%
Largo, FL	2Q 2018	89,000	\$11,500,000	\$129.21	100%
Norwood, MA	3Q 2018	85,650	\$19,000,000	\$221.83	100%
Total	7	542,225	\$78,500,000		



Investment Activity

Extra Space Storage
(NYSE: EXR)

Certificate-of-Occupancy Stores - Operating

Location	Opened	Rentable Square Feet	Purchase Price	Price Per Square Foot	Occupancy 9/30/16	Ownership
Katy, TX	1Q 2014	93,345	\$14,150,000	\$151.59	91.0%	100.0%
Thousand Oaks, CA	1Q 2015	59,637	\$12,325,000	\$206.67	91.1%	100.0%
Dedham, MA	2Q 2015	67,381	\$12,500,000	\$185.51	91.1%	100.0%
Berwyn, IL	2Q 2015	79,772	\$9,900,000	\$124.10	94.0%	100.0%
Gilbert, AZ	3Q 2015	62,200	\$5,429,000	\$87.28	87.4%	10.0%
Bloomfield, NJ	3Q 2015	74,152	\$16,100,000	\$217.12	90.9%	50.0%
Bronx, NY	3Q 2015	66,890	\$23,000,000	\$343.85	77.0%	44.4%
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	86.3%	100.0%
San Diego, CA	4Q 2015	73,767	\$9,708,000	\$131.60	80.6%	100.0%
Quincy, MA	1Q 2016	85,114	\$16,150,000	\$189.75	40.7%	100.0%
Chicago, IL	1Q 2016	81,903	\$16,500,000	\$201.46	44.4%	100.0%
Aurora, CO	1Q 2016	84,640	\$11,470,000	\$135.52	32.5%	10.0%
Mesa, AZ	2Q 2016	63,395	\$5,000,000	\$78.87	88.1%	100.0%
Roswell, GA	2Q 2016	77,730	\$7,900,000	\$101.63	24.2%	100.0%
New York, NY	2Q 2016	62,564	\$52,000,000	\$831.15	27.4%	25.0%
Columbia, SC	2Q 2016	78,085	\$8,000,000	\$102.45	68.1%	20.0%
San Antonio, TX	2Q 2016	55,275	\$10,500,000	\$189.96	43.1%	100.0%
Elmont, NY	3Q 2016	79,933	\$24,700,000	\$309.01	20.5%	50.0%
Glendale, CA	3Q 2016	61,407	\$13,800,000	\$224.73	0.4%	100.0%
Hillsboro, OR	3Q 2016	27,300	\$3,672,000	\$134.51	78.8%	25.0%
Vancouver, WA	3Q 2016	82,345	\$8,700,000	\$105.65	46.5%	25.0%
Total	22	1,568,615	\$161,062,000			

Investment Activity

Extra Space Storage (NYSE: EXR)

Return Expectations

- Extra Space does not look at its current stock price in acquisition decisions. Always considers long-term costs, with various sources of capital. Debt is an option, as well as preferred shares. Joint ventures or even property sale proceeds may offer cheaper future cost of capital.
- Typically, Extra Space considers acquisition based on cap rate. As a long-term holder, considers cash-on-cash yields - often seven years, as most relevant focus. Also considers IRRs and replacement costs.
- All of Extra Space joint ventures provide company with a “Right of First Offer”.
- Completed five transactions with four different joint ventures all managed by Prudential. Each venture is run by a different portfolio manager with different strategy and catalyst for the transaction.
- All recent certificate-of-occupancy acquisitions are leasing up quickly. Extra Space remains selective in terms of working with developers and projects interested in acquiring.

Certificate-of-Occupancy Yields

- Target 200 basis points over buying a stabilized asset in that market. Stabilized cap rates of 31 certificate-of-occupancy approved this year range between 6.5% and 10%. Provides a seven-year cash-on-cash yield between 5% to 8% on unlevered basis.

New Supply

- Sizable percentage of planned projects do not get built because of local opposition, increasing construction costs, financing requirements – both equity and debt – and increasing land costs.

SmartStop Acquisition

- Continues to outperform in revenue growth. Expenses higher than original projections. Third-quarter expenses in line, resulting in NOI \$1.1 million ahead of projection for the quarter. Occupancy is just over 90%.

New Competition Minimal Impact

- Of Extra Space’s approximately 1,421 properties, only 72 competing stores recently opened within three-miles of the company store. Identified another 65 coming within three miles, provides little near-term impact.
- Not seeing changes in cap rates for stabilized assets. Lower quality products coming to market as compared to prior quarters.

Dispositions

- Sold one store for \$4.7 million in the third-quarter.

Investment Activity

CubeSmart (NYSE: CUBE)

Year-to-date, acquired 22 properties for \$294.7 million. Acquired three new facilities at certificate-of-occupancy, and opened two joint venture developments for a total investment of \$133.4 million. Locations include three in New York and two in Texas. Three additional properties under contract for \$39.5 million.

- During the third quarter, acquired seven properties for \$79.9 million. Locations include two in Texas, two in Nevada, one each in Arizona, Colorado, and Minnesota. Subsequent to end of quarter, acquired one facility in Nevada for \$13.3 million.
- Funding joint venture developments and certificate-of-occupancy transactions from free cash flow and some leverage, but will not add significant leverage for growth sake.
- Cap rates for stabilized assets have not seen move materially.

Third-Party Platform

- Purchased new stores in Minneapolis and Denver from third-party management relationships.
- Third-party management this year consists of approximated 60% new stores, and 40% existing stores.

Development Activity

- Three facilities under contract to purchase at certificate-of-occupancy for total price of \$43.3 million. Locations include one in Florida and two in the greater Chicago market.
- Five joint venture development properties, and two wholly-owned projects under development, with total investment anticipated of \$303.2 million. Locations include five in New York, one each in Washington D.C. and Florida.
- Approximately \$0.03 per share of dilution in 2016 related to development activity.
- Certificate-of-occupancy development deals experienced delivery delays due to permitting.

Investment Activity

CubeSmart
(NYSE: CUBE)

Facility Acquisitions At Certificate-of-Occupancy

Location	Expected Opening	Contract Price
Riverwoods, IL	Q2 2017	\$11,200,000
Chicago, IL	Q2 2017	\$11,300,000
Miami, FL	Q4 2017	\$20,800,000
Total		\$43,300,000

New Development Facilities

Location	Expected Opening	CUBE's Anticipated Investment
Washington, D.C.	Q4 2016	\$25,400,000
North Palm Beach, FL	Q4 2016	\$9,400,000
Brooklyn, NY	Q4 2017	\$49,800,000
New York, NY	Q1 2018	\$43,600,000
Bronx, NY	Q2 2018	\$90,000,000
New York, NY	Q2 2018	\$10,000,000
Queens, NY	Q2 2018	\$45,700,000
Total		\$303,150,000



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 9/30/2016
Long Island City, NY	Q4 2014	88,925	\$38,000,000	\$427.33	53.5%
Dallas, TX	Q2 2015	114,565	\$15,800,000	\$137.91	55.0%
Brooklyn, NY	Q1 2016	109,771	\$48,500,000	\$441.63	29.0%
Fort Worth, TX	Q2 2016	77,554	\$10,100,000	\$130.23	17.8%
Grapevine, TX	Q2 2016	77,294	\$10,800,000	\$139.73	26.7%
Total		468,109	\$123,200,000		

New Development Facilities - Operating

Location	Date Completed	Rentable Square Feet	Total Cost	Cost Per Square Foot	Occupancy 9/30/2016
Bronx, NY	Q1 2014	46,457	\$17,200,000	\$370.23	93.5%
Arlington, VA*	Q2 2015	96,394	\$17,100,000	\$177.40	67.7%
Queens, NY*	Q4 2015	74,237	\$17,400,000	\$234.38	39.6%
Brooklyn, NY*	Q4 2015	55,938	\$14,800,000	\$264.58	36.6%
Queens, NY	Q1 2016	84,388	\$31,800,000	\$376.83	51.9%
Bronx, NY	Q2 2016	90,300	\$32,200,000	\$356.59	14.7%
Total		447,714	\$130,500,000		

*The company owns a 90% interest in this facility.

Investment Activity

LifeStorage (NYSE: LSI)

On July 15, 2016, completed acquisition of LifeStorage L.P. for approximately \$1.3 billion. The transaction added 83 wholly-owned facilities, and four third-party managed locations.

LifeStorage Portfolio Acquisition

- Overall yield for LifeStorage portfolio acquisition in year one may drop to 4.6% versus 4.7% due to recent weakness and property tax increases.
- LifeStorage re-branding of all 650 stores will be completed by April 2017.
- Encountered some unexpected issues pertaining to existing rentals and most stores requiring a bigger than usual clean up of delinquent tenants.
- Acquired entire company, not just the individual assets.
- Entering new markets of Sacramento and Las Vegas, as well as recently adding to Los Angeles.
- Acquired three new certificate-of-occupancy properties in Austin as part of LifeStorage acquisition which may take longer to lease-up in the near term due to new competition.
- In addition to LifeStorage portfolio acquisition, acquired three facilities during the third-quarter; one in Denver, one in Ft. Meyers, Florida, and one certificate-of-occupancy property in Charleston, South Carolina. Total aggregate price of \$28 million.
- Expects to purchase a stabilized property in Orlando, Florida in November at a cost of \$9.8 million.

Certificate-of-Occupancy Transactions

- Remains in contract on three certificate-of-occupancy stores, anticipated to close at various dates between fourth quarter 2016 and fourth quarter 2017. Two properties in greater Chicago, and one in Charlotte, North Carolina.
- As a part of the LifeStorage acquisition, assumed contracts for three certificate-of-occupancy stores in Austin, Texas at a cost of \$44.8 million. Expected to be delivered in 2017.

Investment Activity

LifeStorage
(NYSE: LSI)

Certificate-of-Occupancy Under Contract

Market	Expected Acquisition Date	Estimated Rentable Square Feet	Expected Price	Price Per Square Foot
Chicago, IL	Nov. 2016	71,250	\$8,800,000	\$123.04
Chicago, IL	Dec. 2016	79,670	\$9,800,000	\$123.01
Charlotte, NC	Oct. 2017	71,780	\$12,425,000	\$173.10
Austin, TX	Dec. 2016	57,963	\$14,100,000	\$243.26
Austin, TX	June 2017	75,325	\$11,100,000	\$147.36
Austin, TX	June 2017	100,625	\$19,600,000	\$194.73
Total		456,883	\$75,825,000	

Certificate-of-Occupancy Operating Properties

Market	Date Acquired	Net Rentable Square Feet	Price	Price Per Square Foot	Occupancy 9/30/2016
Chicago, IL	May 2014	52,013	\$5,500,000	\$105.74	87.3%
Chattanooga, TN	Sept. 2014	57,260	\$6,550,000	\$114.39	90.3%
Chicago, IL	Nov. 2014	106,500	\$5,750,000	\$53.99	89.9%
Chicago, IL	March 2015	64,775	\$8,690,000	\$134.16	66.2%
Phoenix, AZ	June 2015	64,166	\$7,904,000	\$123.18	81.3%
Boston, MA	June 2015	63,475	\$10,291,000	\$162.13	74.8%
Phoenix, AZ	Feb. 2016	67,825	\$9,275,000	\$136.75	84.1%
Miami, FL	Feb. 2016	69,811	\$11,274,000	\$161.49	55.5%
Los Angeles, CA	March 2016	79,769	\$18,600,000	\$233.17	40.4%
Charleston, SC	July 2016	70,165	\$8,620,000	\$122.85	4.0%
Total		695,759	\$92,454,000		

Investment Activity

National Storage Affiliates (NYSE: NSA)

Completed its acquisition in a joint venture with state pension fund of the 66-property iStorage portfolio for approximately \$630 million on October 4, 2016.

- In-place cap rate of 5.3%. The joint venture financed the acquisition with approximately \$320 million in total equity. Approximately \$80 million from NSA in exchange for a 25% ownership interest, and about \$240 million from the JV Investor in exchange for a 75% ownership interest. The balance of consideration funded from debt. Locations include Alabama, Arizona, California, Florida, Georgia, Minnesota, Nevada, New Jersey, New Mexico, Ohio, Texas, Virginia.
- NSA also acquired the iStorage property management platform with 160 professionals for about \$20 million, including a property management company, a captive insurance company, and the iStorage brand.
- iStorage acquisition an “off-market” transaction.
- Acquired 34 self storage properties in eight states for approximately \$206 million in the third-quarter. Acquisitions total about 2.3 million rentable square feet and over 18,400 storage units.
- Subsequent to quarter’s-end, acquired two additional properties for \$17 million encompassing about 100,000 rentable square feet and 800 storage units.
- Another 30 properties under contract valued over \$200 million, with locations in Florida, Indiana, and California.

Acquisition Pipeline

- Participating Regional Operators (PROs) with 90 properties valued over \$700 million for potential future acquisitions.
- Acquisitions performing over 50 basis points above projections.

Operations

Public Storage

(NYSE: PSA)

Public Storage top 20 markets all positive in revenue growth year-over-year, except the Houston market down 1.0%.

- Revenue growth slowed to 5.1%, still strong, but down from 6% last quarter.
- 2,319 facilities in 38 U.S. states with approximately 152 million rentable square feet, and 218 facilities in seven Western European nations with about 12 million square feet operating under the “Shurgard” brand name. Also owns 42% common equity interest in PS Business Parks, Inc. (NYSE: PSB) which owns and operates about 28 million rentable square feet of commercial space.
- Public Storage Business Parks earnings are up about 20% quarter-to-quarter.

Softening Demand

- 80% of total revenue base has declined in rate of growth, as compared to very difficult comps from exceptional third-quarter last year. Revenue growth decline has slowed from earlier in the year.
- Increases on existing customers remain strong in range of 8% to 10%. Existing tenant not vacating any more rapidly.
- Relatively low new supply in constrained markets including San Francisco and Los Angeles, but rate of growth slowed.
- Average move-in rate during third-quarter about \$135 per month, compared to \$137 last year.
- October move-in rate \$127 per month up from \$126 per month last year. Move-in volume down 3% versus last year.
- Plans to spend more on internet marketing, on keyword search items. Last two years enjoyed a reduction in advertising as demand was coming without need to spend.
- Marketing costs in third-quarter up 95% or about \$670,000, evenly split between incremental TV and internet advertising. Promotional discounts flat, overall customer acquisition costs up 2.2% for the quarter.
- Move-in volume up 1.1% or about 2,800 incremental new customers.
- Acquisition cost per customer of \$127 versus \$126 last year.
- Move-in rates down 1.5%, and fees up 9.1%, net profit per customer move-in is \$32 in the third-quarter versus \$33 last year.
- Quarterly expenses up 6.4% overall
 - Onsite payroll up 6.7% - due to medical insurance cost.
 - Property taxes up 5.4%

Operations

Public Storage

(NYSE: PSA)

Negative Roll Down Rates

- Move-in rates about \$135 per month versus move-out rate of \$144 per month in the third-quarter.
- Last year, move-in rate \$137 per month versus move-out rate \$140 per month.

Measuring Demand

1. Walk-in traffic down about 7%
2. Increase in sales calls-partly due to increase in marketing activities
3. Web channel flat

Europe

- Europe generating more cash flow than it can deploy, about \$80 million to \$90 million per year. Makes uses of proceeds for potential IPO difficult. But could change in three-to-six months if big opportunity arose.

Same-Store Definition

- The Same-Store Facilities represent those facilities that have been owned and operated on a stabilized level of occupancy, revenues and cost of operations since January 1, 2014.

Select Markets Same-Store Performance

Market	Facilities	Rent Per Occupied Square Foot	Weighted Avg. Occupancy	Revenue Growth
Los Angeles	204	\$23.97	96.4%	7.1%
San Francisco	126	\$25.08	96.3%	6.2%
New York	86	\$24.86	95.3%	2.9%
Chicago	129	\$15.56	94.0%	1.6%
Washington D.C.	78	\$21.83	94.5%	2.7%
Seattle - Tacoma	81	\$19.10	96.9%	9.1%
Miami	65	\$20.21	95.3%	5.5%
Dallas - Fort Worth	98	\$13.91	95.2%	6.4%
Houston	74	\$14.25	93.0%	(1.0)%
Atlanta	91	\$12.61	95.9%	7.6%
Philadelphia	55	\$15.52	95.3%	5.3%
Denver	44	\$16.81	95.3%	0.8%
Minneapolis - St. Paul	41	\$14.42	95.0%	4.2%
Portland	40	\$18.32	97.1%	6.6%
Orlando - Daytona	49	\$13.12	95.8%	6.0%

Operations

Extra Space Storage

(NYSE: EXR)

Spencer Kirk retiring at the end of the year, after 7.5 years as CEO. Succeeded by Chief Investment Officer, Joe Margolis. Joe has served on the Board of Directors for over a decade, and instrumental in structuring first joint venture with Prudential in 1998.

- Spencer Kirk will continue to be actively involved as a member of the board, and remain company's largest individual shareholder.
- Executive team's average tenure of 14 years.
- FFO per share as adjusted grew by 25.9%. Marks 24th consecutive quarter of double-digit growth. Fueled by accretive acquisitions, joint ventures, third-party management, and optimized balance sheet.
- Goal of double-digit FFO growth.
- Quarter-end occupancy at 93%. Ended about 40 basis points below last year.
- Same-store revenue growth driven by higher rates to new and existing customers.
- All markets showed positive revenue growth year-over-year, except Denver.
- Discounts at about 3% of revenues, still low by a historical measure, up slightly from all-time low in 2015.

Top Markets For Revenue Growth

- South Florida and Miami markets show revenues up 6.8% and NOI up 7.3%.
- About 150 basis points sequential decline in revenue growth the past three quarters. Rate of decline has slowed going into third-quarter.
- Denver experienced double-digit revenue growth of 15% for two years in a row. This quarter slightly negative due to a combination of difficult comps and new supply.
- New York is a good market with extremely low saturation, but remains mysterious in predicting.
- Majority of revenue growth from street rate growth.

Discounts

- About 58% of new customers received a discount compared to 47% last year.
- October street rate growth slightly lower than third-quarter mid-to-upper 5% growth rate, with discounts about the same as the third-quarter.

Operations

Extra Space Storage

(NYSE: EXR)

Cyclical Patterns

- Number one market for 10-year NOI growth is Chicago, but presently showing less strength. Boston showing weakness without the impact of a lot of new supply. Sacramento expected to be strong for a few years.

Storage Sector Growth

- Over the past ten years, average NOI growth as a group has been about 5.3%. Extra Space averaged about 6.7%, and third-quarter 7.8% growth.
- Only about 1% of customers move-out after receiving rate increase.
- About 10% of customers each month, nearly 80,000, receive rental increases after five months then each nine months thereafter.
- Valet storage not seen as imminent threat.
- Will add 9,000 units this year through expansions, and turning 10' x 10' units into 5' x 5'.
- Property taxes have increased 4% to 6% over the past couple of years.

Third-Party Management

Third-Party Managed	422
Joint Venture	189
Total Managed	611

Guidance For Year Ending Dec. 31, 2016

Revenue Growth	6.75% to 7.25%
Net Operating Income Growth	8.25% to 9.0%
Net Tenant Insurance Income	\$71.5 million to \$72.5
Acquisition of Operating Stores	\$1 billion
Acquisition Upon Competition of Development	\$90 million
Acquisition Upon Completion-Joint Ventures	\$165 million
FFO Dilution From C of O Stores 2015-2016	\$0.05

Same-Store Definition

- 564 stores wholly-owned and operated stabilized by first day of earliest calendar year presented. Considers a store to be stabilized once opened for three years and has sustained an average square foot occupancy of 80% for one calendar year.



Operations

Extra Space Storage
(NYSE: EXR)

Select Markets Same-Store Performance

MSA	Stores	Rent Per Occupied Square Foot	Average Occupancy	Revenue Growth
Los Angeles-Riverside-Orange County	72	\$17.09	95.0%	+9.1%
New York-N. New Jersey-Long Island	61	\$22.40	93.5%	+4.6%
Boston-Worcester-Lawrence	38	\$20.21	93.3%	+2.3%
Washington D.C.-Baltimore	35	\$19.49	93.4%	+3.8%
San Francisco-Oakland-San Jose	32	\$25.10	94.4%	+7.8%
Miami-Fort Lauderdale	22	\$18.23	94.0%	+6.5%
Atlanta	22	\$13.86	93.0%	+7.4%
Dallas-Fort Worth	20	\$15.04	93.1%	+5.1%
Chicago-Gary-Kenosha	18	\$14.73	93.3%	+2.6%
Philadelphia-Wilmington-Atlantic City	17	\$13.95	94.3%	+5.1%
Tampa-St.Petersburg-Clearwater	15	\$15.28	94.8%	+10.6%
Sacramento-Yolo	10	\$13.09	97.4%	+15.8%
Cincinnati-Northern Kentucky	9	\$9.92	93.6%	+4.4%
Denver-Boulder-Greeley	7	\$13.55	92.3%	(1.6%)
Seattle-Tacoma-Bremerton	5	\$15.72	96.8%	+13.0%
Stockton-Lodi, CA	5	\$12.84	97.0%	+11.5%
Indianapolis	5	\$11.56	94.5%	+5.8%
Columbus, OH	4	\$10.36	94.7%	+3.9%
San Diego, CA	4	\$17.04	94.1%	+11.6%

Operations

CubeSmart

(NYSE: CUBE)

Third-party management of 291 properties, adding 17 assets in quarter. Offers pipeline for future acquisitions. Also, contributed \$2.7 million of revenue in the quarter.

Outperform Inflation

- Each month, about 6% of all customers vacate. Self storage is a short term purchase and need based, which provides opportunities for rent to consistently outperform inflation.
- General roll down in rates as customers who received significant rate increase eventually move out.
- Occupancy in October for same-store pool was 92.7%.
- Same-store revenue growth of 6.2% this quarter driven by 40 basis point contribution from physical occupancy, higher in-place rents and lower discounts.
- Discounts as a percentage of rents at 3%, same as 2Q 2015.
- Rental rates increased by 5.8% in quarter, property taxes up only 3.6% for the year.
- Spread in move-ins to move-outs was about -1% in third quarter.
- Asking rents per square foot up 2.3%, after trending down last few quarters. Peak increase in 2015 of 7.3%.

2016 Full Year Guidance- Same-store pool of 407 assets

Revenue Growth	6.75% to 7.25%
Net Operating Growth	9.75% to 10.25%
FFO Per Share	\$1.43 to \$1.44

- For third time this year, increase in FFO per share expectations and same-store NOI guidance.

Operations

CubeSmart

(NYSE: CUBE)

New York

- Queens 84,000 square foot facility on East New York Avenue opened in February 2016, and increased occupancy by the end of the third-quarter to 51.9%.
- Aggressive revenue growth rate in Queens pushed rates 14% to 18% over the past two years. Demand continues to be strong in the third-quarter but the pace of rate growth is slowing.
- Other new Queens facility opened at the end of 2015 occupancy at 36%, and new Brooklyn facility at 39% also opened at the end of last year.

Dallas

- Even though market experiencing new construction, certain locations such as new CubeSmart facility on the LBJ Freeway, leasing up significantly faster than planned.

Valet Storage

- Not measurable impact, but could potentially impact smaller size units.

Hurricane Matthew Impact

- Minimal flooding experienced in South Carolina and North Carolina markets as a result of Hurricane Matthew. Estimated damages in wholly-owned portfolio \$50,000 to \$75,000.



Operations

CubeSmart
(NYSE: CUBE)

Select Markets Same-Store Performance

MSA	Facilities	Rent Per Occupied Square Feet	Average Occupancy	Revenue Growth
New York-N. New Jersey-Long Island	48	\$27.26	93.2%	3.7%
Chicago-Naperville-Joliet	34	\$14.01	93.7%	3.3%
Miami-Fort Lauderdale-Pompano Beach	33	\$17.23	94.4%	8.6%
Dallas-Fort Worth-Arlington	25	\$13.66	93.0%	5.3%
Washington D.C.-Arlington-Alexandria	20	\$20.18	94.3%	6.0%
Atlanta-Sandy Springs-Marietta	16	\$12.43	93.9%	7.8%
Riverside-San Bernadino-Ontario	16	\$11.22	95.7%	12.0%
Tuscon, AZ	15	\$10.44	93.5%	7.2%
Philadelphia-Camden-Wilmington	13	\$15.72	94.2%	7.2%
Phoenix-Mesa-Scottsdale	12	\$11.20	94.2%	9.0%
Houston-Sugarland-Baytown	12	\$13.36	92.5%	3.5%
Hartford-West Hartford-East Hartford	12	\$11.89	91.4%	4.2%
Orlando-Kissimmee	10	\$12.03	94.5%	8.0%
Columbus, OH	10	\$10.04	92.7%	7.3%
Cleveland-Elyria-Mentor, OH	10	\$13.06	92.5%	-0.1%
Sacramento-Arden-Arcade-Roseville	9	\$12.30	96.4%	14.7%
Jacksonville, FL	7	\$14.97	94.8%	10.1%
Denver-Aurora, CO	7	\$15.64	92.5%	-0.3%
San Diego-Carlsbad-San Marcos, CA	6	\$15.20	95.1%	10.6%
Los Angeles-Long Beach-Santa Ana	6	\$14.94	96.2%	10.0%
Austin-Round Rock, TX	6	\$14.94	92.5%	5.4%
Boston-Cambridge-Quincy, MA-NH	6	\$21.50	96.0%	5.7%
Nashville-Davidson-Murfreesboro-Franklin, TN	5	\$12.28	91.4%	7.1%
Cape Coral-Fort Meyers	5	\$14.26	94.5%	12.9%
Bridgeport-Stamford-Norwalk, CT	5	\$22.00	91.5%	0.7%
Salt Lake City, UT	4	\$10.82	96.5%	8.1%
Providence-New Bedford-Fall River, RI-MA	4	\$13.95	94.5%	11.6%
Naples-Marco Island, FL	4	\$15.68	92.0%	7.3%
Las Vegas-Paradise	3	\$11.86	94.7%	13.2%

Operations

LifeStorage

(NYSE: LSI)

Experienced same-store revenue growth in 28 of 29 major markets.

- Strongest revenue impact includes Downstate New York/New Jersey, Atlanta, all Florida markets particularly Miami and Tampa.

Select Markets Same-Store Performance

Market	Stores	Rent Per Occupied Square Feet	Avg. Quarter Occupancy	Revenue Growth
Houston-The Woodlands-Sugarland, TX	41	\$13.74	92.5%	1.9%
New England-CT-RI-NH-MA-ME	33	\$17.40	91.1%	3.2%
New York-Newark-Jersey City, NY-NJ-PA	24	\$22.03	92.2%	5.3%
Atlanta-Sandy Springs-Roswell, GA	21	\$12.85	93.1%	8.6%
Buffalo-Upstate, NY	19	\$13.15	89.8%	-0.3%
Dallas- Fort Worth-Arlington, TX	19	\$12.30	94.1%	3.6%
Austin-Round Rock, TX	17	\$12.79	91.1%	1.8%
Miami-Ft. Lauderdale-West Palm Beach, FL	15	\$18.49	92.4%	6.5%
San Antonio-New Braunfels, TX	15	\$13.18	93.3%	3.3%
New Orleans-Lafayette, LA	13	\$11.79	94.4%	0.8%
St. Louis, MO	13	\$13.27	90.1%	3.8%
Tampa-St.Petersburg-Clearwater, FL	13	\$14.48	95.2%	9.1%
Virginia Beach-Norfolk-Newport news, VA	12	\$10.44	93.5%	5.0%
Chicago-Naperville-Elgin, IL	10	\$14.61	91.2%	5.9%
Phoenix-Mesa-Scottsdale, AZ	10	\$11.11	90.8%	7.4%
Cleveland-Elyria, OH	9	\$11.43	91.4%	2.9%
Raleigh-Durham, NC	8	\$12.35	94.0%	1.3%
Jacksonville, FL	8	\$11.26	94.7%	9.3%
Pensacola-Ferry Pass-Brent, FL	8	\$8.57	93.6%	10.7%
Space Coast, FL	7	\$12.52	94.9%	15.2%
Charlotte-Concord-Gastonia, NC	7	\$12.13	96.3%	11.4%
Montgomery, AL	7	\$10.02	87.5%	5.2%
Cape Coral-Fort Meyers, FL	6	\$12.31	93.6%	10.0%

Operations

LifeStorage (NYSE: LSI)

LifeStorage Locations

LifeStorage	562
Sovran/Heitman Joint Venture	69
LifeStorage Solutions - Third Party Management Solutions	26
Total	657

Same-Store Pool

- Same-store definition includes stores after achieving 80% sustained occupancy using market rates and incentives.
- Currently 417 stabilized stores owned since December 31, 2014.

Full Year 2016 Guidance

Revenue Growth	5.0% to 6.0%
Operating Expenses	1.0% to 2.0%
Property Taxes	6.5% to 9.5%
Total Operating Expenses	2.5% to 3.5%
Net Operating Income	6.0% to 7.0%

- Drivers behind same-store revenue growth of 4.5%, include a 30 basis points increase in average occupancy, and a 3.7% increase in rental rates.
- Same-store occupancy as of September 30, 2016 was 91.6%, a 50 basis point increase over last year which was an all-time high for the end of the third-quarter.
- Increased occupancy came at a price with free rent from promotions increasing significantly for the first time in many years.
- Flooding impacted a number of markets and temporarily closed two stores in Lafayette, Louisiana and one in St. Louis, MO.
- Surprised by speed of impact in Houston and now Dallas. New competition impacting Austin, but Dallas, Houston and San Antonio more complex. Offering more incentives for the first time in years resulting in maintaining and even growing occupancy.
- While Texas markets are impacted, other very strong markets include all of Florida and Atlanta.
- In Houston large call volume decline in August. Since then, call volume and search increasing week to week.
- Plans to complete \$25 million to \$30 million of expansions in 2016.
- Expects to incur up to \$22 million in costs pertaining to the rebranding of Uncle Bob's Self Storage to LifeStorage. Expected to be completed in April 2017.

Operations

LifeStorage

(NYSE: LSI)

Customer Retention

- 61% of all customers staying at least one year, 45% stay at least two years, slightly up from second-quarter. First quarter nearly the same. Customers remain very "sticky" and absorb rent increases.
- Discounts up \$600,000 in the third-quarter, biggest in years.
- Two promotions offered; first month free (throughout Texas), and other markets one-half month off. Charlotte and Phoenix markets, LifeStorage also recently aggressive with promotions.

Operations

National Storage Affiliates (NYSE: NSA)

Street rates up about 10% from one year earlier.

- Minimal damage to properties from Hurricane Matthew.
- Historically, over past 20 years overall self storage NOI growth averages 5%. NSA NOI growth in the third-quarter at 9.5%.

Same-Store Performance

State	Stores	Average Rent Per Occupied Square Foot	Average Occupancy	Revenue Growth
Oregon	49	\$13.81	91.8%	10.8%
Texas	45	\$9.39	88.6%	3.6%
California	27	\$14.33	91.3%	11.8%
Oklahoma	25	\$8.64	86.7%	0.1%
North Carolina	19	\$9.86	86.8%	4.0%
Georgia	16	\$8.53	94.2%	6.3%
Washington	13	\$12.71	90.4%	7.0%
Arizona	10	\$12.09	90.7%	7.6%
Colorado	8	\$11.68	94.8%	2.3%
Other ¹	10	\$9.64	92.3%	8.1%

¹Other states in NSA's same store portfolio include Mississippi, New Hampshire, Nevada and South Carolina

Guidance Full Year 2016

Acquisitions	\$750 million to \$825 million
Core FFO	\$1.08/share to \$1.10/share

Capital Activities

Public Storage (NYSE: PSA)

- Issued 4.95% Preferred Shares-Series D, for gross proceeds of \$325 million, on July 20, 2016.
- Issued 4.90% Preferred Shares-Series E for gross proceeds of \$350 million, on October 14, 2016.
- Rare to offer preferred shares at coupon rates below earnings yields on stock, getting close presently.
- Public Storage has a share buyback authorization program, if wanting to execute one. Also would not rule out issuing debt.



Capital Activities

Extra Space Storage (NYSE: EXR)

- Completed \$1.15 billion in unsecured bank financing through a senior unsecured credit facility; consisting of a \$500 million senior unsecured revolving credit facility, a \$400 million senior unsecured five-year term loan, and a \$220 million unsecured seven-year term loan.

Debt Structure

Type of Debt		Weighted Avg. Maturity
Fixed-rate debt	76.1%	3.3%
Variable-rate debt	23.9%	2.3%
Combined		3.1%
Weighted average		4.8 years

Capital Activities

CubeSmart (NYSE: CUBE)

- Issued \$300 million of 3.125% unsecured notes due September 1, 2026.
- Announced redemption of all 3.1 million outstanding shares of 7.75% preferred shares Series A with a par value of \$77.5 million on November 2, 2016. Redemption price of \$25 per share plus accumulated unpaid dividends. Change of approximately \$2.8 million.
- Sold 1.6 million common shares through its at-the-market equity program at an average sales price of \$30.26 per share, resulting in net proceeds of \$47.5 million. 5.8 million shares available for future issuance.

Capital Activities

LifeStorage
(NYSE: LSI)

- Issued \$200 million of 12 year notes at an interest rate of 3.67% on July 21, 2016.
- Issued approximately 27,059 shares at a price of \$103.02 through Dividend Reinvestment Plan.
- Approximately \$16.1 million cash on hand, and \$260 million available on line of credit.
- ATM capacity \$59.3 million.

Key Financial Ratios

Debt to Enterprise Value @ \$88.94/share	28.5%
Debt to Book Cost of Facilities	39.3%
Debt to EBITPA	5.2x
Debt Service Coverage (DSC)	5.6x

Investment Grade Rating

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



Capital Activities

National Storage

Affiliates

(NYSE: NSA)

- On July 6, 2016 closed on a follow-on offering of 12,046,250 of its common shares, which included 1,571,250 common shares sold at a public offering price of \$20.75 per share resulting in net proceeds of about \$237 million.
- Issued in October, 1,500,000 of its common shares under at-the-market (“ATM”) program for net proceeds of approximately \$29 million.

Debt Ratios

Net Debt to EBITDA	5.7x
Fixed Charge Coverage Ratio	3.8x
Total Leverage Ratio	36.7%

- Total debt of about \$716 million with average weighted interest rate of 3.1%, and weighted average maturity of 5.8 years.



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