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SELF STORAGE GROUP

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SELF STORAGE MARKET OVERVIEW

Full Year & Fourth Quarter 2016 Results

Analysis of the Public Self Storage Companies

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Summary

Strong 2016 Performance, Decelerating Growth

- The self storage REITs generated same-store revenue growth for the full-year 2016 ranging from 5.2% to 7.7%. The pace of growth subsided in the second half of the year. In the fourth quarter 2016, revenue growth decelerated to a range of 4.0% to 6.3%.
- Net Operating Income for the full year 2016 range from 6.5% to 10.2%. As with revenue, the pace of NOI growth slowed during the fourth quarter ranging from 3.7% to 9.2%.
- The prospects of decelerating growth contribute to the public REITs adjusting 2017 guidance downward from 2016 levels.

Acquisitions Activity and New Supply Coming

- Acquisitions of single-assets and portfolios remain very competitive amongst public and private investors. 2016 highlighted by approximately \$1.3 billion acquisition of 83-property Life Storage transaction, and \$630 million acquisition of 66-property iStorage joint venture transaction.
- Total acquisition volume nearly \$5 billion by public companies in 2016 versus nearly \$3 billion the previous year.
- New deliveries of self storage primarily by private developers concentrated in the top MSAs. Public Storage is the most active public company with nearly \$660 million in development pipeline.

Implied CAP Rates based on common share prices

Public Storage (NYSE: PSA)	4.8%
Extra Space Storage (NYSE: EXR)	5.2%
CubeSmart (NYSE: CUBE)	5.5%
Life Storage (NYSE: LSI)	5.9%
National Storage Affiliates (NYSE: NSA)	6.0%

BMO Capital Markets

Earnings Results

Same-Store Comparisons

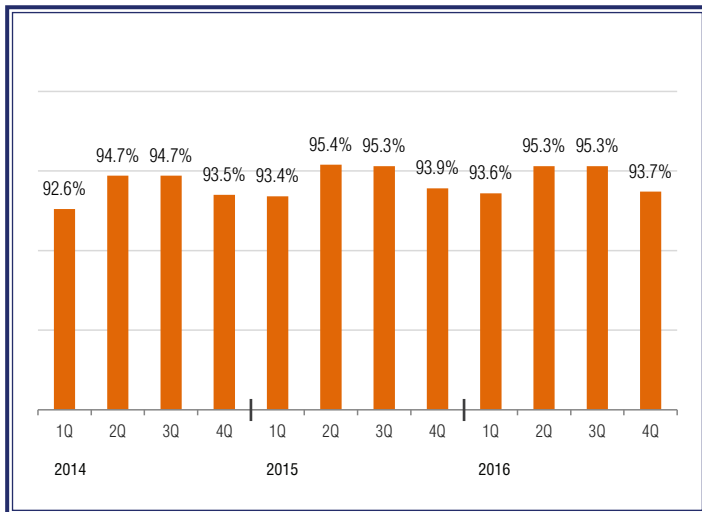
	Public Storage	Extra Space	CubeSmart	Life Storage	National Storage Affiliates
Properties Operating:	2,348 U.S. 219 Europe	1,427	~708	~650	453
Revenue:					
Q4 2016:	+4.6%	+5.2%	+5.8%	+4.0%	+6.3%
Full Year:	+5.5%	+6.9%	+7.0%	+5.2%	+7.7%
Net Operating Income:					
Q4 2016:	+5.1%	+7.9%	+8.1%	+3.7%	+9.2%
Full Year:	+6.6%	+9.2%	+10.2%	+6.5%	+10.2%
Occupancy:					
vs. last year:	93.7% 93.9% (weighted avg.)	92.0% 92.8% (end of qtr.)	91.8% 91.6% (end of qtr.)	90.4% 90.0% (end of qtr.)	88.4% 88.5% (end of qtr.)
Rent Per Occupied Sq. Ft.:	\$16.99	\$16.11	\$15.89	\$13.31	\$11.28

Capital Markets

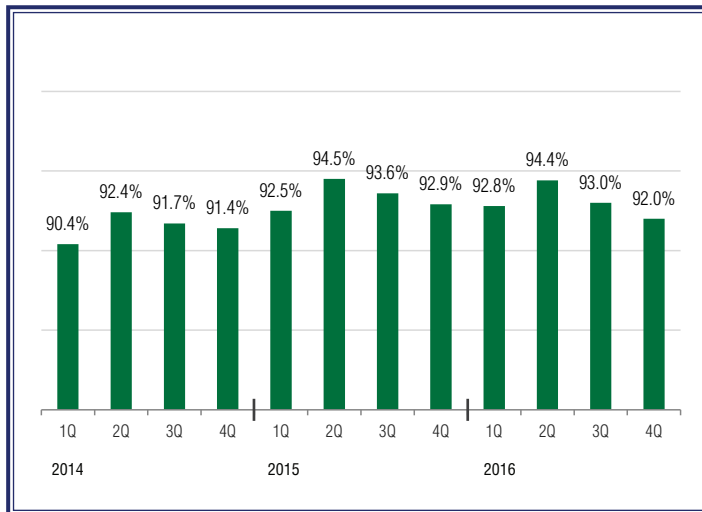
	Public Storage	Extra Space	CubeSmart	Life Storage	National Storage Affiliates
Market Capitalization:	\$39.6 billion	\$10.46 billion	\$4.96 billion	\$4.13 billion	\$1.68 billion
Funds From Operations: (qtr. adjusted)	\$2.77/share (+12.6%)	\$1.03/share (+18.4%)	\$0.38/share (+15.2%)	\$1.31/share (+0.0%)	\$0.30/share (+25.0%)
Annual Dividend Yield	3.52%	3.94%	3.96%	4.29%	3.96%
Common Stock Price: ^{3/01/2017}	\$229.33	\$79.82	\$27.25	\$88.73	\$24.61
52-Week High:	\$277.60	\$94.81	\$33.52	\$118.18	\$24.86
52-Week Low:	\$200.65	\$68.09	\$23.65	\$77.00	\$18.42

Portfolio Occupancies

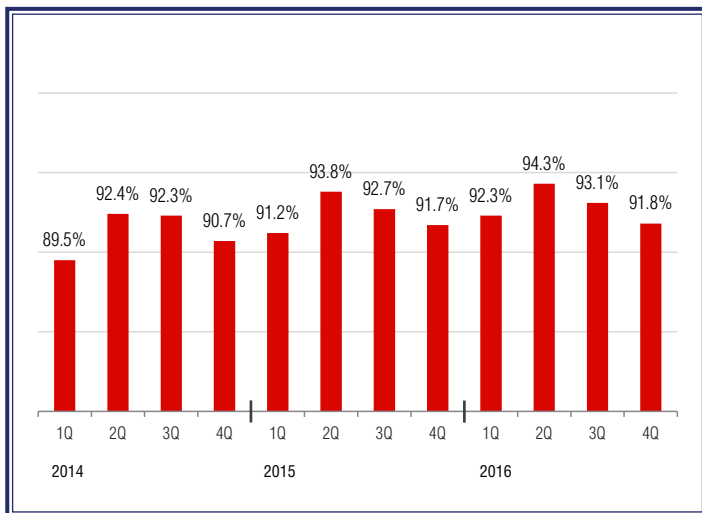
Public Storage



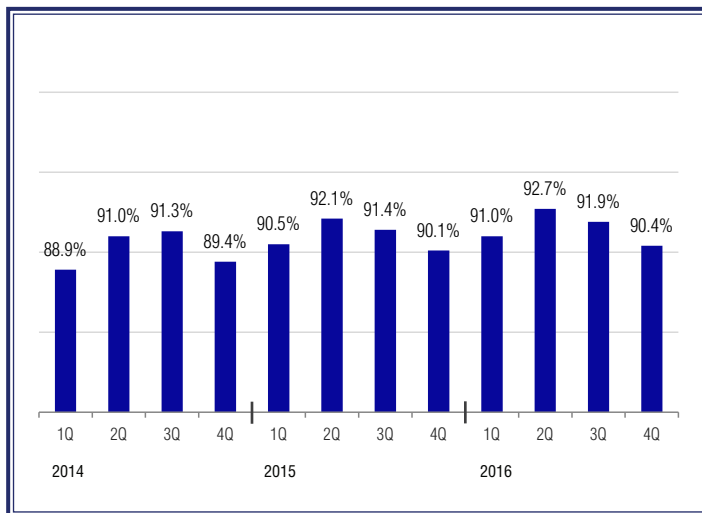
Extra Space Storage



CubeSmart



Life Storage

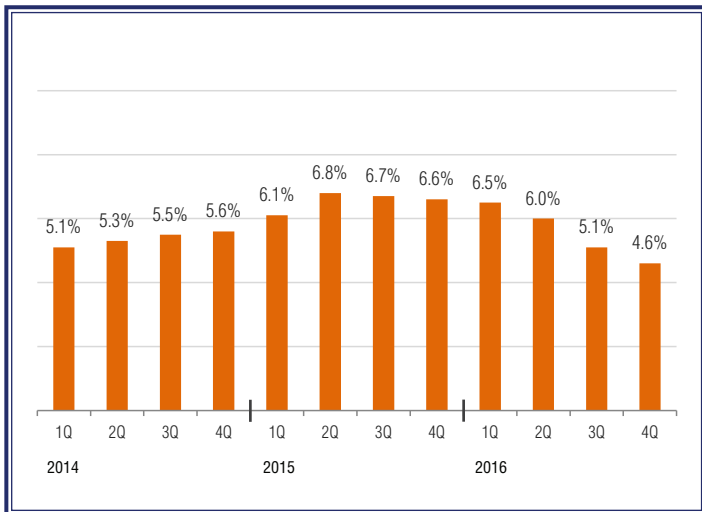




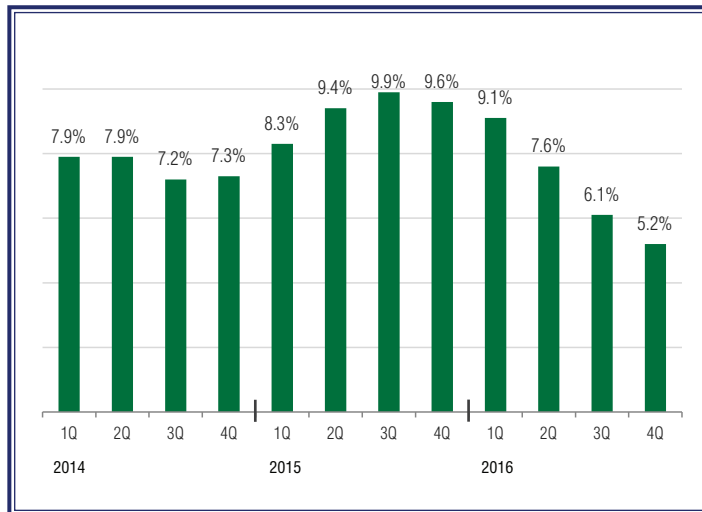
Portfolio Revenues

Same-Store

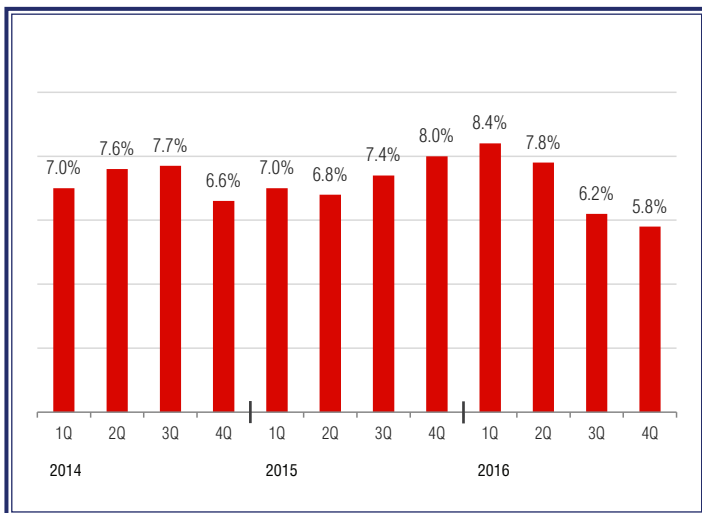
Public Storage



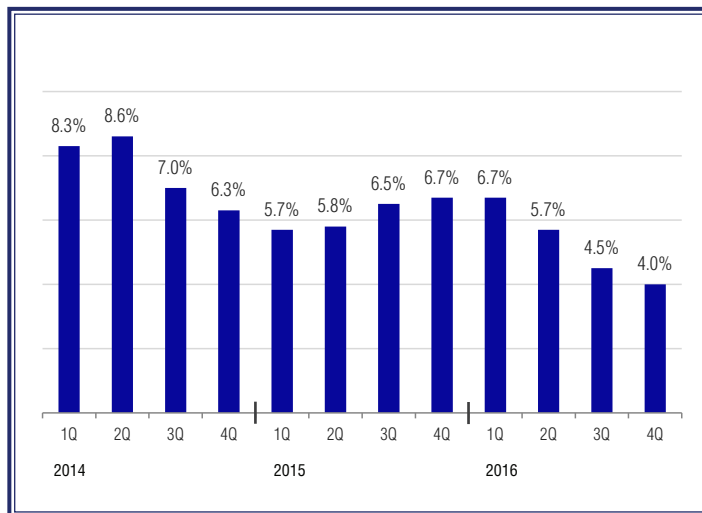
Extra Space Storage



CubeSmart

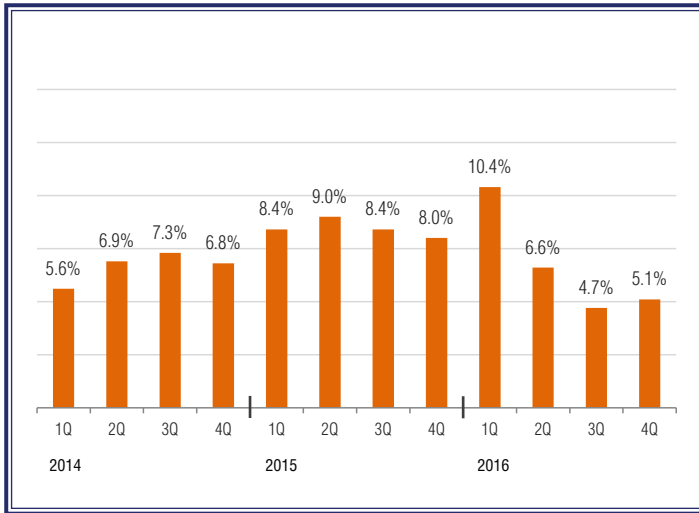


Life Storage

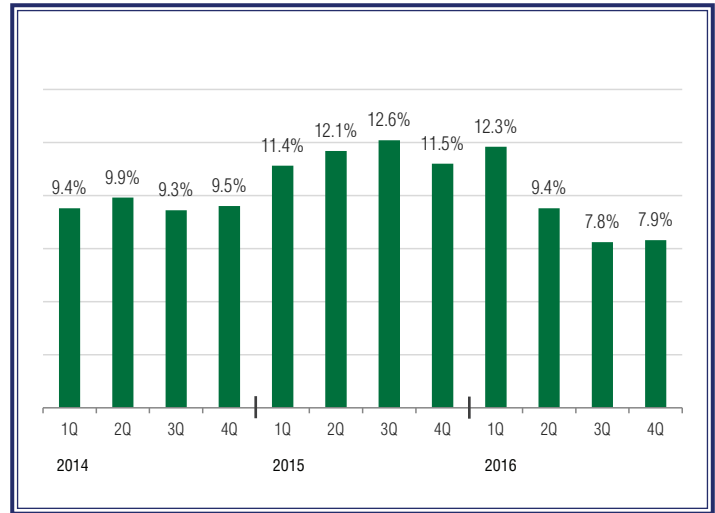


Portfolio Net Operating Income Same-Store

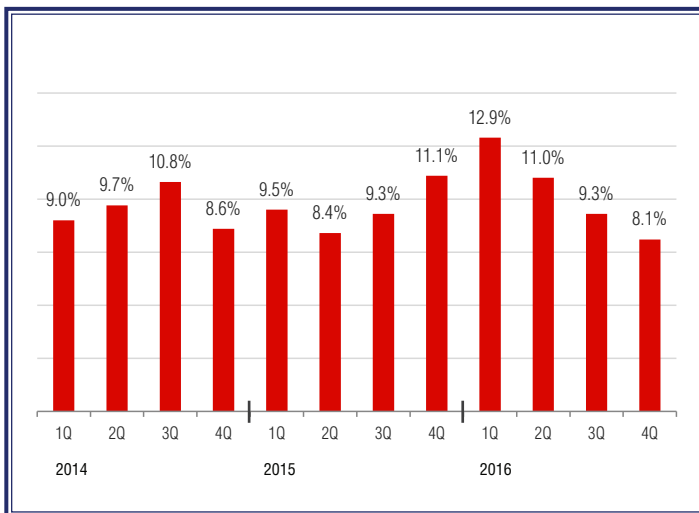
Public Storage



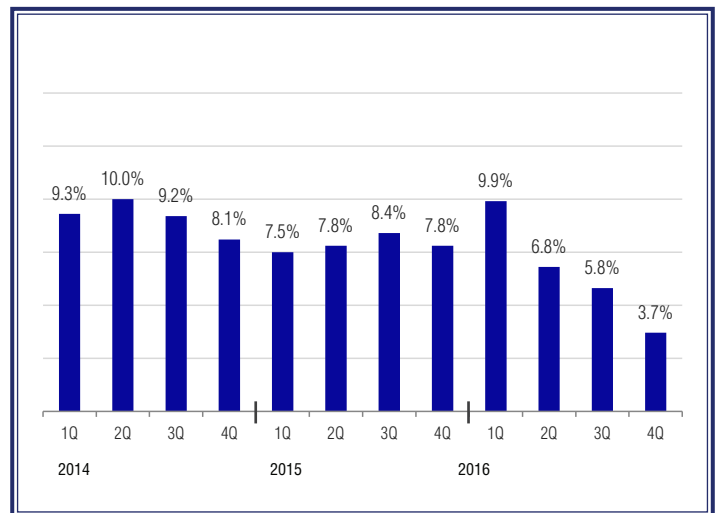
Extra Space Storage



CubeSmart



Life Storage



Investment Activity

Public Storage (NYSE: PSA)

For the year-end, acquired 55 facilities with 4.1 million rentable square feet for \$429 million. New development pipeline of \$520 million, plus additional expansions of another \$140 million.

Transaction Activity in Fourth Quarter

- Subsequent to year's end, acquired or under contract to acquire five facilities for \$26 million with two in Ohio and one each in Minnesota, New York and North Carolina.
- During fourth quarter 2016, acquired 23 facilities with 1.8 million rentable square feet for \$159 million. Locations include 13 in Oklahoma, four in Ohio, four in Tennessee, and one each in California and Texas.

New Public Storage Developments

- Public Storage development pipeline is larger than 10 to 15 years ago. Currently have 16 redevelopment opportunities in pipeline, and expect to grow in 2017.
- At December 31, 2016, various facilities currently in development by Public Storage totaling 4.2 million rentable square feet estimated to cost \$520 million, and various expansion projects totaling an additional 1.1 million rentable square feet estimated to cost \$140 million.

New Development Yields and Underwriting

- Target 8% to 10% cash-on-cash development yields based on current rents with zero street rate growth.
- Underwrite to a 90% occupancy even though tend to operate higher occupancy. Do not include tenant insurance or merchandise sales in development underwriting.
- Development group goes to internal pricing group to obtain pricing by unit size for a particular market.

Larger New Development Sizes

- The national trend is to develop larger facilities. Public Storage does not target a specific size, but size predicated on the economic opportunity and other influences such as zoning limitations.

Investment Activity

Public Storage (NYSE: PSA)

Overall New Supply

- Expect new supply for all public companies to increase about 25% in 2017 from 2016 deliveries.
- Public Storage no new deliveries in New York City market, after recent opening of Jersey City Development. CubeSmart and Extra Space have a fair amount of new supply coming into New York in the next couple of years, increasing supply up to 20% to 25%.
- Also, meaningful up-tick in new supply in Portland. Already seen meaningful new supply in Austin and Denver. The new pace of development is not uniform across the country.
- Houston construction costs have not come down, nor have land prices. But, rental rates are coming down so near-term future development pipeline limited. Same for Denver. Stopped building in Austin about 12-18 months ago.
- Other markets including Seattle, Miami, Los Angeles will continue to build if individual opportunities are economically viable.

Investment Activity

Extra Space Storage

(NYSE: EXR)

For the year, acquired 91 wholly-owned operating stores and eight stores at completion of construction for a total purchase price of approximately \$1.1 billion. Acquired nine stores at completion of construction with joint venture partners for a total purchase price of approximately \$150.6 million.

Transaction Activity in Fourth Quarter

- In fourth quarter 2016, acquired 24 wholly-owned operating stores and three stores at completion of construction for a total purchase price of approximately \$316 million.

Joint Venture Activity In Fourth Quarter

- Included in fourth quarter acquisitions is the November purchase of the 95% interest of its joint venture partner, The Prudential Insurance Company of America, in 11 store portfolio held in ESS WCOT, LLC for a total purchase price of approximately \$153 million, which represents 95% of the asset value of the stores.

New Supply

- Estimate approximately 900 stores overall to be delivered in 2017. Anticipate fewer in 2018.
- Extra Space eight of top markets found 360 stores either newly completed, under construction or in some stage of planning. About half of these compete with an Extra Space store. Of these 360 stores, 135 in planning process and see a significant level of these to fall out due to inability to get permits, financing, or another reason.

Chicago: Identified 41 new competing stores, 23 already delivered thus far.

Dallas: Identified 83 stores, only 39 delivered thus far.

California: There is little new supply compared to the population.

Certificate-of Occupancy Deals

- Pace of lease-up well ahead of long-term trends. Recent deals leasing up between one and two years, on average. Pace of lease-up has slowed down, but continue underwrite all deals at 36 to 48 months lease-up.
- Become more selective for certificate-of-occupancy deals as markets progress deeper into the development cycle.
- Target cap of 3% FFO dilution for certificate-of-occupancy acquisitions.

Development Projects

- Development pipeline consists of joint ventures that have been in discussion and review over the past one to two years. They include one in New Jersey, and others from New York down to Philadelphia.
- Expansion projects include larger footprint in Long Island, one in Chicago, one in Salt Lake City.



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
2017 Projected Openings					
Lake Worth, FL	1Q 2017	78,225	\$8,455,000	\$108.09	10%
Clearwater, FL	1Q 2017	57,400	\$7,750,000	\$135.02	20%
Orlando, FL	1Q 2017	67,800	\$7,300,000	\$107.67	100%
Philadelphia, PA	1Q 2017	78,320	\$15,850,000	\$202.37	90%
New York, NY	2Q 2017	65,188	\$30,000,000	\$460.21	25%
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	2Q 2017	73,800	\$16,500,000	\$223.58	50%
Venice, FL	3Q 2017	62,820	\$7,830,000	\$124.64	20%
New York, NY	3Q 2017	62,835	\$33,000,000	\$525.19	25%
Portland, OR	3Q 2017	74,040	\$12,800,000	\$172.88	25%
Westwood, NJ	3Q 2017	72,700	\$19,975,000	\$274.76	50%
Buford, GA	4Q 2017	79,250	\$7,500,000	\$94.64	100%
Raleigh, NC	4Q 2017	75,000	\$8,800,000	\$117.33	10%
Portland, OR	4Q 2017	67,455	\$8,250,000	\$122.30	25%
Portland, OR	4Q 2017	67,975	\$11,700,000	\$172.12	25%
Total	16	1,114,833	\$213,480,000		



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					
Vista, CA	1Q 2018	104,400	\$16,000,000	\$153.26	10%
Jamaica Plain, MA	1Q 2018	97,500	\$21,333,000	\$218.80	100%
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%
Totowa, NJ	1Q 2018	85,000	\$18,000,000	\$211.76	50%
Riverview, FL	1Q 2018	78,000	\$10,400,000	\$133.33	10%
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%
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%
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%
Norwood, MA	3Q 2018	85,650	\$19,000,000	\$221.83	10%
Charlotte, NC	4Q 2018	74,800	\$9,300,000	\$124.33	100%
San Jose, CA	4Q 2018	76,000	\$13,500,000	\$177.63	100%
Total	20	1,676,474	\$407,933,000		
2019 Projected Openings					
Aurora, CO	4Q 2019	79,900	\$10,528,000	\$131.76	100%



Investment
Activity

Extra Space
Storage
(NYSE: EXR)

Certificate-of-Occupancy Stores - Operating

Location	Date Opened	Rentable Square	Purchase Price	Price Per Square Foot	Occupancy 12/31/16	Ownership
Katy, TX	1Q 2014	93,345	\$14,150,000	\$151.59	87.5%	100.0%
Thousand Oaks, CA	1Q 2015	60,437	\$12,325,000	\$203.93	91.8%	100.0%
Dedham, MA	2Q 2015	67,381	\$12,500,000	\$185.51	90.0%	100.0%
Berwyn, IL	2Q 2015	79,772	\$9,900,000	\$124.10	91.1%	100.0%
Gilbert, AZ	3Q 2015	62,200	\$5,429,000	\$87.28	87.1%	10.0%
Bloomfield, NJ	3Q 2015	74,152	\$16,100,000	\$217.12	92.8%	50.0%
San Antonio, TX	4Q 2015	82,578	\$8,700,000	\$105.35	88.0%	100.0%
Charlotte, NC	4Q 2015	69,202	\$5,300,000	\$76.59	80.2%	100.0%
San Diego, CA	4Q 2015	73,592	\$9,708,000	\$131.92	93.8%	100.0%
Quincy, MA	1Q 2016	85,214	\$16,150,000	\$189.52	43.3%	100.0%
Chicago, IL	1Q 2016	81,683	\$16,500,000	\$202.00	51.2%	100.0%
Aurora, CO	1Q 2016	84,830	\$11,470,000	\$135.21	38.1%	10.0%
Bronx, NY	3Q 2015	66,890	\$23,000,000	\$343.85	77.4%	44.4%
Mesa, AZ	2Q 2016	63,395	\$5,000,000	\$78.87	91.0%	100.0%
Roswell, GA	2Q 2016	77,130	\$7,900,000	\$102.42	40.0%	100.0%
New York, NY	2Q 2016	62,549	\$52,000,000	\$831.35	37.8%	25.0%
Columbia, SC	3Q 2015	78,085	\$8,000,000	\$102.45	66.4%	20.0%
San Antonio, TX	2Q 2016	55,275	\$10,500,000	\$189.96	58.6%	100.0%
Elmont, NY	3Q 2016	80,083	\$24,700,000	\$308.43	35.7%	50.0%
Glendale, CA	3Q 2016	66,880	\$13,800,000	\$206.34	18.7%	100.0%
Hillsboro, OR	3Q 2015	27,200	\$3,672,000	\$135.00	85.1%	25.0%
Vancouver, WA	3Q 2016	82,485	\$8,700,000	\$105.47	66.8%	25.0%
Murray, UT	4Q 2016	77,336	\$3,750,000	\$48.49	20.7%	100.0%
Smyrna, GA	2Q 2016	56,160	\$8,000,000	\$142.45	37.3%	100.0%
Portland, OR	4Q 2016	44,405	\$8,700,000	\$195.92	20.5%	25.0%
Sarasota, FL	4Q 2016	66,816	\$10,340,000	\$154.75	1.5%	20.0%
Total	26	1,819,075	\$326,294,000			

Investment Activity

CubeSmart (NYSE: CUBE)

For full year, acquired 25 stores for \$334.2 million. Plus, three additional properties acquired upon completion of construction and issuance of certificate-of-occupancy.

Transaction Activity in Fourth Quarter

- Acquired four stores for \$52.8 million in the fourth quarter. Locations include two in Nevada, one each in Arizona, North Carolina.

Joint Venture Acquisition - Casey Storage Solutions

- On December 15, 2016, invested a 10% ownership position in a newly formed joint venture (“HHFNE”) that acquired the 13-store Casey Storage Solutions portfolio for an aggregate price of \$87.5 million. CubeSmart contributed \$3.8 million to the entity. CubeSmart will brand and manage the 700,000 rentable square foot portfolio. Locations include Massachusetts (6), Connecticut (3), Rhode Island (2), and Vermont (2).
- To fund a portion of the purchase price, HHFNE entered into a \$44.5 million loan that bears interest at LIBOR plus 1.9% and matures December 2019, with options until December 2021.

Certificate-of-Occupancy and Development Activity

- During 2016, acquired three stores at certificate-of-occupancy, and opened for operation two joint venture developments for a total investment of \$133.4 million. Locations include three in New York, and two in Texas.
- As of December 31, 2016, four properties under contract to purchase at certificate-of-occupancy for total of \$61.1 million. They include two in Illinois and two in Florida. Purchases expected to close between second and fourth quarters 2017.
- As of December 31, 2016, five joint venture development properties and two wholly-owned projects under development. Anticipate investing \$304.9 million in total in these projects. Locations include five in New York, one each in Washington D.C. and Florida.
- Subsequent to year's end, CubeSmart opened a \$9.7 million wholly-owned development property in North Palm Beach, Florida. Six remaining projects expected to open between first quarter 2017 and fourth quarter 2018.
- Vast majority of new developments are delivered by local entrepreneurs. Less than 20 certificate-of-occupancy deals announced by the REITs.
- Expected timing of deliveries to CubeSmart has shifted for a few new projects, as is typical, given the complexities of developing in high-barrier markets.
- Expected yield for certificate-of-occupancy transactions at 250 basis point spread to stabilized transactions in that market. Developments continue to stay in the 225 to 275 basis point spread range.

Investment Activity

CubeSmart (NYSE: CUBE)

More Single-Asset and Small Portfolio Transactions

- Of the 25 stores acquired by CubeSmart in 2016, 18 were single-asset transactions. Smaller portfolio transactions consisted of two portfolio acquisitions of two assets each, and one portfolio of three assets.
- Seller expectations and current share price are making a challenging acquisitions environment.
- Seller expectations not yet changing with rising costs of capital.

New Supply

- About 25% of facilities in the same-store pool impacted by the new supply coming online in the past two years or in 2017, an increase from 15% last year.
- Revenue growth on impacted stores expected 200 to 250 basis points lower than revenue growth on stores without new supply impact.
- CubeSmart's top 12 markets represent about 75% of 2016 same-store revenue. Tracked 125 new properties in these markets delivered in 2016, and expects 180 new stores in 2018. The supply per capita in these markets expected to grow about 5% from 4.6 square feet per capita to 4.9 square feet per capita - compared to the national average of roughly 6.8 square feet per capita.
- Markets outside of CubeSmart's top 12 includes measurable new deliveries in Raleigh - Durham - Chapel Hill with an estimated 17% increase in square foot per capita from 6.1 to 7.2.
- Miami-Fort Lauderdale supply increasing 8.2% from 5.08 square feet per capita to 5.49 square feet per capita.
- Dallas area increasing to 7.7 square feet per capita.
- Washington D.C. - Baltimore - Northern Virginia increasing to 7.7 square feet per capita.
- New York - Westchester - Long Island - New Jersey increasing to 7.4 square feet per capita.
- Five boroughs of New York increasing from 1.3 square feet per capita to 1.6 square feet, a 24% increase which includes a significant amount from CubeSmart. The additional supply is adding pressure to near term performance.
- New York expects positive revenue and NOI growth but at a level below same-store pool as a whole.

Dispositions

- Disposition strategy includes the possible exit of a few small Southwest markets, and possibly Midwest markets in bottom quartile of IPR. Would expect range of selling between a 6% and 7% cap rate.

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
Delray Beach, FL	Q4 2017	\$17,750,000
Total		\$61,050,000

New Development Facilities

Location	Expected Opening	CUBE's Anticipated Investment
North Palm Beach, FL	Q1 2017	\$9,700,000
Washington, D.C.	Q1 2017	\$25,400,000
New York, NY	Q3 2017	\$47,290,000
Brooklyn, NY	Q4 2017	\$49,800,000
Bronx, NY	Q2 2018	\$90,000,000
New York, NY	Q2 2018	\$10,000,000
Queens, NY	Q4 2018	\$45,700,000
Total		\$304,890,000

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 12/31/2016
Long Island City, NY	Q4 2014	88,825	\$38,000,000	\$427.81	58.5%
Dallas, TX	Q2 2015	114,550	\$15,800,000	\$137.93	56.9%
Brooklyn, NY	Q1 2016	109,846	\$48,500,000	\$441.53	28.7%
Fort Worth, TX	Q2 2016	77,654	\$10,100,000	\$130.06	23.8%
Grapevine, TX	Q2 2016	77,294	\$10,800,000	\$139.73	26.7%
Total		468,169	\$123,200,000		

New Development Facilities - Operating

Location	Date Completed	Rentable Square Feet	Total Cost	Cost Per Square Foot	Occupancy 12/31/2016
Bronx, NY	Q1 2014	46,457	\$17,200,000	\$370.23	89.4%
Arlington, VA*	Q2 2015	96,144	\$17,100,000	\$177.86	66.3%
Queens, NY*	Q4 2015	74,237	\$17,400,000	\$234.38	43.6%
Brooklyn, NY*	Q4 2015	56,000	\$14,800,000	\$264.29	40.5%
Queens, NY	Q1 2016	91,100	\$31,800,000	\$349.07	50.5%
Bronx, NY	Q2 2016	90,300	\$32,200,000	\$356.59	19.7%
Total		454,239	\$130,500,000		

*The company owns a 90% interest

Investment Activity

Life Storage (NYSE: LSI)

For full year , acquired 122 stores, upgrading its demographics and national footprint, highlighted by the Life Storage portfolio acquisition of 83 properties for approximately \$1.3 billion.

Transaction Activity in Fourth Quarter

- During fourth quarter 2016, acquired two properties; one store previously managed in Orlando, Florida for \$9.8 million consisting of 71,000 square feet (\$138.07 per sq.ft.), and one property in Chicago for \$8.75 million upon issuance of certificate-of-occupancy consisting of 68,000 square feet (\$128.68 per sq.ft.).
- Subsequent to end of the year, through two joint ventures acquired five properties for \$135.5 million. Four of the properties are in California (Los Angeles and Sacramento), and one in Long Island City, New York. Life Storage contributions totaled \$28.2 million to the joint ventures.
- No new purchase agreements entered in fourth quarter 2016. Life Storage remains in contract on two certificate-of- occupancy stores, one in Chicago for \$9.8 million, and one in Charlotte for \$12,425,000. Anticipated to close both stores in 2017.
- Looking to joint venture partnerships, as presently believe Life Storage currency is undervalued. JV partner may put up 80% of capital.
- Both private side and institutional money for self storage investment maintaining cap rate compression.

Austin, Texas Certificate-of-Occupancy

- As part of the 83-store Life Storage portfolio acquisition in July 2016, assumed contracts on three certificate-of-occupancy stores in Austin, Texas at a cost of \$44.8 million. The company decided not to pursue two of the contracts and forfeited \$1.8 million non-refundable deposits. These properties would have competed with each other. Currently negotiating a lease on the third property.
- No new acquisitions planned, except one new joint venture in California.



Investment
Activity

Life Storage
(NYSE: LSI)

Certificate-of-Occupancy Properties Under Contract

Market	Expected Completion Date	Number of Stores	Expected Net Rentable Sq. Ft.	Expected Price	Price Per Sq. Ft.
Chicago, IL	Feb. 2017	1	79,670	\$9,800,000	\$123.01
Charlotte, NC	Oct. 2017	1	71,780	\$12,425,000	\$173.10
Austin, TX	March 2017	1	57,963	\$14,100,000	\$243.26
Total		3	209,413	\$36,325,000	\$539.36

Certificate-of-Occupancy Operating Properties

Market	Date Acquired	Net Rentable Sq. Ft.	Price	Price Per Sq. Ft.	Occupancy 12/31/2016
Chicago, IL	May 2014	52,013	\$5,500,000	\$105.74	91.4%
Chattanooga, TN	Sept. 2014	57,260	\$6,550,000	\$114.39	86.9%
Chicago, IL	Nov. 2014	106,500	\$5,750,000	\$53.99	91.2%
Chicago, IL	March 2015	64,775	\$8,690,000	\$134.16	67.8%
Phoenix, AZ	June 2015	64,186	\$7,904,000	\$123.14	76.6%
Boston, MA	June 2015	63,475	\$10,291,000	\$162.13	77.5%
Phoenix, AZ	Feb. 2016	67,825	\$9,275,000	\$136.75	83.4%
Miami, FL	Feb. 2016	69,801	\$11,274,000	\$161.52	67.8%
Los Angeles, CA	March 2016	79,769	\$18,600,000	\$233.17	50.7%
Charleston, SC	July 2016	70,165	\$8,620,000	\$122.85	7.6%
Chicago, IL	Nov. 2016	68,235	\$8,884,000	\$130.20	8.1%
Total		764,004	\$101,338,000		

Investment Activity

National Storage Affiliates

(NYSE: NSA)

For the full year, acquired 173 self storage properties investing a total over \$1.3 billion, including the 66-property iStorage acquisition with a joint venture partner.

Transaction Activity in Fourth Quarter

- Acquired 66-property, 4.5 million rentable square foot iStorage portfolio for \$630 million in a joint venture. The JV financed the acquisition with about \$320 million in equity, about \$80 million from NSA in exchange for a 25% ownership interest, and about \$240 million from JV Investors in exchange for 75% ownership interest. The balance funded by debt financing. iStorage acquisition immediately accretive acquisition.
- NSA also completed acquisition of the iStorage property management platform for about \$20 million, including a property management company, a captive insurance company, and the iStorage brand.
- In the fourth quarter, acquired 31 properties for approximately \$228 million. These acquisitions encompass about 2.1 million rentable square feet in over 16,000 storage units.
- Subsequent to years end, acquired five additional properties for approximately \$32 million consisting of about 300,000 rentable square feet and over 2,200 storage units.
- Cap rates average about 6% on acquisitions on forward basis. Some lower, some higher, depending on the market.
- Captive pipeline of potential acquisitions through existing PROs include over nearly 120 properties valued at \$16 billion.

New Supply

- About 12% of the NSA portfolio with new supply entering trade area.

Operations

Public Storage

(NYSE: PSA)

Strategy not principally focusing on maintaining high occupancies. Strategy is growing revenue per available foot. By managing volume, rate, and promotional discounts - all three together optimize the revenue per available foot.

Discounts and Occupancy

- Approximately 77% of move-ins had some sort of discount, compared to about 72% for same quarter last year.
- Occupancy about 50 basis points lower at the end of January. Could easily close occupancy gaps if elect to cut rates and more television advertising and more promotions.
- Discounts up approximately 1.5% in the fourth quarter, \$19.9 million versus \$19.6 million last year for same-stores
- Rate increases on existing customers past two to three years averaged about 8% to 10%. About 14% increase to contract rent on existing tenants for full year.
- Street rates in January are flat or up 1% to 2%. Begin sending out rate increases in 2017 in a couple of months.

Expense Growth 2017

- Expecting an expense increase of 3% to 4%. Plan more advertising in 2017 versus 2016, but a month-by-month decision. Big expense driver is property taxes expected to rise 4.5% to 5% again in 2017.

European Market Fourth Quarter 2016 - Shurgard

- Same-store Net Operating Income up 9.8%, due to 3% revenue growth and 5.7% reduction in expenses mainly from various adjustments and lower marketing costs.
- Best European market performance in Holland with a 22% increase in NOI growth, and weakest is the United Kingdom down 5%.

Operations

Public Storage (NYSE: PSA)

Top Market Same-Store Performance - Fourth Quarter 2016

Market	Facilities	Revenue Growth	Net Operating Income Growth
Los Angeles, CA	204	6.5%	7.6%
San Francisco, CA	126	4.9%	5.7%
New York, NY	86	3.0%	-2.0%
Chicago, IL	129	2.5%	12.5%
Seattle-Tacoma, WA	81	8.0%	8.3%
Washington, D.C.	78	2.9%	1.2%
Miami, FL	65	4.4%	0.8%
Dallas-Fort Worth, TX	98	4.9%	8.6%
Houston, TX	74	-1.3%	-3.2%
Atlanta, GA	91	6.5%	10.6%

- Despite not having significant new supply, Los Angeles and San Francisco markets slowing revenue growth compared to previous year: Los Angeles 7.3% revenue growth last year vs 6.5% growth this Q4, and San Francisco last year 6.6% growth compared to 4.9% this year. Still impressive growth, unsustainable previous 7% to 8% growth.
- Started witnessing deceleration of revenue growth about April/May of 2016.

Operations

Public Storage

(NYSE: PSA)

Top Market Same-Store Performance - Year End 2016

Market	Facilities	Rent Per Occupied Square Foot	Weighted Avg. Occupancy	Revenue Growth
Los Angeles, CA	204	\$23.23	95.9%	7.3%
San Francisco, CA	126	\$24.37	96.0%	6.6%
New York, NY	86	\$24.36	94.6%	3.6%
Chicago, IL	129	\$15.33	92.3%	2.1%
Washington, D.C.	78	\$21.36	93.2%	2.6%
Seattle-Tacoma, WA	81	\$18.37	95.8%	8.7%
Miami, FL	65	\$19.79	95.0%	5.5%
Dallas-Fort Worth, TX	98	\$13.53	94.7%	6.9%
Houston, TX	74	\$14.15	92.2%	1.2%
Atlanta, GA	91	\$12.26	94.8%	7.6%
Philadelphia, PA	55	\$15.09	94.5%	5.3%
Denver, CO	44	\$16.35	94.6%	2.8%
Minneapolis-St. Paul, MN	41	\$14.02	93.2%	4.2%
Portland, OR	40	\$17.76	96.6%	8.2%
Orlando-Daytona, FL	49	\$12.81	95.1%	6.6%

Operations

Extra Space Storage

(NYSE: EXR)

Revenue growth moderated throughout 2016, as the benefit from growing occupancy went away and street rate growth trended from peak levels to more historically normal levels by year-end.

- Occupancy for same-store pool ended year at 92%, an 80 basis point decrease from the end of 2015. This includes impact of six expansion projects completed during the fourth quarter, excluding additional vacancy created in these six stores, ended occupancy would have finished 20 basis points higher at 92.2%.
- For full year 2016, FFO per share as adjusted, increased by 23%.
- Median length of stay is six to seven months, but average length of stay is 14 months. The median length of stay provides a group of units constantly churning with short duration.
- De-acceleration of revenue growth in certain markets, and observed re-acceleration in other MSAs, demonstrating cyclical nature of the markets.
- Street rates for January and February up between 3% and 4%.
- Top five markets comprise over 50% of NOI including Los Angeles, New York, Washington D.C., Boston and San Francisco.
- Street rates experienced growth of between 3% and 5%. Discounts up slightly year-over-year.
- Expect revenue growth deceleration to stabilize in second half of 2017. Re-acceleration has started in Chicago, Denver and Philadelphia.
- New store that opens up at C of O, typically open with rates 10% to 20% below market and will discount every single rental.
- Budgeting 6% increase in internet marketing. More bidding competition increasing costs.
- New store in Venice, California lease-up in only six months.
- The Great Recession was the only time Extra Space NOI growth was negative, about 3% in 2009. The negative growth proved an aberration as positive NOI growth ensued during the next quarter.

SmartStop Acquisition Performance

- The SmartStop facilities continue to outperform initial underwriting. The facilities enter same-store pool on January 1, 2017, causing out-sized growth.
- The assets in the SmartStop pool will generate more revenues through occupancy gains and rental increases to existing customers than generated in existing same-store pool.

New York Boroughs Performance

- Revenue growth due to additional supply in fourth quarter under 2%, and for full year 4.7%. Compared to the total New York MSA including northern New Jersey and Long Island 4Q revenue growth of 3.6% and 5.7% for the full year.

Operations

Extra Space Storage

(NYSE: EXR)

Third-Party Management

As of December 31, 2016

Third-Party Managed	411
Joint Ventures	180
Total Stores Managed	591

Revenue Growth Above Portfolio Average

MSA	Stores	Revenue Growth
Los Angeles-Riverside-Orange County, CA	72	7.7%
Tampa-St.Petersburg-Clearwater, FL	15	8.6%
Phoenix-Mesa, AZ	11	6.7%
Sacramento-Yolo, CA	10	16.0%
West Palm Beach-Boca Raton, FL	8	7.9%

Revenue Growth Below Portfolio Average

MSA	Stores	Revenue Growth
New York-N. New Jersey-Long Island, NY-NJ	61	3.6%
Boston-Worcester-Lawrence, MA-NH-ME-CT	38	1.9%
Chicago-Gary-Kenosha, IL-IN-WI	18	3.4%
Houston-Galveston-Brazoria, TX	8	1.7%
Denver-Boulder-Greeley, CO	7	(0.1%)

Full Year 2017 Guidance

Revenue Growth	4.0% to 5.0%
Property Expense Growth	3.5% to 4.5%
NOI Growth	3.75% to 5.25%
FFO as adjusted	\$4.15 to \$4.25
Net Tenant Reinsurance Income	\$77.5 million to 79.5 million
Acquisitions of Operating Stores	\$280 million
Acquisitions at C of O	\$45 million
Acquisitions at C of O through joint ventures	\$225 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	72	\$17.19	94.4%	+7.7%
New York-N. New Jersey-Long Island, NY-NJ	61	\$22.44	92.0%	+3.6%
Boston-Worcester-Lawrence, MA-NH-ME-CT	38	\$19.97	91.4%	+1.9%
Washington-Baltimore, DC-MD-VA-WV	35	\$19.36	91.2%	+3.2%
San Francisco-Oakland-San Jose, CA	32	\$25.17	93.1%	+6.6%
Miami-Fort Lauderdale, FL	22	\$18.18	92.9%	+5.8%
Atlanta, GA	22	\$13.81	91.3%	+5.2%
Dallas-Fort Worth, TX	20	\$14.95	91.4%	+3.7%
Chicago-Gary-Kenosha, IL-IN-WI	18	\$14.60	92.2%	+3.4%
Philadelphia-Wilmington-Atlantic City, PA-DE-NJ	17	\$13.94	93.7%	+5.5%
Tampa-St.Petersburg-Clearwater, FL	15	\$15.31	93.4%	+8.6%
Norfolk-Virginia Beach-Newport News, VA-NC	13	\$11.58	91.0%	+3.6%
Memphis, TN-AR-MS	11	\$9.49	92.3%	+3.0%
Phoenix-Mesa, AZ	11	\$12.01	93.7%	+6.7%
Sacramento-Yolo, CA	10	\$13.31	96.5%	+16.0%
Cincinnati-Northern Kentucky	9	\$9.70	92.1%	+4.3%
Houston-Galveston-Brazoria, TX	8	\$14.46	92.0%	+1.7%
West Palm Beach-Boca Raton, FL	8	\$13.60	91.7%	+7.9%
Orlando, FL	7	\$12.75	93.0%	+5.8%
Salt Lake City-Ogden, UT	7	\$12.29	91.5%	+6.8%
Denver-Boulder-Greeley, CO	7	\$13.42	90.0%	(0.1%)
Las Vegas, NV-AZ	6	\$7.58	93.8%	+5.7%
Richmond-Petersburg, VA	6	\$12.98	90.3%	+4.7%
Seattle-Tacoma-Bremerton, WA	5	\$15.61	96.6%	+11.8%
Hawaii, HI	5	\$31.46	93.8%	+6.6%
Stockton-Lodi, CA	5	\$12.92	96.4%	+10.9%
St. Louis, MO-IL	5	\$12.76	91.2%	(0.1%)
Indianapolis, IN	5	\$11.65	92.4%	+4.8%
Colorado Springs, CO	5	\$14.43	90.2%	+3.9%
San Diego, CA	4	\$17.15	92.6%	+6.9%
Sarasota-Bradenton, FL	4	\$12.97	91.8%	+0.5%
Portland-Salem, OR-WA	4	\$15.57	91.9%	+5.7%
Greensboro-Winston-Salem-High Point, NC	4	\$10.26	91.4%	+3.4%
Columbus, OH	4	\$10.18	92.7%	+2.9%
Cleveland-Akron, OH	4	\$7.57	92.1%	+3.6%

Operations

CubeSmart (NYSE: CUBE)

Same-store net operating growth in 2016 of 10.2% represents highest internal growth rate over the last five years, an impressive metric given the extremely strong storage fundamentals during the five year time period.

- For full year, same-store revenues grew 7% while expenses declined by 0.3% to yield robust NOI growth of 10.2%.
- 2016 FFO per share growth of 15.2% was sixth consecutive year of double-digit FFO per share growth.

Third-Party Management

- Third-party stores at year end totaled 316 stores containing 19.7 million square feet. Third-party stores represent nearly 40% of entire portfolio. The management team expects to add more than 50 new stores in 2017. In fourth quarter added 33 stores, including 13 properties in HHFNE joint venture. For full year 2016, added 115 stores to third-party management platform.
- Experiencing a reduced contribution to growth from physical occupancy gains and lower levels of discounting. Expect revenue growth almost entirely based on ability to grow net effective rents.

Earnings Guidance Full Year 2017^{-same-store pool of 433 properties}

Revenue Growth	3.75% to 4.75%
Expense Growth	4.0% to 5.0%
Net Operating Growth	4.0% to 5.0%
Acquisitions (excluding j.v. development of C/O investments)	\$25 million to \$75 million
FFO per diluted share, as adjusted	\$1.52 to \$1.57

Operations

CubeSmart

(NYSE: CUBE)

- Benefited last year from better than expected real estate taxes. Some of the results were from successful appeals, and some a result of bigger increases expected to hit in 2017.
- The same-store property pool increasing by 26 stores in 2017 or about 6%.
- New rentals in January 2017 on same-store basis were up 7%. It marks the best net rental performance of rentals and vacates in company history for January.
- Effective rents approximately 1% higher than last year.

Historically Low Discounts

- Discounts as a percentage rents at 3.5%, down 30 basis points from a year ago. It follows 3% in Q2 and Q3 of 2016 versus previous year.

Rent Increases

- Average length of stay about 13 months, with a median length of six months.
- Continuing the revenue management model of rent increases at six months, and every 12 months thereafter. Averaging high single-digit percentage increases.
- Spread of annualized scheduled annual rent per square foot (asking rents) versus realized annual rent per square foot has narrowed to 2.9%, about one-half compared to last year.
- Street rates growth come down from record levels in middle part of 2015.
- About 5% of customers above current street rates.
- Muting of seasonality has had more to do with divergence on the marketing side than on the pricing side. It is the ability of larger brands taking more than their share of demand in softer time periods and colder winter seasons.



Operations

CubeSmart
(NYSE: CUBE)

Select Markets Same-Store Performance

MSA	Facilities	Rent Per Occupied Sq. Ft.	Average Occupancy	Revenue Growth
New York-N. New Jersey-Long Island, NY-NJ-PA	48	\$27.41	91.4%	3.8%
Chicago-Naperville-Joliet, IL-IN-WI	34	\$13.94	92.4%	3.1%
Miami-Fort Lauderdale-Pompano Beach, FL	33	\$17.36	93.8%	7.6%
Dallas-Fort Worth-Arlington, TX	25	\$13.62	91.2%	4.0%
Washington-Arlington-Alexandria, DC-VA-MD-WV	20	\$20.14	91.9%	5.7%
Atlanta-Sandy Springs-Marietta, GA	16	\$12.54	91.5%	7.0%
Riverside-San Bernadino-Ontario, CA	16	\$11.50	95.0%	12.4%
Tucson, AZ	15	\$10.18	92.1%	5.8%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	13	\$15.76	91.7%	5.6%
Phoenix-Mesa-Scottsdale, AZ	12	\$11.37	93.5%	8.9%
Houston-Sugarland-Baytown, TX	12	\$13.34	89.5%	-0.4%
Hartford-West Hartford-East Hartford, CT	12	\$11.77	92.1%	6.9%
Orlando-Kissimmee, FL	10	\$12.18	92.8%	7.2%
Columbus, OH	10	\$10.06	90.5%	6.9%
Cleveland-Elyria-Mentor, OH	10	\$13.00	91.2%	2.2%
Sacramento-Arden-Arcade-Roseville, CA	9	\$12.51	96.0%	12.8%
Jacksonville, FL	7	\$15.11	93.3%	8.0%
Denver-Aurora, CO	7	\$15.56	87.9%	0.9%
San Diego-Carlsbad-San Marcos, CA	6	\$15.51	93.8%	8.2%
Los Angeles-Long Beach-Santa Ana, CA	6	\$15.47	95.4%	11.8%
Austin-Round Rock, TX	6	\$14.79	89.7%	3.4%
Boston-Cambridge-Quincy, MA-NH	6	\$21.25	92.3%	6.2%
Nashville-Davidson-Murfreesboro-Franklin, TN	5	\$12.02	88.6%	4.5%
Cape Coral-Fort Meyers, FL	5	\$14.64	93.0%	10.4%
Bridgeport-Stamford-Norwalk, CT	5	\$21.80	90.6%	1.6%
Salt Lake City, UT	4	\$11.14	95.9%	10.9%
Providence-New Bedford-Fall River, RI-MA	4	\$13.69	92.2%	8.2%
Naples-Marco Island, FL	4	\$15.52	92.6%	6.1%
Las Vegas-Paradise, NV	3	\$11.93	95.6%	12.4%

Operations

Life Storage

(NYSE: LSI)

In 2016, changed company name from Sovran Self Storage, Inc to Life Storage, Inc. and re-branded facilities from Uncle Bob's Self Storage to Life Storage.

- For the full year of 2016, revenues increased 5.2% over previous year at the 417 properties owned since December 31, 2014, over previous year. Net Operating Income increased by 6.5% over previous year. Operating costs increased by 2.5% which includes 5.3% in property taxes.
- During the fourth quarter 2016, experienced same-store revenue growth in all 29 of its major markets in same-store pool. Strongest revenue impacts includes Atlanta (+7.0%) and all Florida markets particularly Miami (+6.1%) and Tampa (7.1%).
- Assume no accretive acquisitions in 2017. Should any acquisitions in 2017 occur, expected to be funded via draws on its line of credit which carries an interest rate of LIBOR plus 1.10%.
- Plans to complete \$30 million to \$35 million of expansions in 2017. Also budgeted \$19 million to provide for recurring capitalized expenditures including roofing, paving and office renovations.
- Assume FFO dilution of \$0.01 to \$0.03 per share due to certificate-of-occupancy acquisitions; Life Storage operates 11 newly opened facilities acquired during 2014, 2015 and 2016. Acquiring two more certificate-of-occupancy facilities in 2017, and in negotiations to lease a third property in Austin.
- Same-store operating expenses increased 4.6% in fourth quarter 2016 compared to prior year. Property taxes, maintenance expenses, and internet advertising costs contributed most significantly.

Earnings Guidance Full Year 2017

Revenue	3% to 4%
Operating Costs (excluding property taxes)	3.25% to 4.25%
Property Taxes	6.5% to 7.5%
Total Operating Expenses	4.25% to 5.25%
Net Operating Income	2.75% to 3.75%
FFO Per Share	\$5.50 to \$5.60

- Same-store pool consists of 435 stabilized stores owned since December 31, 2015.
- Houston market comprising about 8.5% of 2017 NOI forecast. Anticipate -1.0% to +1.0% revenue growth in the Houston market.

Operations

Life Storage (NYSE: LSI)

Third-Party Management

Joint Venture Stores	69
Third-Party Managed	26
Added in 2017	12
Pending Construction Completion	5
Late Stage Negotiations	30
Total	142

New Supply

- Identified 227 new stores that compete within five-miles of a Life Storage property. Of this total 144 are under construction or in planning, and 83 have opened.

Houston

Under Construction/Planned	2
Recently Opened	12
Total	14

San Antonio

Under Construction/Planned	2
Recently Opened	4
Total	6

Dallas

Under Construction	10
Recently Opened	13
Planning	5
Total	28

Austin

Under Construction	11
Recently Opened	-
Total	11

Chicago

Under Construction/Planned	5
Recently Opened	8
Total	13

Revenue Growth

- 1.5% revenue growth expected from in place customers. Higher than normal guidance, but see potential from customers under street rates. 100 stores, internet clicks up 75% from last year.
- Estimates overall nationwide 700 to 800 new openings in 2017, and similar number in 2018.

Operations

Life Storage (NYSE: LSI)

Life Storage 83-Property Portfolio Acquisition July 2016

- Portfolio occupancy dropped from about 92% occupancy to 85% due to accounts receivables clean-up. Great run room in the portfolio to increase NOI faster than same-store pool.
- Yield performance about 10 basis points below expectations primarily due to Texas markets. The portfolio is running six-months behind projections overall.
- New markets of Sacramento, Las Vegas and, Los Angeles are performing well.

Brand Change Impact

- Average online traffic on store-to-store basis up 30%. Overall, including adding over 100 stores, internet clicks up 75% from last year.

Management Staffing

- About 18 stores per area manager.
- About 50 stores per IT support tech or property maintenance staffing.
- One call center representative for every 12 stores.
- 52% of all customers above current street rates. As tenants roll off in non-prime rental season, rates will roll down. In the prime rental season (June and July), rates will not roll down.
- Over 60% of customers stay over one year. And, 40% of these customers are currently below street rate.
- Focused on growing commercial customer base, corporate customers with more sophisticated features and benefits than typically available in self storage.

Tenant Insurance

- Portfolio penetration approximately 59.2%.
- New customers capture rate is approximately 85% and continues to grow.

Discounts

- 66% of new customers receive free rent versus 60% last year, and 53% in third-quarter 2016. The discounts are much lower in summer, about 40%.
- Peak leasing season begins in mid-May.
- Internet marketing growth 5% to 8%.



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	\$13.58	90.6%	0.7%
New England-CT-RI-NH-MA-ME	33	\$17.18	89.7%	2.5%
New York-Newark-Jersey City-NY-NJ-PA	24	\$22.18	91.5%	2.3%
Atlanta-Sandy Springs-Roswell, GA	21	\$12.96	90.4%	7.0%
Buffalo-Upstate, NY	19	\$12.69	88.7%	1.7%
Dallas- Fort Worth-Arlington, TX	19	\$12.21	92.6%	1.9%
Austin-Round Rock, TX	17	\$12.65	88.8%	2.1%
Miami-Ft. Lauderdale-West Palm Beach, FL	15	\$18.50	92.1%	6.1%
San Antonio-New Braunfels, TX	15	\$13.24	90.7%	2.5%
New Orleans-Lafayette, LA	13	\$12.09	93.3%	4.5%
St. Louis, MO	13	\$13.13	90.5%	6.0%
Tampa-St.Petersburg-Clearwater, FL	13	\$14.72	92.4%	7.1%
Virginia Beach-Norfolk-Newport News, VA	12	\$10.29	92.8%	5.7%
Chicago-Naperville-Elgin, IL	10	\$14.50	89.3%	3.5%
Phoenix-Mesa-Scottsdale, AZ	10	\$11.29	89.3%	7.5%
Cleveland-Elyria, OH	9	\$11.19	92.7%	5.4%
Raleigh-Durham, NC	8	\$12.30	91.0%	0.5%
Jacksonville, FL	8	\$11.42	92.9%	8.8%
Pensacola-Ferry Pass-Brent, FL	8	\$8.63	92.4%	12.4%
Space Coast, FL	7	\$12.86	94.4%	14.6%
Beaumont-Port Arthur, TX	7	\$13.62	91.5%	1.8%
Charlotte-Concord-Gastonia, NC	7	\$12.31	93.1%	10.3%
Montgomery, AL	7	\$9.77	86.6%	0.3%
Jackson, MS	6	\$11.08	92.5%	0.7%
Cape Coral-Fort Myers, FL	6	\$12.15	92.4%	5.2%
Orlando-Kissimmee-Sanford, FL	5	\$11.82	90.8%	6.9%
Chattanooga, TN-GA	5	\$11.51	90.9%	6.5%
Columbia, SC	5	\$10.37	91.5%	0.1%
Youngstown-Warren-Boardman, OH-PA	5	\$8.71	90.9%	3.6%

Operations

National Storage Affiliates

(NYSE: NSA)

Year-end same-store portfolio consists of 222 properties with end-of-year occupancy of 88.4%.

- Personal Mini Storage (“Personal Mini”) becoming NSA eighth Participating Regional Operator (“PRO”). Florida-based Shader Brother Corporation, doing business as Personal Mini, headed by President Marc M. Smith and Laurie Smith, is Central Florida’s largest family-owned storage operator, currently managing 36 properties in the greater Orlando area. Marc Smith is the former President of Nation Self Storage Association.

2017 Guidance- Same-store pool expected 227

Revenue Growth	5% to 7%
Operating Expense Growth	3% to 4%
Net Operating Growth	6% to 8%
Acquisitions Volume	\$200 million to \$500 million
Core FFO per share	\$1.22 to \$1.29

- Long-term goal to increased number of PROs up to 12 to 15 from current eight PROs. Hope to add one to three per year.
- About 30% of portfolio currently non same-store pool. Historically out performs same-store pool NOI by 1% to 2% with some more than double.
- Rate increases decided by each local PRO, all use same NSA system.
- In-place customers rate increases as early as six-months, then nine months thereafter. Some markets waiting for first rate increase after 12 months. Increases averaging high-single digits. PRO level decision.
- About two-thirds of new costumers received promotional discount in 2010.
- Current portfolio tenant insurance penetration over 55% representing double-digit growth.
- NSA experienced double-digit same-store NOI growth in several markets including California, Oregon, Georgia and Arizona. Soft markets in West Texas and Oklahoma.

Operations

National Storage Affiliates

(NYSE: NSA)

Portfolio Summary December 31, 2016

State	Stores	Occupancy Dec. 31, 2016	Occupancy Growth
California	78	90.8%	1.8%
Oregon	55	88.2%	(3.2)%
Texas	51	87.4%	(0.3)%
Oklahoma	30	84.7%	(2.9)%
North Carolina	30	89.2%	4.9%
Florida	22	84.7%	5.6%
Georgia	20	92.6%	(1.5)%
Arizona	15	89.0%	5.8%
Indiana	14	84.2%	-
Washington	14	88.0%	(3.5)%
Colorado	10	89.3%	(2.9)%
Louisiana	10	85.0%	2.4%
New Hampshire	9	94.0%	5.3%
Ohio	7	87.7%	-
Nevada	6	92.9%	6.4%
South Carolina	4	91.7%	(0.1)%

Capital Activities

Public Storage (NYSE: PSA)

- During 2016, redeemed two series of Preferred Shares with an average coupon rate of 5.4% at par for a total of \$862.5 million.
- Issued four series of Preferred Shares in 2016 for total gross proceeds of \$1.775 billion at an average coupon rate of 5.1%.
- On October 14, 2016, issued a 4.90% Series E Preferred Shares for gross proceeds of \$350 million.
- During 2016, issued € 100 million (\$113.6 million) of Euro denominated Senior Unsecured Notes to institutional investor bearing fixed interest rate of 1.54%, maturing in eight years.

Capital Activities

Extra Space Storage

(NYSE: EXR)

- Did not sell any shares of common stocks using its ATM equity program, during the fourth quarter.
- At December 31, 2016, \$349.4 million available for issuance.
- On October 14, 2016, completed \$1.2 billion in unsecured bank financing consisting of a senior unsecured four-year revolving credit facility of \$500 million, a senior unsecured five-year term loan of up to \$220 million.

Debt Structure

	Percentage	Weighted Avg. Interest Rate
Fixed Rate Debt	70%	3.3%
Floating Rate Debt	30%	2.3%
Combined		3.0%

Weighted average maturity of approximately 4.7 years.

Capital Activities

CubeSmart

(NYSE: CUBE)

- On November 2, 2016, redeemed all 3.1 million outstanding shares of 7.75% preferred shares Series A with a par value of \$77.5 million. Redeemed at a price of \$25 per share, plus accumulated and unpaid dividends.
- No common shares sold in the fourth quarter. For the full year, sold 4.4 million common shares at an average sales price of \$31.25 per share and raised \$136.1 million of net proceeds through the ATM program. As of December 31, 2016, 5.8 million shares available for issuance.
- In December 2016 announced a 28.6% increase to quarterly dividend bringing annual dividend to \$1.08 annualized. Based on midpoint of 2017 guidance, the dividend increase suggest FFO payout ratio of 70%.
- Have plan in place for a share repurchase, but never used it. Do not perceive leveraging to execute a program.

Debt Structure

	Amount	Weighted Avg. Interest Rate	Weighted Avg. Maturity
Fixed Rate Debt	\$1.45 billion	3.91%	6.5 years
Floating Rate Debt	\$143 million	2.06%	2.0 years
Total Debt	\$1.595 billion	3.75%	6.1 years

Capital Activities

Life Storage (NYSE: LSI)

Full Year 2016

- Increased credit line capacity in 2016 from \$300 million to \$500 million.
- Completed an inaugural public debt offering of \$600 million of 10-year notes at an interest rate of 3.5%.
- Approximately \$23.7 million on hand, and \$247 million available on line of credit, at December 31, 2016. ATM capacity of \$59.3 million.
- Issued 39,615 shares at a price of \$82.23 through Dividend Reinvestment Plan.
- Six members on board of directors, three since the beginning as Sovran. Dave Rogers, CEO, not currently on board.

Key Financial Ratios

Debt to Enterprise Value @ \$85.26/share	29.5%
Debt to Book Cost of Facilities	39.3%
Debt to Recurring Annualized EBITDA	5.5x
Debt Service Coverage (DSC)	5.2x

Investment Grade Ratings

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

Capital Activities

National Storage Affiliates

(NYSE: NSA)

- Issued over \$600 million of equity during 2016, including over \$120 million of OP equity (Operating Partnership Units), for the acquisition of properties and \$389 million of gross proceeds from the sale of common shares.
- Received approximately \$139 million of net proceeds from the sale of 6.9 million common shares during the fourth quarter. This included an offering of 5,175,000 of common shares, including 675,000 common shares sold as follow-on option. Shares were issued at \$20.48 per share, resulting in net proceeds of about \$105 million. In addition, issued 1,170,949 common shares under ATM program resulting in net proceeds of about \$34 million.
- Increased credit facility capacity by \$220 million for a total credit facility of \$895 million.



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