



SELF STORAGE MARKET OVERVIEW

First Quarter 2022 Results

Analysis of the Public Self Storage Companies

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Summary

The self storage REITs are each exhibiting strong leasing demand carrying in 2022, continuing momentum from last year. Full year guidance has been increased for revenue growth and net operating income growth from earlier in the year.

- Portfolio occupancy levels for same-store pools at the end of the first quarter ranged from 93.7% to 95.1%, raising expectations for a robust summer leasing season in terms of street rates and existing customer rate increases.
- Revenue growth for the REITs same-store pools in the first quarter grew from 15.6% to 21.7%, compared to the same period last year.
- Net operating incomes for same-stores grew from 19.3% to 27.6% in the first quarter.

Inflation's Impact on Self Storage

Public companies are carefully watching the impact of the current market volatility and economic uncertainty on the self storage industry. The consensus is that self storage continues to be uniquely positioned to benefit from the current inflationary and rising interest rate environment. The ability to mark-to-market rental rates each month, coupled with rising construction costs slowing the pace of new deliveries, may create a path for existing facilities to outperform relative to other sectors.

Cap Rates in a Rising Interest Rate Environment

The recent spike in interest rates from historic lows may disrupt return hurdles and pricing of self storage assets. It may be too soon to determine the current rate environment's impact on asset pricing. Public companies are reporting no clear movement in cap rates, yet. The continued flow of capital into the industry and positive revenue growth may partially offset the rising costs of capital.

Implied Cap Rates

	Public Storage (NYSE: PSA)	4.3%
	Extra Space Storage (NYSE: EXR)	4.2%
	CubeSmart (NYSE: CUBE)	5.3%
	Life Storage (NYSE: LSI)	4.8%
	National Storage Affiliates (NYSE: NSA)	5.3%

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



Earnings Results

Same-Store Comparisons

	Total Properties Operating	Revenue Growth	Net Operating Income Growth	End of Quarter Occupancy	Rent Per Occupied Square Foot
Public Storage	2,797 U.S. 354 Europe	15.8%	19.3%	95.1%	\$20.29
Extra Space Storage	2,130	21.7%	27.6%	94.5%	\$21.00
CubeSmart	1,292	15.6%	21.4%	94.1%	\$20.59
Life Storage	1,105	15.6%	21.9%	93.7%	\$17.11
National Storage Affiliates	1,061	16.6%	22.2%	94.8%	\$14.25

Capital Markets

	Market Capitalization	Core Funds From Operations	Annual Dividend Yield	Common Stock Price (5/10/2022)	52-Week High/Low
Public Storage	\$54.98 billion	\$3.65/share (+29.4%)	2.55%	\$312.37	\$421.76 \$269.55
Extra Space Storage	\$24.67 billion	\$2.01/share (+34%)	2.95%	\$175.28	\$228.84 \$141.67
CubeSmart	\$9.87 billion	\$0.58/share (+23.4%)	4.13%	\$42.68	\$57.34 \$40.69
Life Storage	\$9.73 billion	\$1.44/share (+33%)	3.58%	\$114.04	\$154.45 \$93.58
National Storage Affiliates	\$6.64 billion	\$0.68/share (+38.8%)	4.02%	\$51.61	\$70.04 \$41.04

Summary

New Supply Update

Under Construction & Planned
Percent of Existing Inventory

Metro Area	February-22	March-22	% Change
National	9.1%	9.3%	0.2%
New York	18.5%	19.0%	0.5%
Las Vegas	16.6%	16.8%	0.2%
Philadelphia	16.4%	16.3%	-0.1%
Phoenix	13.0%	13.4%	0.4%
Orlando	12.3%	13.0%	0.7%
Sacramento	11.5%	11.5%	0.0%
San Jose	10.7%	10.7%	0.8%
Raleigh-Durham	10.7%	10.7%	1.5%
San Diego	10.5%	10.5%	-0.2%
Seattle	9.9%	10.2%	0.7%
Boston	10.0%	9.9%	0.2%
Columbus (OH)	8.3%	9.9%	4.8%
Washington DC	9.9%	9.8%	-0.9%
Los Angeles	9.6%	9.8%	-0.1%
Atlanta	9.7%	9.7%	0.1%
Tampa	9.2%	9.6%	2.2%
Miami	9.5%	9.5%	-0.5%
Austin	8.1%	9.1%	1.6%
Minneapolis	7.8%	8.2%	0.7%
Portland	7.4%	8.1%	0.2%
Charlotte	7.5%	7.9%	1.3%
San Francisco	7.9%	7.9%	0.1%
Dallas - Ft Worth	7.5%	7.6%	1.5%
Chicago	6.5%	6.7%	2.8%
Charleston SC	6.6%	6.6%	-1.7%
Inland Empire	6.1%	6.3%	-1.8%
Nashville	5.1%	5.6%	-0.9%
Denver	3.9%	4.1%	0.7%
San Antonio	3.4%	3.8%	0.1%
Pittsburgh	3.7%	3.7%	0.7%
Houston	3.0%	3.2%	0.2%

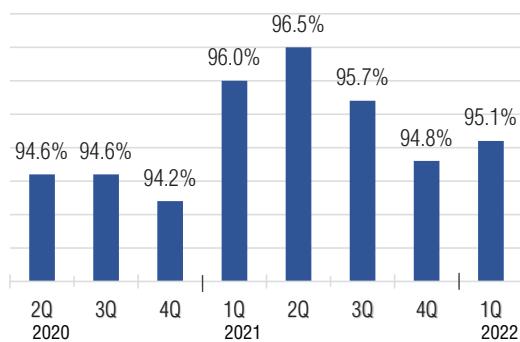
Source: Yardi Matrix

- Yardi Matrix tracked a total of 3,992 self storage properties in the national pipeline during March 2022. It includes 726 under construction, 1,410 planned and 554 prospective projects. The national new supply pipeline as a percentage of existing inventory increased 20 basis points to 9.3% in March 2022. The pipeline consists of projects under construction, planned and prospective.
- New York, Las Vegas and Philadelphia continue to top the nation in supply as a percentage of existing inventory. Denver, San Antonio, Pittsburgh, and Houston report the lowest amount of new supply as a percentage of existing inventory. Columbus (OH) (+4.8%), Chicago (+2.8%), Tampa (+2.2%), Austin (+1.6%), Dallas-Ft. Worth (+1.5%), and Raleigh-Durham (+1.5%) reported the highest monthly increase in development activity as a percentage of existing inventory. Inland Empire, Charleston (SC), Nashville, Miami, Washington DC, Los Angeles, San Diego, and Philadelphia reported decreases in development activity.
- Increased labor and construction costs have not dampened enthusiasm for new self storage development. The pace of properties under construction increased by 19 stores and in planning stages increased by 38 stores during March 2022.

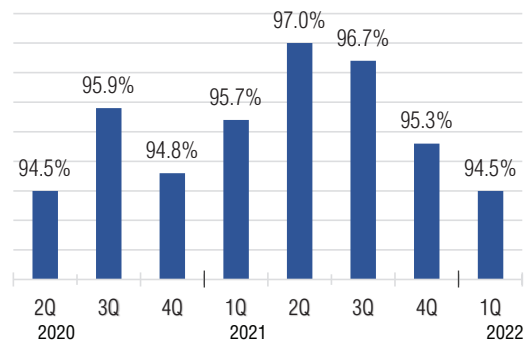
Portfolio Occupancies

Same-Store
Year-Over-Year Change

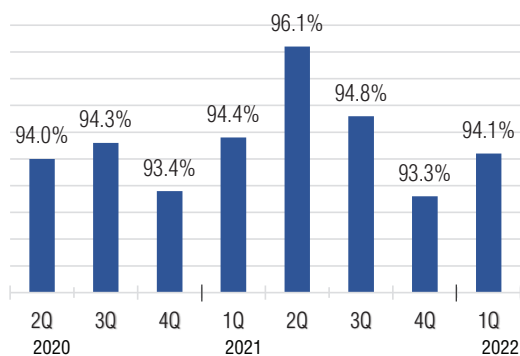
Public Storage



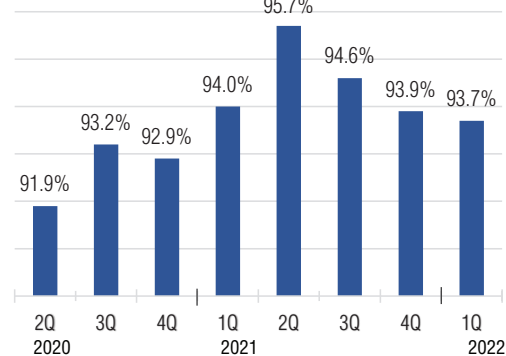
Extra Space Storage



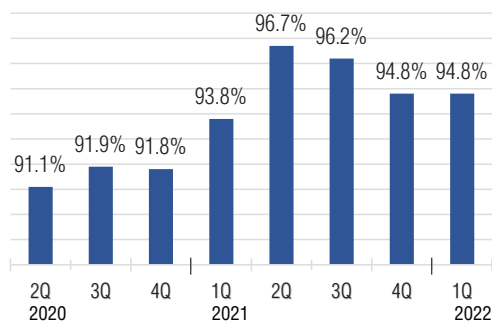
CubeSmart



Life Storage



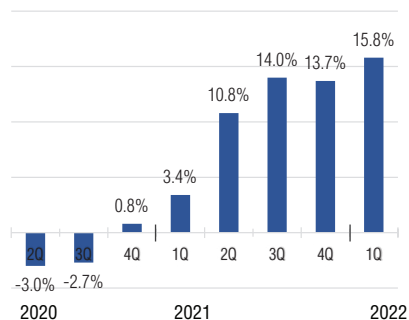
National Storage Affiliates



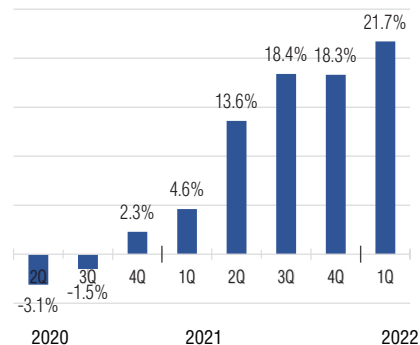
Portfolio Revenues

Same-Store
Year-Over-Year Change

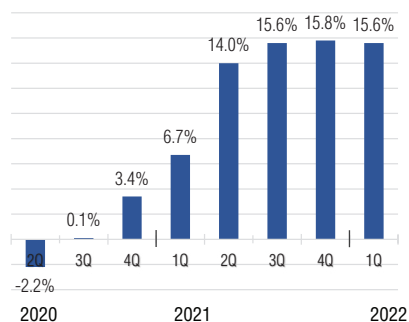
Public Storage



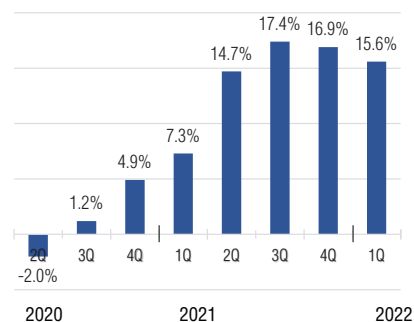
Extra Space Storage



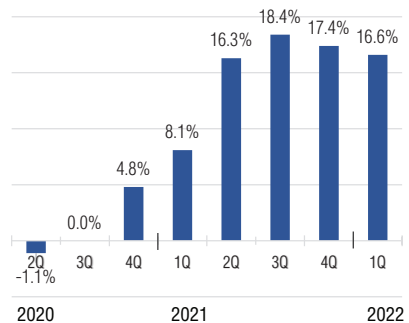
CubeSmart



Life Storage



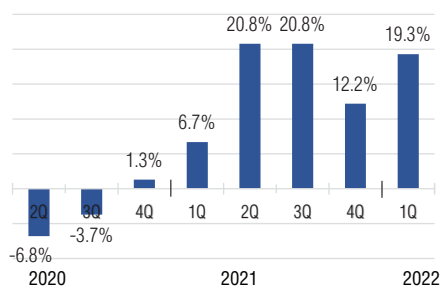
National Storage Affiliates



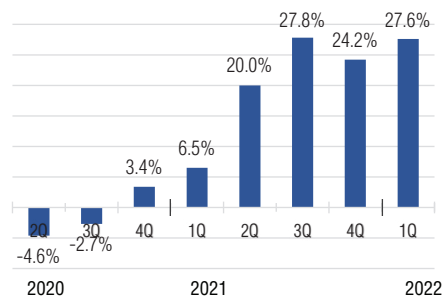
Portfolio Net Operating Income

Same-Store
Year-Over-Year Change

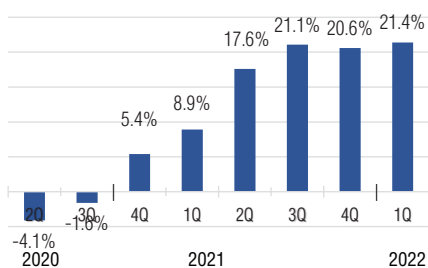
Public Storage



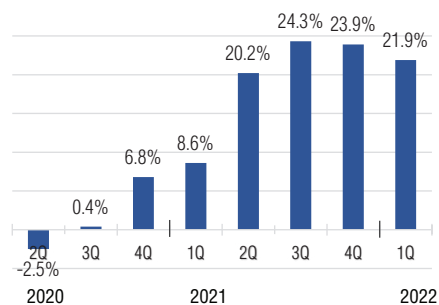
Extra Space Storage



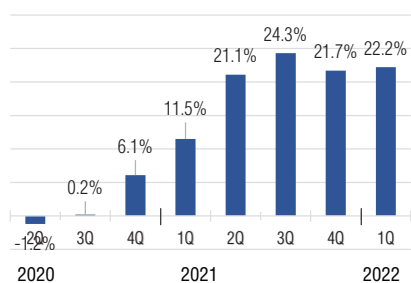
CubeSmart



Life Storage



National Storage Affiliates



Investment Activity

Public Storage (NYSE: PSA)

During the first quarter, Public Storage acquired ten self storage facilities for \$127.7 million. Locations include Texas (3), and one each in Arizona, Indiana, Maryland, Minnesota, North Carolina, Nevada, and Pennsylvania.

Investment Activity

- Subsequent to March 31, 2022, the company acquired or under contract to acquire eleven self storage facilities across nine states for \$147.2 million.
- Public Storage purchased one property in the quarter from its third-party management platform.

Recent Portfolio Acquisition: ezStorage and All Storage

- During 2021, the company acquired the ezStorage portfolio of 48 properties with 4.1 million rentable square feet for \$1.8 billion. The portfolio consists of 47 operating properties and one property under construction. These facilities generated revenues of \$24 million, NOI of \$18.6 million (including Direct NOI of \$19.4 million), and average square feet occupancy of 88% for the three months ending March 31, 2022. Anticipated yields expected after year two have already been achieved.
- During 2021, Public Storage acquired the All Storage portfolio of 56 properties with 7.5 million rentable square feet for \$1.5 billion. 55 properties closed in the fourth quarter of 2021 and one property closed in February 2022. These properties generated revenues of \$16.8 million, NOI of \$10.5 million (Direct NOI of \$11.2 million), and average square foot occupancy of 77.3% for the three months ended March 31, 2022. Operating performance ahead of expectations.

Development and Expansion Pipeline of \$833 Million

- At March 31, 2022, the company had various facilities in development consisting of 2.2 million rentable square feet estimated to cost \$406.1 million. And, had various expansion projects consisting of 2.6 million rentable square feet estimated to cost \$427.7 million. The aggregate 4.8 million rentable square foot pipeline of development and expansion facilities includes 1.2 million in California, 0.6 million in Florida, 0.5 million in Texas, 0.4 million in Maryland, 0.3 million each in New Jersey and Washington, 0.2 million each in Hawaii, Michigan, Nevada and New York, and 0.7 million in other states. The remaining \$496.2 million of development costs not yet expended for these projects is expected to be incurred primarily in the next 18 to 24 months.

Blackstone Acquisition of PS Business Parks

- On April 24, 2022, PS Business Parks entered into an agreement with Blackstone Real Estate to acquire all outstanding shares of PSB's common stock for \$187.50 per share in an all cash transaction valued at about \$7.6 billion. The transaction includes approximately \$2.2 billion of cash proceeds in exchange for the approximate 41% common equity interest held by Public Storage. This will result in an approximate \$2.3 billion gain on the sale of the equity investment in PSB. The merger transaction is expected to close in the third quarter of 2022. For the three months ending March 31, 2022, the share of earnings for PSB contributed \$25.5 million to Core FFO, or approximately 4% of company-wide FFO.
- Blackstone will acquire PSB's 27 million square foot portfolio of industrial, business park, traditional office, and multifamily properties located primarily in California, Miami, Texas and Northern Virginia.
- The company is forecasting relatively stable national new self storage deliveries for 2022 and 2023 remains intact, with approximately 500 to 600 assets delivered each of the next two years.
- Recent capital investments completed in Los Angeles, the company's largest market, including the company's Property of Tomorrow program. Los Angeles also Public Storage's highest occupied market nationally, close to 98%.

Investment Activity

Public Storage (NYSE: PSA)

Blackstone Acquisition of PS Business Parks

- New York represents about 5% of total portfolio with new supply continues to be absorbed in Brooklyn and parts of Queens.
- Unlikely to witness same level of acquisition activity in 2022 as last year. A number of large portfolios exceeding \$1 billion came to market with approximately \$20 billion of total property transactions- and almost half were part of unique, large portfolios in 2021. Presently witnessing a healthy amount of both individual assets and smaller portfolios, ranging up to \$200 million to \$300 million that have come into the market or will likely come into the market in the coming quarter or two.
- Pricing for self storage properties remains very competitive. Not witnessing any movement yet in cap rates, surprisingly even with interest rates elevating, with pent up capital that still wants to enter the self storage sector.

Acquisitions - Year-To-Date

	Number of Stores	Square Feet	Cost	Cost Per Square Foot
Arizona	1	106,000	\$17,033,000	\$161
Indiana	1	77,000	\$11,883,000	\$154
Maryland	1	98,000	\$14,602,000	\$149
Minnesota	1	90,000	\$13,632,000	\$151
Nevada	1	59,000	\$10,154,000	\$172
North Carolina	1	82,000	\$18,784,000	\$229
Pennsylvania	1	50,000	\$5,166,000	\$103
Texas	3	219,000	\$36,449,000	\$166
Total	10	781,000	\$127,703,000	\$164

Investment Activity

Extra Space
Storage
(NYSE: EXR)

In the first quarter, Extra Space acquired 11 operating stores and three stores at completion of construction (certificate of occupancy store) for a total cost of approximately \$225 million.

Investment Activity

- Similar to last year, most of the company's acquisition activity consisted of non-stabilized stores from existing relationships.
- The average occupancy on the wholly-owned acquisitions in the first quarter was 76%, reaching economic stabilization projected in 13 months. Joint Venture acquisitions had higher average occupancies.

Bridge Loans

- During the first quarter, the company originated \$137.7 million in bridge loans, and has an additional \$248.2 million closed or under agreement to close in 2022.
- The company sold \$41 million in bridge loans; and also sold a \$103 million note to a junior mezzanine lender, as previously disclosed, and recognized the unamortized balance of \$1.5 million as interest income.

Dispositions

- There were no dispositions of any properties in the first quarter, with two stores under agreement for approximately \$41 million. The sales are subject to customary closing conditions.
- Recently found more properties than anticipated that met internal return requirements for wholly-owned acquisitions, and subsequently more active for wholly-owned properties of primarily unstabilized lease-up stores. The going-in initial yields are fairly low, but anticipate long-term will be very accretive.

Joint Venture Activity

- Extra Space has two new joint venture partners. Two joint venture properties closed in the first quarter, with another after quarter-end. Twelve more joint venture property acquisitions pending.
- Expected to see cap rates increase with the rise in interest rates, but surprised have not seen evidence of that yet. Pent-up demand for self storage combined with large amount of capital from many different sources trying to get exposure to the property type is keeping cap rates on acquisitions near historic lows.

New Supply Impact

- Expectations for moderating new property deliveries. Currently, below 20% of Extra Space's same-store pool will be impacted by a new delivery. But, even with construction cost increases and more entitlements difficulty, anticipating more new self storage development to continue. The performance of the product is very strong. And, with the unprecedented amount of capital developers will find ways to build even if the process is taking longer. For example, Extra Space third-party management team provided projections in the first quarter for 187 properties, and 74 of those were for new development.

Investment Activity

Extra Space Storage
(NYSE: EXR)

Certificate of Occupancy - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price/Cost	Price/Cost Per Square Foot	Ownership
2022 Projected Openings					
Deland, FL	2Q 2022	76,670	\$11,000,000	\$143.47	100%
Neptune City, NJ	2Q 2022	65,875	\$11,742,000	\$178.25	100%
New Braunfels, TX	2Q 2022	60,300	\$12,750,000	\$211.44	100%
El Cajon, CA ⁽¹⁾⁽²⁾	2Q 2022	55,345	\$3,095,000	\$55.92	100%
Winter Garden, FL ⁽²⁾	3Q 2022	94,515	\$10,644,000	\$112.62	90%
Simi Valley, CA ⁽²⁾	3Q 2022	86,500	\$15,400,000	\$178.03	100%
Vista, CA	3Q 2022	104,400	\$16,000,000	\$153.26	10%
Sebring, FL	4Q 2022	75,000	\$9,300,000	\$124.00	100%
Total	8	618,605	\$89,931,000	\$145.38	

(1) Subject to a ground lease

(2) Denotes development property

Certificate of Occupancy and Development Stores - Under Contract

Location	Estimated Opening	Estimated Net Rentable Square Feet	Purchase Price/Cost	Price/Cost Per Square Foot	Ownership
2023 Projected Openings					
Osprey, FL	1Q 2023	69,100	\$13,000,000	\$188.13	100%
Gainesville, FL	1Q 2023	73,150	\$13,350,000	\$182.50	100%
Tallahassee, FL	1Q 2023	70,640	\$12,000,000	\$169.88	100%
Flagler Beach, FL	2Q 2023	68,150	\$13,000,000	\$190.76	100%
Vero Beach, FL	2Q 2023	54,500	\$13,700,000	\$251.38	100%
Zephyrhills, FL	2Q 2023	73,560	\$14,100,000	\$191.68	100%
Wailuku, HI	3Q 2023	84,000	\$26,950,000	\$320.83	100%
Minneapolis, MN	3Q 2023	92,000	\$14,000,000	\$152.17	50%
Total	8	585,100	\$120,100,000	\$205.26	

Investment Activity

Extra Space Storage
(NYSE: EXR)

Certificate of Occupancy and Development Stores - Performance Summary

Location	Date Opened	Rentable Square Feet	Purchase Price/Cost	Price/Cost Per Square Foot	Occupancy 3/31/2022	Ownership
Brooklyn, NY	1Q 2019	138,037	\$79,901,000	\$578.84	65.2%	25%
Auburndale, MA	1Q 2019	79,665	\$20,000,000	\$251.05	63.6%	10%
Queens, NY	1Q 2019	118,120	\$52,321,000	\$442.95	78.7%	25%
Louisville, KY ⁽¹⁾	1Q 2019	158,886	\$12,680,000	\$79.81	94.3%	100%
Plantation, FL	2Q 2019	71,143	\$11,800,000	\$165.86	97.2%	100%
Brooklyn Center, MN	2Q 2019	80,433	\$8,400,000	\$104.43	92.9%	100%
Broomfield, CO	3Q 2019	66,987	\$9,083,000	\$135.59	92.9%	100%
Wakefield, MA	3Q 2019	83,234	\$16,800,000	\$201.84	90.8%	100%
Brooklyn, NY	4Q 2019	59,031	\$29,144,000	\$493.71	74.8%	25%
Maple Grove, MN	4Q 2019	84,738	\$10,153,000	\$119.82	92.8%	50%
Aurora, CO (2)	1Q 2020	79,675	\$9,628,000	\$120.84	94.5%	100%
Eagen, MN	1Q 2020	65,268	\$7,695,000	\$117.90	91.1%	50%
Belleville, NJ	2Q 2020	76,451	\$10,944,000	\$143.15	83.9%	100%
Coon Rapids, MN	3Q 2020	72,341	\$7,815,000	\$108.03	61.4%	50%
Edina, MN	3Q 2020	83,029	\$11,770,000	\$141.76	46.2%	50%
New Hyde Park, NY	4Q 2020	69,163	\$6,400,000	\$92.54	51.0%	100%
District Heights, MD	2Q 2021	81,479	\$18,150,000	\$222.76	29.0%	100%
Daytona Beach, FL	2Q 2021	85,000	\$13,600,000	\$160.00	65.9%	100%
Bloomington, IN	3Q 2021	63,052	\$11,250,000	\$178.42	28.6%	100%
Jackson, MS	3Q 2021	84,547	\$14,000,000	\$165.59	47.1%	100%
Bellmawr, NJ	3Q 2021	81,162	\$18,900,000	\$232.87	24.0%	100%
Lakewood, WA	3Q 2021	60,603	\$14,500,000	\$239.26	28.3%	100%
Clinton Township, MI	4Q 2021	78,704	\$13,200,000	\$167.72	8.6%	100%
Spring Hill, FL	1Q 2022	67,435	\$15,000,000	\$222.44	11.1%	100%
Rio Rancho, NM	1Q 2022	51,865	\$6,200,000	\$119.54	0.0%	100%
Total	25	2,040,048	\$429,334,000	\$210.45		

Investment Activity

CubeSmart
(NYSE: CUBE)

During the first quarter, CubeSmart acquired one wholly-owned store in Maryland for \$32 million. Additionally, the company is under contract to acquire a store in New Jersey for \$20 million.

Joint Venture Activity

- CubeSmart's joint venture with Heitman, HVP V, is under contract to purchase a property in New Jersey for \$35.2 million and expected to close in the second quarter of 2022.

Development Activity

- CubeSmart has three joint venture development properties under construction. These stores are located in Valley Stream and Astoria, New York and one in Vienna, Virginia. CubeSmart anticipates investing a total of \$92.3 million related to these projects and had invested \$51.2 million as of March 31, 2022. The stores are expected to open at various times between the second quarter of 2022 and the first quarter of 2023.
- Typically, targeting a stabilized yield for new development that is 200 to 300 basis points higher than the prevailing cap rate in that specific market. The past couple of years this spread remained similar. A wider spread would be achieved six to eight years ago.
- Expectations of cash flow have improved from original commitments to new projects, as a result of increased rental rates, occupancy levels, and market fundamentals over the past 18 months. The growth in cash flow expectations offset by the growth in costs. Approval delays from local governments and labor issues have increased new deliveries quarter or two quarters longer than originally planned.

Disposition Activity

- During the first quarter, CubeSmart sold the Los Angeles Athletic Club, which it purchased through its December 2021 acquisition of LAACO, Ltd., the owner of the Storage West self storage platform. The sales price for the Los Angeles Athletic Club and California Yacht Club was \$44 million.

Chris Marr, CubeSmart President and CEO

- An inflationary cost environment, combined with a rapid escalation in real interest rates, should create a bit of a headwind that will limit new self storage developments to only those markets and locations that developers believe can grow rental rates sufficient to generate attractive pro forma returns.
- Currently, bidding out new construction projects, hard costs have escalated above inflationary levels and continue to escalate. And, rates on construction financing are now in the 5% range and rising. This hypothesis, if proven correct, should create a smooth path for owners of existing self storage assets to continue enjoy solid performance over the next several years.
- Presently, it is a little too early to see a change in cap rates show up in the transaction market. It's still an aggressive market with many bidders wanting to grow their portfolio of self storage holdings. The impact of higher borrowing costs may take a bit longer to impact the transaction market.
- Construction costs have risen 20% to 40%, depending on the specific type of construction, resulting in a significantly more expensive on a per square foot basis to build than 12 months ago.
- New properties offered for sale remains very active, although last year proved to be an exceptional level of volume.

Investment Activity

CubeSmart
(NYSE: CUBE)

New Development Properties

Location	Expected Opening	CUBE's Anticipated Investment
Valley Stream, NY	Q2 2022	\$37,900,000
Vienna, VA	Q2 2022	\$17,000,000
Astoria, NY	Q1 2023	\$37,400,000
Total		\$92,300,000

New Development Properties - Operating

Location	Date Completed	Rentable Square Feet	Total Cost	Cost Per Square Foot	Occupancy 3/31/2022
Brooklyn, NY	Q2 2020	89,765	\$45,900,000	\$511.34	48.3%
East Meadow, NY	Q2 2021	80,688	\$25,900,000	\$320.99	38.0%
King of Prussia, PA*	Q2 2021	97,900	\$22,800,000	\$233.37	34.3%
Newton, MA	Q4 2021	82,504	\$20,800,000	\$252.11	17.6%
Total		350,857	\$115,400,000		

*This property is subject to a ground lease.

Investment Activity

Life Storage (NYSE: LSI)

During the first quarter, Life Storage acquired 18 self storage facilities for a total purchase price of \$351.5 million. Locations include California (6), North Carolina (4), Texas (4), and one each in Illinois, Georgia, South Carolina, and Maryland

Investment Activity

- At March 31, 2022, under contract to acquire 15 self storage facilities for an aggregate purchase of \$279.1 million. Locations include Florida (6), California (3), New York (2), and one each in Illinois, Georgia, and Texas. Subsequent to March 31, 2022, the company completed the acquisition of five of these properties in Florida (3), Georgia, and Massachusetts for an aggregate price of \$88.5 million.
- Life Storage acquired the remaining ownership interest in a joint venture in which the company had a 85.8% common and preferred investment. The net investment to acquire the remaining equity in the joint venture, which owns a property in New York, was \$5.2 million.
- Subsequent to March 31, 2022, also entered into contracts to acquire three self storage facilities in Florida, California and North Carolina for an aggregate purchase price of \$54.8 million.
- Over 80% of the properties acquired year-to-date are stabilized properties with cap rates averaging above 4%, and typically will grow. Previously managed stores typically will grow 50-100 basis points over a couple of years time.
- The lease-up properties acquired totaled about 20% of acquisitions. The lease-up store acquisitions are typically Class A stores. Expectations to lease up and achieve a stabilized cap rate of 5.5% to close to 6%, in two to three years time.
- Life Storage has increased the size of its wholly-owned portfolio nearly 20% from one year ago. The acquisitions represent properties in top markets mostly in the Sunbelt, California, Texas, Florida, Georgia, and the Carolinas.
- Seeing more properties marketed for sale in March and April. Not seeing the large billion dollar portfolios as last year. Rising interest rates will make stabilized acquisitions a bit more difficult.
- Acquisitions in the second half of the year are a little bit unclear given the rising interest rates. Life Storage has not yet seen cap rates move up on potential property acquisitions.
- Life Storage Canada focus in the greater Toronto area, with preference acquiring a smaller portfolio instead of a single property. The pricing remains competitive, with some new development.
- Third-party managed portfolio totaling 378 stores at the end of the first quarter continues to be a source of off-market acquisition opportunities. Year-to-date, four wholly-owned acquisitions originated from the third-party platform.
- Life Storage has been building out the model for the micro fulfillment centers, including opening sites in Las Vegas, Chicago, Atlanta, Columbus, and Los Angeles, and considering one in Texas.

Transactions Profile and Cap Rates

- In 2018, the peak of new supply impacting Life Storage, close to 60% of company stores were faced with potential new construction competitor. Presently, the impact is closer to 20%, despite a much larger size of the company's portfolio size. Expectations for 2022 and 2023 that new supply will be at manageable levels.
- The current rising interest rate environment is likely another factor that will help keep new supply at manageable levels, in addition to elevated construction costs, materials and entitlement delays.

Investment Activity

Life Storage
(NYSE: LSI)

Certificate of Occupancy/Lease Up Performance

Market	Date Acquired	Net Rentable Square Feet	Price	Price Per Square Foot	Occupancy 3/31/2022
St. Louis, MO	Dec-18	78,260	\$9,301,000	\$118.85	92.4%
Raleigh, NC	Jul-2019	79,203	\$11,874,000	\$149.92	95.3%
Washington, DC	Jul-2019	76,230	\$15,163,000	\$198.91	95.2%
Charleston, SC	Jul-2019	71,835	\$7,685,000	\$106.98	95.3%
Washington, DC	Jul-2019	75,555	\$13,566,000	\$179.55	86.2%
Greenville, SC	Jul-2019	67,749	\$8,658,000	\$127.80	96.7%
Richmond, VA	Jul-2019	85,626	\$10,666,000	\$124.56	93.1%
Tampa, FL	Jul-2019	83,840	\$15,424,000	\$183.97	82.1%
Richmond, VA	Jul-2019	80,155	\$11,831,000	\$147.60	80.9%
Richmond, VA	Jul-2019	72,595	\$8,507,000	\$117.18	90.6%
Miami, FL	Nov-2020	48,833	\$11,492,000	\$235.33	80.0%
Sacramento, CA	Jan-2021	90,098	\$18,287,000	\$202.97	92.1%
New York, NY	Mar-2021	74,414	\$47,947,000	\$644.33	88.8%
Tucson, AZ	Mar-2021	76,718	\$22,576,000	\$294.27	86.5%
Seattle, WA	Mar-2021	89,058	\$19,475,000	\$218.68	72.1%
Jacksonville, FL	May-2021	81,845	\$16,545,000	\$202.15	85.9%
Dallas, TX	Jun-2021	92,780	\$11,616,000	\$125.20	85.4%
Austin, TX	Jun-2021	95,928	\$9,566,000	\$99.72	91.4%
Austin, TX	Jun-2021	108,675	\$13,666,000	\$125.75	90.0%
Dallas, TX	Jun-2021	87,175	\$9,716,000	\$111.45	89.4%
Orlando, FL	Aug-2021	76,225	\$14,846,000	\$194.77	80.1%
Denver, CO	Aug-2021	64,650	\$6,831,000	\$105.66	91.2%
Oklahoma City, OK	Aug-2021	63,600	\$5,083,000	\$79.92	89.0%
Austin, TX	Aug-2021	78,590	\$20,153,000	\$256.43	81.9%
Austin, TX	Aug-2021	76,664	\$12,627,000	\$164.71	95.8%
Phoenix, AZ	Aug-2021	77,846	\$17,190,000	\$220.82	95.1%
Miami, FL	Oct-2021	70,519	\$28,019,000	\$397.33	94.5%
Miami, FL	Oct-2021	91,629	\$30,024,000	\$327.67	85.2%
Charlotte, NC	Oct-2021	97,078	\$29,305,000	\$301.87	75.3%
Durham, NC	Oct-2021	68,360	\$20,048,000	\$293.27	80.9%
Greenville, SC	Oct-2021	44,282	\$9,294,000	\$209.88	92.9%
Greenville, SC	Oct-2021	58,598	\$12,252,000	\$209.09	92.1%

Investment Activity

Life Storage
(NYSE: LSI)

Certificate of Occupancy/Lease Up Performance Continued

Market	Date Acquired	Net Rentable Square Feet	Price	Price Per Square Foot	Occupancy 3/31/2022
Nashville, TN	Oct-2021	88,200	\$21,600,000	\$244.90	76.0%
Savannah, GA	Oct-2021	65,809	\$22,558,000	\$342.78	90.9%
Charlotte, NC	Oct-2021	81,315	\$14,289,000	\$175.72	73.0%
Portland, ME	Dec-2021	76,527	\$20,100,000	\$262.65	73.5%
Chicago, IL	Dec-2021	98,495	\$19,043,000	\$193.34	65.4%
Tampa, FL	Dec-2021	97,786	\$20,596,000	\$210.62	80.6%
Charleston, SC	Mar-2022	79,210	\$16,026,000	\$202.32	58.6%
Winston-Salem, NC	Mar-2022	72,424	\$16,774,000	\$231.61	39.0%
Savannah, GA	Mar-2022	73,137	\$15,787,000	\$215.86	80.6%
Baltimore, MD	Mar-2022	77,675	\$21,651,000	\$278.74	62.8%
Total	42	3,295,191	\$687,657,000		

Investment Activity

National
Storage Affiliates
(NYSE: NSA)

During the first quarter, NSA acquired 12 wholly-owned self storage properties for \$92.9 million. Total consideration for these acquisitions included approximately \$76 million of cash, \$8.9 million preferred units at 6.0%, \$5.6 million of OP units, \$2.1 million of subordinated performance units and assumption of about \$0.3 million of other liabilities.

Investment Activity

- Cap rates on first quarter acquisitions averaged 5.3%.
- Subsequent to quarter-end, in April 2022, one of the company's unconsolidated real estate ventures acquired seven self storage properties in the Houston MSA for approximately \$208 million. The venture financed the acquisition with capital contributions from the venture members, of which NSA contributed approximately \$52 million. NSA earns acquisition and management fees, as well as an incentive promote on joint venture acquisitions, which boosts the return on NSA's invested capital.
- One of the company's largest participating regional operators ("PROs"), Kevin Howard Real Estate, Inc., (Northwest Self Storage) retired effective January 1, 2022. Management of the company's properties in the Northwest managed portfolio was transferred to NSA and the Northwest brand name and the related intellectual property were internalized by the company. In addition, NSA no longer pays supervisory and administrative fees or reimbursements to Northwest and all subordinated performance units related to Northwest's managed portfolio were converted into OP units.
- Expected to slow down acquisition volume in 2022 compared to last year's record pace. Focusing on integrating the \$2.2 billion of assets acquired last year, about half of which was acquired in the fourth quarter 2021. Last year's acquisitions performing well, about 5% to 10% above expectations of initial underwriting. NSA does not disclose targeted returns, and examines cap rates, levered IRR, and unlevered IRR.

New Supply

- New supply restrained as a result of rising construction costs and rising interest rates on debt financing. The percentage of company stores having a new competitor within a 3-mile radius declined a couple of hundred basis points to 27%, and within a 5-mile radius to 45%.

Operations

Public Storage
(NYSE: PSA)

During the first quarter, Public Storage same-store revenues increased 15.8% and net operating income increased 19.3% year-over-year. Top performing markets by revenue growth for the first quarter include Miami, Tampa, West Palm Beach, Charlotte, Orlando, Dallas, and Houston.

Same-Store Comparison

- Same-store facilities represent those facilities that have been owned and operated at a stabilized level occupancy, revenue and cost of operations since January 1, 2020. The same-store pool consists of 2,282 facilities (149.5 million net rentable square feet) representing 85% of the aggregate net rentable square feet of Public Storage' U.S. consolidated self storage portfolio at March 31, 2022.

Q1 2022 RESULTS

- Same-store revenues increased 15.8% year-over-year during the first quarter, compared to 14.0% last quarter. The increase was driven by a 15.7% increase in realized rent per occupied square foot, and 8.9% increase in late fees and administrative fees collected during the quarter.
- Cost of operations for the same-store pool increased by 4.4% year-over-year during the first quarter. The increase was impacted by a 19.0% increase in repairs and maintenance, 6.8% increase in on-site manager payroll and 4.8% increase in real estate taxes. The expense increases were partially offset by an 23.1% decrease in marketing costs.
- Same-store net operating income increased 19.3% year-over-year during the first quarter, driven by a 15.8% increase in same-store revenue and 4.4% increase in operating expenses.
- Same-store occupancy at the end of the quarter was 95.1%, an 80 basis point decrease year-over-year. Same-store weighted average occupancy during the first quarter was 95.6%, comparable to a year earlier.

Operating Fundamentals

- The spread between move-in and move-out rents trended lower during the quarter to -11.4%, typical during the non-peak leasing season. The spread was helped by a 15.1% increase in move-in rents during the quarter, but offset by a 19.4% gain in in-place rents. The robust in-place rent growth was driven by accelerated existing customer rent increases during the quarter.
- Move-in rates continued to increase in April with rates up 12% in the month. The trade-off between rate and occupancy generated a 120 basis point year-over-year deceleration in occupancy in April.
- Consumer and business customers continue to seek space along with more traditional demand drivers this time of year, home sales and students.
- Pandemic-related demand is ebbing slightly but is balanced by diverse demand drivers. Cost of living increases, whether owning or renting, provides a financial benefit for consumers to obtain space at a lower price point. There is continued evidence that companies are adopting hybrid work environments that contribute to the need for storage. In addition, seasonal demand from home sales and students helps maintain demand.
- The elimination of rent restrictions in Los Angeles contributed a 1.5% to 2% benefit in the overall portfolios same-store revenue growth. The company generated 12% same-store year-over-year revenue growth during the quarter, a 380 basis point sequential improvement.
- Florida markets continue to perform well with Miami, Tampa and West Palm Beach generating outsized performance. Miami generated 31% increase in move-in rents during the quarter. The company projects additional supply in the Sun Belt markets that may temper elevated rent growth generated today, but remain bullish on these markets.

Operations

Public Storage (NYSE: PSA)

Operating Fundamentals (continued)

- Inflationary pressures have yet to impact self storage demand. The movement in interest rates and its impact on home sales has not muted demand. In addition, delinquencies or payment issues have not risen due to elevated cost of living.
- Average length of stay continues to hold with in-place customers average stay of 40 months, a sharp increase from 33 months pre-pandemic.
- PSA achieved upper-60% penetration rate in its tenant insurance program for its same-store pool. The penetration rate decreases to the 50% percent range for non-same-store facilities. The reduced penetration is primarily due to transitioning newly acquired properties into the tenant insurance program and initiating the program in its development pipeline.
- Over 50% of PSA's customers utilize its e-Rental digital platform for rentals. The platform continues to be a powerful tool considering the efficiencies and time saved compared to traditional in-store leasing. The company is projecting a 25% reduction in payroll expense in the next year or two.

Major Markets Revenue Growth

- Major markets with same-store revenue growth above the portfolio average for the quarter include Miami (+26.3%), Tampa (+24.6%), West Palm Beach (+23.5%), Charlotte (+22.8%), Atlanta (+21.7%), Orlando (+20.9%), and Dallas (+19.6%).
- All major markets reported robust revenue growth during the quarter. Markets performing below the Public Storage portfolio average of 15.8% during the quarter include New York (+9.1%), San Francisco (+9.7%), Washington DC (+11.9%), and Los Angeles (+12.0%).
- PSA's top three markets reported sequential improvement during the quarter. Same-store revenues increased 380 basis points sequentially in Los Angeles, 320 basis points in Miami, 310 basis points in San Francisco, and 40 basis points in New York.

Third-Party Management

- Public Storage currently manages 97 facilities for third-parties, and are under contract to manage an additional 64 facilities including 54 facilities that are currently under construction. The company added 15 stores to the platform during the first quarter, acquired one facility from the program and had five properties exit due sale to other buyers.

Full Year 2022 Guidance

Same store revenue growth	12% to 15%
Same store expense growth	6% to 8%
Acquisitions	\$1 billion
Development openings	\$250 million
Non-same store net operating income	\$430 million to \$470 million
Ancillary net operating income	\$150 million to \$155 million
Capital expenditures	\$300 million
Acquisitions of operating joint venture stores	\$14.75 to \$15.65 million



Operations

Public Storage
(NYSE: PSA)

Top Market Same-Store Performance - End of First Quarter 2022

Market	Facilities	Rent Per Occupied Square Foot	Weighted Avg. Occupancy	Revenue Growth
Los Angeles	212	\$29.45	97.8%	12.0%
San Francisco	128	\$29.89	96.0%	9.7%
New York	90	\$28.96	95.5%	9.1%
Miami	83	\$25.81	96.9%	26.3%
Seattle-Tacoma	86	\$23.61	95.0%	14.9%
Washington DC	90	\$24.13	94.0%	11.9%
Atlanta	101	\$16.17	94.9%	21.7%
Dallas-Ft. Worth	106	\$16.18	95.3%	19.6%
Chicago	129	\$18.01	94.5%	16.5%
Houston	95	\$14.87	94.1%	18.2%
Orlando-Daytona	70	\$16.48	96.2%	20.9%
Philadelphia	56	\$19.82	96.0%	12.8%
West Palm Beach	37	\$23.64	97.1%	23.5%
Tampa	51	\$17.60	95.8%	24.6%
Charlotte	50	\$13.92	95.5%	22.8%
All other markets	898	\$16.88	95.4%	16.7%
Totals	2,282	\$20.29	95.6%	15.8%

Operations

Extra Space
Storage
(NYSE: EXR)

During the first quarter, Extra Space Storage same-store revenues increased 21.7% and net operating income increased 27.6% year-over-year. Top performing markets by revenue growth for the first quarter include Atlanta, Denver, Tampa, Miami, Las Vegas, and Memphis.

Same-Store Comparison

- Same-store facilities represent those facilities that were stabilized by the first day of the earliest calendar year presented. Extra Space considers a facility to be stabilized once it has been open for three years or has sustained average square foot occupancy of 80% or more for one calendar year. The same-store pool includes 870 facilities.

Q1 2022 RESULTS

- Same-store revenues increased 21.7% year-over-year during the first quarter, a 340 basis point increase sequentially. The increase was driven by a 21.2% increase in rental income and 8% increase in other operating income.
- Cost of operations for the same-store pool increased by 6.8% during the first quarter. The increase was impacted by a 8.6% increase in payroll expense, 12.4% increase in office expense (credit card processing fees), 16.3% in repairs and maintenance (snow removal), and 53.5% increase in insurance. The increase was tempered by a 0.9% increase in real estate taxes.
- Same-store net operating income increased 27.6% year-over-year during the first quarter, driven by a 21.7% increase in same-store revenue and 6.8% increase in operating expenses.
- Same-store occupancy at the end of the quarter was 94.5%, a year-end record for Extra Space. Same-store weighted average occupancy during the first quarter was 94.4%, a 70 basis point increase year-over-year.

Operating Fundamentals

- Extra Space increased its guidance for the balance of the year due to positive customer behavior relating to increased length of stay and move-outs impacted by existing customer rate increases (ECRIs). Although the move-out rate was double the normal rate due to aggressive rate hikes, strong demand provides the ability to consistently backfill vacating tenants throughout the country.
- The lifting of restrictions in California on rent increases in February, coupled with lifting of restrictions in New York and New Jersey, helped generate aggressive ECRIs during the quarter. The boost in revenue from ECRIs was closer to 400 basis points rather than the initially projected 200 basis point benefit. The impact of ECRIs going forward may be reduced with the gap between street rate and in-place rate narrowing.
- Average length of stay for customers that have moved-in and moved-out during the pandemic is about 16 months, a 10% increase over the last two years. In-place customers are staying an average of about 42 months.
- Demand from businesses remains steady. It is an increasingly smaller piece of the customer base due to a reduced percentage of large outdoor drive-up units in the portfolio that historically attracts businesses. The new generation of properties added to the portfolio tend to be multi-story facilities with limited drive-up access.
- Self storage may benefit in an inflationary environment with the ability to adjust rents month-to-month. The impact of inflation on rate increases may be difficult to gauge considering demand is primary driver of rate increases.

Operations

Extra Space
Storage
(NYSE: EXR)

Operating Fundamentals (continued)

- Extra Space evaluates the impact of price increases to existing customers by holding back a control group when sending out notices. For example, if the company sends out 100,000 notices for rent increases they may hold back on sending to 1,500 or 2,000 customers that are eligible for price increases. The company is able to track the move-out rate of those receiving the rate increases versus those who did not receive increases.
- Extra Space remains bullish on the demand fundamentals in a changing economic environment. The industry offers a diverse set of demand drivers that can sustain demand through all economic cycles.
- Move-in rate were about 10% below move-out rates during the first quarter, which is typical during the winter leasing season.

Major Markets Revenue Growth

- Major markets with revenue growth above the portfolio average for during the first quarter include Atlanta (+34.8%), Denver (+31.4%), Tampa-St. Petersburg (+31.3%), Miami (+30.6%), Las Vegas (+28.7%), Memphis (+27.9%), Norfolk-Virginia Beach (+26.7), Austin (+25.9%), and Charleston (+25.9%).
- All major markets reported robust revenue growth during the quarter. Markets performing positive growth but below the Extra Space portfolio average of 18.3% during the quarter include New York (+14.9%), Los Angeles (+17.3%), Washington DC (+17.3%), Boston (+17.7%), and Cincinnati (+19.7%).

Third-Party Management

- Extra Space added 37 stores gross (19 net stores) to its management platform during the first quarter, resulting in 847 third-party managed stores. (1,135 managed stores including joint ventures). The company hope to grow the third-party management platform by 75 to 100 properties per year.

Full Year 2022 Guidance- (Same-Store Pool of 870)

Same-store property revenue growth	13% to 15%
Same-store expense growth	6.5% to 8.0%
Same-store NOI growth	15% to 18%
Net tenant reinsurance income	\$152.5 million to \$154.5 million
Management fees, other income and interest income	\$80.5 million to \$81.5 million
Acquisitions	\$800 million
Bridge Loans	\$150 million
Dilution per share from C of O and value add acquisitions	\$0.20
Core Funds From Operations (FFO) per share-annual	\$8.05 to \$8.30

Operations

Extra Space
Storage
(NYSE: EXR)

Select Markets Same-Store Performance - First Quarter 2022

MSA	Number of Stores	Rent Per Occupied Square Foot	Occupancy 3/31/2022	Revenue Growth
Los Angeles-Riverside-Orange County, CA	85	\$26.35	95.4%	17.3%
New York-Northern New Jersey-Long Island, NY-NJ-PA	73	\$28.75	94.1%	14.9%
Atlanta, GA	62	\$16.67	95.8%	34.8%
Washington-Baltimore, DC-MD-VA-WV	52	\$23.01	93.2%	17.3%
Dallas-Fort Worth, TX	48	\$16.35	94.7%	24.0%
Boston-Worcester-Lawrence, MA-NH-ME-CT	44	\$26.21	93.0%	17.7%
San Francisco-Oakland-San Jose, CA	39	\$33.85	93.0%	14.9%
Chicago-Gary-Kenosha, IL-IN-WI	30	\$18.90	94.4%	22.8%
Miami-Fort Lauderdale, FL	28	\$24.51	97.1%	30.6%
Phoenix-Mesa, AZ	21	\$17.85	94.7%	25.7%
Philadelphia-Wilmington-Atlantic City, PA-DE-NJ	20	\$20.32	93.8%	21.1%
Tampa-St. Petersburg-Clearwater, FL	18	\$20.62	95.3%	31.3%
Houston-Galveston-Brazoria, TX	16	\$16.58	94.4%	22.5%
Norfolk-Virginia Beach-Newport News, VA-NC	15	\$18.08	93.8%	26.7%
Cincinnati-Northern Kentucky, OH-KY	14	\$14.17	92.8%	19.7%
Las Vegas, NV-AZ	14	\$17.28	93.9%	28.7%
Sacramento-Yolo, CA	12	\$20.99	92.6%	21.8%
Indianapolis, IN	12	\$13.74	96.0%	24.6%
Austin-San Marcos, TX	11	\$17.64	94.2%	25.9%
Memphis, TN-AR-MS	11	\$12.88	94.7%	27.9%
Orlando, FL	11	\$17.15	95.4%	24.9%
Denver-Boulder-Greeley, CO	11	\$16.51	93.4%	31.4%
Charleston-North Charleston, SC	10	\$16.29	95.9%	25.9%
Other MSAs	213	\$17.90	94.1%	24.6%
TOTALS	870	\$21.00	94.4%	21.7%

Operations

CubeSmart
(NYSE: CUBE)

During the first quarter, CubeSmart generated 15.6% increase in same-store revenues and 21.4% increase in net operating income year-over-year. Top performing markets by revenue growth for the first quarter include Atlanta, Miami, Phoenix, Tucson, Orlando, Las Vegas, and Florida's West Coast.

Same-Store Comparison

- CubeSmart considers a facility to be stabilized once it has achieved an occupancy rate that, based on an assessment of specific market data, is representative of similar self storage assets in the applicable market for a full year measured as of the most recent January 1st. As of March 31, 2022, the same-store pool includes 523 stores totaling approximately 36.9 million square feet.

Q1 2022 RESULTS

- Same-store revenues increased 15.6% year-over-year during the first quarter, a 20 basis point decrease sequentially. The increase was primarily driven by a 15.6% increase in rental income and 16.5 % increase in other property related income.
- Cost of operations for the same-store pool increased by 2.9% year-over-year during the first quarter. The increase was impacted by a 3.2% growth in real estate taxes, 6.1% increase in advertising, and 10.6% increase in property insurance. Cost of operations were partially offset by a 1.6% decline in personnel expense.
- Same-store net operating income increased 21.4% as compared to the same quarter last year, driven by a 15.6% increase in same-store revenue and 2.9% increase in operating expenses.
- Same-store occupancy at the end of the quarter was 94.1%, a 10 basis point decrease year-over-year. Same-store weighted average occupancy during the first quarter was 93.8%, relatively flat from a year earlier.

Operating Fundamentals

- Rental activity since January remains strong and tenant retention remains sticky with occupancy at the end of April reaching 94.6%, a slight reduction from 94.7% a year ago.
- Realized annual rent per occupied square foot increased 15.5% during the quarter to \$20.59 per square foot from \$17.82 per square foot.
- The spread between move-in rental rates and move-out rates dipped to negative 10% during the quarter. The negative rollover is typical during winter leasing season.
- Customer behavior remains consistent relating to existing customer rent increase. CubeSmart was able to narrow the gap between in-place rent and street rates during the quarter.
- CubeSmart focused on upgrades to air conditioning systems, solar energy and lighting during the past two years. The company expects a long-term return on these investments through energy cost savings.
- Average length of stay continues to lengthen with tenants staying an average of 15 or 16 months. Almost 46% of tenants have stayed longer than two years. Short term customers increased near the end of last year partially due to delays in new home deliveries and remodeling.
- Smaller markets have experienced greater volatility than larger markets with solid demographics. The thesis may benefit large markets in the current environment looking forward.

Operations

CubeSmart
(NYSE: CUBE)

Operating Fundamentals (continued)

- Occupancies in New York, CubeSmart's largest market, increased 80 to 90 basis points year-over-year at the end of April. There continues to be supply pressure in both Queens and Brooklyn. Same-store revenues decelerated 20 to 30 basis points in New York year-over-year at the end of April, but accelerated about 20 basis points including the properties added to the same-store pool during the quarter.
- Major urban markets such as Chicago, downtown Los Angeles, New York City, and Boston did not experience an influx of move-in or move-out activity during the variant in January. Move-in and move-out volumes returned to more normal patterns as the variant concerns waned.
- Street rates increased about 10% year-over-year during the quarter. Street rates in April were flat due to tougher comps a year ago, but are 31% from 2019 rates.

Major Markets Revenue Growth

- All major markets reported continued positive growth during the quarter. Major markets with same-store revenue growth above the portfolio average during the quarter include Daytona Beach (+25.4%), Atlanta (+24.8%), Naples (+24.7%), Fort Myers (+24.5%), Tucson (+24.3%), Miami 23.9 (+10.7%), Phoenix (+23.6%), Orlando (+22.1%), and Las Vegas (+21.5%).
- Major markets performing below the CubeSmart portfolio average during the quarter include Washington DC (+6.9%), New York (+8.4%), Bridgeport-Stamford (+10.2%), Boston (+12.3%), and Los Angeles (+12.9%). New York, representing about 21% of CubeSmart's total same-store revenue, is showing signs of a rebound with a 20 basis point gain in revenue for the quarter.

Third-Party Management

- CubeSmart added 33 stores to its third-party management platform during the quarter, representing a net gain of 13 store. The third-party management platform totals 664 stores, which includes joint venture partnership managed properties.

Full Year 2022 Guidance (same store pool of 523 stores)

Same-store revenue growth	8.75% to 10.25%
Same-store expense growth	5.50% to 6.5%
Same-store net operating income growth	10.25% to 11.75%
Acquisition of wholly-owned properties	\$100 million to \$300 million
New development openings	\$54.9 million
Dispositions	\$0 to \$50 million
Accretion from Storage West Transaction	\$0.02 to \$0.03
Dilution from properties in lease-up	\$(0.05) to \$(0.06)
Property management fee income	\$30.5 million to \$32.5 million
FFO per share, as adjusted	\$2.37 to \$2.42

Operations

CubeSmart
(NYSE: CUBE)

Same-Store Operating Performance by MSA - First Quarter 2022

MSA	Facilities	Rent Per Occupied Square Foot	Average Occupancy	Revenue Growth
New York-Northern New Jersey-Long Island, NY-NJ-PA	67	\$32.73	93.4%	8.4%
Chicago-Naperville-Joliet, IL-IN-WI	42	\$17.15	93.8%	16.6%
Miami-Fort Lauderdale-Pompano Beach, FL	38	\$22.97	96.3%	23.9%
Dallas-Fort Worth-Arlington, TX	37	\$15.85	94.4%	18.7%
Washington-Arlington-Alexandria, DC-VA-MD-WV	24	\$23.96	93.8%	6.9%
Atlanta-Sandy Springs-Marietta, GA	20	\$16.40	92.8%	24.8%
Phoenix-Mesa-Scottsdale, AZ	16	\$17.40	94.1%	23.6%
Riverside-San Bernardino-Ontario, CA	16	\$18.69	93.3%	19.3%
Tucson, AZ	15	\$17.80	92.3%	24.3%
Orlando-Kissimmee, FL	14	\$15.55	93.2%	22.1%
Houston-Sugar Land-Baytown, TX	14	\$15.48	94.1%	17.2%
Boston-Cambridge-Quincy, MA-NH	14	\$23.61	91.2%	12.3%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	13	\$22.06	90.9%	14.8%
Hartford-West Hartford-East Hartford, CT	12	\$16.71	92.0%	16.7%
Austin-Round Rock, TX	11	\$16.76	92.2%	18.3%
Columbus, OH	10	\$13.15	92.8%	15.0%
Cleveland-Elyria-Mentor, OH	10	\$16.50	91.9%	14.5%
Nashville-Davidson-Murfreesboro-Franklin, TN	9	\$13.55	93.5%	15.7%
Sacramento-Arden-Arcade-Roseville, CA	9	\$18.49	93.0%	15.8%
Las Vegas-Paradise, NV	8	\$19.00	93.1%	21.5%
Los Angeles-Long Beach-Santa Ana, CA	8	\$25.64	97.1%	12.9%
Denver-Aurora, CO	8	\$16.29	95.0%	15.7%
Charleston-North Charleston, SC	8	\$13.90	95.5%	21.3%
San Diego-Carlsbad-San Marcos, CA	7	\$22.00	94.4%	17.3%
Cape Coral-Fort Myers, FL	7	\$18.64	95.5%	24.5%
Jacksonville, FL	7	\$19.24	94.7%	17.3%
Tampa-St. Petersburg-Clearwater, FL	7	\$19.08	94.3%	18.4%
Charlotte-Gastonia-Concord, NC-SC	7	\$16.34	92.1%	20.8%
Baltimore-Towson, MD	6	\$20.86	93.3%	17.7%
Providence-New Bedford-Fall River, RI-MA	6	\$19.32	94.1%	14.9%
Bridgeport-Stamford-Norwalk, CT	6	\$27.81	90.8%	10.2%
San Antonio, TX	5	\$15.14	92.3%	17.6%
Deltona-Daytona Beach-Ormond Beach, FL	4	\$17.72	93.6%	25.4%
Salt Lake City, UT	4	\$15.79	91.2%	14.6%
Naples-Marco Island, FL	4	\$18.85	95.1%	24.7%
Other	30	\$19.26	92.5%	16.8%
Total	523	\$20.59	93.6%	15.6%

Operations

Life Storage
(NYSE: LSI)

During the first quarter, Life Storage same-store revenues increased 15.6% and net operating income increased 21.9% year-over-year. Top performing markets by revenue growth for the first quarter include Cape Coral, Pensacola, Orlando, Space Coast, Jacksonville, Raleigh-Durham, Miami, and Las Vegas.

Same-Store Comparison

- Same-store facilities for Life Storage represent those properties that have been owned by Life Storage and included in the consolidated results since December 31, 2020. The stores purchased through 2020 at certificate of occupancy or that were less than 80% occupied at market rates are not included, regardless of their current performance. Life Storage includes such stores in its same-store pool in the second year after the stores achieve 80% sustained occupancy using market rates and incentives. There are 580 facilities in Life Storage's same-store pool.

Q1 2022 RESULTS

- Same-store revenues increased 15.6% during the first quarter, compared to 16.9% last quarter. The increase was driven a 20 basis point increase in average occupancy and by a 15.7% increase in rental income and 4.3% gain in other operating income.
- Cost of operations for the same-store pool increased by 2.9% during the first quarter. Operating expenses were impacted by a 8.9% increase in utilities and 9.7% gain in internet marketing expense. The increase was partially offset by a 2.2% decrease in payroll and no increase in advertising.
- Same-store net operating income grew 21.9% year-over-year during the first quarter, driven by a 15.6% gain in same-store revenue and 2.9% increase in operating expenses.
- Same-store occupancy at the end of the quarter was 93.7%, a 30 basis point decrease year-over-year. Same-store weighted average occupancy during the first quarter was 93.6%, a 20 basis point increase from a year earlier.

Operating Fundamentals

- Strong demand and pricing power elevated asking street rates 20% year-over-year during the first quarter. Elevated street rates were partially offset by discounts of about 2.8% of revenues. In April, street rates were up about 10% year-over-year.
- Existing customer rate increases (ECRIs) contributed to a 14.9% increase in realized rents per occupied square foot. The company generated another quarter of rent roll-up with robust revenue growth pushing move-in rents 10% higher than move-out rents. The roll-up moderated in April with a 7% spread between move-in and move-out rates.
- All markets are performing well with migration shifts into the Sun Belt helping the company's Florida stores outperform the portfolio average.
- Demand from businesses continues to grow with small businesses using self storage for e-commerce, last-mile delivery and inventory storage. The homebuilding industry has also contributed to demand from contractors and trades needing to store inventory.
- Demand in April remained strong. Move-ins were up 8% year-over-year, but move-outs also increased about 7%. Occupancy finished the month at 93.7%, flat compared to March and down 80 basis points from a year ago.
- Life Storage continues to aggressive increase ECRIs with an average increase in the mid to upper-teens percent. The company is accelerating the number of rent increase notices about two months earlier than a year ago.

Operations

Life Storage (NYSE: LSI)

Operating Fundamentals (Continued)

- The company's micro fulfillment center concept, started 18 months ago, currently has location in Las Vegas, Chicago, Atlanta, Columbus, and Los Angeles. The company hopes to add additional fulfillment centers in Texas in the near-term.
- Life Storage spent on average \$79 per move-in during the quarter. The cost per move-in is reasonable considering the increase in average length of stay.
- The company plans to counteract inflationary pressures in payroll by lowering payroll hours and full-time employees.

Major Markets Revenue Growth

- Major markets with revenue growth above the portfolio average for during the fourth quarter include Cape Coral (+23.8), Pensacola (+21.6%), Orlando (+21.5%), Space Coast (+19.9), Jacksonville (+19.6%), Raleigh-Durham (+18.9), Las Vegas (+18.8%), and Miami (+18.6%).
- All major markets reported robust revenue growth during the quarter. Markets performing below the Life Storage portfolio average of 15.6% during the quarter include Columbus (+8.9%), New York (+10.3%), Beaumont (+10.6%), Boston (+11.2%), Los Angeles (+11.2%), and Sacramento (+12.0%).

Third-Party Management

- Life Storage added 25 stores (11-net stores) to the third-party management platform during the first quarter. Third-party management stores in the platform total 378, including joint ventures.

Full Year 2022 Guidance (same store pool of 580 stores)

Same-store revenue growth	10.5% to 11.5%
Same store operating costs (excluding property taxes)	4.5% to 5.5%
Same store property taxes	6.25% to 7.25%
Total same store operating expenses	5.0% to 6.0%
Same store net operating income	13% to 14%
Expansions and enhancements	\$65 million to \$75 million
Capital expenditures	\$30 million to \$35 million
Wholly owned acquisitions	\$700 million to \$900 million
Joint venture investments	\$50 million to \$100 million
Adjusted funds from operations per share	\$6.04 to \$6.14

Operations

Life Storage
(NYSE: LSI)

Select Markets Same-Store Performance - First Quarter 2022

Market	Stores	Rent Per Occupied Square Foot	Avg. Quarterly Occupancy 3/31/2022	Revenue Growth
New York-Newark-Jersey City, NY-NJ-PA	36	\$25.41	94.7%	10.3%
Chicago-Naperville-Elgin, IL-IN-WI	40	\$17.40	94.5%	14.9%
Houston-The Woodlands-Sugar Land, TX	40	\$14.80	92.7%	15.8%
New England-Other	26	\$20.60	94.0%	13.6%
Dallas-Fort Worth-Arlington, TX	29	\$14.40	94.6%	15.2%
Buffalo-Upstate, NY	26	\$16.95	91.6%	18.5%
Miami-Fort Lauderdale-Pompano Beach, FL	17	\$22.97	95.9%	18.6%
Los Angeles-Long Beach-Anaheim, CA	12	\$24.67	92.8%	11.2%
Atlanta-Sandy Springs-Alpharetta, GA	24	\$15.38	94.7%	18.4%
Las Vegas-Henderson-Paradise, NV	18	\$17.77	95.5%	18.8%
Austin-Round Rock-Georgetown, TX	20	\$15.15	94.0%	18.5%
Sacramento-Roseville-Folsom, CA	14	\$17.89	91.5%	12.0%
Tampa-St. Petersburg-Clearwater, FL	18	\$17.12	94.5%	16.3%
Boston-Cambridge-Newton, MA-NH	16	\$18.67	93.5%	11.2%
San Antonio-New Braunfels, TX	17	\$15.42	93.5%	14.2%
St. Louis, MO-IL	15	\$15.23	93.8%	14.2%
Cleveland-Elyria, OH	12	\$16.58	91.3%	16.0%
Virginia Beach-Norfolk-Newport News, VA-NC	11	\$14.40	94.2%	18.5%
Orlando-Kissimmee-Sanford, FL	12	\$15.46	93.7%	21.5%
Phoenix-Mesa-Chandler, AZ	10	\$16.54	95.8%	16.9%
Space Coast, FL	8	\$18.20	92.3%	19.9%
Jacksonville, FL	10	\$16.21	95.1%	19.6%
Charlotte-Concord-Gastonia, NC-SC	9	\$15.05	92.5%	18.2%
Pensacola-Ferry Pass-Brent, FL	7	\$14.19	93.1%	21.6%
Beaumont-Port Arthur, TX	7	\$15.64	91.1%	10.6%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	5	\$18.93	90.2%	17.5%
Chattanooga, TN-GA	7	\$14.44	95.2%	16.6%
Raleigh-Durham, NC	7	\$13.88	96.2%	18.9%
Cape Coral-Fort Myers, FL	8	\$14.71	95.4%	23.8%
Columbus, OH	6	\$13.93	93.1%	8.9%
Montgomery, AL	7	\$10.88	93.8%	13.4%
Baltimore-Columbia-Towson, MD	5	\$18.38	90.2%	15.0%
Youngstown-Warren-Boardman, OH-PA	5	\$12.43	91.7%	20.8%
Other markets	76	\$16.22	92.7%	16.3%
Same Store Portfolio Total	580	\$17.11	93.6%	15.6%

Operations

National
Storage Affiliates
(NYSE: NSA)

During the first quarter, National Storage Affiliates same-store revenues increased 16.6% and net operating income increased 22.2% year-over-year. Top performing markets by revenue growth for the first quarter include Atlanta, North Port-Sarasota, Brownsville, Riverside-San Bernardino, Mc Allen, and Las Vegas.

Same-Store Comparison

- Same-store facilities for National Storage Affiliates is defined as those properties owned and operated since the first day of the earliest year presented, excluding any properties sold, expected to be sold or subject to significant changes such as expansions or casualty events which cause the portfolio's year-over-year operating results to no longer be comparable. As of March 31, 2022, the same-store portfolio consisted of 631 self storage properties.

Q1 2022 RESULTS

- Same-store revenues increased 16.6% during the first quarter year-over-year, a 100 basis point decrease sequentially. Same-store revenues were driven by a 250 basis point increase in average occupancy and 13.4% increase in revenue per occupied square foot.
- Cost of operations for the same-store pool increased by 3.1% year-over-year during the first quarter. The increase was impacted by an 6.7% increase in utilities, 2.9% increase in real estate taxes, and 2.7% increase in repairs and maintenance. Expenses were partially offset by a 2.1% decrease in marketing and flat movement in payroll.
- Same-store net operating income grew 22.2% year-over-year during the first quarter, driven by an 16.6% increase in same-store revenue and 3.1% increase in operating expenses.
- Same-store occupancy at the end of the quarter was 94.8%, a 140 basis point increase year-over-year. Same-store weighted average occupancy during the first quarter was 94.7%, a 250 basis point increase from a year earlier.

Operating Fundamentals

- Occupancy followed normal seasonal trends with first quarter occupancy ending 20 basis points below Q4 2021. The expected seasonal increase entering the spring leasing season propelled April occupancy to 95.1%, a 40 basis point increase year-over-year.
- Strong customer demand helped decrease discounts to 2.2% of revenue, compared to 3% to 4% historically.
- Street rates increased 22% year-over-year during the quarter contributing to a positive 1% roll-up differential of move-in rates to move-out rates. The roll-up widened to 5% during April.
- Contract rates increased 14% year-over-year during the quarter.
- Reduced store hours and longer time frame to backfill positions helped mute the growth in payroll.
- NSA expects to continue its aggressive ECRI strategy with current elevated occupancies and high street rates contributing to positive roll-up. The company is raising rates an average of low to mid-teens percent to existing customers.
- The company experienced more seasonal trends during the quarter. Occupancy dipped during the non-peak season and ticked up in April. Occupancies are projected to spike during the summer months and decline 200 to 250 basis points during the fourth quarter.

Operations

National
Storage Affiliates
(NYSE: NSA)

Operating Fundamentals (continued)

- Revenue and net operating income growth is well distributed throughout the portfolio. Stores in the Sun Belt, notably Atlanta and the West Coast of Florida, have outperformed the portfolio average.
- Durable demand, high occupancies, growing in-place rents, and positive roll-up entering the spring leasing season are primary factors contributing to NSA's increased guidance for 2022.

Major Markets Revenue Growth

- Major markets with same-store revenue growth above the portfolio average for the quarter include Atlanta (+22.4%), North Port-Sarasota (+22.0%), Brownsville (+20.1%), Riverside-San Bernardino (+19.0%), McAllen (+19.0%), and Las Vegas (+17.8%).
- All major markets reported robust revenue growth during the quarter. Markets performing below the NSA portfolio average of 16.6% during the quarter include Kansas City (+9.2%), Tulsa (+10.0%), Los Angeles (+12.9%), Portland (+13.7%), and San Antonio (+14.4%).

Full Year 2022 Guidance - Same store pool of 631 stores

Same store revenue growth	11% to 13%
Same store property expenses	5.0% to 6.25%
Same store net operating income	14% to 16%
Management fees and other revenue	\$27 million to \$29 million
Subordinated performance unit distributions	\$58 million to \$61 million
Acquisitions of self storage properties	\$400 million to \$600 million
Core FFO per share	\$2.80 to \$2.85

Operations

National
Storage Affiliates
(NYSE: NSA)

Same Store Performance Summary By State - First Quarter 2022

State	Stores	Rent Per Occupied Square Foot	Occupancy 3/31/2022	Revenue Growth
Texas	113	\$12.33	95.5%	18.0%
California	81	\$15.84	95.6%	16.7%
Oregon	63	\$17.16	92.5%	14.5%
Florida	48	\$17.34	94.4%	18.9%
Georgia	46	\$11.96	96.2%	21.3%
North Carolina	34	\$12.88	96.9%	15.8%
Oklahoma	32	\$9.31	95.8%	13.1%
Arizona	30	\$15.36	93.4%	17.0%
Louisiana	26	\$11.79	94.2%	15.3%
Kansas	17	\$13.09	94.7%	11.4%
Colorado	16	\$13.33	94.2%	15.0%
Indiana	16	\$11.25	96.3%	14.9%
Washington	16	\$15.50	92.3%	16.7%
Nevada	13	\$14.21	95.5%	17.3%
New Hampshire	11	\$15.83	93.3%	15.2%
Other*	69	\$14.99	93.5%	15.4%
Total	631	\$14.10	94.8%	16.6%

*Other states in NSA's same store portfolio include Alabama, Kentucky, Mississippi, Nevada, New Hampshire, New Mexico, Ohio and South Carolina.

Operations

National
Storage Affiliates
(NYSE: NSA)

Same Store Performance Summary By MSA - First Quarter 2022

MSA	Stores	Rent Per Occupied Square Foot	Occupancy 3/31/2022	Revenue Growth
Portland-Vancouver-Hillsboro, OR-WA	47	\$18.41	91.8%	13.7%
Riverside-San Bernardino-Ontario, CA	46	\$14.67	96.3%	19.0%
Atlanta-Sandy Springs-Roswell, GA	30	\$12.19	96.4%	22.4%
Phoenix-Mesa-Scottsdale, AZ	23	\$15.60	93.7%	16.5%
McAllen-Edinburg-Mission, TX	20	\$11.92	97.9%	19.0%
Oklahoma City, OK	19	\$9.03	96.9%	15.3%
Houston-The Woodlands-Sugar Land, TX	18	\$11.08	94.6%	15.3%
Dallas-Fort Worth-Arlington, TX	17	\$13.14	95.3%	16.0%
Brownsville-Harlingen, TX	16	\$11.33	97.4%	20.1%
Indianapolis-Carmel-Anderson, IN	16	\$11.25	96.3%	14.9%
Los Angeles-Long Beach-Anaheim, CA	14	\$22.16	94.9%	12.9%
New Orleans-Metairie, LA	13	\$13.37	94.1%	16.2%
North Port-Sarasota-Bradenton, FL	13	\$20.03	94.2%	22.0%
Tulsa, OK	13	\$9.78	94.2%	10.0%
Las Vegas-Henderson-Paradise, NV	12	\$14.22	95.5%	17.8%
Colorado Springs, CO	11	\$12.33	92.8%	15.3%
Kansas City, MO-KS	11	\$13.88	94.5%	9.2%
San Antonio-New Braunfels, TX	11	\$14.75	92.9%	14.4%
Other MSAs	281	\$14.21	94.4%	16.6%
Total	631	\$14.10	94.8%	16.6%

Capital Activities

Public Storage (NYSE: PSA)

- On January 13, 2022, issued 4.1% Preferred Shares (Series S) for gross proceeds of \$250 million.
- Approximately \$1 billion cash-on-hand, and \$4 billion of preferred stock with perpetual fixed distributions against a rising interest rate environment.

Extra Space Storage (NYSE: EXR)

- Issued 0.2 million shares of common stock in a placement at a sales price of \$219.34 per share, resulting in net proceeds of \$41 million, in conjunction with the acquisition of two stores.
- The company did not issue any shares on its ATM program in the first quarter, and has \$800 million available for issuance.
- The company's percentage of fixed-rate debt to total debt was 80.4%. The weighted average interest rate for fixed-rate debt is 3.2%, and for variable-rate debt is 1.6%, with a combined average of 2.8%. The weighted average maturity is approximately 5.6 years.
- Net debt to EBITDA is 4.4x.

CubeSmart (NYSE: CUBE)

- During the first quarter, did not sell any common shares through its ATM equity program.
- The company has 5.9 million shares available for issuance under existing equity distribution agreements.

Capital Activities

Life Storage (NYSE: LSI)

- During the first quarter, issued 686,712 shares of common stock under its ATM equity offering program at a weighted average issue price of \$136.48 per share, generating net proceeds of \$92.8 million,
- Approximately \$50.2 million of cash on hand, and approximately \$365 million available on company's line of credit as of March 31, 2022.

Key Financial Ratios

Debt to Enterprise Value @ \$140.43/share	19.6%
Debt to Book Cost of Facilities	39.5%
Debt to Recurring Annualized EBITDA	4.9x
Debt Service Coverage (DSC)	5.8x

National Storage Affiliates (NYSE: NSA)

- On January 28, 2022, issued \$125 million of 2.96% senior unsecured notes due November 20, 2023 in a private placement to certain institutional investors. Proceeds were used to repay outstanding amounts on its revolving line of credit and for general corporate purposes.
- On April 11, 2022, Kroll Bond Rating Agency upgraded the issuer credit rating of the company's operating partnership to BBB+ with a Stable Outlook from BBB with a Positive Outlook.
- \$195 million available on revolver line of credit.
- No debt maturities through 2022, and variable rate consists of only 15% of total principal debt.
- Net to debt EBITDA of 5.7x.



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