extraordinary

EST·1977
ExtraSpace
Storage®

Company Overview

June 2013

expanding

PENDING CALIFORNIA PORTFOLIO
ACQUISITION OVERVIEW

 # OF PROPERTIES
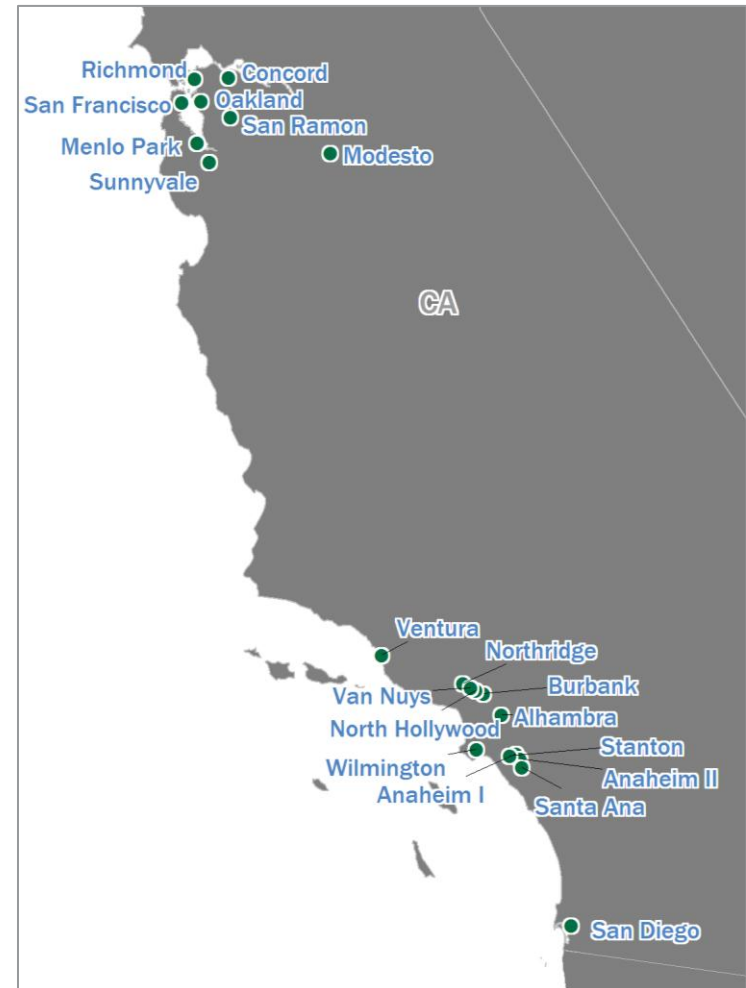
20 PROPERTIES

 # OF UNITS

14,800 UNITS

SQUARE FEET

1.5MM SF

OCCUPANCY [1]

~ 76%

With EXR's in-place portfolio occupancy at 88.6%[2], the pending acquisition presents an opportunity for significant upside

expanding

PENDING CALIFORNIA PORTFOLIO
ACQUISITION FUNDING DETAILS

- On June 13, 2013, the Company entered into a contribution agreement to acquire 20 self-storage properties in California

- Aggregate consideration for the Properties is valued at approximately $196.0 million, excluding transaction costs, including taking the Properties subject to approximately $100.1 million of existing loans (which will be prepaid by the Operating Partnership after the Properties are conveyed to the Operating Partnership)

- The Company will pay total cash at closing of the acquisition of approximately $100.1 million and will issue:

  - ~$33.6 million of newly designated Series B Redeemable Preferred Units (the "Series B units")
    - The Series B Preferred Units will bear a fixed priority return of 6.0% and have a total liquidation value of $33.6 million ($25.00 per unit)
  - ~$62.3 million of common limited partnership units, or OP units

- The Operating Partnership will pay an additional $10.1 million related to the defeasance and prepayment costs associated with the loans
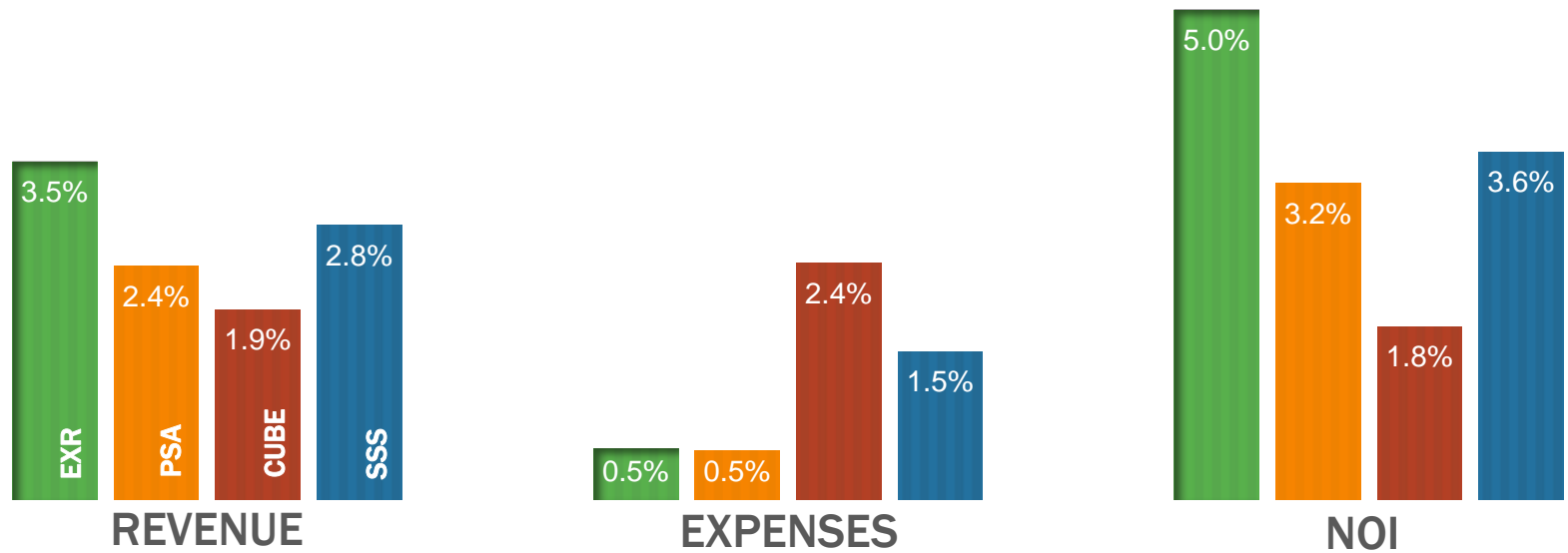
exceptional

Extra Space® Storage
EST·1977

LEADING THE SECTOR IN SAME STORE RESULTS.[1]

29
QUARTERS OF AVERAGE SAME-STORE OUTPERFORMANCE

REVENUE:
- EXR: 3.5%
- PSA: 2.4%
- CUBE: 1.9%
- SSS: 2.8%

EXPENSES:
- 0.5%
- 0.5%
- 2.4%
- 1.5%

NOI:
- 5.0%
- 3.2%
- 1.8%
- 3.6%

(1) Average of same-store results from Q1 2006 to Q1 2013 based on data from public filings

executing

LEADING THE SECTOR IN NOI GROWTH[1]

Q1
2013 SAME-STORE OUTPERFORMANCE

REVENUE	EXPENSES	NOI
EXR 7.5%	1.1%	10.8%
PSA 5.4%	-2.3%	9.5%
CUBE 6.8%	5.4%	7.6%
SSS 8.1%	3.3%	10.6%
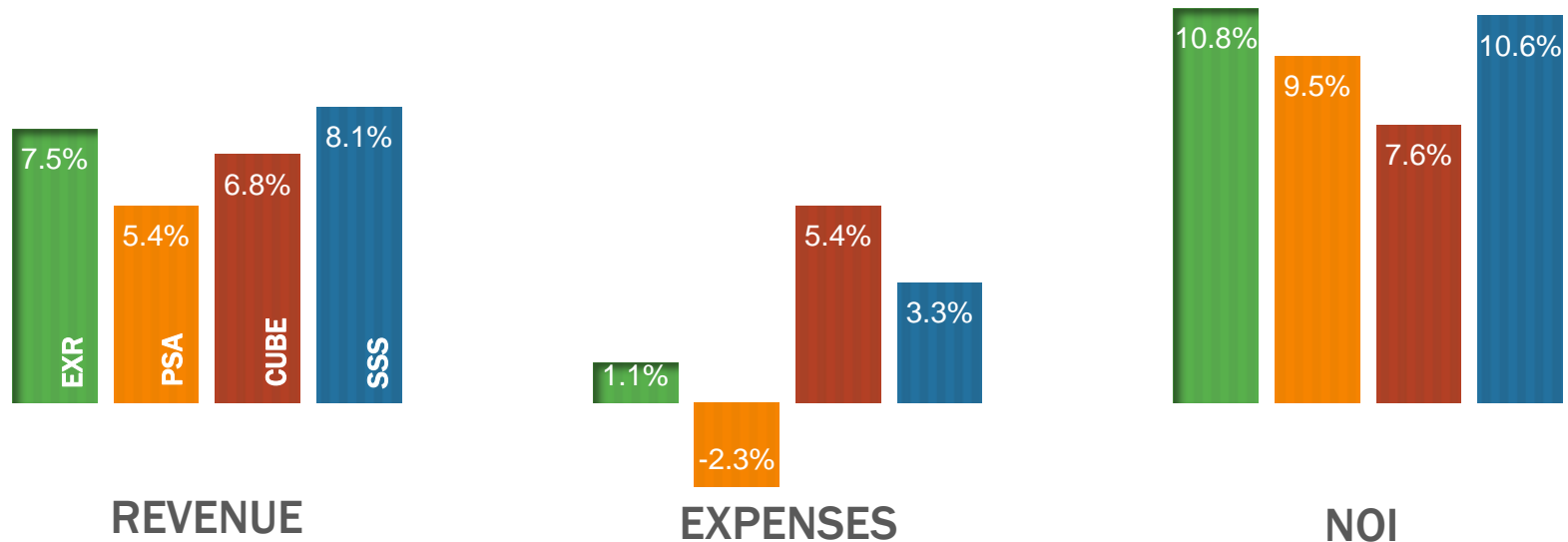
(1) Q1 2013 results as reported in public filings

7

expanding

965 Properties

WHOLLY-OWNED	JOINT VENTURE	MANAGED
450 PROPERTIES	279 PROPERTIES	236 PROPERTIES
47%	**29%**	**24%**

expanding

Extra Space® Storage EST·1977

PACIFIC NORTHWEST — 8 | 2 (OR, WA)

NEW ENGLAND — 37 | 23 (MA, NH, RI)

NORTHEAST — 79 | 71 (CT, NJ, NY, PA)

MID-ATLANTIC — 34 | 43 (DC, MD, VA)

ILLINOIS — 13 | 15

CALIFORNIA — 86 | 137

ARIZONA — 10 | 9

GEORGIA — 17 | 8

TEXAS — 25 | 37

FLORIDA — 50 | 48

WHOLLY OWNED | 450
JV & MANAGED | 515
Total **965**
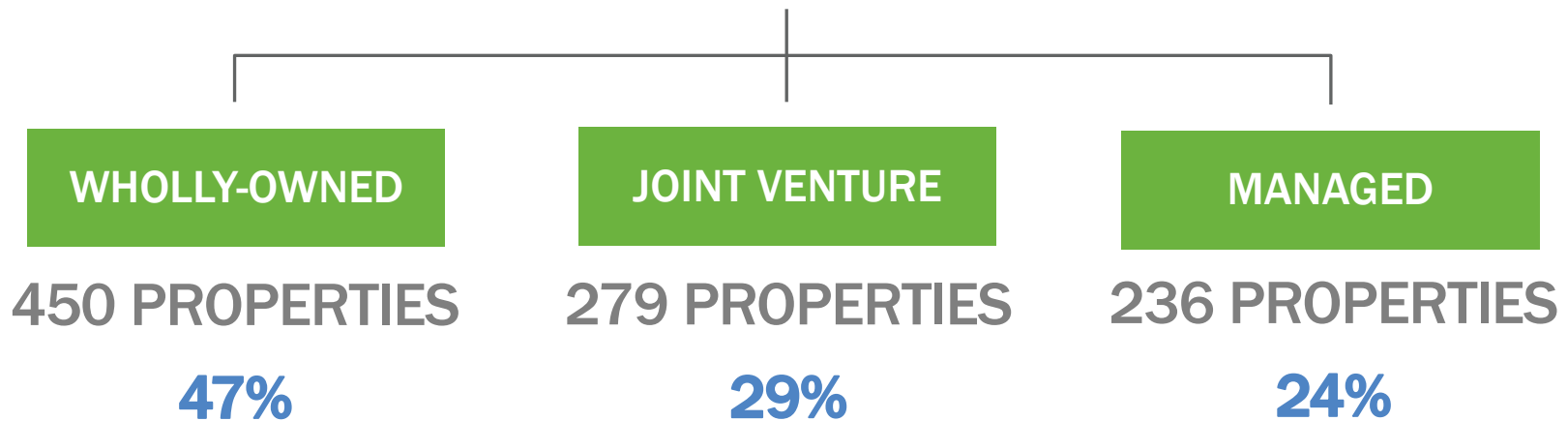
expanding
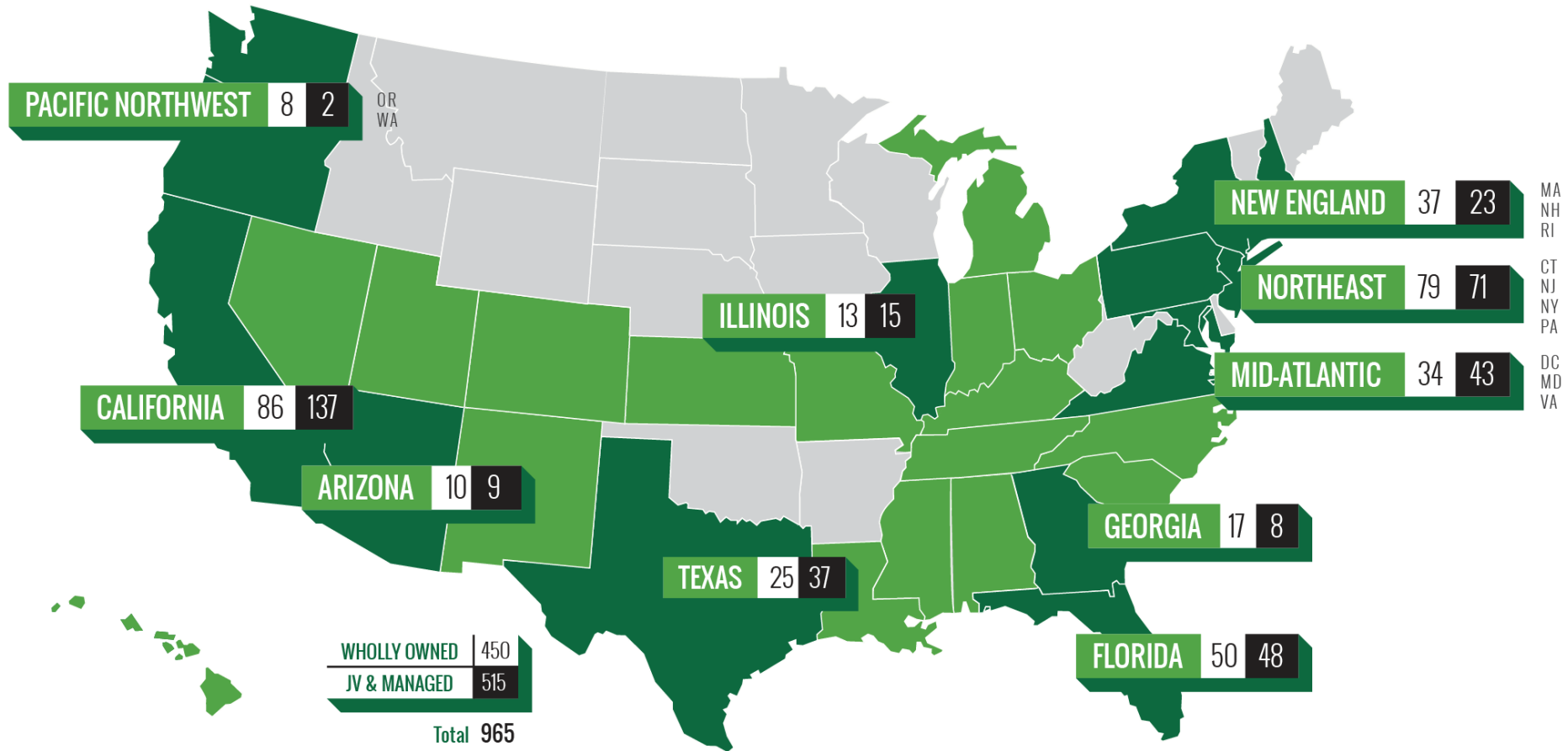
Strong Demographics
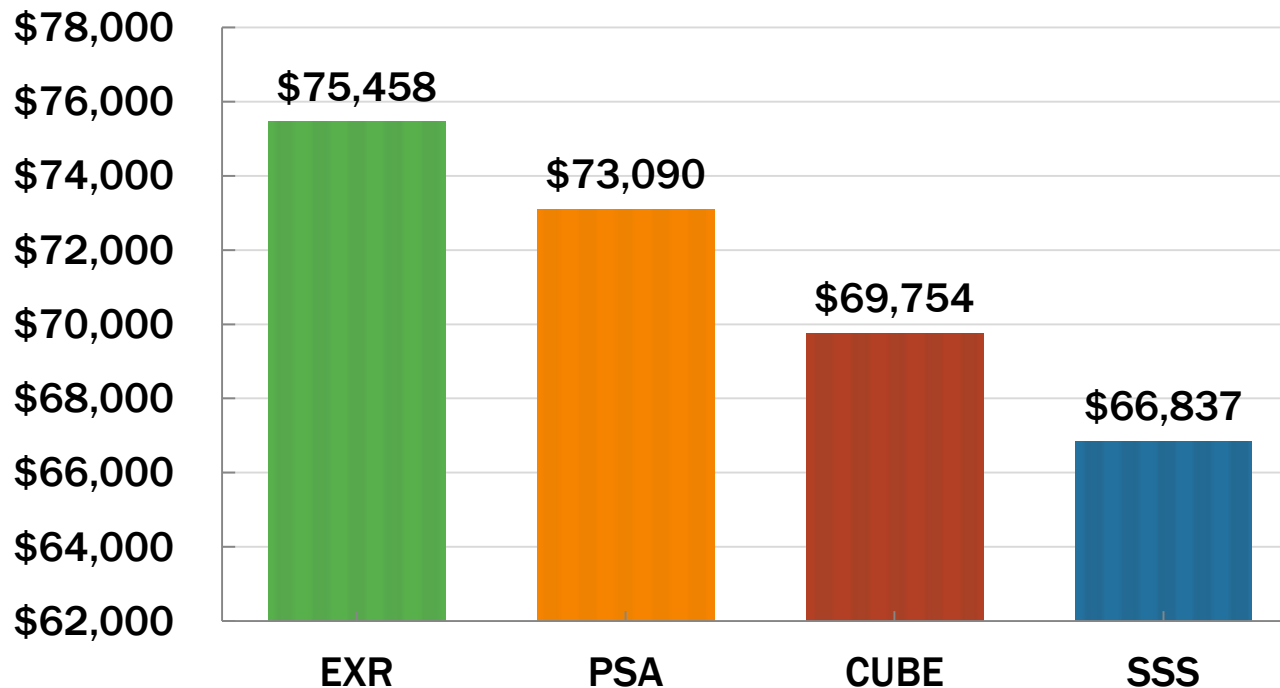
2011 Avg Household Income in a 3 Mile Radius
Industry-leading property placement

10

experience

Stable Customer Demand

BUSINESS

Home Office
Business Inventory
Business Records
Movie Props
Law Enforcement
Pharmaceutical
Donation Collection

SEASONAL

Car Storage
Recreational Vehicles
Hobby Storage
Christmas Presents
Holiday Decorations
College Summer Break
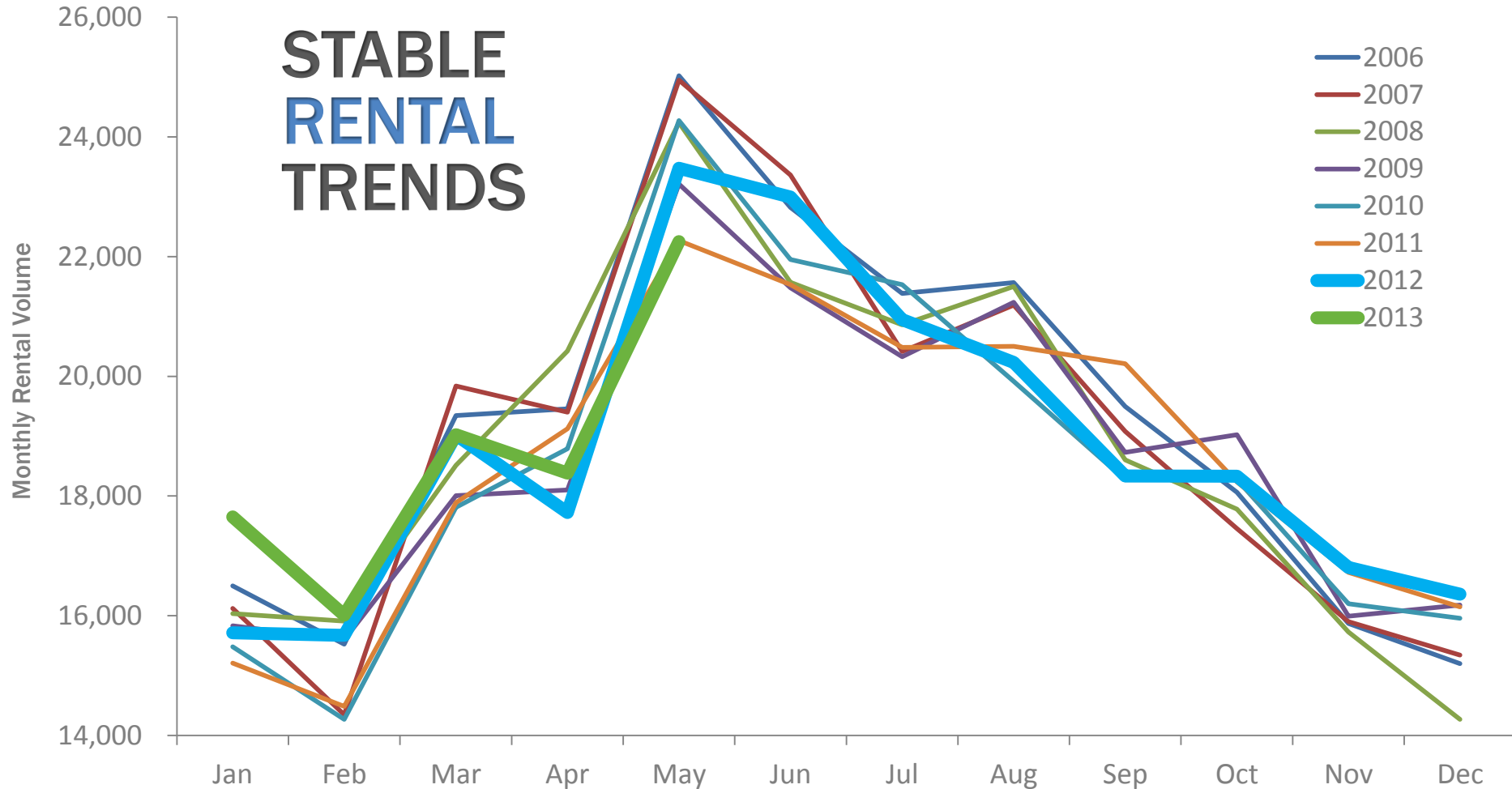Yard Care

UNPLANNED

Return of a Child
Care of a Parent
Death
Inheritance
Legal Proceedings
Divorce
Foreclosure
Disaster Clean Up
Disaster Recovery/Backup
Military Deployment
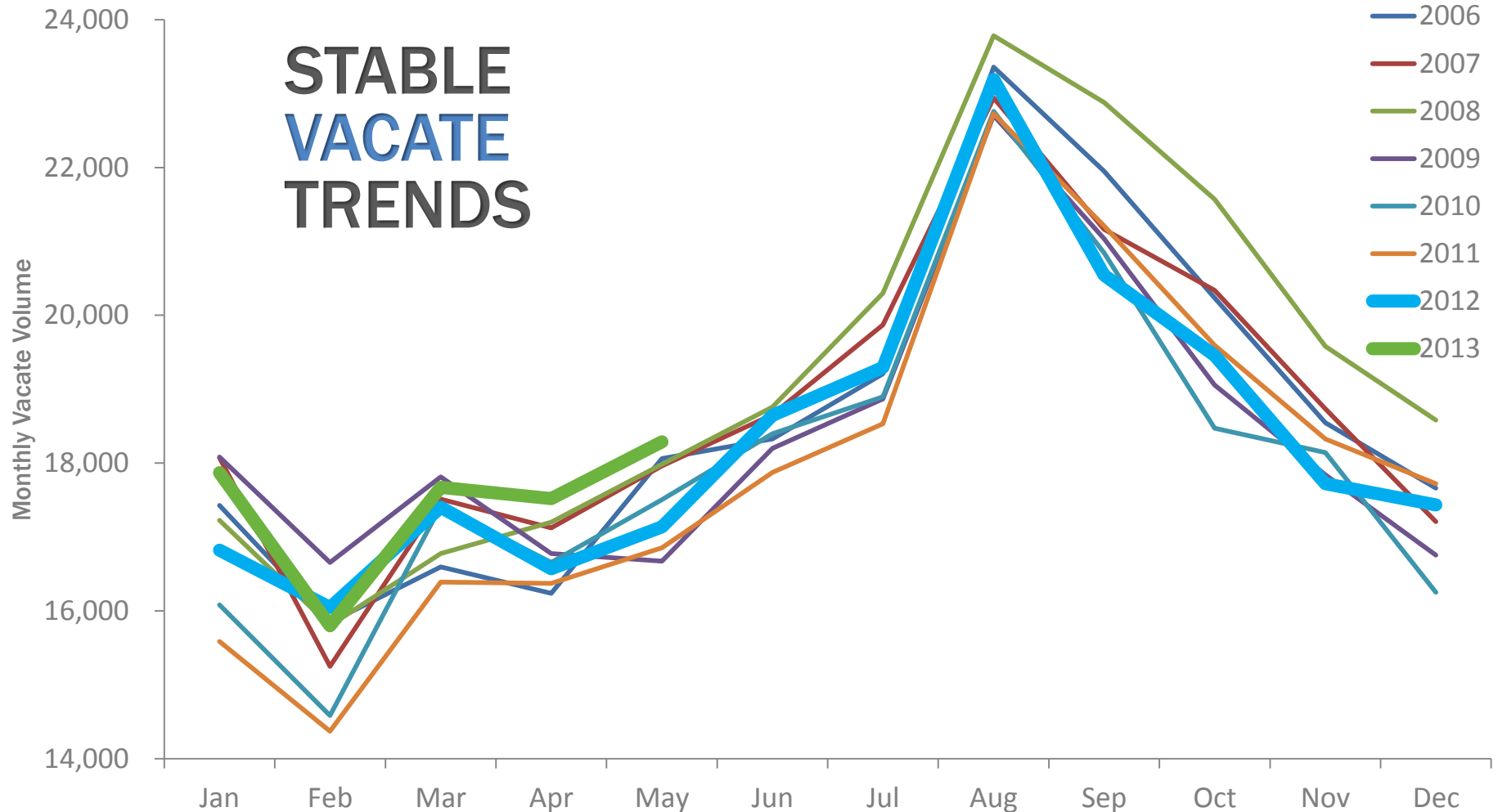Compulsive Hoarding

DOMESTIC

Moving Out of a House
Staging a House
Moving Into a House
Downsizing a House
Home Remodeling
Changing Apartments
Going to College
Finishing College
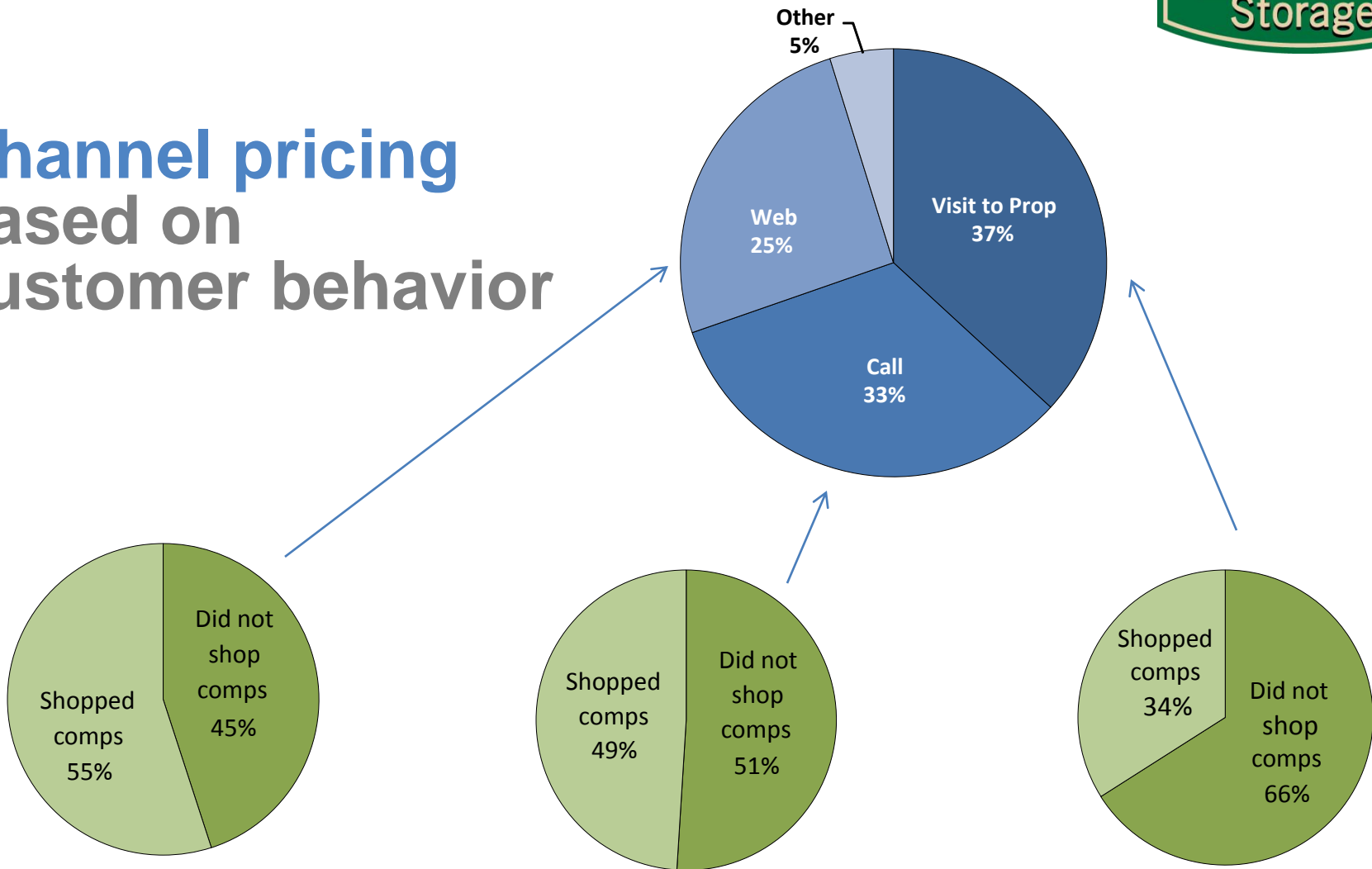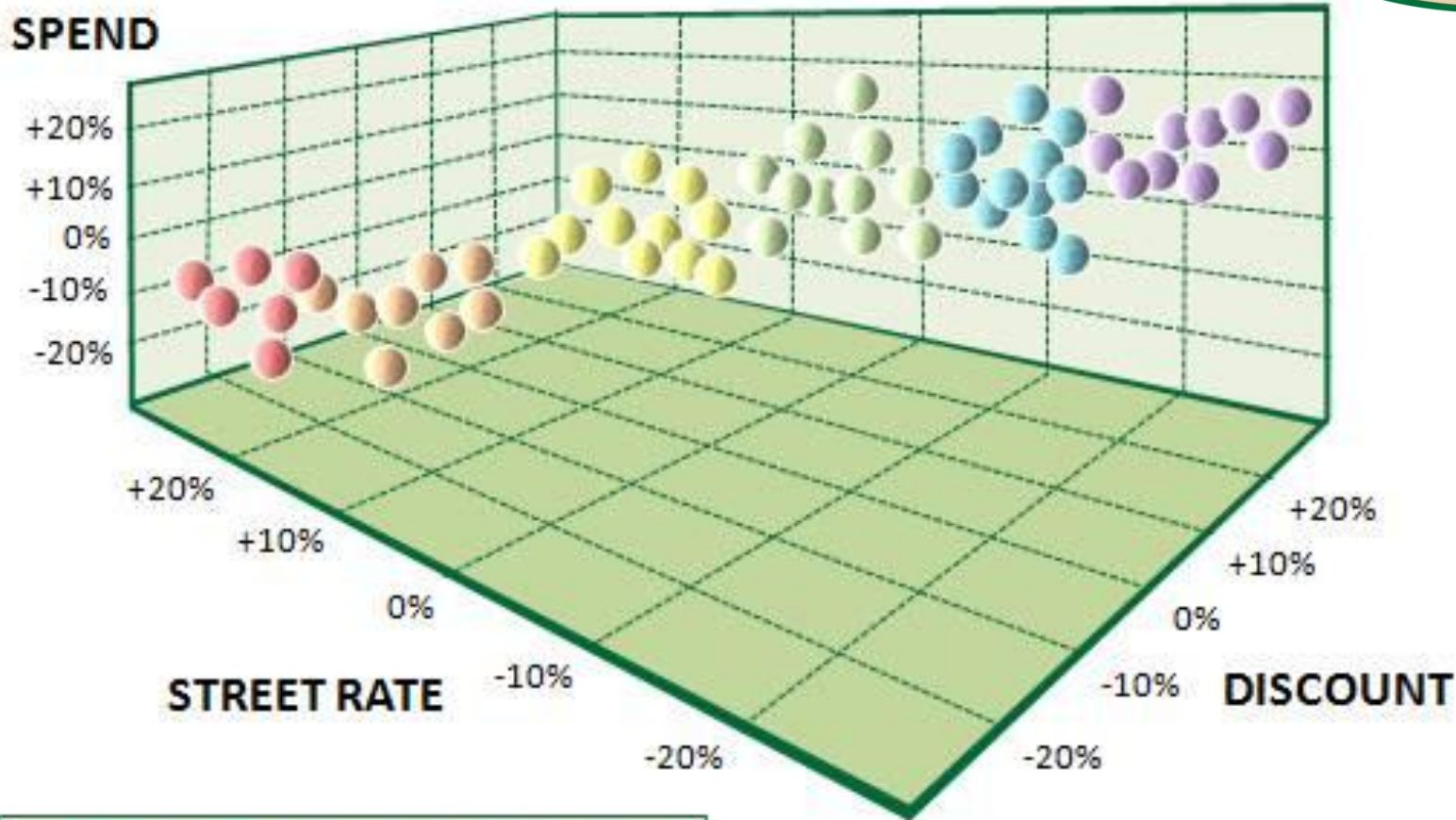Family Records
Sports Equipment
Sports Teams
Birth

Rental data from 505 mature owned or operated assets

expertise

ExtraSpace Storage EST·1977

Channel pricing based on customer behavior

Other 5%

Visit to Prop 37%

Web 25%

Call 33%

Shopped comps 55%

Did not shop comps 45%

Shopped comps 49%

Did not shop comps 51%

Shopped comps 34%

Did not shop comps 66%

expertise

SPEND
+20%
+10%
0%
-10%
-20%

STREET RATE
+20%
+10%
0%
-10%
-20%

DISCOUNT
+20%
+10%
0%
-10%
-20%

Lower value customers → Higher Value Customers

One-to-One Customer Experience

16

expertise

Crawl

- Set price once per year
- Anecdotal pricing
- Knee-jerk reactions
- No long-term plan
- No in-place increases
- Loose controls

Walk

- Set price few times a year
- Limited data
- Loosely managed discounts
- Short-term pricing strategy
- In-place increases once per year in limited fashion
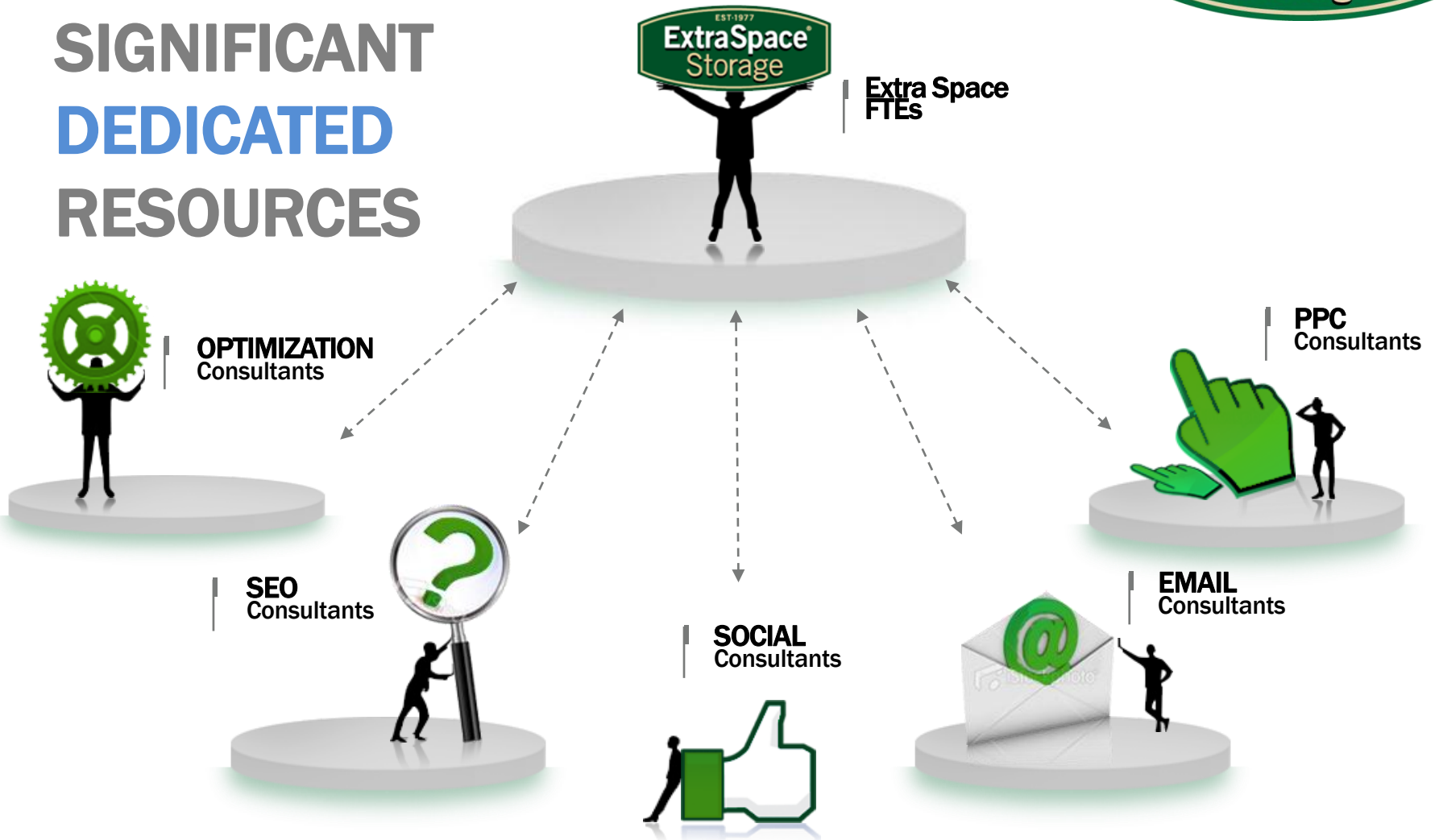- Manager still has significant flexibility

Run

- Set price several times a month
- Very data-driven pricing in automated system
- Discounts tightly managed
- Long-term pricing strategy
- In-place increases throughout year with basic segmentation
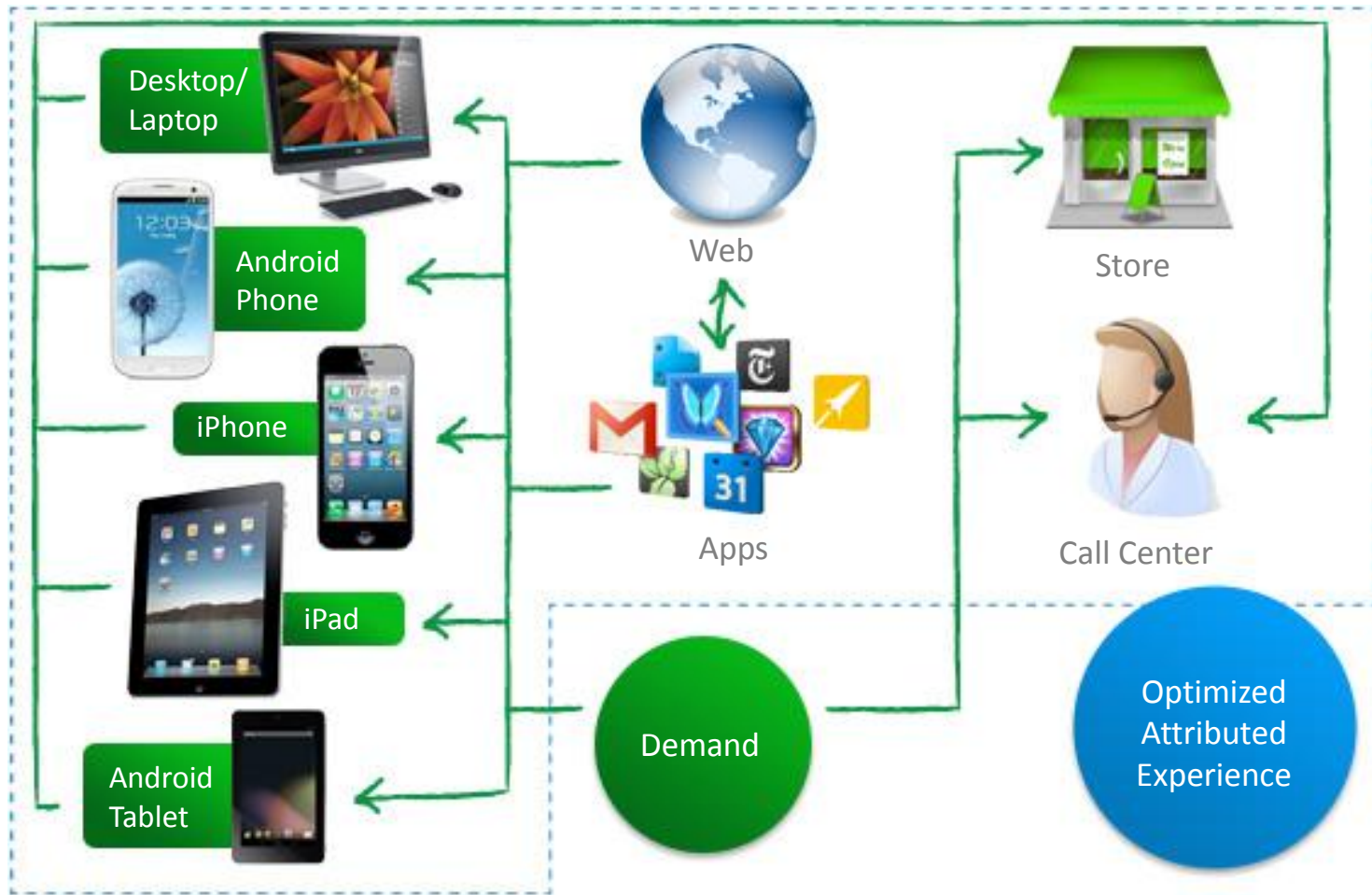- Tight controls on pricing

Fly

- Pricing changes on lifetime value
- Real-time data-driven system
- Integrated discounts and pricing
- Flexible, long-term strategy
- Advanced segmentation and integration for in-place increases
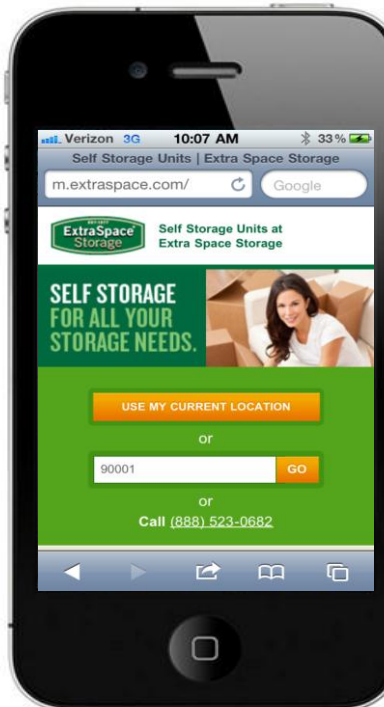- Controls enhanced with real-time knowledge delivery

executing

SIGNIFICANT DEDICATED RESOURCES

Extra Space FTEs

OPTIMIZATION Consultants

PPC Consultants

SEO Consultants

SOCIAL Consultants

EMAIL Consultants

executing

CONTINUOUS OPTIMIZATION

executing

FINDING CUSTOMERS:
HISTORICAL CAMPAIGNS

executing
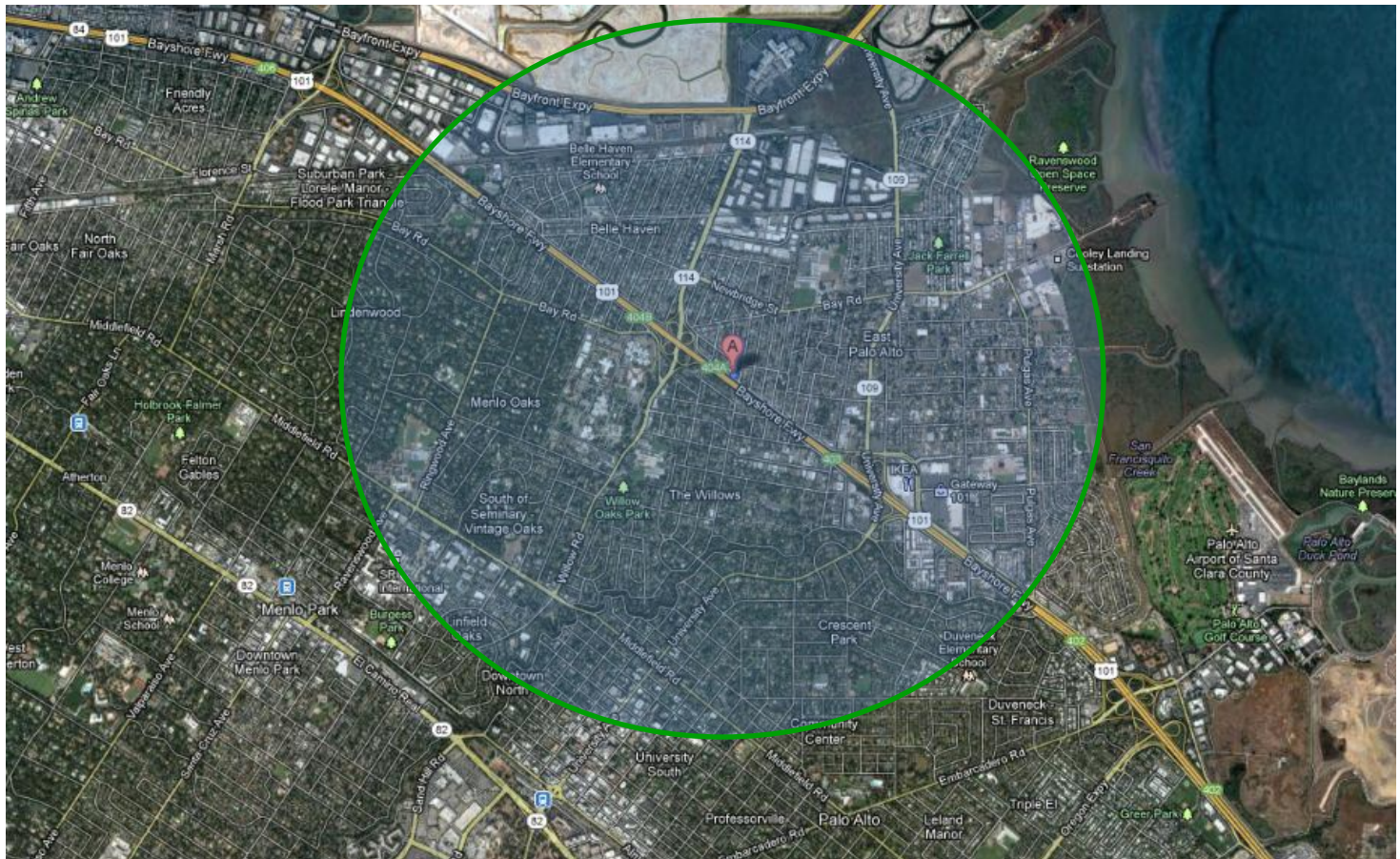
FINDING THE MOST VALUABLE CUSTOMERS:
ZIP CAMPAIGNS