



Citi Global Property CEO Conference
March 2020



FORWARD-LOOKING STATEMENTS

Certain information set forth in this release contains “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements include statements concerning the benefits of store acquisitions, developments, favorable market conditions, our outlook and estimates for the year and other statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, the competitive landscape, plans or intentions relating to acquisitions and developments and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as “believes,” “estimates,” “expects,” “may,” “will,” “should,” “anticipates,” or “intends,” or the negative of such terms or other comparable terminology, or by discussions of strategy. We may also make additional forward-looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by us or on our behalf, are also expressly qualified by these cautionary statements. There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this release. Any forward-looking statements should be considered in light of the risks referenced in the “Risk Factors” section included in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Such factors include, but are not limited to:

- adverse changes in general economic conditions, the real estate industry and the markets in which we operate;
- failure to close pending acquisitions and developments on expected terms, or at all;
- the effect of competition from new and existing stores or other storage alternatives, which could cause rents and occupancy rates to decline;
- potential liability for uninsured losses and environmental contamination;
- the impact of the regulatory environment as well as national, state and local laws and regulations, including, without limitation, those governing real estate investment trusts (“REITs”), tenant reinsurance and other aspects of our business, which could adversely affect our results;
- disruptions in credit and financial markets and resulting difficulties in raising capital or obtaining credit at reasonable rates or at all, which could impede our ability to grow;
- increases in interest rates;
- reductions in asset valuations and related impairment charges;
- our lack of sole decision-making authority with respect to our joint venture investments;
- the effect of recent changes to U.S. tax laws
- the failure to maintain our REIT status for U.S. federal income tax purposes; and
- economic uncertainty due to the impact of war or terrorism, which could adversely affect our business plan.

All forward-looking statements are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them, but there can be no assurance that management’s expectations, beliefs and projections will result or be achieved. All forward-looking statements apply only as of the date made. We undertake no obligation to publicly update or revise forward-looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

2019 QUICK FACTS

4.5%

YTD Core FFO
Growth Per Share

1,179%

10-year Total Shareholder Return

1,817

Properties

140 Million

Square feet

92.8%

Average Same-store
Occupancy

\$14.7 Billion

Market Cap

\$6.8 Billion

in acquisitions
over past 10 years

S&P 500

1977

Founded

3.5%

YTD Same-Store
Revenue Growth

\$1.3 Billion

Annual Revenue

2004

IPO – NYSE “EXR”

91.5%

5-year Dividend
Increase



EXTRA SPACE STORAGE TIMELINE



1998

Recapitalized through JV with Prudential Real Estate Investors (PREI)



2005

Acquired Storage USA (458 stores) for \$2.3 billion in a JV with PREI



2015

Acquired SmartStop Self Storage (122 owned & 43 managed stores) for \$1.4 billion



2018

Ranked 73 out of 700,000+ companies



2020

Ranked 90 out of 1 million+ companies

1977

Founded by Ken Woolley (Current Chairman)

2004

Completed Initial Public Offering



2008

Started third-party property management program (nation's largest today)



2016

Added to the S&P 500 Index



2019

Assigned a BBB/Stable credit rating by S&P Global Ratings



glassdoor
2020 BEST PLACES TO WORK



WHY INVEST IN EXTRA SPACE STORAGE (EXR)?

ATTRACTIVE SECTOR

Need-based, recession resilient asset class with high operating margins and low cap-ex requirements, resulting in high FAD. The granularity of assets and tenant base, reduces volatility, tenant risk and market risk.

OPERATIONAL EXCELLENCE

Enhancing value of existing and newly acquired self-storage facilities, through best-in-class customer acquisition, revenue management and customer service platforms.

DISCIPLINED GROWTH

Consistent growth of our geographically-diverse portfolio through accretive acquisitions, mutually-beneficial joint-venture partnerships, and third-party management services in a highly fragmented sector.

SOLID BALANCE SHEET

Appropriately leveraged balance sheet, consisting of diversified capital sources to provide access to the cheapest sources of funds in different economic climates.

STRONG PARTNERSHIPS

Creating growth opportunities through joint-venture and third-party management relationships. Our partnerships provide capital, additional income streams, leveraged returns and future acquisition opportunities.

MANAGEMENT DEPTH



SAMRAT SONDHI

COO
17 YEARS



SCOTT STUBBS

CFO
19 YEARS



JOE MARGOLIS

CEO
15 YEARS*



GWYN MCNEAL

CLO
15 YEARS



JAMES OVERTURF

CMO
21 YEARS

*Includes Mr. Margolis' time as Director on Extra Space Storage's board.

CORPORATE SUSTAINABILITY



G R E S B[®]

Highest-rated U.S.
Self-storage REIT
by GRESB

GRESB Public Disclosure Level



↓

E D C B A

Global Average: C



2018 2019

+21.7%

GRESB REAL ESTATE ASSESSMENT
2019 Improvement



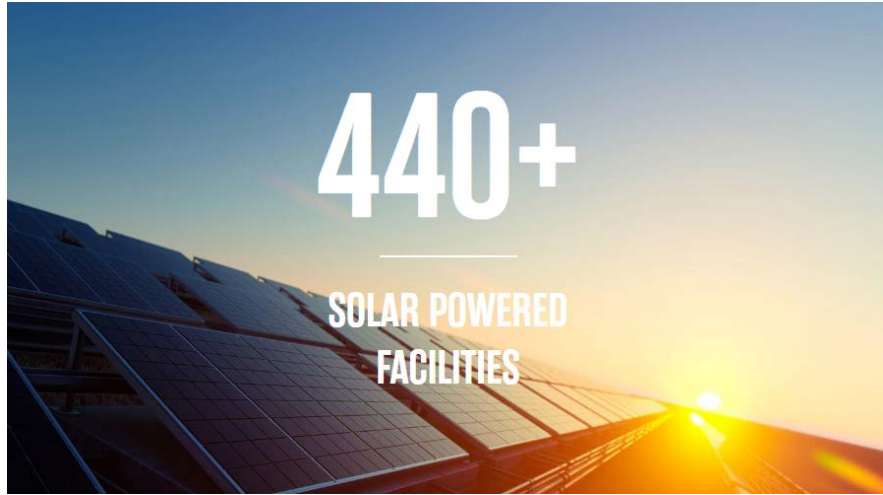
SUSTAINALYTICS

Best ESG Risk Rating of
U.S. Self-storage REIT
8th Percentile – Company Risk
(Lowest = Best)

MSCI 

Highest Rated U.S. Self-storage REIT

ENVIRONMENTAL HIGHLIGHTS



SOCIAL HIGHLIGHTS



GOVERNANCE HIGHLIGHTS



2/3rd INDEPENDENT DIRECTORS

22% FEMALE BOARD MEMBERS



SEPARATE CHAIRMAN AND CEO



STOCKHOLDER ABILITY TO
AMMEND BYLAWS



ANNUAL ADVISORY VOTE TO
APPROVE EXECUTIVE COMPENSATION

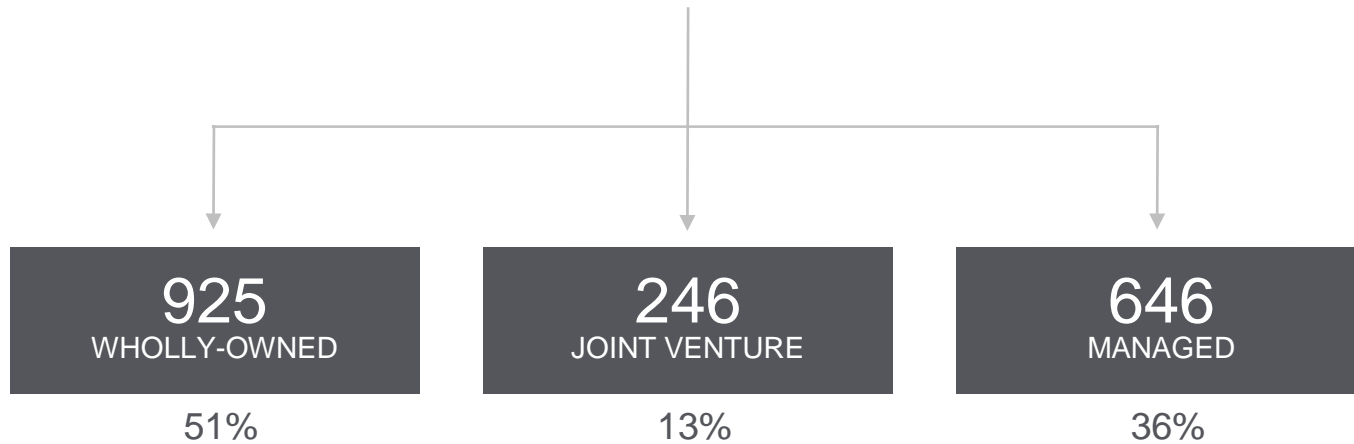
An aerial photograph of a modern ExtraSpace Storage facility. The building is a two-story structure with a mix of light blue, grey, and brick facades. Large windows are visible on the upper level. The facility is surrounded by greenery and a parking lot with several cars. The text 'PORTFOLIO & PERFORMANCE' is overlaid in large white letters with a black outline.

PORTFOLIO & PERFORMANCE

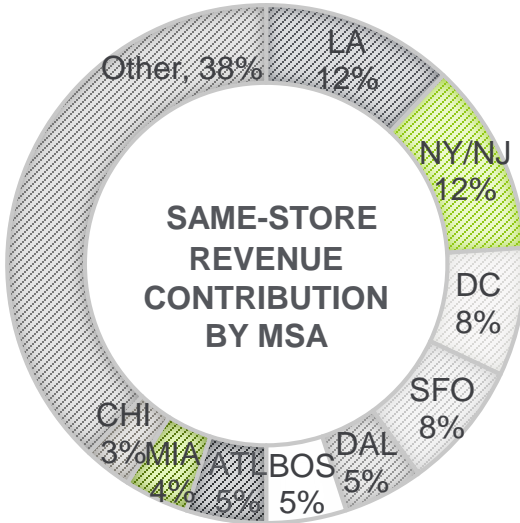
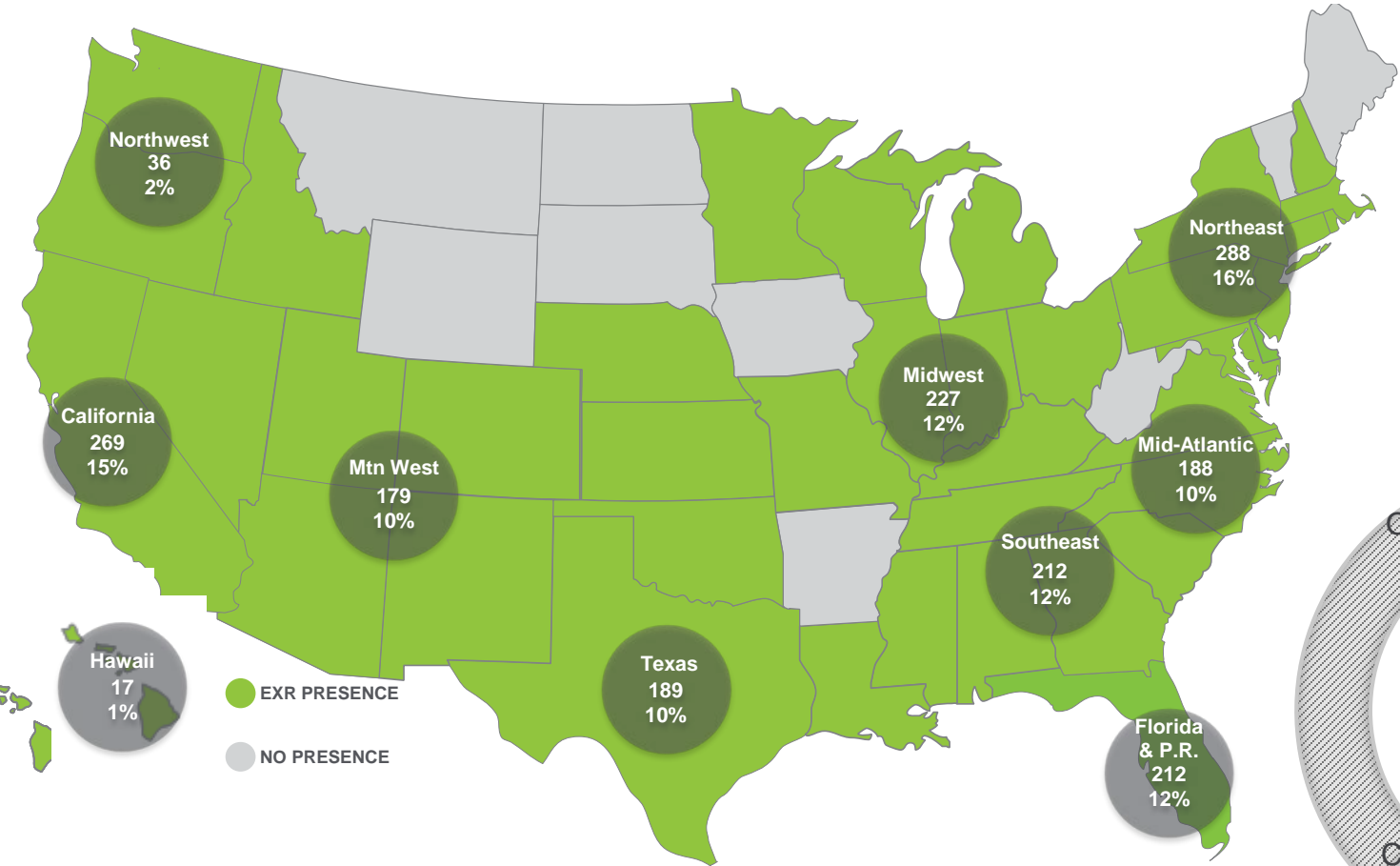
EFFICIENT OWNERSHIP STRUCTURE



1,817 PROPERTIES



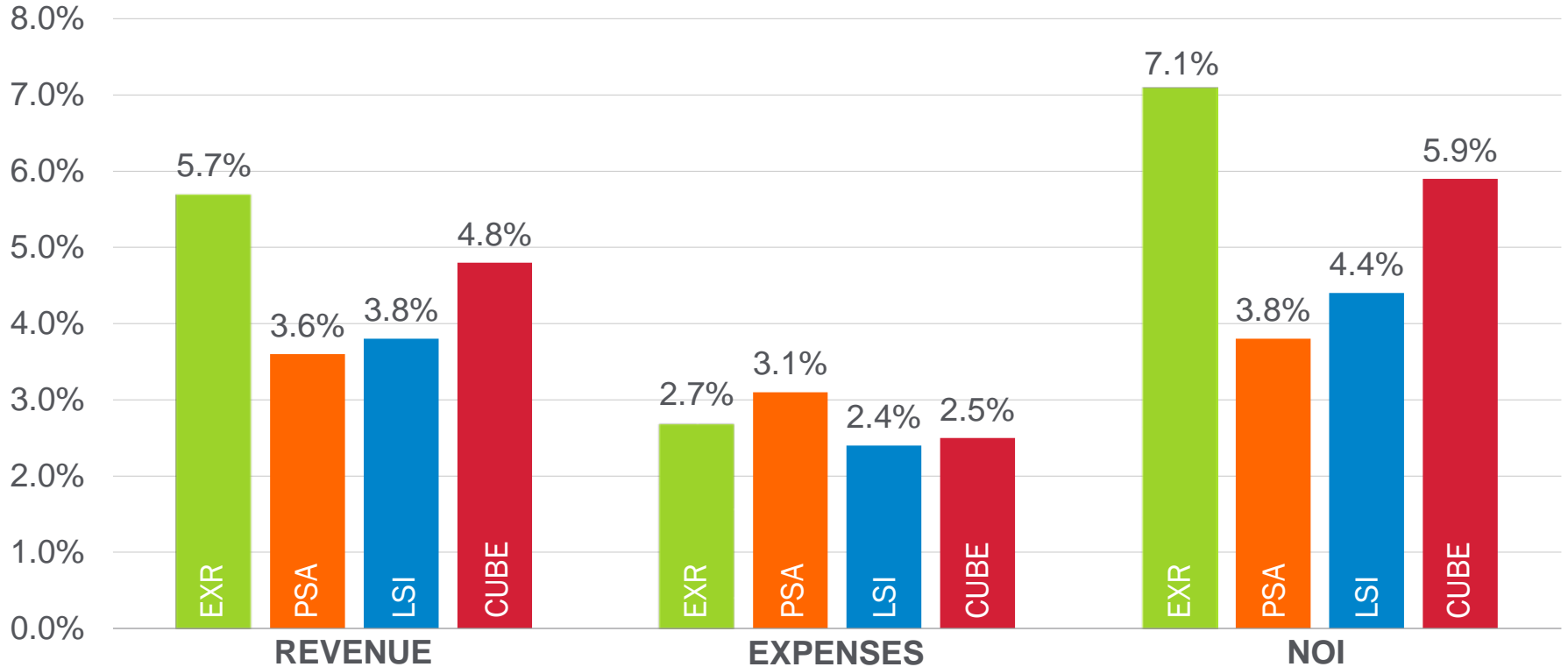
DIVERSIFICATION AND SCALE



*As of December 31, 2019

BEST IN-CLASS OPERATOR

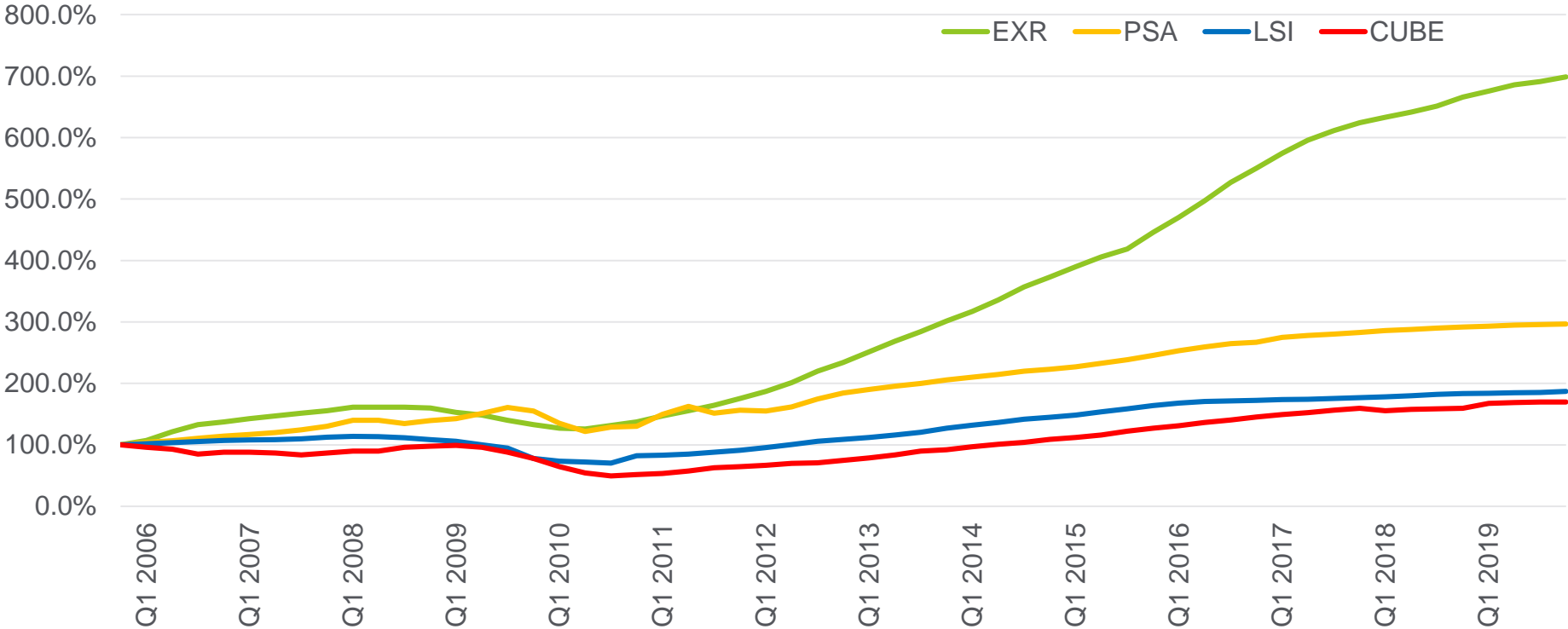
5-years of Average Same-Store Outperformance



*EXR and PSA results exclude tenant reinsurance revenues and expenses. CUBE results (and LSI results prior to 2019) include the benefit from tenant insurance revenue. Data as of December 31, 2019 as reported in public filings.

SECTOR-LEADING CORE FFO GROWTH

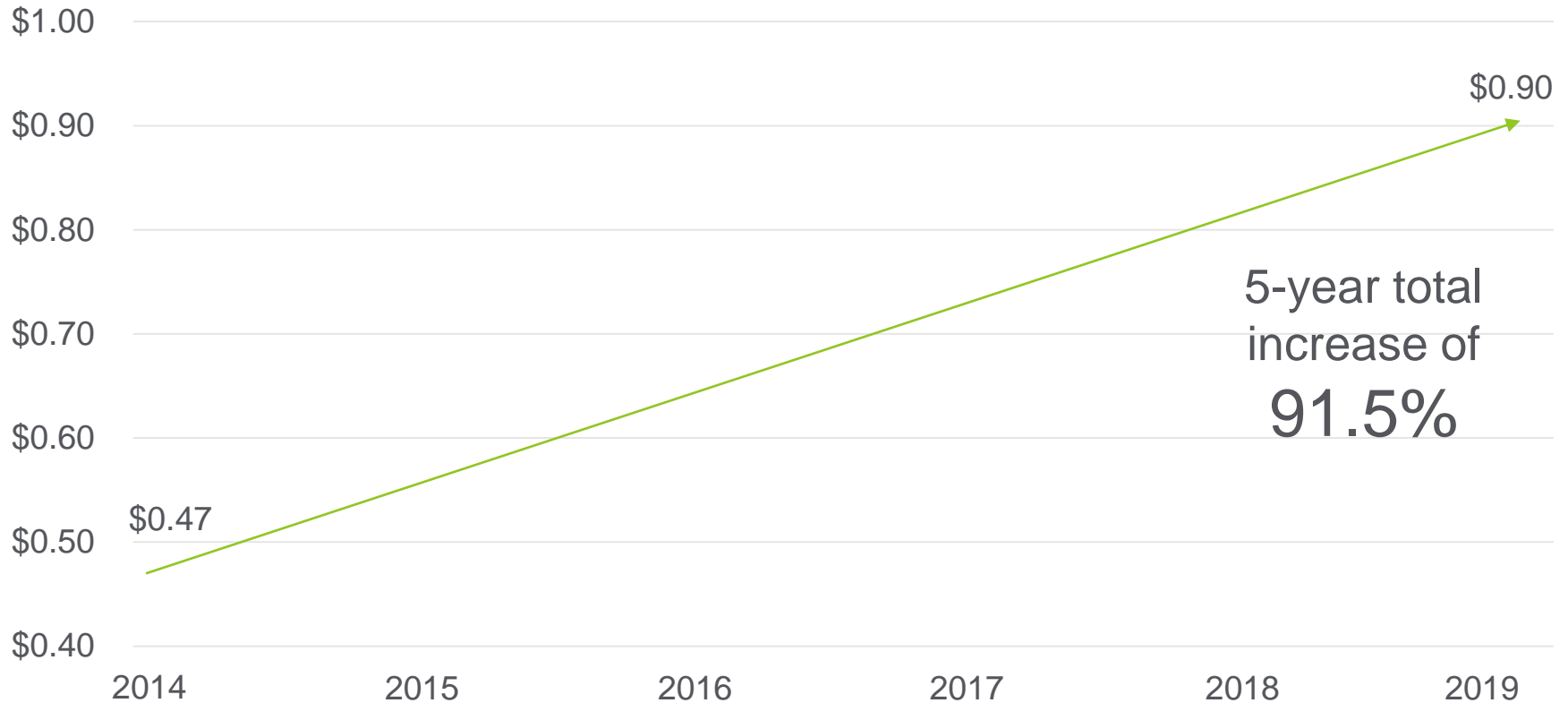
Core FFO Per Share Growth - Normalized



*Data as of December 31, 2019 as reported in public filings

SIGNIFICANT DIVIDEND GROWTH

Quarterly Dividend Per Share



TOP REIT STOCK OF THE DECADE

1,179%

10-Year Total Return to Shareholders

#1

Among Publicly
Traded REITs

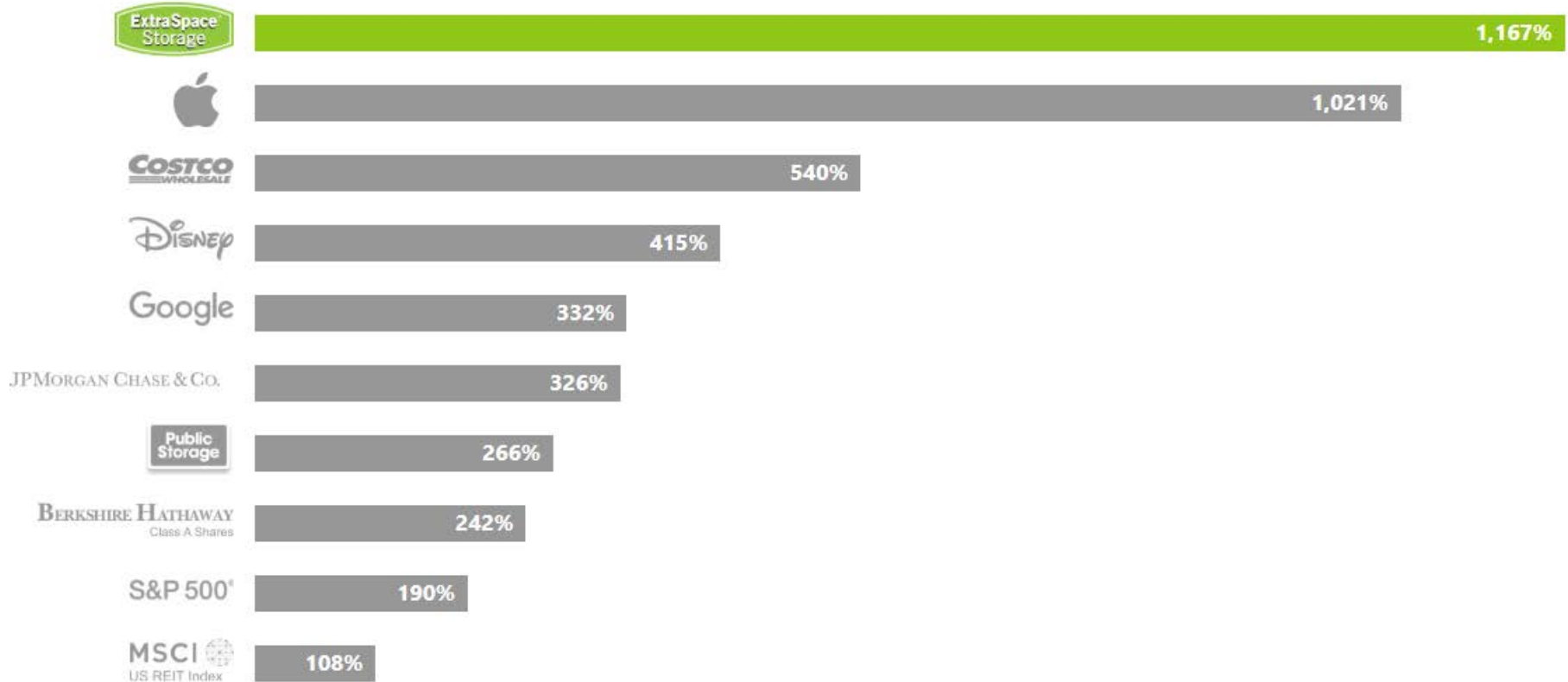
#11

Among Members
of S&P 500

3x

Average Return of Publicly
Traded Storage Peers

10-YEAR TOTAL RETURN TO SHAREHOLDERS





SOLID BALANCE SHEET

S&P Global Ratings: BBB/Stable

	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Interest Coverage Ratio¹:	4.81	4.85	4.95	5.34	6.29
Fixed Charge Ratio¹:	3.82	3.76	3.68	3.75	4.41
Net Debt/EBITDA¹:	5.59	5.54	5.79	6.06	5.85
Fixed Debt %:	78.7%	74.1%	74.7%	70.0%	68.6%
Weighted Ave. Interest Rate:	3.3%	3.5%	3.3%	3.0%	3.1%
Average Maturity:	4.7 years	5.0 years	4.7 years	4.7 years	4.9 years
Total Revolving Capacity:	\$790 million	\$790 million	\$600 million	\$600 million	\$360 million
ATM Capacity:	\$299 million	\$258 million	\$349 million	\$349 million	\$369 million

1. EBITDA is reported quarter annualized.



SECTOR TRENDS

CURRENT SECTOR TRENDS

New Supply in Many Markets

Near Peak Occupancy Levels

Positive But Moderating Revenue Growth

Increasing Customer Utilization

Scale and Technology Advantage of REITs

Ownership and Management Consolidation

Competitive Acquisitions Environment

NEW SUPPLY IN MANY MARKETS

Initially Impacted Primary Markets; Moving to Secondary and Tertiary Markets

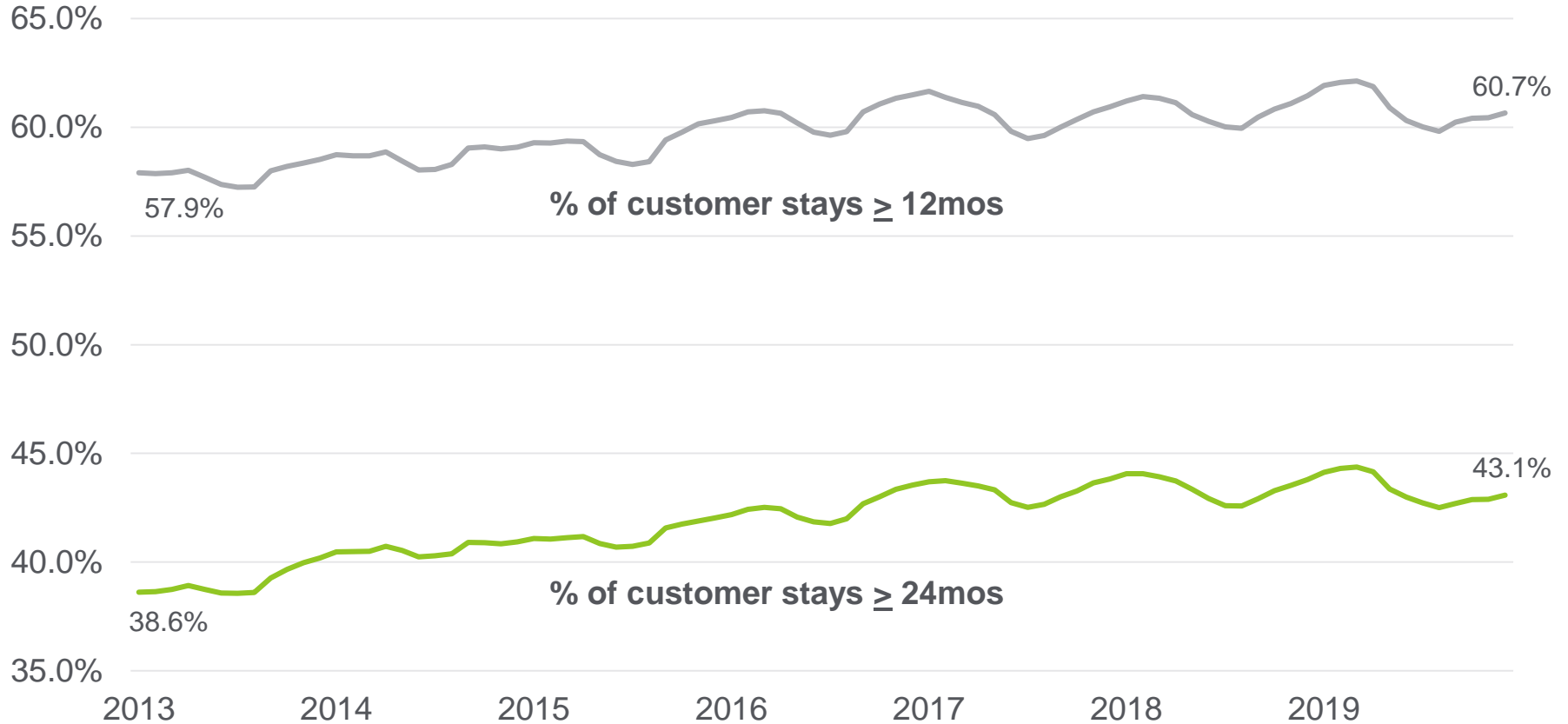
Geographically Diversified Portfolios are Holding up Well

Lease-up Periods Reverting to Historical Durations

Development Yields Compressing Due to Increased Construction Costs and Moderating Revenue Projections

Deliveries Peaked in 2018, Gradually Moderating

INCREASING LENGTH OF TENANT STAY



*Data measured for in-place customers mid-month to reduce volatility. 597 "Core" EXR stores.

TECHNOLOGY ADVANTAGE

SMALL OPERATORS

EXTRA SPACE



STATIC ADVERTISING

CUSTOMER ACQUISITION



SEARCH ENGINES

CALL CENTER

PAY-PER-CLICK

SOCIAL



MANUAL PROCESSES

PRICING



ALGORITHMIC PROPRIETARY REVENUE MANAGEMENT



INTUITION

DECISION MAKING



ANALYTICS

DATA

OPTIMIZATION

TECHNOLOGY AND DATA QUICK FACTS

39 Million

annual website
views

1+ Million

calls to call
center

3rd Gen

revenue
management system

17

digital marketing
employees

\$30
Million+

in digital
marketing spend

Millions

of key words bid
daily

10 Million

website visitors

1+ Million

customers

Google

advisory board
member

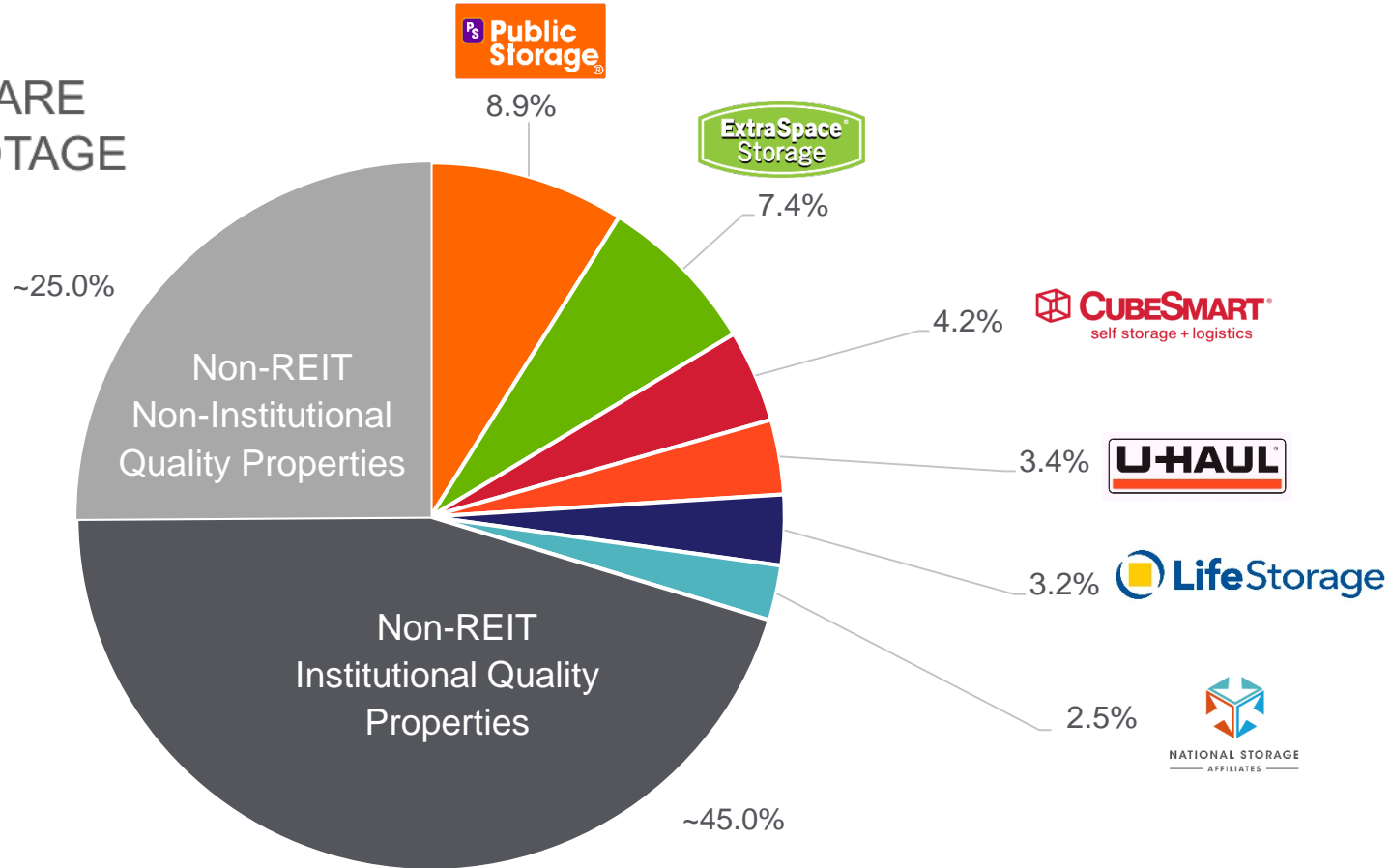
11

data scientists
and pricing
analysts

OPPORTUNITY FOR CONSOLIDATION



U.S. MARKET SHARE BY SQUARE FOOTAGE



*REIT data from public filings as of December 31, 2019. U-Haul and total U.S. storage square footage per the 2020 Self-Storage Almanac. Percentage of Institutional and Non-Institutional Quality Properties estimated by Extra Space Storage.

A photograph of a modern, multi-story ExtraSpace Storage building. The building has a mix of grey panels, light-colored horizontal siding, and stone accents. A green sign with the ExtraSpace Storage logo is mounted on the upper right corner. The ground floor features a glass-fronted office entrance with the address number 15322. A large white text box is overlaid on the left side of the image.

GROWTH STRATEGY

OFFICE

15322

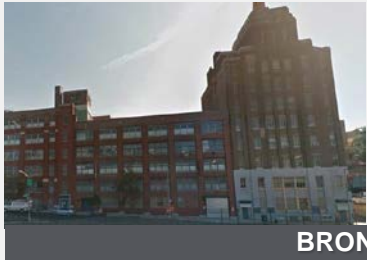
15322

OVERVIEW OF GROWTH STRATEGIES



Third-Party Management

Before



BRONX, NY

After



Acquisitions



ATLANTA, GA

Certificate of Occupancy



DALLAS, TX

Redevelopment

Before



After

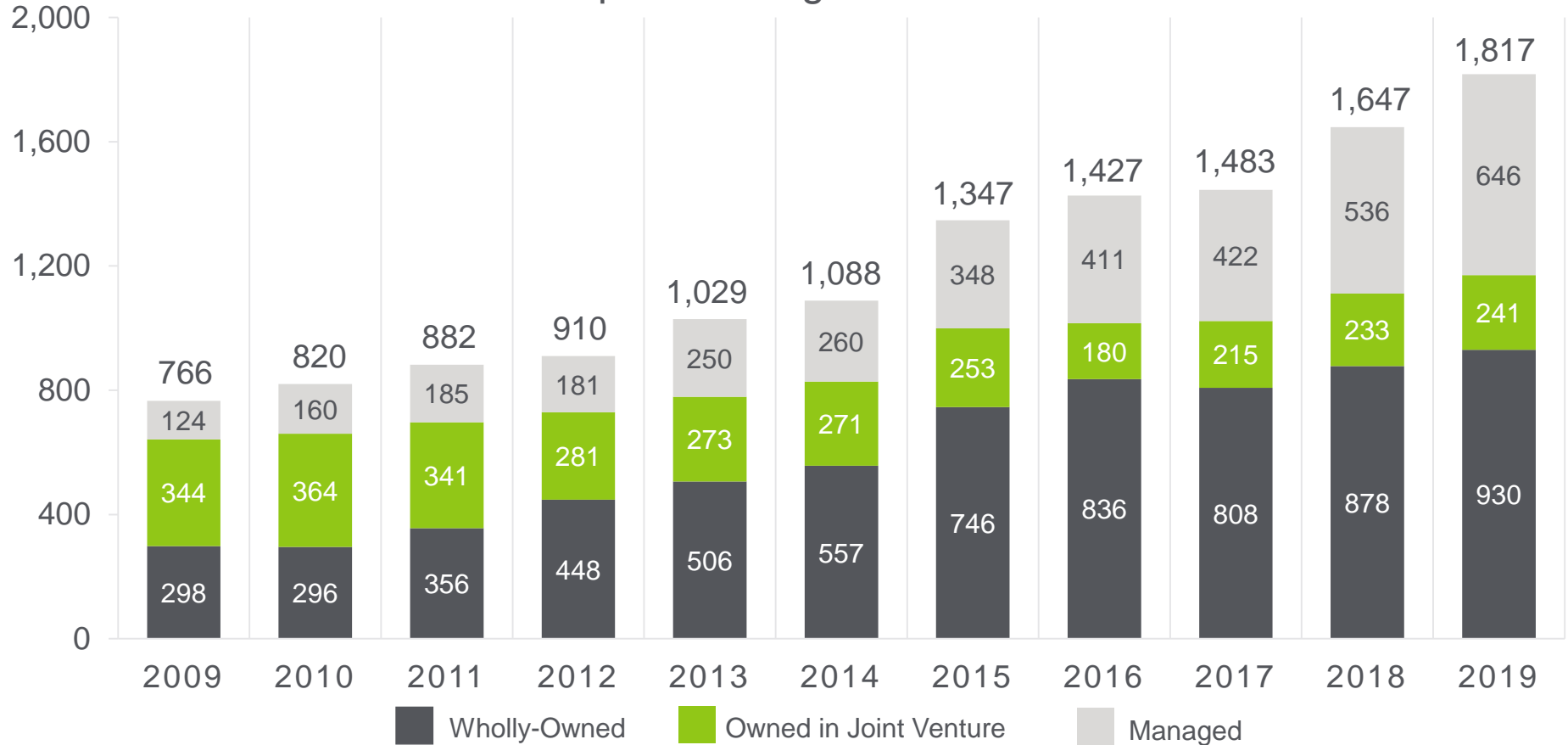


BRONX, NY



CONSISTENT GROWTH

Extra Space Storage Branded Stores



*Data as of December 31, 2019 as reported in public filings.

THIRD-PARTY MANAGEMENT STRATEGY

Total Stores Managed for Third-Party Owners



*Data as of December 31, 2019 as reported in public filings. Totals exclude properties held in joint venture.

THIRD-PARTY MANAGEMENT STRATEGY



“My challenges before EXR were to stay afloat. Today, occupancy and profits are great. I have been in the business around 40 years and I could not think of the numbers or keeping the properties on the par that you (EXR) have done.”

-Partner since 2012, 6 stores in Florida

Additional Income Streams

- Management Fees
- Tenant reinsurance revenue from managed properties
- Asset management fees and financing fees for services to partners

Increased Scale

- Increase store count, customer set and data points by ~35%
- Nation’s largest third-party management platform
- Cost efficiencies generated through scale
- Increased brand promotion and awareness
- Opportunities to further develop and expand best management practices

Acquisition Pipeline

- Semi-proprietary acquisition pipeline
- Low-risk transactions and integration through perfect operational knowledge
- Deep relationships established with future sellers
- No broker fees or market auction process

Partner Diversification

- Over 200 separate ownership groups
- 66% of stores are owned by partners with ≤ 9 properties
- 73% of 2019 store additions were new developments

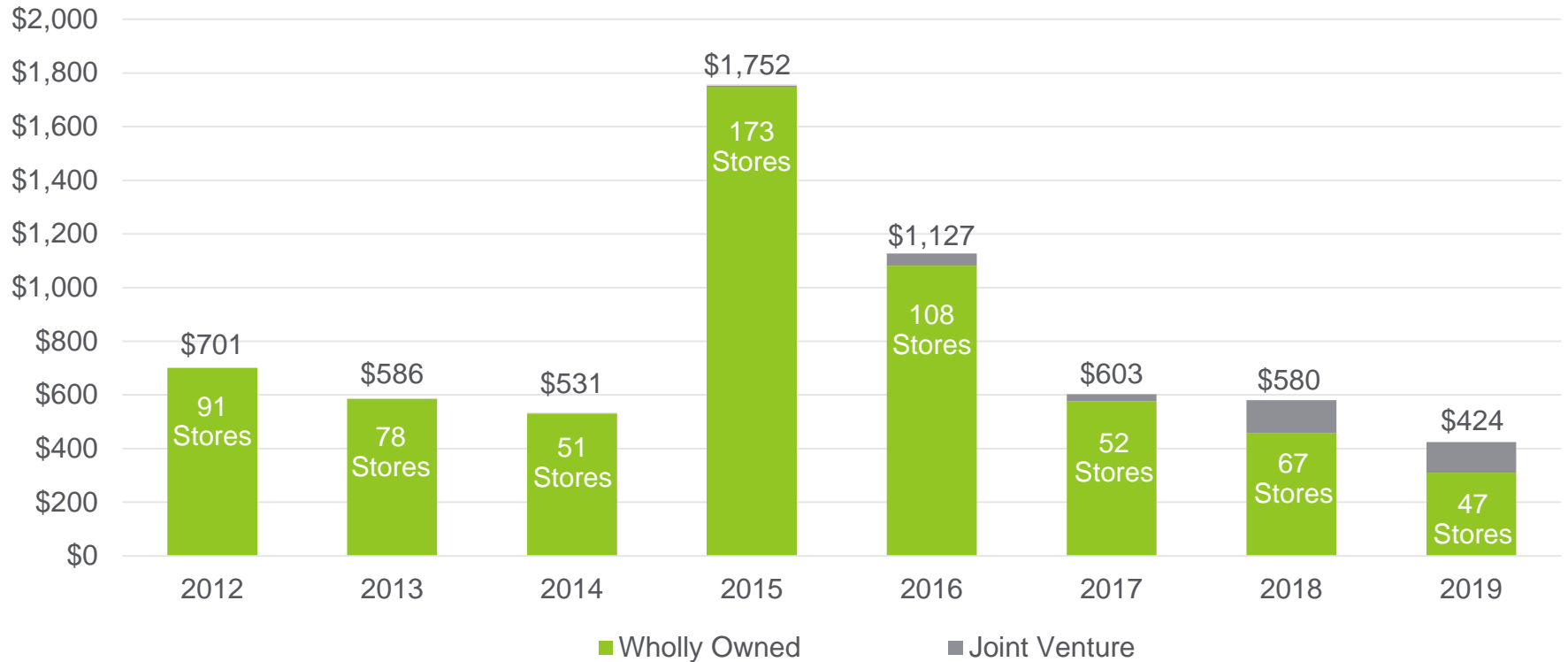


ACQUISITION STRATEGY

- Acquire undermanaged stores, raise to EXR portfolio operating averages, achieve outsized NOI growth
- Emphasis on geographic diversification
- Focus on primary and secondary markets
- Reduce transaction and integration risk through acquiring assets already on the management platform
- Seek to enhance operational efficiencies by building scale in core markets

ROBUST ACQUISITION ACTIVITY

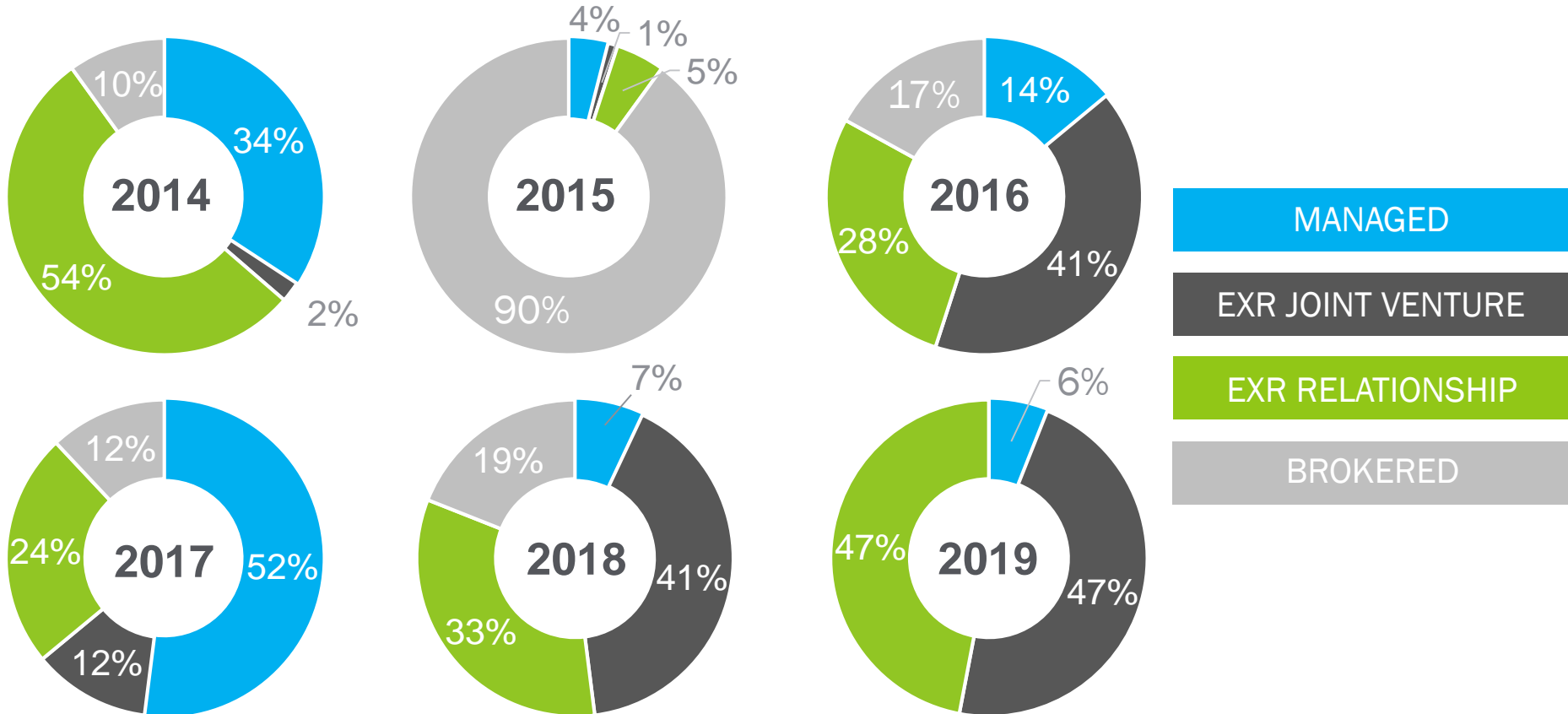
Annual Acquisition Volume
(\$ in millions)



*As of December 31, 2019. Investments in joint ventures are considered at EXR net investment in the joint venture. Excludes investments in preferred equity, bridge loans or net lease assets.

SOURCES OF ACQUISITIONS

Percentage of Annual Acquisition Investment by Seller Type



*Data as of December 31, 2019, based on EXR investment dollar volume.

ADDITIONAL GROWTH STRATEGIES

CERTIFICATE OF OCCUPANCY

- Acquire newly developed properties at completion of construction
 - Avoid development, entitlement and construction risk
 - Avoid carrying costs during development
 - Receive a higher stabilized return by accepting the lease-up risk

REDEVELOPMENT / SITE EXPANSION

- Redevelop existing properties in order to:
 - Provide brand consistency across portfolio
 - Increase revenue by increasing SF and optimizing unit mix
 - Improve retail feel of properties
 - Achieve attractive risk-adjusted yields given existing cost basis and operating familiarity

- ✓ Enhance NOI at existing properties by increasing net rent per square foot and optimizing unit mix
- ✓ Maintain balanced average portfolio life through addition of new, purpose-built assets in key markets
- ✓ Reduce effective age of existing assets through redevelopment in high-rent markets
- ✓ Improve Extra Space Storage brand consistency throughout portfolio
- ✓ Offer highly amenitized product to maintain strong market share and customer experience

CERTIFICATE OF OCCUPANCY



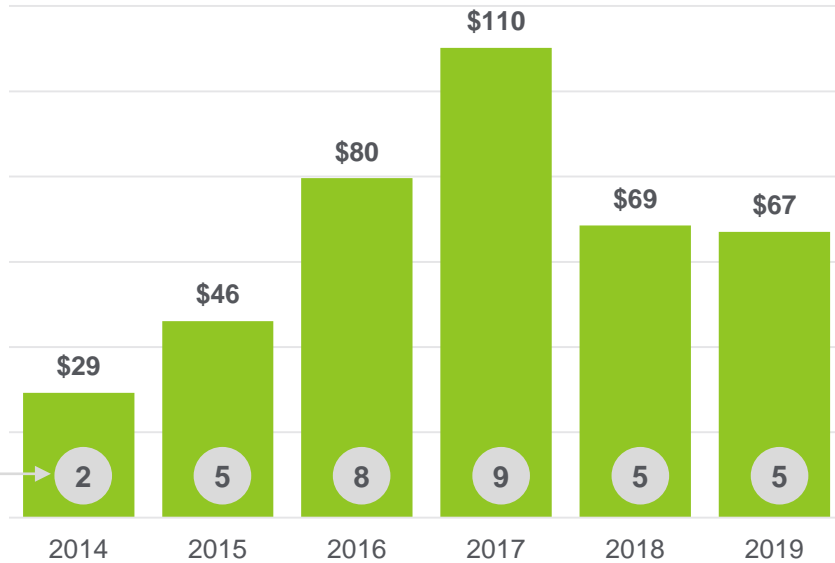
PORTLAND, OR

CERTIFICATE OF OCCUPANCY: WHOLLY-OWNED VS. JV INVESTMENTS

- Primarily held 100% ownership of projects delivered early in the current real estate cycle with early deliveries experiencing very fast lease-up and strong yields
- Currently closing most “C of O” acquisitions in joint venture structures to increase EXR yield and reduce our risk

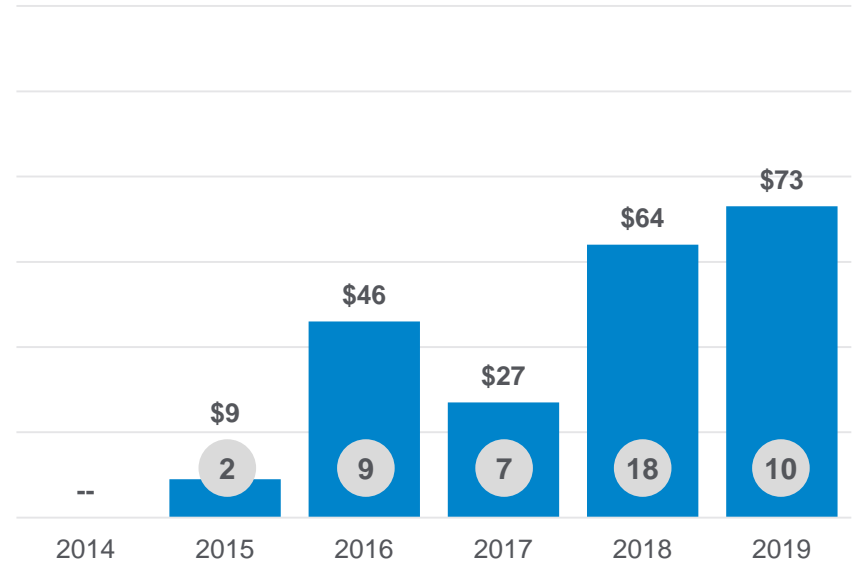
\$ in mm

Wholly-Owned Investment



\$ in mm

EXR Investment In Joint Venture



● Number of Stores

*As of December 31, 2019.

PROACTIVE SITE REDEVELOPMENT: BEFORE



BROOKLYN, NY

PROACTIVE SITE REDEVELOPMENT: AFTER



BROOKLYN, NY

SITE EXPANSION

Project Cost: \$4.2 million

Units Added: 322

Expected ROI: 9.5%

ExtraSpace
Storage

WEYMOUTH, MA

SITE EXPANSION

Project Cost: \$800,000

SF Added: 7,400

Expected ROI: 9.9%



BRIDGE LENDING

- Completed projects only (no construction loans)
- Collateral properties must meet EXR acquisition criteria
- All properties to be managed by EXR
- Prepayment penalty waived if the property is sold to EXR

2019 Overview

\$104M

Gross Loan Balances

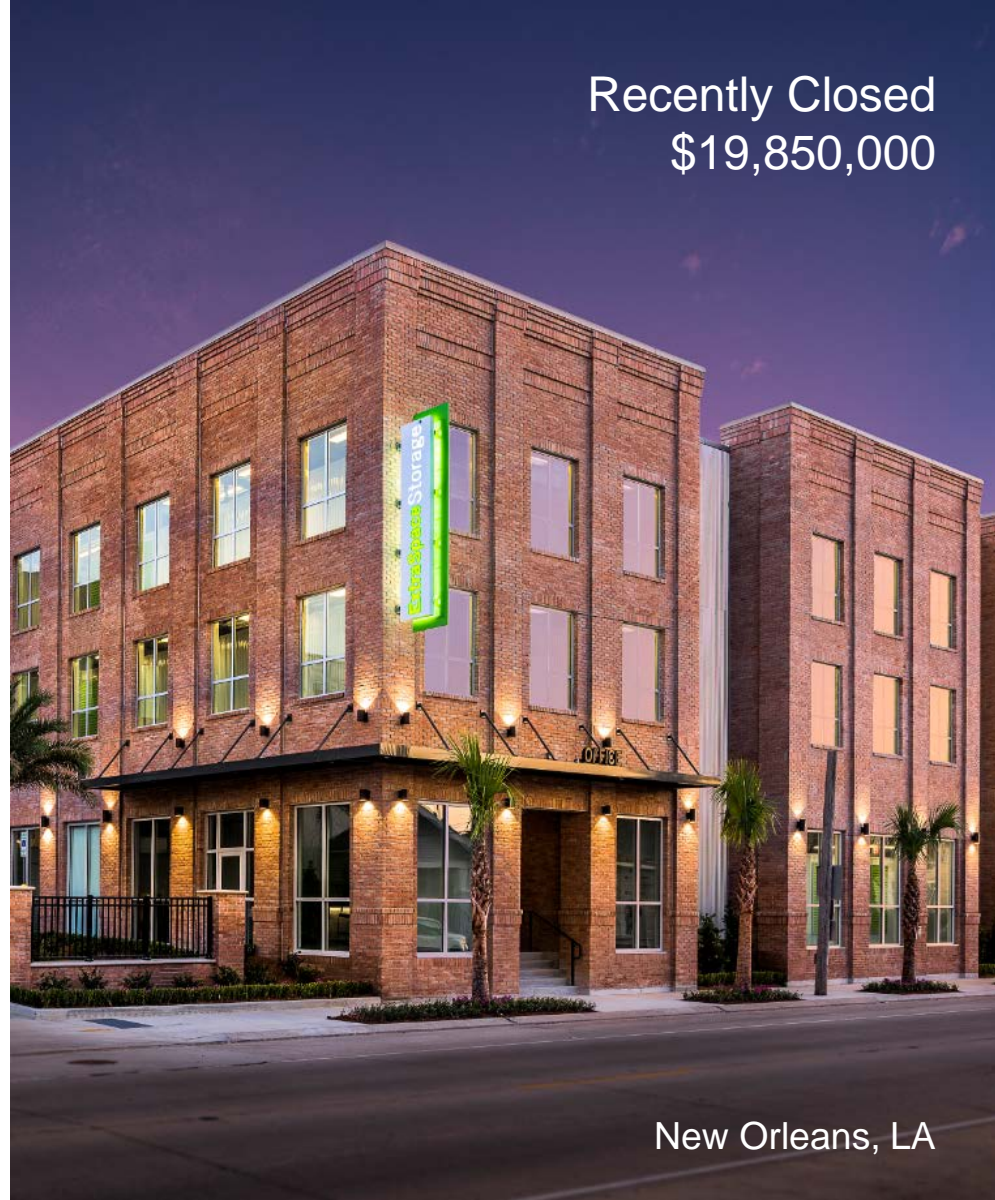
\$41M

EXR Loan Balances

8%

Weighted Ave. Interest Rate

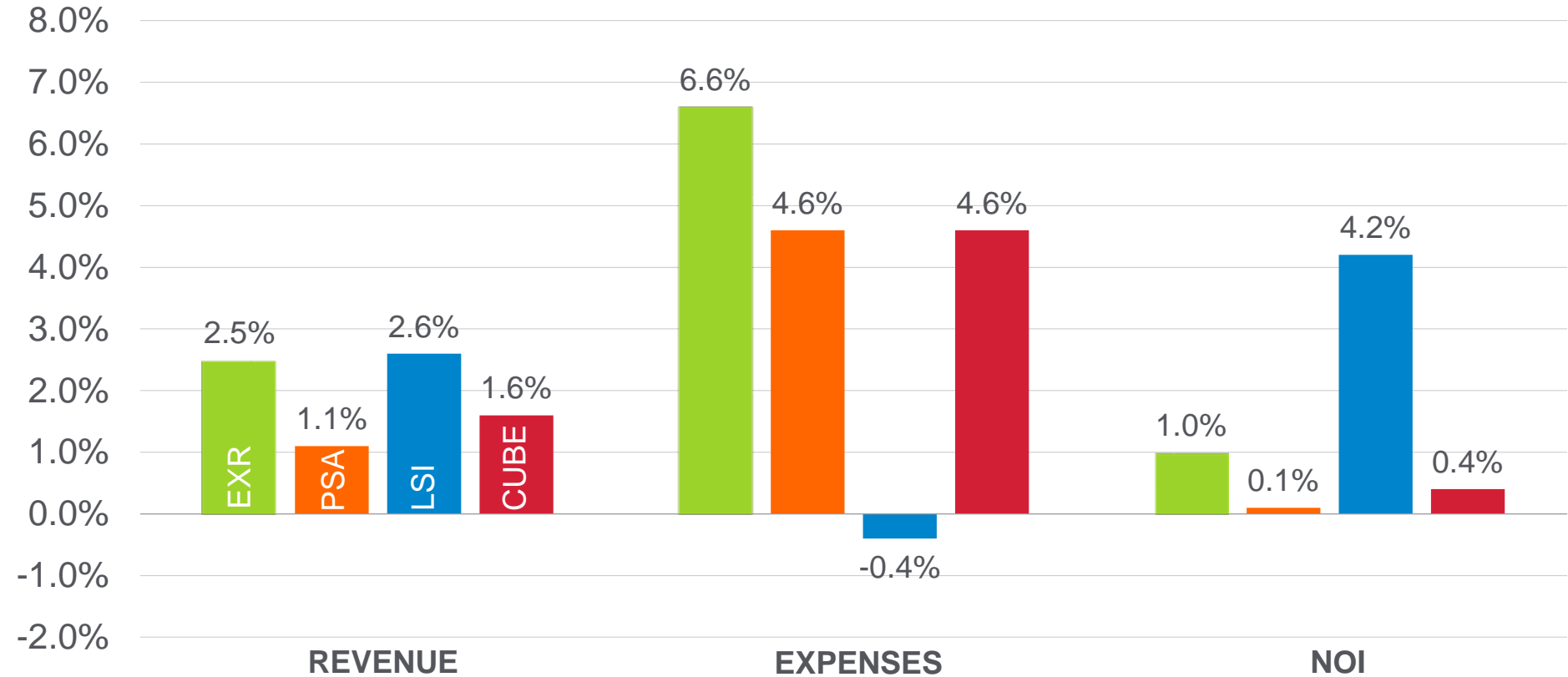
Recently Closed
\$19,850,000



New Orleans, LA

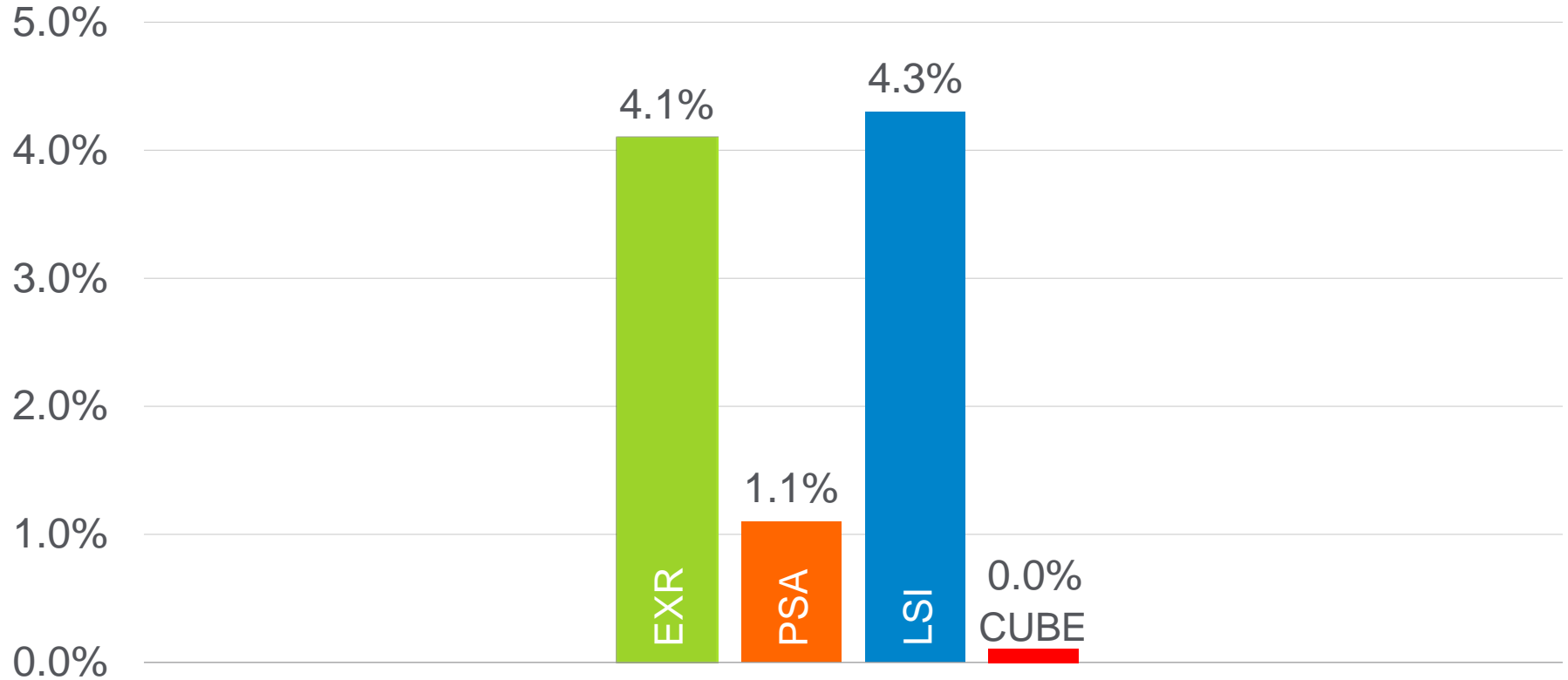
A large white text overlay reading "QUARTERLY UPDATE" is centered within a white rectangular frame. The background of the entire image is a photograph of a modern, two-story ExtraSpace Storage building with grey panels and green accents. The building has a sign that says "OFFICE" and the address "15322" above the entrance. A tree is visible on the right side of the building.

2019 Q4 SAME-STORE PERFORMANCE*



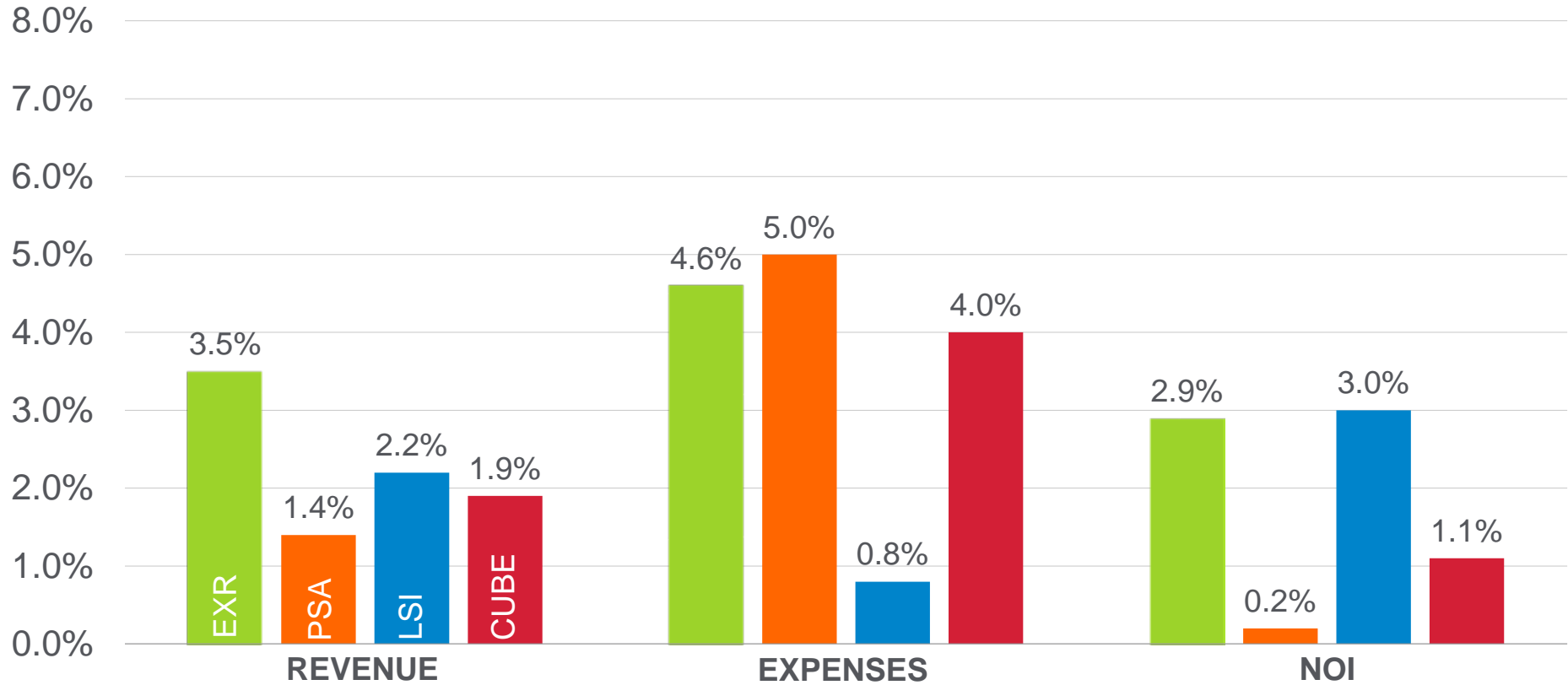
* CUBE results include the benefit from tenant insurance revenue. Data as of December 31, 2019 as reported in public filings.

2019 Q4 CORE FFO PER SHARE GROWTH



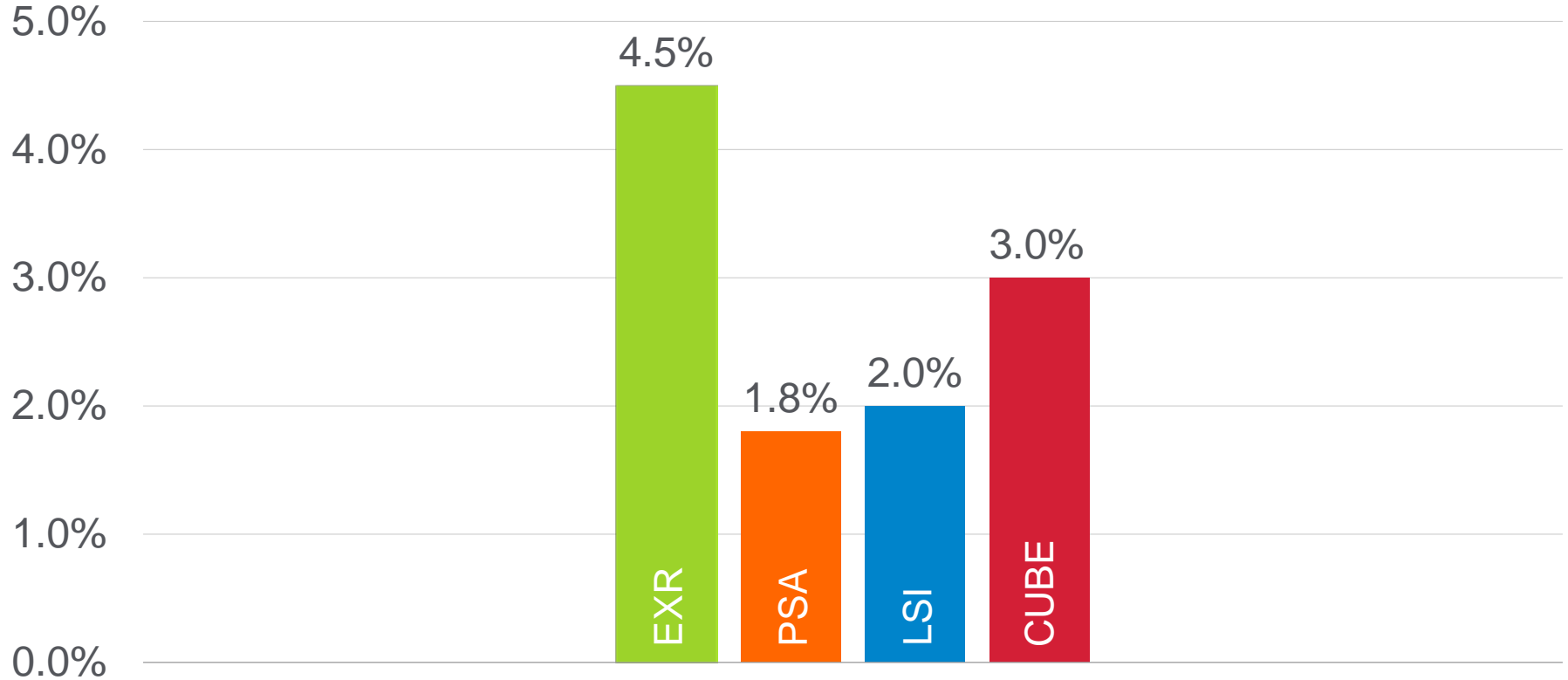
*Data as of December 31, 2019 as reported in public filings.

2019 FULL-YEAR SAME-STORE PERFORMANCE*



* CUBE results include the benefit from tenant insurance revenue. Data as of December 31, 2019 as reported in public filings.

2019 FULL-YEAR CORE FFO PER SHARE GROWTH



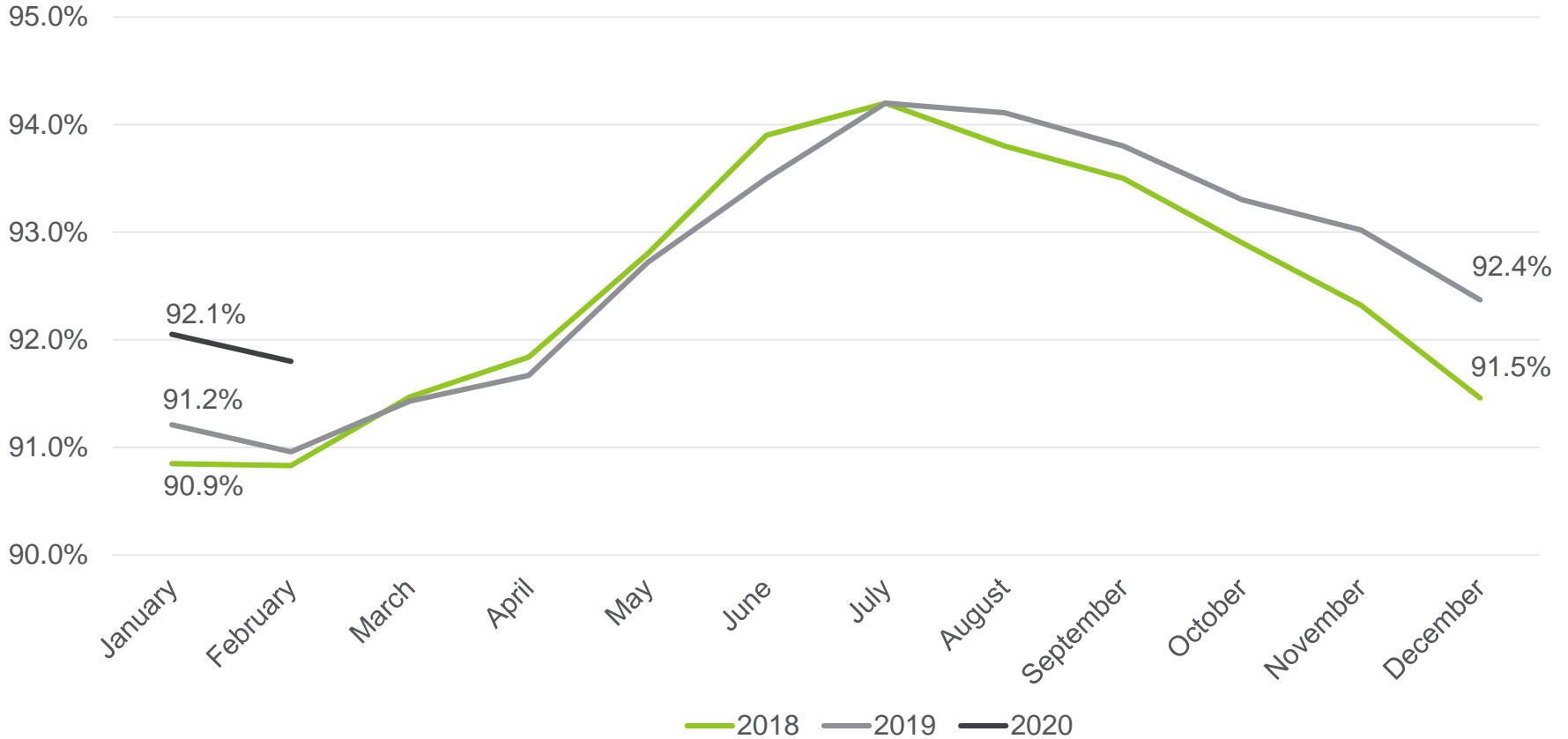
*Data as of December 31, 2019 as reported in public filings.

2020 GUIDANCE

Core FFO	\$4.99 – \$5.08
SS Revenue Growth	0.75% - 1.75%
SS Expense Growth	4.00% - 5.00%
SS NOI Growth	-0.50% - 1.00%
G&A	\$96 - \$97 million
Acquisitions (Operating)	\$165 million (EXR Investment)
Acquisitions (C of Os)	\$65 million (EXR Investment)
Bridge Loans	\$60 million (EXR Investment)



OCCUPANCY TRENDS – SAME-STORE POOL

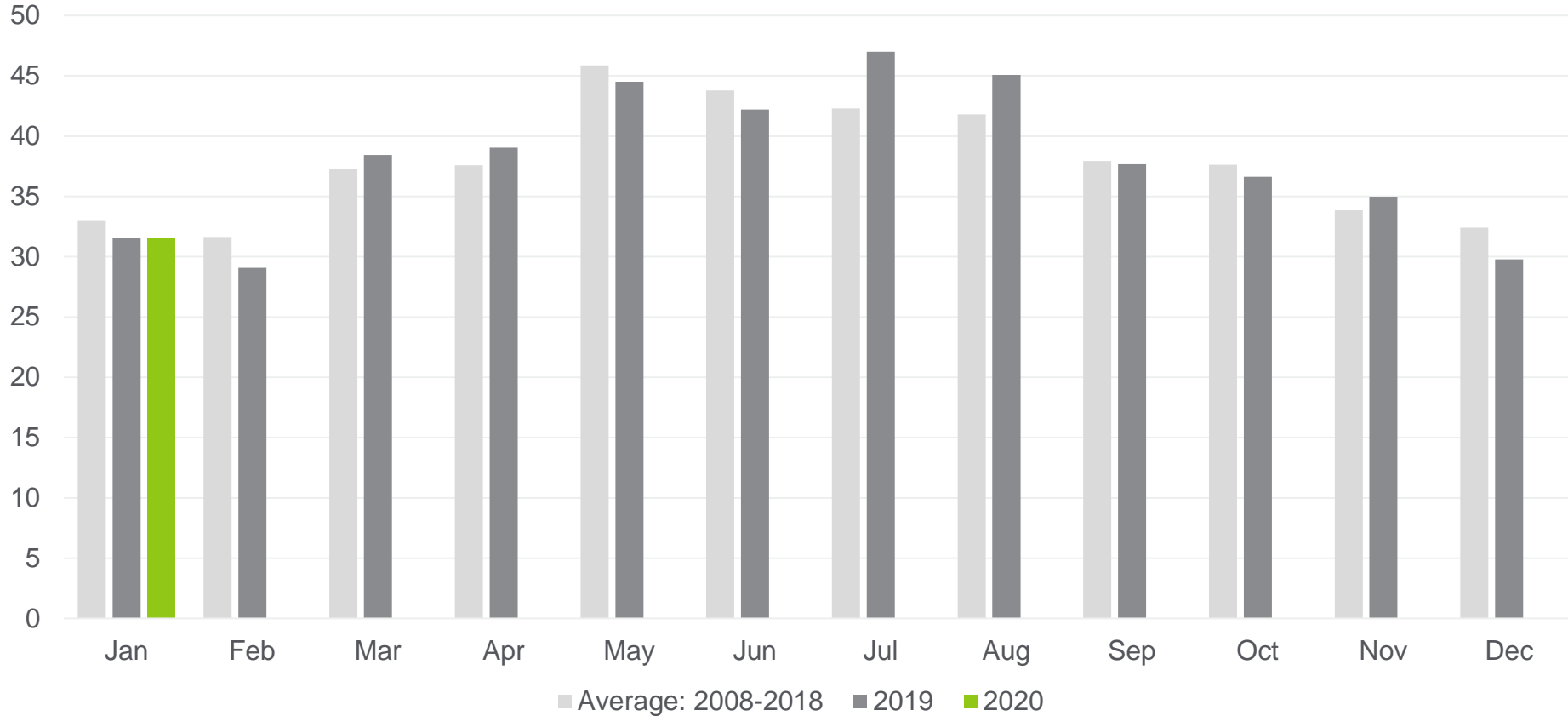


*Data for 2020 "Same-store" pool of 863 stores. February 2020 result is a preliminary number as of February 27, 2020.

STRONG RENTAL ACTIVITY



Average Monthly Rentals Per Store

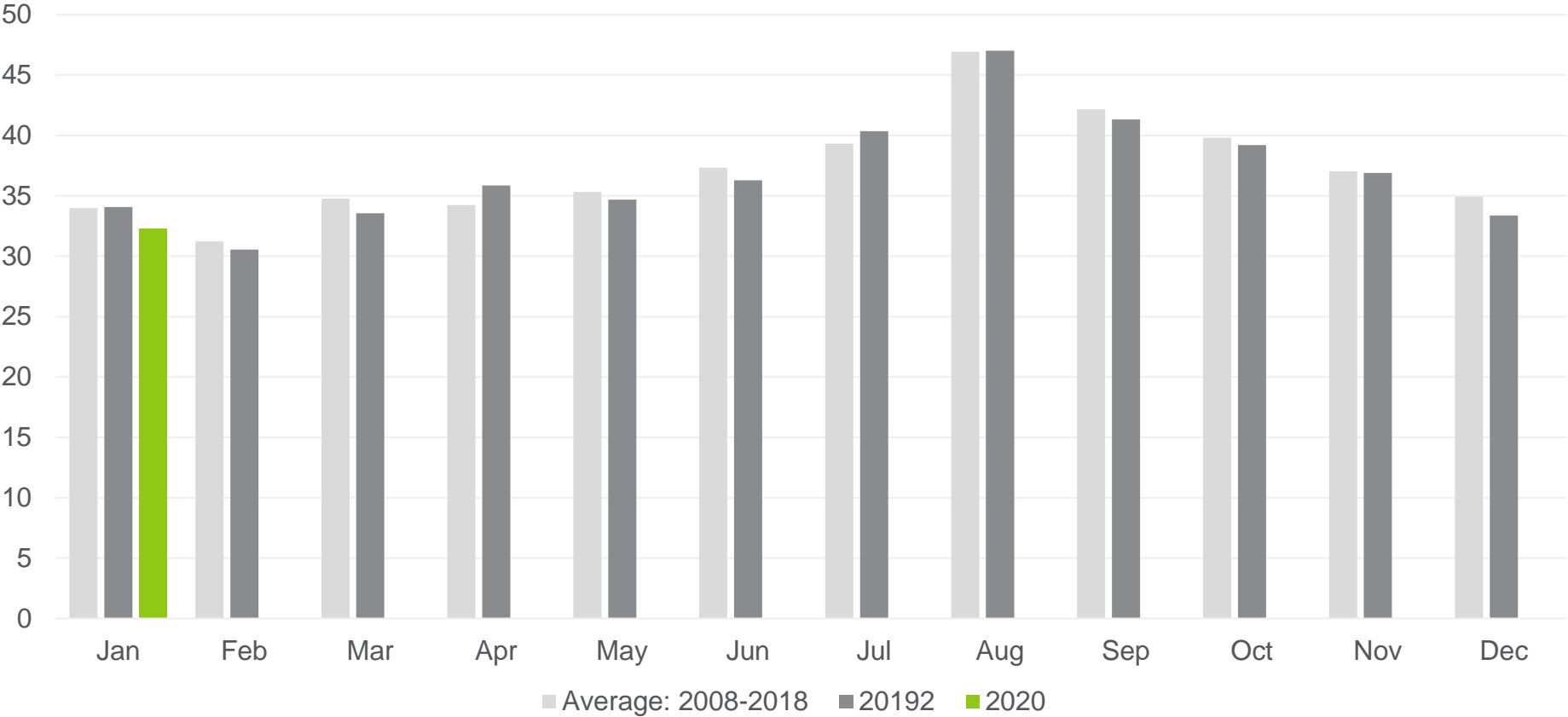


*Data for "Core" pool of 597 stores

STABLE VACATES



Average Monthly Vacates Per Store

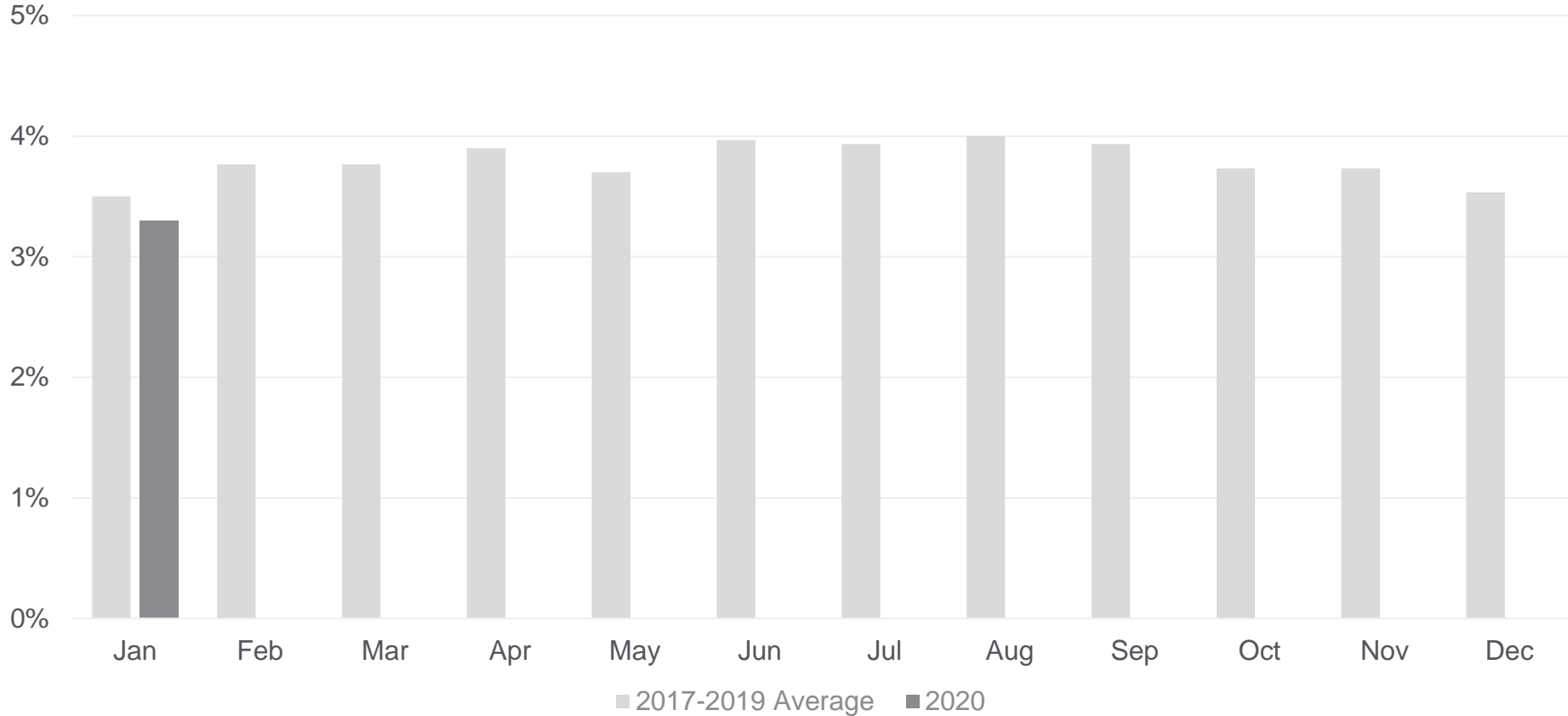


*Data for "Core" pool of 597 stores

DISCOUNT TRENDS



Discounts as a Percentage of Rental Revenue



*Data for "Core" pool of 597 stores



APPENDIX

NON-GAAP FINANCIAL MEASURES

Definition of FFO:

FFO provides relevant and meaningful information about the Company's operating performance that is necessary, along with net income and cash flows, for an understanding of the Company's operating results. The Company believes FFO is a meaningful disclosure as a supplement to net income. Net income assumes that the values of real estate assets diminish predictably over time as reflected through depreciation and amortization expenses. The values of real estate assets fluctuate due to market conditions and the Company believes FFO more accurately reflects the value of the Company's real estate assets. FFO is defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") as net income computed in accordance with U.S. generally accepted accounting principles ("GAAP"), excluding gains or losses on sales of operating stores and impairment write downs of depreciable real estate assets, plus depreciation and amortization related to real estate and after adjustments to record unconsolidated partnerships and joint ventures on the same basis. The Company believes that to further understand the Company's performance, FFO should be considered along with the reported net income and cash flows in accordance with GAAP, as presented in the Company's consolidated financial statements. FFO should not be considered a replacement of net income computed in accordance with GAAP.

For informational purposes, the Company also presents Core FFO, which in previous quarters was referred to as FFO as adjusted. There have been no definitional changes between FFO as adjusted and Core FFO. Core FFO excludes revenues and expenses not core to our operations and non-cash interest. Although the Company's calculation of Core FFO differs from NAREIT's definition of FFO and may not be comparable to that of other REITs and real estate companies, the Company believes it provides a meaningful supplemental measure of operating performance.

The Company believes that by excluding revenues and expenses not core to our operations, the costs related to acquiring stores and non-cash interest charges, stockholders and potential investors are presented with an indicator of its operating performance that more closely achieves the objectives of the real estate industry in presenting FFO.

Core FFO by the Company should not be considered a replacement of the NAREIT definition of FFO. The computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and should not be considered as an alternative to net income as an indication of the Company's performance, as an alternative to net cash flow from operating activities as a measure of liquidity, or as an indicator of the Company's ability to make cash distributions.