

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 11, 2020**

National Storage Affiliates Trust

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation or organization)

001-37351
(Commission File Number)

46-5053858
(I.R.S. Employer Identification No.)

8400 East Prentice Avenue, 9th Floor
Greenwood Village, Colorado 80111
(Address of principal executive offices)

(720) 630-2600
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Shares of Beneficial Interest, \$0.01 par value per share	NSA	New York Stock Exchange
Series A Cumulative Redeemable Preferred Shares of Beneficial Interest, par value \$0.01 per share	NSA Pr A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.02. Results of Operations and Financial Condition.

On May 11, 2020, National Storage Affiliates Trust (the "Company") issued an earnings release and supplemental schedules announcing its financial results for the quarter ended March 31, 2020. A copy of the earnings release and supplemental schedules are attached hereto as Exhibit 99.1 and is incorporated by reference herein. The Company will hold its first quarter 2020 earnings conference call on Tuesday, May 12, 2020 at 1:00 p.m. Eastern Time. You may join the conference call through an Internet webcast accessed through the Company's website at www.nationalstorageaffiliates.com. Alternatively, you may join the conference call by telephone by dialing 877-407-9711, or 412-902-1014 for international callers. If you wish to participate, please call approximately five minutes before the conference call is scheduled to begin.

If you are unable to join the live conference call, you may access the replay for one week through Tuesday, May 19, 2020, by dialing 877-660-6853, or 201-612-7415 for international callers, and using Conference ID 13692161, or you may access the webcast replay for 30 days through the Company's website at www.nationalstorageaffiliates.com. The full text of the earnings release and supplemental schedules are also available through the Company's website at <http://ir.nationalstorageaffiliates.com/quarterly-reporting>. The information contained on the Company's website is not incorporated by reference herein.

ITEM 9.01. Financial Statements and Exhibits.

The following exhibits are furnished with this report:

<u>Exhibit Number</u>	<u>Description</u>
99.1	First Quarter 2020 Earnings Release dated May 11, 2020
101	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.
104	The cover page from this Current Report on Form 8-K, formatted as Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONAL STORAGE AFFILIATES TRUST

By: /s/ TAMARA D. FISCHER

Tamara D. Fischer

President and Chief Executive Officer

Date: May 11, 2020

PROACTIVE

First Quarter 2020 Earnings Release
& Supplemental Financial Information



NATIONAL STORAGE
AFFILIATES



Table of Contents

Page

1	Earnings Release
6	Consolidated Statements of Operations
7	Consolidated Balance Sheets
8	Schedule 1 - Funds From Operations and Core Funds From Operations
10	Schedule 2 - Other Non-GAAP Financial Measurements
11	Schedule 3 - Portfolio Summary
13	Schedule 4 - Debt and Equity Capitalization
15	Schedule 5 - Summarized Information for Unconsolidated Real Estate Ventures
16	Schedule 6 - Same Store Performance Summary By State
18	Schedule 7 - Same Store Performance Summary By MSA
20	Schedule 8 - Same Store Operating Data - Trailing Five Quarters
21	Schedule 9 - Reconciliation of Same Store Data and Net Operating Income to Net Income
22	Schedule 10 - Selected Financial Information
23	Glossary



May 11, 2020

National Storage Affiliates Trust Reports First Quarter 2020 Results

GREENWOOD VILLAGE, Colo. - (BUSINESS WIRE) - National Storage Affiliates Trust ("NSA" or the "Company") (NYSE: NSA) today reported the Company's first quarter 2020 results.

First Quarter 2020 Highlights

- Reported net income of \$15.8 million for the first quarter of 2020, an increase of 21.8% compared to the first quarter of 2019. Reported diluted earnings per share of \$0.06 for the first quarter of 2020, primarily relating to the HLBV method for allocating net income among the various classes of equity.
- Reported core funds from operations ("Core FFO") of \$37.1 million, or \$0.40 per share for the first quarter of 2020, an increase of 8.1% per share compared to the first quarter of 2019.
- Achieved same store net operating income ("NOI") growth of 3.5% for the first quarter of 2020 compared to the same period in 2019, driven by a 3.0% increase in same store total revenues partially offset by a 2.1% increase in same store property operating expenses.
- Acquired 36 wholly-owned self storage properties for \$222.8 million and two joint venture properties totaling \$12.1 million during the first quarter of 2020. Capital sources for the acquisition activity included the issuance of approximately \$7.2 million of OP equity and \$4.5 million of common equity raised under the Company's at the market, or ATM, program at a combined weighted average price of \$32.79 per share/unit, as well as borrowings under the Company's revolving line of credit.
- Closed on the previously announced merger and internalization of the management platform of the Company's largest PRO, SecurCare, on March 31, 2020.

Highlights Subsequent to Quarter-End

- Effective April 1, 2020, Dave Cramer, previously president and chief executive officer of SecurCare, was appointed Executive Vice President and Chief Operating Officer of NSA.
- On April 28, 2020, Kroll Bond Rating Agency affirmed the investment grade issuer rating of BBB for NSA's operating partnership.
- The Company currently has \$129.7 million available for issuance under its ATM program and approximately \$300 million of unused capacity on its revolving line of credit.

Tamara Fischer, President and Chief Executive Officer, commented, "We are very pleased with our first quarter results, and the completion of the internalization of SecurCare as originally scheduled despite the unprecedented economic environment. The impact of the COVID-19 pandemic has focused our efforts on the health and safety of our employees and customers. While social distancing guidelines have resulted in reduced move-in and move-out activity across our portfolio, our offices remain open for customer service through our no-contact leasing procedures. Our business overall remains stable, and we are working with our customers who are suffering economic hardship to help them through this time, resulting in cash collections of approximately 98% of normal levels in April. The downside protection built into our unique PRO structure and our conservative balance sheet leave us well positioned to weather these turbulent economic times with strong cash flow as well as excellent availability on our line of credit, with less than \$40 million of debt maturing from now through 2022."

NSA's Executive Chairman Arlen Nordhagen noted, "I've lived through three previous recessions in the self storage business, and our properties have weathered those storms very well. Overall, the self storage sector has historically proven to be very resilient and less affected than many other real estate sectors during economic downturns, and we think this will be no exception. The benefits of our PRO structure and our limited exposure to the largest metropolitan cities should serve us particularly well through the economic crisis created by the COVID-19 pandemic. On the other hand, the speed and magnitude of the economic stress affecting our customers and communities is unlike anything we have ever seen, and the current environment has required an unprecedented change in consumer behavior. Throughout this turbulent time, we remain committed to our core values of integrity, accountability, compassion and humility as we do our very best for NSA's customers, employees and investors."

COVID-19 Update

Given the state of emergency and "stay at home" mandates across a majority of the states where NSA operates self storage facilities, the associated unprecedented decline in economic activity and significant spike in unemployment, the Company's business has been impacted as follows:

- The Company's stores are open despite state of emergency declarations and stay at home orders, as storage is considered an essential business.
- Same store move-in volume decreased approximately 28% in April, compared to the same period in 2019.
- Same store move-out volume decreased approximately 28% in April, compared to the same period in 2019.
- Same store period-end occupancy was 87.1% as of April 30, 2020, which was unchanged compared to March 31, 2020 and a decrease of approximately 140 basis points compared to April 30, 2019.
- There are state level restrictions on price increases, auctions and implementation of late fees under many state of emergency orders; the Company is abiding by all state and local restrictions and has temporarily suspended in-place customer rent increases.

2020 Guidance

Given the heightened level of uncertainty in the Company's operations due to the unprecedented growth in unemployment combined with a lack of clarity as to when the COVID-19 pandemic will materially subside, the Company is withdrawing its full-year 2020 guidance, which was included in its February 24, 2020 earnings release. The Company will evaluate reinstating 2020 guidance as it gains greater clarity regarding the aforementioned items.

Financial Results

	Three Months Ended March 31,		
	2020	2019	Growth
Net income	\$ 15,763	\$ 12,940	21.8 %
Funds From Operations ("FFO") ⁽¹⁾	\$ 36,278	\$ 32,580	11.4 %
Add back acquisition costs	833	157	430.6 %
Core FFO ⁽¹⁾	\$ 37,111	\$ 32,737	13.4 %
Earnings (loss) per share - basic and diluted	\$ 0.06	\$ 0.08	(25.0)%
FFO per share and unit ⁽¹⁾	\$ 0.39	\$ 0.37	5.4 %
Core FFO per share and unit ⁽¹⁾	\$ 0.40	\$ 0.37	8.1 %

(1) Non-GAAP financial measures, including FFO, Core FFO and NOI, are defined in the Glossary in the supplemental financial information and, where appropriate, reconciliations of these measures and other non-GAAP financial measures to their most directly comparable GAAP measures are included in the Schedules to this press release and in the supplemental financial information.

Net income increased \$2.8 million for the first quarter of 2020 as compared to the same period in 2019. The increase primarily resulted from additional NOI generated from the 73 wholly-owned self storage properties acquired between April 1, 2019 and March 31, 2020 and same store NOI growth, partially offset by increases in depreciation and amortization and interest expense.

The increases in FFO and Core FFO for the first quarter of 2020 were primarily the result of incremental NOI from properties acquired between April 1, 2019 and March 31, 2020 and same store NOI growth, partially offset by higher interest expense and increases in distributions to subordinated performance unitholders.



Same Store Operating Results (500 Stores)

	Three Months Ended March 31,		
	2020	2019	Growth
Total revenues	\$ 84,516	\$ 82,018	3.0 %
Property operating expenses	25,738	25,219	2.1 %
Net Operating Income (NOI)	\$ 58,778	\$ 56,799	3.5 %
NOI Margin	69.5 %	69.3 %	0.2 %
Average Occupancy	87.2 %	87.5 %	(0.3) %
Average Annualized Rental Revenue Per Occupied Square Foot	\$ 12.34	\$ 11.98	3.0 %

Year-over-year same store total revenues increased 3.0% for the first quarter of 2020 as compared to the same period in 2019. The increase was driven primarily by a 3.0% increase in average annualized rental revenue per occupied square foot partially offset by a 30 basis point decrease in average occupancy. Markets which generated above portfolio average same store total revenue growth include: Riverside-San Bernardino, Atlanta, and Las Vegas. Markets which generated below portfolio average same store total revenue growth include: Portland, Dallas and Los Angeles.

Year-over-year same store property operating expenses increased 2.1% for the first quarter of 2020 as compared to the same period in 2019. The increase primarily resulted from increases in personnel costs, partially offset by decreases in utilities expenses.

Investment Activity

On March 31, 2020, NSA closed on the previously announced merger and internalization of SecurCare, the Company's largest PRO. As part of the internalization, NSA offered employment to most of SecurCare's employees to continue managing SecurCare's managed portfolio under the brand SecurCare as members of NSA's existing property management platform. As a result of the merger, NSA will no longer pay any fees or reimbursements to SecurCare and distributions on the series of subordinated performance units related to SecurCare's managed portfolio were discontinued.

In connection with the merger and the concurrent merger of DLAN Corporation, NSA issued a total of 8,105,192 common shares to the former shareholders of SecurCare and DLAN Corporation. NSA subsequently retired 1,118,193 OP units and DownREIT OP units and 2,001,441 subordinated performance units that had been held by SecurCare and DLAN Corporation.

In addition to the mergers, NSA acquired 36 wholly-owned self storage properties located across seven states consisting of approximately 1.8 million rentable square feet configured in approximately 13,600 storage units during the first quarter of 2020. Total consideration for these acquisitions of \$222.8 million included approximately \$214.6 million of net cash, the issuance of approximately \$5.4 million of OP units, \$0.8 million of subordinated performance units, \$1.0 million of LTIP units and the assumption of approximately \$1.0 million of other working capital liabilities.

During the first quarter of 2020, NSA's 2016 Joint Venture invested in two self storage properties for \$12.1 million, comprising less than 0.1 million rentable square feet, configured in approximately 500 storage units.

Common Share Dividends

On February 20, 2020, NSA's Board of Trustees declared a quarterly cash dividend of \$0.33 per common share, which was paid on March 31, 2020 to shareholders of record as of March 13, 2020.

Supplemental Financial Information

The full text of this earnings release and supplemental financial information, including certain financial information referenced in this release, are available on NSA's website at <http://ir.nationalstorageaffiliates.com/quarterly-reporting> and as exhibit 99.1 to the Company's Form 8-K furnished to the SEC on May 11, 2020.



Non-GAAP Financial Measures & Glossary

This press release contains certain non-GAAP financial measures. These non-GAAP measures are presented because NSA's management believes these measures help investors understand NSA's business, performance and ability to earn and distribute cash to its shareholders by providing perspectives not immediately apparent from net income (loss). These measures are also frequently used by securities analysts, investors and other interested parties. The presentations of FFO, Core FFO and NOI in this press release are not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. In addition, NSA's method of calculating these measures may be different from methods used by other companies, and, accordingly, may not be comparable to similar measures as calculated by other companies that do not use the same methodology as NSA. These measures, and other words and phrases used herein, are defined in the Glossary in the supplemental financial information and, where appropriate, reconciliations of these measures and other non-GAAP financial measures to their most directly comparable GAAP measures are included in the Schedules to this press release and in the supplemental financial information.

Quarterly Teleconference and Webcast

The Company will host a conference call at 1:00 pm Eastern Time on Tuesday, May 12, 2020 to discuss its first quarter 2020 financial results. At the conclusion of the call, management will accept questions from certified financial analysts. All other participants are encouraged to listen to a webcast of the call by accessing the link found on the Company's website at www.nationalstorageaffiliates.com.

Conference Call and Webcast:

Date/Time: Tuesday, May 12, 2020, 1:00pm ET

Webcast available at: www.nationalstorageaffiliates.com

Domestic (Toll Free US & Canada): 877.407.9711

International: 412.902.1014

Replay:

Domestic (Toll Free US & Canada): 877.660.6853

International: 201.612.7415

Conference ID: 13692161

A replay of the call will be available for one week through Tuesday, May 19, 2020. A replay of the webcast will be available for 30 days on NSA's website at www.nationalstorageaffiliates.com.

About National Storage Affiliates Trust

National Storage Affiliates Trust is a Maryland real estate investment trust focused on the ownership, operation and acquisition of self storage properties located within the top 100 metropolitan statistical areas throughout the United States. As of March 31, 2020, the Company held ownership interests in and operated 780 self storage properties located in 35 states and Puerto Rico with approximately 48.9 million rentable square feet. NSA is one of the largest owners and operators of self storage properties among public and private companies in the United States. For more information, please visit the Company's website at www.nationalstorageaffiliates.com. NSA is included in the MSCI US REIT Index (RMS/RMZ), the Russell 2000 Index of Companies and the S&P SmallCap 600 Index.



NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this press release constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Forward-looking statements are subject to substantial risks and uncertainties, many of which are difficult to predict and are generally beyond the Company's control. These forward-looking statements include information about possible or assumed future results of the Company's business, financial condition, liquidity, results of operations, plans and objectives. Changes in any circumstances may cause the Company's actual results to differ significantly from those expressed in any forward-looking statement. When used in this release, the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions are intended to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking: market trends in the Company's industry, interest rates, the debt and lending markets or the general economy; the Company's business and investment strategy; the acquisition of properties, including those under contract and our ability to execute on our acquisition pipeline; the timing of acquisitions under contract; the internalization of retiring participating regional operators ("PROs") into the Company; the negative impacts from the continued spread of COVID-19 on the economy, the self storage industry, the broader financial markets, the Company's financial condition, results of operations and cash flows and the ability of the Company's tenants to pay rent; and the Company's guidance estimates for the year ended December 31, 2020. For a further list and description of such risks and uncertainties, see the Company's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission, and the other documents filed by the Company with the Securities and Exchange Commission. The forward-looking statements, and other risks, uncertainties and factors are based on the Company's beliefs, assumptions and expectations of its future performance, taking into account all information currently available to the Company. Forward-looking statements are not predictions of future events. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Contact:

National Storage Affiliates Trust

Investor/Media Relations

George Hoglund, CFA

Vice President - Investor Relations

720.630.2160

ghoglund@nsareit.net



National Storage Affiliates Trust
Consolidated Statements of Operations
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2020	2019
REVENUE		
Rental revenue	\$ 95,402	\$ 82,855
Other property-related revenue	3,371	2,824
Management fees and other revenue	5,449	4,893
Total revenue	104,222	90,572
OPERATING EXPENSES		
Property operating expenses	30,592	26,457
General and administrative expenses	11,094	10,380
Depreciation and amortization	29,105	24,349
Other	389	386
Total operating expenses	71,180	61,572
OTHER (EXPENSE) INCOME		
Interest expense	(15,628)	(13,211)
Equity in losses of unconsolidated real estate ventures	(340)	(2,102)
Acquisition costs	(833)	(157)
Non-operating expense	(192)	(98)
Other expense	(16,993)	(15,568)
Income before income taxes	16,049	13,432
Income tax expense	(286)	(492)
Net income	15,763	12,940
Net income attributable to noncontrolling interests	(9,115)	(5,529)
Net income attributable to National Storage Affiliates Trust	6,648	7,411
Distributions to preferred shareholders	(3,273)	(2,588)
Net income attributable to common shareholders	\$ 3,375	\$ 4,823
Earnings (loss) per share - basic and diluted		
	\$ 0.06	\$ 0.08
Weighted average shares outstanding - basic and diluted		
	59,798	56,655



National Storage Affiliates Trust
Consolidated Balance Sheets
(dollars in thousands, except per share amounts)
(unaudited)

	March 31, 2020	December 31, 2019
ASSETS		
Real estate		
Self storage properties	\$ 3,314,849	\$ 3,091,719
Less accumulated depreciation	(363,527)	(337,822)
Self storage properties, net	2,951,322	2,753,897
Cash and cash equivalents	18,689	20,558
Restricted cash	3,997	3,718
Debt issuance costs, net	3,067	3,264
Investment in unconsolidated real estate ventures	213,497	214,061
Other assets, net	64,503	65,441
Operating lease right-of-use assets	23,798	23,306
Total assets	<u>\$ 3,278,873</u>	<u>\$ 3,084,245</u>
LIABILITIES AND EQUITY		
Liabilities		
Debt financing	\$ 1,731,669	\$ 1,534,047
Accounts payable and accrued liabilities	40,127	37,966
Interest rate swap liabilities	84,703	19,943
Operating lease liabilities	25,243	24,665
Deferred revenue	16,076	15,523
Total liabilities	1,897,818	1,632,144
Equity		
Preferred shares of beneficial interest, par value \$0.01 per share. 50,000,000 authorized, 8,732,719 and 8,727,119 issued and outstanding at March 31, 2020 and December 31, 2019, respectively, at liquidation preference	218,318	218,178
Common shares of beneficial interest, par value \$0.01 per share. 250,000,000 shares authorized, 68,027,212 and 59,659,108 shares issued and outstanding at March 31, 2020 and December 31, 2019, respectively	680	597
Additional paid-in capital	970,786	905,763
Distributions in excess of earnings	(213,447)	(197,075)
Accumulated other comprehensive loss	(52,855)	(7,833)
Total shareholders' equity	923,482	919,630
Noncontrolling interests	457,573	532,471
Total equity	1,381,055	1,452,101
Total liabilities and equity	<u>\$ 3,278,873</u>	<u>\$ 3,084,245</u>

Supplemental Schedule 1

Funds From Operations and Core Funds From Operations

(in thousands, except per share and unit amounts) (unaudited)

Reconciliation of Net Income to FFO and Core FFO

	Three Months Ended March 31,	
	2020	2019
Net income	\$ 15,763	\$ 12,940
Add (subtract):		
Real estate depreciation and amortization	28,764	24,027
Company's share of unconsolidated real estate venture real estate depreciation and amortization	3,787	5,457
Company's share of unconsolidated real estate venture loss on sale of properties	—	202
Mark-to-market changes in value on equity securities	142	—
Distributions to preferred shareholders and unitholders	(3,514)	(2,753)
FFO attributable to subordinated performance unitholders ⁽¹⁾	(8,664)	(7,293)
FFO attributable to common shareholders, OP unitholders, and LTIP unitholders	36,278	32,580
Add:		
Acquisition costs	833	157
Core FFO attributable to common shareholders, OP unitholders, and LTIP unitholders	\$ 37,111	\$ 32,737
Weighted average shares and units outstanding - FFO and Core FFO:⁽²⁾		
Weighted average shares outstanding - basic	59,798	56,655
Weighted average restricted common shares outstanding	23	30
Weighted average OP units outstanding	30,709	29,948
Weighted average DownREIT OP unit equivalents outstanding	1,849	1,848
Weighted average LTIP units outstanding	617	747
Total weighted average shares and units outstanding - FFO and Core FFO	92,996	89,228
FFO per share and unit	\$ 0.39	\$ 0.37
Core FFO per share and unit	\$ 0.40	\$ 0.37

(1) Amounts represent distributions declared for subordinated performance unitholders and DownREIT subordinated performance unitholders for the periods presented.

(2) NSA combines OP units and DownREIT OP units with common shares because, after the applicable lock-out periods, OP units in the Company's operating partnership are redeemable for cash or, at NSA's option, exchangeable for common shares on a one-for-one basis and DownREIT OP units are also redeemable for cash or, at NSA's option, exchangeable for OP units in the Company's operating partnership on a one-for-one basis, subject to certain adjustments in each case. Subordinated performance units, DownREIT subordinated performance units and LTIP units may also, under certain circumstances, be convertible into or exchangeable for common shares (or other units that are convertible into or exchangeable for common shares). See footnote⁽³⁾ for additional discussion of subordinated performance units, DownREIT subordinated performance units, and LTIP units in the calculation of FFO and Core FFO per share and unit.



Supplemental Schedule 1 (continued)

Funds From Operations and Core Funds From Operations

(in thousands, except per share and unit amounts) (unaudited)

Reconciliation of Earnings (Loss) Per Share - Diluted to FFO and Core FFO Per Share and Unit

	Three Months Ended March 31,	
	2020	2019
Earnings (loss) per share - diluted	\$ 0.06	\$ 0.08
Impact of the difference in weighted average number of shares ⁽³⁾	(0.02)	(0.03)
Impact of GAAP accounting for noncontrolling interests, two-class method and treasury stock method ⁽⁴⁾	0.09	0.07
Add real estate depreciation and amortization	0.31	0.27
Add Company's share of unconsolidated real estate venture real estate depreciation and amortization	0.04	0.06
FFO attributable to subordinated performance unitholders	(0.09)	(0.08)
FFO per share and unit	0.39	0.37
Add acquisition costs	0.01	—
Core FFO per share and unit	\$ 0.40	\$ 0.37

(3) Adjustment accounts for the difference between the weighted average number of shares used to calculate diluted earnings per share and the weighted average number of shares used to calculate FFO and Core FFO per share and unit. Diluted earnings per share is calculated using the two-class method for the company's restricted common shares and the treasury stock method for certain unvested LTIP units, and assumes the conversion of vested LTIP units into OP units on a one-for-one basis and the hypothetical conversion of subordinated performance units, and DownREIT subordinated performance units into OP units, even though such units may only be convertible into OP units (i) after a lock-out period and (ii) upon certain events or conditions. For additional information about the conversion of subordinated performance units and DownREIT subordinated performance units into OP units, see Note 10 to the Company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission. The computation of weighted average shares and units for FFO and Core FFO per share and unit includes all restricted common shares and LTIP units that participate in distributions and excludes all subordinated performance units and DownREIT subordinated performance units because their effect has been accounted for through the allocation of FFO to the related unitholders based on distributions declared.

(4) Represents the effect of adjusting the numerator to consolidated net income (loss) prior to GAAP allocations for noncontrolling interests, after deducting preferred share and unit distributions, and before the application of the two-class method and treasury stock method, as described in footnote⁽³⁾.



Supplemental Schedule 2

Other Non-GAAP Financial Measurements

(dollars in thousands) (unaudited)

Net Operating Income

	Three Months Ended March 31,	
	2020	2019
Net income	\$ 15,763	\$ 12,940
(Subtract) add:		
Management fees and other revenue	(5,449)	(4,893)
General and administrative expenses	11,094	10,380
Other	389	386
Depreciation and amortization	29,105	24,349
Interest expense	15,628	13,211
Equity in losses of unconsolidated real estate ventures	340	2,102
Acquisition costs	833	157
Income tax expense	286	492
Non-operating expense	192	98
Net Operating Income	\$ 68,181	\$ 59,222

EBITDA and Adjusted EBITDA

	Three Months Ended March 31,	
	2020	2019
Net income	\$ 15,763	\$ 12,940
Add:		
Depreciation and amortization	29,105	24,349
Company's share of unconsolidated real estate venture depreciation and amortization	3,787	5,457
Interest expense	15,628	13,211
Income tax expense	286	492
EBITDA	64,569	56,449
Add (subtract):		
Acquisition costs	833	157
Company's share of unconsolidated real estate venture loss on sale of properties	—	202
Equity-based compensation expense	774	1,112
Adjusted EBITDA	\$ 66,176	\$ 57,920



Supplemental Schedule 3

Portfolio Summary

As of March 31, 2020

(dollars in thousands) (unaudited)

Wholly-Owned Store Data by State (Consolidated)

State/Territories	Stores	Units	Rentable Square Feet	Occupancy at Period End
Texas	100	39,220	5,517,588	86.3 %
California	83	49,618	6,226,777	88.9 %
Oregon	62	24,833	3,148,614	80.7 %
Florida	48	30,468	3,185,287	85.7 %
Georgia	45	19,425	2,601,774	86.9 %
North Carolina	33	15,371	1,885,479	90.7 %
Arizona	31	16,893	1,925,202	88.0 %
Oklahoma	30	13,842	1,902,565	87.9 %
Louisiana	26	12,345	1,539,069	83.7 %
Indiana	16	8,776	1,134,570	89.5 %
Kansas	16	5,714	763,249	88.8 %
Washington	14	4,495	578,723	79.9 %
Nevada	13	6,682	844,856	90.3 %
Colorado	12	5,413	673,256	84.2 %
New Hampshire	11	4,733	577,590	90.5 %
Missouri	9	3,858	489,823	73.8 %
Ohio	8	3,645	461,393	88.5 %
Other ⁽¹⁾	46	22,705	2,782,923	86.7 %
Total	603	288,036	36,238,738	86.6 %

Total Operated Store Data by State (Consolidated & Unconsolidated)

State/Territories	Stores	Units	Rentable Square Feet	Occupancy at Period End
Texas	104	41,557	5,794,877	86.3 %
California	95	56,344	7,021,108	88.8 %
Florida	75	45,836	4,906,884	84.4 %
Oregon	62	24,833	3,148,614	80.7 %
Georgia	56	25,566	3,474,106	87.1 %
Oklahoma	36	16,180	2,211,387	88.0 %
Arizona	33	17,902	2,035,032	87.7 %
North Carolina	33	15,371	1,885,479	90.7 %
Louisiana	26	12,345	1,539,069	83.7 %
Michigan	24	15,614	1,977,873	86.0 %
Ohio	22	12,434	1,526,089	86.9 %
New Jersey	19	12,723	1,497,502	85.9 %
Nevada	17	8,299	1,096,963	89.3 %
Indiana	16	8,776	1,134,570	89.5 %
Kansas	16	5,714	763,249	88.8 %
Alabama	15	6,290	937,211	87.9 %
Washington	14	4,495	578,723	79.9 %
Massachusetts	12	7,688	888,321	83.7 %
Colorado	12	5,413	673,256	84.2 %
New Hampshire	11	4,733	577,590	90.5 %
Other ⁽²⁾	82	43,648	5,240,532	84.4 %
Total	780	391,761	48,908,435	86.3 %

(1) Other states and territories in NSA's owned portfolio as of March 31, 2020 include Alabama, Idaho, Illinois, Kentucky, Maryland, Massachusetts, Mississippi, New Jersey, New Mexico, Pennsylvania, South Carolina, Virginia and Puerto Rico.

(2) Other states and territories in NSA's operated portfolio as of March 31, 2020 include Delaware, Idaho, Illinois, Kentucky, Maryland, Minnesota, Mississippi, Missouri, New Mexico, New York, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia and Puerto Rico.



Supplemental Schedule 3 (continued)

Portfolio Summary

(dollars in thousands) (unaudited)

2020 Acquisition Activity

Self Storage Properties Acquired During the Quarter Ended:	Stores	Units	Rentable Square Feet	Summary of Investment			
				Cash and Acquisition Costs	Value of OP Equity	Other Liabilities	Total
March 31, 2020	36	13,555	1,759,019	\$ 214,584	\$ 7,217	\$ 972	\$ 222,773
Unconsolidated Real Estate Ventures (at 100%)⁽³⁾							
March 31, 2020	2	532	39,952	12,108	—	37	12,145
Total Investments⁽⁴⁾	38	14,087	1,798,971	\$ 226,692	\$ 7,217	\$ 1,009	\$ 234,918

(3) Values represent entire unconsolidated real estate ventures at 100%, not NSA's proportionate share. NSA's ownership in each of the unconsolidated real estate ventures is 25%.

(4) NSA acquired self storage properties located in California (2), Colorado (1), Florida (2), Georgia (1), Massachusetts (1), New Jersey (1), Oregon (1) and Texas (29).

Supplemental Schedule 4

Debt and Equity Capitalization

As of March 31, 2020

(unaudited)

Debt Summary (dollars in thousands)

	Effective Interest Rate ⁽¹⁾	Basis of Rate	Maturity Date	2020	2021	2022	2023	2024	2025	2026	Thereafter	Total
Credit Facility:												
Revolving line of credit	2.29%	Variable ⁽²⁾	January 2024	\$ —	\$ —	\$ —	\$ —	\$ 200,000	\$ —	\$ —	\$ —	\$ 200,000
Term loan - Tranche A	3.74%	Swapped To Fixed	January 2023	—	—	—	125,000	—	—	—	—	125,000
Term loan - Tranche B	2.91%	Swapped To Fixed	July 2024	—	—	—	—	250,000	—	—	—	250,000
Term loan - Tranche C	2.80%	Swapped To Fixed	January 2025	—	—	—	—	—	225,000	—	—	225,000
Term loan - Tranche D	3.57%	Swapped To Fixed	July 2026	—	—	—	—	—	—	175,000	—	175,000
Term loan facility - 2023	2.83%	Swapped To Fixed	June 2023	—	—	—	175,000	—	—	—	—	175,000
Term loan facility - 2028	4.62%	Swapped To Fixed	December 2028	—	—	—	—	—	—	—	75,000	75,000
Term loan facility - 2029	4.27%	Swapped To Fixed	April 2029	—	—	—	—	—	—	—	100,000	100,000
2029 Senior Unsecured Notes	3.98%	Fixed	August 2029	—	—	—	—	—	—	—	100,000	100,000
2031 Senior Unsecured Notes	4.08%	Fixed	August 2031	—	—	—	—	—	—	—	50,000	50,000
Fixed rate mortgages payable	4.18%	Fixed	October 2020 - October 2031	35,012	3,619	—	81,251	20,267	—	—	121,531	261,680
Total Principal/Weighted Average	3.39%		5.45 years	\$ 35,012	\$ 3,619	\$ —	\$ 381,251	\$ 470,267	\$ 225,000	\$ 175,000	\$ 446,531	\$ 1,736,680
Unamortized debt issuance costs and debt premium, net												(5,011)
Total Debt												\$ 1,731,669

Debt Ratios

	Covenant	Amount
Net Debt to Annualized Current Quarter Adjusted EBITDA	n/a	6.5x
Trailing Twelve Month Fixed Charge Coverage Ratio	> 1.5x	3.0x
Total Leverage Ratio	< 60.0%	43.5%

(1) Effective interest rate incorporates the stated rate plus the impact of interest rate cash flow hedges and discount and premium amortization, if applicable.

(2) For the \$500 million revolving line of credit, the effective interest rate is calculated based on one month LIBOR plus an applicable margin of 1.30% and excludes fees which range from 0.15% to 0.20% for unused borrowings.



Supplemental Schedule 4 (continued)

Debt and Equity Capitalization

As of March 31, 2020

(unaudited)

Preferred Shares and Units

	Outstanding
6.000% Series A cumulative redeemable preferred shares of beneficial interest	8,732,719
6.000% Series A-1 cumulative redeemable preferred units	637,382

Common Shares and Units

	Outstanding	If Converted
Common shares of beneficial interest	67,992,187	67,992,187
Restricted common shares	35,025	35,025
Total shares outstanding	68,027,212	68,027,212
Operating partnership units	29,751,701	29,751,701
DownREIT operating partnership unit equivalents	1,924,918	1,924,918
Total operating partnership units	31,676,619	31,676,619
Long-term incentive plan units⁽³⁾	511,841	511,841
Total shares and Class A equivalents outstanding	100,215,672	100,215,672
Subordinated performance units ⁽⁴⁾	8,693,121	10,605,608
DownREIT subordinated performance unit equivalents ⁽⁴⁾	4,337,111	5,291,275
Total subordinated partnership units	13,030,232	15,896,883
Total common shares and units outstanding	113,245,904	116,112,555

(3) Balances exclude 252,894 long-term incentive plan ("LTIP") units which only vest and participate in dividend distributions upon the future contribution of properties from the PROs or the completion of expansion projects.

(4) If converted balance assumes that each subordinated performance unit (including each DownREIT subordinated performance unit) is convertible into OP units, notwithstanding the two-year lock-out period on conversions for certain series of subordinated performance units, and that each subordinated performance unit would on average convert on a hypothetical basis into an estimated 1.22 OP units based on historical financial information for the trailing twelve months ended March 31, 2020. The hypothetical conversions are calculated by dividing the average cash available for distribution, or CAD, per subordinated performance unit by 110% of the CAD per OP unit over the same period. The Company anticipates that as CAD grows over time, the conversion ratio will also grow, including to levels that may exceed these amounts.

Supplemental Schedule 5

Summarized Information for Unconsolidated Real Estate Ventures

(dollars in thousands) (unaudited)

Combined Balance Sheet Information

Total Ventures at 100% ⁽¹⁾	March 31, 2020	December 31, 2019
ASSETS		
Self storage properties, net	\$ 1,833,094	\$ 1,835,235
Other assets	24,202	22,413
Total assets	\$ 1,857,296	\$ 1,857,648
LIABILITIES AND EQUITY		
Debt financing	\$ 989,382	\$ 989,182
Other liabilities	22,144	20,487
Equity	845,770	847,979
Total liabilities and equity	\$ 1,857,296	\$ 1,857,648

Combined Operating Information

	Three Months Ended March 31, 2020	
	Total Ventures at 100% ⁽¹⁾	NSA Proportionate Share (Ventures at 25%) ⁽²⁾
Total revenue	\$ 40,238	\$ 10,060
Property operating expenses	13,178	3,295
Net operating income	27,060	6,765
Supervisory, administrative and other expenses	(2,669)	(667)
Depreciation and amortization	(15,146)	(3,787)
Interest expense	(10,264)	(2,566)
Acquisition and other expenses	(399)	(100)
Net loss	\$ (1,418)	\$ (355)
Add (subtract):		
Equity in earnings adjustments related to amortization of basis differences		15
Company's share of unconsolidated real estate venture real estate depreciation and amortization		3,787
Company's share of FFO and Core FFO from unconsolidated real estate ventures		\$ 3,447

(1) Values represent entire unconsolidated real estate ventures at 100%, not NSA's proportionate share. NSA's ownership in each of the unconsolidated real estate ventures is 25%.

(2) NSA's proportionate share of its unconsolidated real estate ventures is derived by applying NSA's 25% ownership interest to each line item in the GAAP financial statements of the unconsolidated real estate ventures to calculate NSA's share of that line item. NSA believes this information offers insights into the financial performance of the Company, although the presentation of such information, and its combination with NSA's consolidated results, may not accurately depict the legal and economic implications of holding a noncontrolling interest in the unconsolidated real estate ventures. The operating agreements of the unconsolidated real estate ventures provide for the distribution of net cash flow to the unconsolidated real estate ventures' investors no less than monthly, generally in proportion to the investors' respective ownership interests, subject to a promoted distribution to NSA upon the achievement of certain performance benchmarks by the non-NSA investor.

Supplemental Schedule 6

Same Store Performance Summary By State

(dollars in thousands, except per square foot data) (unaudited)

Three Months Ended March 31, 2020 compared to Three Months Ended March 31, 2019

State	Stores	Total Revenue			Property Operating Expenses			Net Operating Income			Net Operating Income Margin		
		1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth
California	81	\$ 19,209	\$ 18,686	2.8 %	\$ 5,383	\$ 5,123	5.1 %	\$ 13,826	\$ 13,563	1.9 %	72.0 %	72.6 %	(0.6) %
Oregon	60	9,566	9,476	0.9 %	2,541	2,569	(1.1) %	7,025	6,907	1.7 %	73.4 %	72.9 %	0.5 %
Texas	60	7,803	7,529	3.6 %	2,816	2,824	(0.3) %	4,987	4,705	6.0 %	63.9 %	62.5 %	1.4 %
Florida	37	8,387	8,155	2.8 %	2,539	2,514	1.0 %	5,848	5,641	3.7 %	69.7 %	69.2 %	0.5 %
Georgia	35	4,592	4,357	5.4 %	1,524	1,491	2.2 %	3,068	2,866	7.0 %	66.8 %	65.8 %	1.0 %
North Carolina	33	5,003	4,792	4.4 %	1,445	1,454	(0.6) %	3,558	3,338	6.6 %	71.1 %	69.7 %	1.4 %
Oklahoma	30	3,719	3,601	3.3 %	1,185	1,136	4.3 %	2,534	2,465	2.8 %	68.1 %	68.5 %	(0.4) %
Arizona	30	5,433	5,215	4.2 %	1,526	1,489	2.5 %	3,907	3,726	4.9 %	71.9 %	71.4 %	0.5 %
Indiana	16	2,540	2,502	1.5 %	796	839	(5.1) %	1,744	1,663	4.9 %	68.7 %	66.5 %	2.2 %
Kansas	16	2,150	1,992	7.9 %	789	818	(3.5) %	1,361	1,174	15.9 %	63.3 %	58.9 %	4.4 %
Louisiana	14	1,899	1,839	3.3 %	645	644	0.2 %	1,254	1,195	4.9 %	66.0 %	65.0 %	1.0 %
Washington	14	1,772	1,818	(2.5) %	536	515	4.1 %	1,236	1,303	(5.1) %	69.8 %	71.7 %	(1.9) %
Nevada	13	2,344	2,183	7.4 %	659	608	8.4 %	1,685	1,575	7.0 %	71.9 %	72.1 %	(0.2) %
Colorado	11	1,703	1,717	(0.8) %	558	569	(1.9) %	1,145	1,148	(0.3) %	67.2 %	66.9 %	0.3 %
New Hampshire	10	1,579	1,562	1.1 %	561	560	0.2 %	1,018	1,002	1.6 %	64.5 %	64.1 %	0.4 %
Other ⁽¹⁾	40	6,817	6,594	3.4 %	2,235	2,066	8.2 %	4,582	4,528	1.2 %	67.2 %	68.7 %	(1.5) %
Total/Weighted Average	500	\$ 84,516	\$ 82,018	3.0 %	\$ 25,738	\$ 25,219	2.1 %	\$ 58,778	\$ 56,799	3.5 %	69.5 %	69.3 %	0.2 %
2019 Same Store Pool ⁽²⁾	438	\$ 73,964	\$ 71,871	2.9 %	\$ 22,516	\$ 22,150	1.7 %	\$ 51,448	\$ 49,721	3.5 %	69.6 %	69.2 %	0.4 %
2018 Same Store Pool ⁽³⁾	373	\$ 62,562	\$ 60,951	2.6 %	\$ 18,720	\$ 18,347	2.0 %	\$ 43,842	\$ 42,604	2.9 %	70.1 %	69.9 %	0.2 %

(1) Other states and territories in NSA's same store portfolio include Alabama, Illinois, Kentucky, Maryland, Massachusetts, Mississippi, Missouri, New Mexico, Ohio, South Carolina, Virginia and Puerto Rico.

(2) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2019.

(3) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2018.

Supplemental Schedule 6 (continued)

Same Store Performance Summary By State

(dollars in thousands, except per square foot data) (unaudited)

Three Months Ended March 31, 2020 compared to Three Months Ended March 31, 2019

State	Units	Rentable Square Feet	Occupancy at Period End			Average Occupancy			Average Annualized Rental Revenue per Occupied Square Foot		
			1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth
California	48,026	6,083,058	89.2 %	91.4 %	(2.2) %	89.0 %	90.1 %	(1.1) %	\$ 13.54	\$ 13.04	3.8 %
Oregon	24,303	3,074,854	80.8 %	83.4 %	(2.6) %	80.8 %	82.6 %	(1.8) %	15.09	14.62	3.2 %
Texas	24,174	3,420,736	87.1 %	88.9 %	(1.8) %	87.7 %	88.1 %	(0.4) %	10.10	9.73	3.8 %
Florida	23,667	2,526,944	85.2 %	87.2 %	(2.0) %	85.8 %	87.0 %	(1.2) %	14.90	14.78	0.8 %
Georgia	14,330	1,935,656	88.2 %	88.7 %	(0.5) %	88.5 %	87.4 %	1.1 %	10.40	9.98	4.2 %
North Carolina	15,371	1,885,479	90.7 %	91.9 %	(1.2) %	90.5 %	91.4 %	(0.9) %	11.30	10.70	5.6 %
Oklahoma	13,842	1,902,565	87.9 %	86.3 %	1.6 %	87.7 %	85.3 %	2.4 %	8.65	8.62	0.3 %
Arizona	16,533	1,876,662	87.9 %	87.9 %	—	87.4 %	86.5 %	0.9 %	12.89	12.62	2.1 %
Indiana	8,776	1,134,570	89.5 %	89.7 %	(0.2) %	89.5 %	88.7 %	0.8 %	9.76	9.67	0.9 %
Kansas	5,714	763,249	88.8 %	85.0 %	3.8 %	87.5 %	83.5 %	4.0 %	12.07	11.77	2.5 %
Louisiana	6,312	857,924	84.1 %	84.3 %	(0.2) %	84.9 %	83.1 %	1.8 %	10.23	10.12	1.1 %
Washington	4,495	578,723	79.9 %	84.4 %	(4.5) %	79.8 %	83.7 %	(3.9) %	15.08	14.74	2.3 %
Nevada	6,682	844,856	90.3 %	91.9 %	(1.6) %	90.2 %	91.3 %	(1.1) %	11.72	10.91	7.4 %
Colorado	5,037	614,206	85.0 %	89.1 %	(4.1) %	84.6 %	87.6 %	(3.0) %	12.80	12.44	2.9 %
New Hampshire	4,254	516,265	90.0 %	92.4 %	(2.4) %	90.0 %	92.0 %	(2.0) %	13.26	12.99	2.1 %
Other ⁽¹⁾	19,027	2,334,709	87.2 %	88.1 %	(0.9) %	87.3 %	87.8 %	(0.5) %	12.84	12.41	3.5 %
Total/Weighted Average	240,543	30,350,456	87.1 %	88.5 %	(1.4) %	87.2 %	87.5 %	(0.3) %	\$ 12.34	\$ 11.98	3.0 %
2019 Same Store Pool ⁽²⁾	210,383	26,920,550	87.1 %	88.7 %	(1.6) %	87.3 %	87.7 %	(0.4) %	\$ 12.16	\$ 11.79	3.1 %
2018 Same Store Pool ⁽³⁾	177,901	22,648,750	87.2 %	88.9 %	(1.7) %	87.4 %	87.9 %	(0.5) %	\$ 12.22	\$ 11.85	3.1 %

(1) Other states and territories in NSA's same store portfolio include Alabama, Illinois, Kentucky, Maryland, Massachusetts, Mississippi, Missouri, New Mexico, Ohio, South Carolina, Virginia and Puerto Rico.

(2) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2019.

(3) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2018.

Supplemental Schedule 7

Same Store Performance Summary By MSA⁽¹⁾

(dollars in thousands, except per square foot data) (unaudited)

Three Months Ended March 31, 2020 compared to Three Months Ended March 31, 2019

MSA ⁽¹⁾	Stores	Total Revenue			Property Operating Expenses			Net Operating Income			Net Operating Income Margin		
		1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth
Riverside-San Bernardino-Ontario, CA	47	\$ 9,755	\$ 9,411	3.7 %	\$ 2,533	\$ 2,432	4.2 %	\$ 7,222	\$ 6,979	3.5 %	74.0 %	74.2 %	(0.2) %
Portland-Vancouver-Hillsboro, OR-WA	47	7,595	7,602	(0.1) %	2,023	2,002	1.0 %	5,572	5,600	(0.5) %	73.4 %	73.7 %	(0.3) %
Atlanta-Sandy Springs-Roswell, GA	26	3,862	3,656	5.6 %	1,232	1,188	3.7 %	2,630	2,468	6.6 %	68.1 %	67.5 %	0.6 %
Phoenix-Mesa-Scottsdale, AZ	23	4,450	4,304	3.4 %	1,224	1,194	2.5 %	3,226	3,110	3.7 %	72.5 %	72.3 %	0.2 %
Oklahoma City, OK	17	2,045	1,987	2.9 %	676	661	2.3 %	1,369	1,326	3.2 %	66.9 %	66.7 %	0.2 %
Dallas-Fort Worth-Arlington, TX	17	2,260	2,223	1.7 %	889	891	(0.2) %	1,371	1,332	2.9 %	60.7 %	59.9 %	0.8 %
Indianapolis-Carmel-Anderson, IN	16	2,540	2,502	1.5 %	796	839	(5.1) %	1,744	1,663	4.9 %	68.7 %	66.5 %	2.2 %
Los Angeles-Long Beach-Anaheim, CA	14	4,922	4,910	0.2 %	1,383	1,311	5.5 %	3,539	3,599	(1.7) %	71.9 %	73.3 %	(1.4) %
Tulsa, OK	13	1,674	1,614	3.7 %	509	475	7.2 %	1,165	1,139	2.3 %	69.6 %	70.6 %	(1.0) %
North Port-Sarasota-Bradenton, FL	13	3,036	2,888	5.1 %	906	948	(4.4) %	2,130	1,940	9.8 %	70.2 %	67.2 %	3.0 %
Las Vegas-Henderson-Paradise, NV	12	2,238	2,092	7.0 %	629	577	9.0 %	1,609	1,515	6.2 %	71.9 %	72.4 %	(0.5) %
Kansas City, MO-KS	11	1,561	1,475	5.8 %	624	644	(3.1) %	937	831	12.8 %	60.0 %	56.3 %	3.7 %
Other MSAs	244	38,578	37,354	3.3 %	12,314	12,057	2.1 %	26,264	25,297	3.8 %	68.1 %	67.7 %	0.4 %
Total/Weighted Average	500	\$ 84,516	\$ 82,018	3.0 %	\$ 25,738	\$ 25,219	2.1 %	\$ 58,778	\$ 56,799	3.5 %	69.5 %	69.3 %	0.2 %
2019 Same Store Pool ⁽²⁾	438	\$ 73,964	\$ 71,871	2.9 %	\$ 22,516	\$ 22,150	1.7 %	\$ 51,448	\$ 49,721	3.5 %	69.6 %	69.2 %	0.4 %
2018 Same Store Pool ⁽³⁾	373	\$ 62,562	\$ 60,951	2.6 %	\$ 18,720	\$ 18,347	2.0 %	\$ 43,842	\$ 42,604	2.9 %	70.1 %	69.9 %	0.2 %

(1) MSA (Metropolitan Statistical Area) as defined by the United States Census Bureau.

(2) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2019.

(3) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2018.



Supplemental Schedule 7 (continued)

Same Store Performance Summary By MSA⁽¹⁾

(dollars in thousands, except per square foot data) (unaudited)

Three Months Ended March 31, 2020 compared to Three Months Ended March 31, 2019

MSA ⁽¹⁾	Units	Rentable Square Feet	Occupancy at Period End			Average Occupancy			Average Annualized Rental Revenue per Occupied Square Foot		
			1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth	1Q 2020	1Q 2019	Growth
Riverside-San Bernardino-Ontario, CA	24,969	3,359,601	90.6 %	91.4 %	(0.8) %	90.1 %	90.0 %	0.1 %	\$ 12.24	\$ 11.84	3.4 %
Portland-Vancouver-Hillsboro, OR-WA	18,205	2,226,258	80.8 %	83.9 %	(3.1) %	80.9 %	83.3 %	(2.4) %	16.58	16.10	3.0 %
Atlanta-Sandy Springs-Roswell, GA	11,865	1,625,303	87.6 %	88.5 %	(0.9) %	88.0 %	87.1 %	0.9 %	10.47	9.98	4.9 %
Phoenix-Mesa-Scottsdale, AZ	13,474	1,516,082	87.9 %	86.5 %	1.4 %	87.0 %	85.3 %	1.7 %	13.10	13.05	0.4 %
Oklahoma City, OK	7,723	1,087,927	88.4 %	85.1 %	3.3 %	88.0 %	84.2 %	3.8 %	8.30	8.44	(1.7) %
Dallas-Fort Worth-Arlington, TX	6,422	858,342	87.5 %	87.9 %	(0.4) %	87.7 %	86.8 %	0.9 %	11.61	11.58	0.3 %
Indianapolis-Carmel-Anderson, IN	8,776	1,134,570	89.5 %	89.7 %	(0.2) %	89.5 %	88.7 %	0.8 %	9.76	9.67	0.9 %
Los Angeles-Long Beach-Anaheim, CA	9,743	1,062,964	86.8 %	90.0 %	(3.2) %	86.6 %	89.0 %	(2.4) %	20.46	19.90	2.8 %
Tulsa, OK	6,119	814,638	87.2 %	87.8 %	(0.6) %	87.3 %	86.7 %	0.6 %	9.12	8.86	2.9 %
North Port-Sarasota-Bradenton, FL	8,585	839,546	84.3 %	84.9 %	(0.6) %	84.8 %	84.9 %	(0.1) %	16.40	16.16	1.5 %
Las Vegas-Henderson-Paradise, NV	6,494	803,220	90.3 %	91.8 %	(1.5) %	90.1 %	91.0 %	(0.9) %	11.75	11.00	6.8 %
Kansas City, MO-KS	4,031	551,139	87.7 %	83.4 %	4.3 %	85.8 %	82.3 %	3.5 %	12.33	12.25	0.7 %
Other MSAs	114,137	14,470,866	86.9 %	89.0 %	(2.1) %	87.2 %	88.2 %	(1.0) %	11.84	11.40	3.9 %
Total/Weighted Average	240,543	30,350,456	87.1 %	88.5 %	(1.4) %	87.2 %	87.5 %	(0.3) %	\$ 12.34	\$ 11.98	3.0 %
2019 Same Store Pool ⁽²⁾	210,383	26,920,550	87.1 %	88.7 %	(1.6) %	87.3 %	87.7 %	(0.4) %	\$ 12.16	\$ 11.79	3.1 %
2018 Same Store Pool ⁽³⁾	177,901	22,648,750	87.2 %	88.9 %	(1.7) %	87.4 %	87.9 %	(0.5) %	\$ 12.22	\$ 11.85	3.1 %

(1) MSA (Metropolitan Statistical Area) as defined by the United States Census Bureau.

(2) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2019.

(3) Represents the subset of properties included in the 2020 same store pool that were in NSA's same store pool reported in 2018.



Supplemental Schedule 8

Same Store Operating Data (500 Stores) - Trailing Five Quarters

(dollars in thousands, except per square foot data) (unaudited)

	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
Revenue					
Rental revenue	\$ 81,609	\$ 82,059	\$ 83,320	\$ 81,038	\$ 79,338
Other property-related revenue	2,907	2,805	2,910	2,921	2,680
Total revenue	84,516	84,864	86,230	83,959	82,018
Property operating expenses					
Store payroll and related costs	8,176	7,771	7,757	7,733	7,830
Property tax expense	6,894	6,220	6,974	6,712	6,975
Utilities expense	2,337	2,258	2,804	2,182	2,508
Repairs & maintenance expense	2,022	2,011	2,046	2,175	1,934
Marketing expense	1,660	1,633	1,777	1,769	1,584
Insurance expense	803	783	774	775	757
Other property operating expenses	3,846	3,833	3,676	3,706	3,631
Total property operating expenses	25,738	24,509	25,808	25,052	25,219
Net operating income	\$ 58,778	\$ 60,355	\$ 60,422	\$ 58,907	\$ 56,799
Net operating income margin	69.5 %	71.1 %	70.1 %	70.2 %	69.3 %
Occupancy at period end	87.1 %	87.2 %	89.3 %	90.8 %	88.5 %
Average occupancy	87.2 %	88.1 %	90.1 %	89.5 %	87.5 %
Average annualized rental revenue per occupied square foot	\$ 12.34	\$ 12.27	\$ 12.19	\$ 11.94	\$ 11.98

Supplemental Schedule 9

Reconciliation of Same Store Data and Net Operating Income to Net Income

(dollars in thousands) (unaudited)

	1Q 2020	4Q 2019	3Q 2019	2Q 2019	1Q 2019
Rental revenue					
Same store portfolio	\$ 81,609	\$ 82,059	\$ 83,320	\$ 81,038	\$ 79,338
Non-same store portfolio	13,793	10,024	9,426	6,137	3,517
Total rental revenue	95,402	92,083	92,746	87,175	82,855
Other property-related revenue					
Same store portfolio	2,907	2,805	2,910	2,921	2,680
Non-same store portfolio	464	328	307	207	144
Total other property-related revenue	3,371	3,133	3,217	3,128	2,824
Property operating expenses					
Same store portfolio	25,738	24,509	25,808	25,052	25,219
Non-same store portfolio	4,854	3,203	3,180	2,138	1,238
Total property operating expenses	30,592	27,712	28,988	27,190	26,457
Net operating income	68,181	67,504	66,975	63,113	59,222
Management fees and other revenue	5,449	5,352	5,374	5,116	4,893
General and administrative expenses	(11,094)	(11,566)	(11,271)	(10,813)	(10,380)
Depreciation and amortization	(29,105)	(27,343)	(27,598)	(25,829)	(24,349)
Other	(389)	(40)	(768)	(357)	(386)
Interest expense	(15,628)	(14,874)	(14,432)	(13,947)	(13,211)
Equity in losses of unconsolidated real estate ventures	(340)	(8)	(1,214)	(1,646)	(2,102)
Acquisition costs	(833)	(534)	(321)	(305)	(157)
Non-operating (expense) income	(192)	727	(8)	(169)	(98)
Gain on sale of self storage properties	—	—	—	2,814	—
Income tax expense	(286)	(392)	(223)	(244)	(492)
Net Income	\$ 15,763	\$ 18,826	\$ 16,514	\$ 17,733	\$ 12,940



Supplemental Schedule 10

Selected Financial Information

(dollars in thousands, except per square foot data) (unaudited)

	Three Months Ended March 31,	
	2020	2019
Average Annualized Rental Revenue Per Occupied Square Foot		
Same store	\$ 12.34	\$ 11.98
Total consolidated portfolio	12.31	12.00
Average Occupancy		
Same store	87.2 %	87.5 %
Total consolidated portfolio	86.7 %	87.2 %
Total Consolidated Portfolio Capital Expenditures		
Recurring capital expenditures	\$ 1,677	\$ 2,159
Value enhancing capital expenditures	897	945
Acquisitions capital expenditures	2,331	1,993
Total consolidated portfolio capital expenditures	\$ 4,905	\$ 5,097
Property Operating Expenses Detail		
Store payroll and related costs	\$ 9,591	\$ 8,265
Property tax expense	8,229	7,235
Utilities expense	2,734	2,623
Repairs & maintenance expense	2,326	2,014
Marketing expense	2,012	1,645
Insurance expense	1,057	816
Other property operating expenses	4,643	3,859
Property operating expenses on the Company's statements of operations	\$ 30,592	\$ 26,457
General and Administrative Expenses Detail		
Supervisory and administrative expenses	\$ 5,319	\$ 4,680
Equity-based compensation expense	774	1,112
Other general and administrative expenses	5,001	4,588
General and administrative expenses on the Company's statements of operations	\$ 11,094	\$ 10,380

Glossary

This Earnings Release and Supplemental Financial Information includes certain financial and operating measures used by NSA management that are not calculated in accordance with accounting principles generally accepted in the United States, or GAAP. NSA's definitions and calculations of these non-GAAP financial and operating measures and other terms may differ from the definitions and methodologies used by other real estate companies and, accordingly, may not be comparable. These non-GAAP financial and operating measures should not be considered an alternative to GAAP net income or any other GAAP measurement of performance and should not be considered an alternative measure of liquidity.

2016 JOINT VENTURE: NSA's 2016 Joint Venture was formed in 2016 with a major state pension fund advised by Heitman Capital Management LLC. NSA's ownership in the 2016 Joint Venture is 25% and NSA earns customary fees for managing and operating the 2016 Joint Venture properties. In connection with the 2016 Joint Venture's acquisition of an initial portfolio of self storage properties, NSA separately acquired the property management platform related to the initial portfolio, including a property management company, a captive insurance company, and related intellectual property, including the iStorage brand, under which NSA's management platform operates the 2016 Joint Venture.

2018 JOINT VENTURE: NSA's 2018 Joint Venture was formed in 2018 with an affiliate of Heitman America Real Estate REIT LLC to acquire a portfolio of over 100 self storage properties. NSA's ownership in the 2018 Joint Venture is 25% and NSA earns customary fees for managing and operating the 2018 Joint Venture properties. Substantially all of the 2018 Joint Venture properties are operated by NSA's management platform under NSA's iStorage brand.

AVERAGE ANNUALIZED RENTAL REVENUE PER OCCUPIED SQUARE FOOT: Average annualized rental revenue per occupied square foot is computed by dividing annualized rental revenue (including fees and net of any discounts and uncollectible customer amounts) by average occupied square feet.

AVERAGE OCCUPANCY: Average occupancy is calculated based on the average of the month-end occupancy immediately preceding the period presented and the month-end occupancies included in the respective period presented.

CAPITAL EXPENDITURES DEFINITIONS

ACQUISITIONS CAPITAL EXPENDITURES: Acquisitions capital expenditures represents the portion of capital expenditures capitalized during the current period that were identified and underwritten prior to a property's acquisition.

RECURRING CAPITAL EXPENDITURES: Recurring capital expenditures represents the portion of capital expenditures that are deemed to replace the consumed portion of acquired capital assets and extend their useful lives.

VALUE ENHANCING CAPITAL EXPENDITURES: Value enhancing capital expenditures represents the portion of capital expenditures that are made to enhance the revenue and value of an asset from its original purchase condition.

EBITDA: NSA defines EBITDA as net income (loss), as determined under GAAP, plus interest expense, loss on early extinguishment of debt, income taxes, depreciation and amortization expense and the Company's share of unconsolidated real estate venture depreciation and amortization. NSA defines **ADJUSTED EBITDA** as EBITDA plus acquisition costs, organizational and offering expenses, equity-based compensation expense, losses on sale of properties and impairment of long-lived assets, minus gains on sale of properties and debt forgiveness, and after adjustments for unconsolidated partnerships and joint ventures. These further adjustments eliminate the impact of items that the Company does not consider indicative of its core operating performance. In evaluating EBITDA and Adjusted EBITDA, you should be aware that in the future the Company may incur expenses that are the same as or similar to some of the adjustments in this presentation. NSA's presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that its future results will be unaffected by unusual or non-recurring items.

NSA presents EBITDA and Adjusted EBITDA because the Company believes they assist investors and analysts in comparing the Company's performance across reporting periods on a consistent basis by excluding items that the Company does not believe are indicative of its core operating performance. EBITDA and Adjusted EBITDA have limitations as an analytical tool. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect the Company's cash expenditures, or future requirements, for capital expenditures, contractual commitments or working capital needs;
- EBITDA and Adjusted EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on the Company's debts;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements;
- Adjusted EBITDA excludes equity-based compensation expense, which is and will remain a key element of the Company's overall long-term incentive compensation package, although the Company excludes it as an expense when evaluating its ongoing operating performance for a particular period;
- EBITDA and Adjusted EBITDA do not reflect the impact of certain cash charges resulting from matters the Company considers not to be indicative of its ongoing operations; and
- other companies in NSA's industry may calculate EBITDA and Adjusted EBITDA differently than NSA does, limiting their usefulness as comparative measures.

NSA compensates for these limitations by considering the economic effect of the excluded expense items independently as well as in connection with the Company's analysis of net income (loss). EBITDA and Adjusted EBITDA should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP, such as total revenues and net income (loss).

FUNDS FROM OPERATIONS: Funds from operations, or FFO, is a widely used performance measure for real estate companies and is provided here as a supplemental measure of the Company's operating performance. The December 2018 Nareit Funds From Operations White Paper - 2018 Restatement, which the Company refers to as the White Paper, defines FFO as net income (as determined under GAAP), excluding: real estate depreciation and amortization, gains and losses from the sale of certain real estate assets, gains and losses from change in control, mark-to-market changes in value recognized on equity securities, impairment write-downs of certain real estate assets and impairment of investments in entities when it is directly attributable to decreases in the value of depreciable real estate held by the entity and after items to record unconsolidated partnerships and joint ventures on the same basis. Distributions declared on subordinated performance units and DownREIT subordinated performance units represent NSA's allocation of FFO to noncontrolling interests held by subordinated performance unitholders and DownREIT subordinated performance unitholders. For purposes of calculating FFO attributable to common shareholders, OP unitholders, and LTIP unitholders, NSA excludes distributions declared on subordinated performance units, DownREIT subordinated performance units, preferred shares and preferred units. NSA defines **CORE FFO** as FFO, as further adjusted to eliminate the impact of certain items that the Company does not consider indicative of its core operating performance. These further adjustments consist of acquisition costs, organizational and offering costs, gains on debt forgiveness, gains (losses) on early extinguishment of debt, and after adjustments for unconsolidated partnerships and joint ventures.

Management uses FFO and Core FFO as key performance indicators in evaluating the operations of NSA's properties. Given the nature of NSA's business as a real estate owner and operator, the Company considers FFO and Core FFO as key supplemental measures of its operating performance that are not specifically defined by GAAP. NSA believes that FFO and Core FFO are useful to management and investors as a starting point in measuring the Company's operational performance because FFO and Core FFO exclude various items included in net income (loss) that do not relate to or are not indicative of the Company's operating performance such as gains (or losses) from sales of self storage properties and depreciation, which can make periodic and peer analyses of operating performance more difficult. NSA's computation of FFO and Core FFO may not be comparable to FFO reported by other REITs or real estate companies.

FFO and Core FFO should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP, such as total revenues, operating income and net income (loss). FFO and Core FFO do not represent cash generated from operating activities determined in accordance with GAAP and are not a measure of liquidity or an indicator of NSA's ability to make cash distributions. NSA believes that to further understand the Company's performance, FFO and Core FFO should be compared with the Company's reported net income (loss) and considered in addition to cash flows computed in accordance with GAAP, as presented in the Company's consolidated financial statements.

HYPOTHETICAL LIQUIDATION AT BOOK VALUE METHOD: In accordance with GAAP, the Company allocates income (loss) utilizing the hypothetical liquidation at book value ("HLBV") method, in which the Company allocates

income or loss based on the change in each unitholders' claim on the net assets of the Company's operating partnership at period end after adjusting for any distributions or contributions made during such period. The Company uses this method because of the difference between the distribution rights and priorities set forth in the operating partnership's Agreement of Limited Partnership and what is reflected by the underlying percentage ownership interests of the unitholders.

The HLBV method is a balance sheet-focused approach to income (loss) allocation. A calculation is prepared at each balance sheet date to determine the amount that unitholders would receive if the operating partnership were to liquidate all of its assets (at GAAP net book value) and distribute the resulting proceeds to its creditors and unitholders based on the contractually defined liquidation priorities. The difference between the calculated liquidation distribution amounts at the beginning and the end of the reporting period, after adjusting for capital contributions and distributions, is used to derive each unitholder's share of the income (loss) for the period. Due to the stated liquidation priorities and because the HLBV method incorporates non-cash items such as depreciation expense, in any given period, income or loss may be allocated disproportionately to unitholders as compared to their respective ownership percentage in the operating partnership, and net income (loss) attributable to National Storage Affiliates Trust could be more or less net income than actual cash distributions received and more or less income or loss than what may be received in the event of an actual liquidation. Additionally, the HLBV method could result in net income (or net loss) attributable to National Storage Affiliates Trust during a period when the Company reports consolidated net loss (or net income), or net income (or net loss) attributable to National Storage Affiliates Trust in excess of the Company's consolidated net income (or net loss). The computations of basic and diluted earnings (loss) per share may be materially affected by these disproportionate income (loss) allocations, resulting in volatile fluctuations of basic and diluted earnings (loss) per share. Readers and investors are cautioned not to place undue reliance on NSA's income (loss) allocations or earnings (loss) per share without considering the effects described above, including the effect that depreciation and amortization have on income (loss), net book value and the application of the HLBV method.

LONG-TERM INCENTIVE PLAN UNITS: Long-term incentive plan units, or LTIP units, are a special class of partnership interest in NSA's operating partnership that allow the holder to participate in the ordinary and liquidating distributions received by holders of the operating partnership units (subject to the achievement of specified levels of profitability by our operating partnership or the achievement of certain events). Upon vesting, and after achieving parity with operating partnership units, vested LTIP units may be converted into an equal number of operating partnership units, and thereafter have all the rights of operating partnership units, including redemption rights.

NET DEBT TO ANNUALIZED CURRENT QUARTER ADJUSTED EBITDA: NSA calculates net debt to Adjusted EBITDA as total debt (inclusive of \$6.3 million of fair value of debt adjustments and \$11.3 million of debt issuance costs) less cash and cash equivalents, divided by annualized current quarter Adjusted EBITDA.

NET OPERATING INCOME: Net operating income, or NOI, represents rental revenue plus other property-related revenue less property operating expenses. NOI is not a measure of performance calculated in accordance with GAAP.

NSA believes NOI is useful to investors in evaluating the Company's operating performance because:

- NOI is one of the primary measures used by NSA's management and the Company's PROs to evaluate the economic productivity of the Company's properties, including the Company's ability to lease its properties, increase pricing and occupancy and control the Company's property operating expenses;
- NOI is widely used in the real estate industry and the self storage industry to measure the performance and value of real estate assets without regard to various items included in net income that do not relate to or are not indicative of operating performance, such as depreciation and amortization, which can vary depending upon accounting methods, the book value of assets, and the impact of NSA's capital structure; and
- NSA believes NOI helps the Company's investors to meaningfully compare the results of its operating performance from period to period by removing the impact of the Company's capital structure (primarily interest expense on the Company's outstanding indebtedness) and depreciation of the cost basis of NSA's assets from its operating results.

There are material limitations to using a non-GAAP measure such as NOI, including the difficulty associated with comparing results among more than one company and the inability to analyze certain significant items, including depreciation and interest expense, that directly affect the Company's net income (loss). NSA compensates for these limitations by considering the economic effect of the excluded expense items independently as well as in connection with the Company's analysis of net income (loss). NOI should be considered in addition to, but not as a

substitute for, other measures of financial performance reported in accordance with GAAP, such as total revenues and net loss.

NET OPERATING INCOME MARGIN: The ratio of NOI divided by total rental and other property-related revenue.

NON-SAME STORE PORTFOLIO: Non-same store portfolio comprises those properties that do not meet the Same Store portfolio property definition.

OCCUPANCY AT PERIOD END: Represents total occupied rentable square feet divided by total rentable square feet at period end.

OPERATING PARTNERSHIP UNITS: Operating partnership units, or OP Units, are Class A common units of limited partner interest in the Company's operating partnership which are economically equivalent to NSA's common shares. NSA also owns certain of the Company's self storage properties through other consolidated limited partnership subsidiaries of the Company's operating partnership, which the Company refers to as "DownREIT partnerships." The DownREIT partnerships issue certain units of limited partner or limited liability company interest that are intended to be economically equivalent to the Company's OP units, which the Company defines as **DOWNREIT OPERATING PARTNERSHIP UNIT EQUIVALENTS**, or DownREIT OP units.

PROs: Participating regional operators, or "PROs", are NSA's experienced regional self storage operators with local operational focus and expertise. As of March 31, 2020, the Company had nine PROs, Northwest Self Storage, Optivest Properties, Guardian Storage Centers, Move It Self Storage, Storage Solutions, Hide-Away, Personal Mini, Southern Self Storage and Moove In Self Storage. On March 31, 2020, NSA closed on the merger and internalization of the management platform of SecurCare Self Storage, which prior to the merger and internalization was the Company's largest PRO.

RENTABLE SQUARE FEET: Rentable square feet includes all enclosed self storage units but excludes commercial, residential, and covered parking space.

RESTRICTED COMMON SHARES: Restricted common shares are common shares that are subject to restrictions on transferability subject to vesting and such other restrictions. Generally, a participant granted restricted common shares has all of the rights of a shareholder, including, without limitation, the right to vote and the right to receive dividends on the restricted common shares. Holders of restricted common shares are prohibited from selling such shares until they vest.

SAME STORE PORTFOLIO: NSA's same store portfolio 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.

SUBORDINATED PERFORMANCE UNITS: Subordinated performance units, or SP Units, are Class B common units of limited partner interest in the Company's operating partnership. SP units, which are linked to the performance of specific contributed portfolios, are intended to incentivize the Company's PROs to drive operating performance and support the sustainability of the operating cash flow generated by the contributed self storage properties that the PROs continue to manage on NSA's behalf. Because subordinated performance unit holders receive distributions only after portfolio-specific minimum performance thresholds are satisfied, the Company believes SP units play a key role in aligning the interests of the Company's PROs with NSA and the Company's shareholders. The DownREIT partnerships also issue units of limited partner interest that are intended to be economically equivalent to the Company's SP units, which the Company defines as **DOWNREIT SUBORDINATED PERFORMANCE UNIT EQUIVALENTS**, or DownREIT SP units.

Equity Research Coverage

Baird Equity Research

RJ Milligan
813.273.8252

BMO Capital Markets

R. Jeremy Metz
212.885.4053

Capital One Securities, Inc.

Neil Malkin
571.633.8191

Citi Investment Research

Michael Bilerman / Smedes Rose
212.816.1383 / 212.816.6243

Jefferies LLC

Jonathan Petersen / Reuben Treatman
212.284.1705 / 212.323.3307

KeyBanc Capital Markets

Todd Thomas / Jordan Sadler
917.368.2286 / 917.368.2280

Morgan Stanley

Ronald Kamdem
212.296.8319

Stifel

Stephen Manaker / Kevin Stein
212.271.3716 / 212.271.3718

SunTrust Robinson Humphrey

Ki Bin Kim / Ian Gaule
212.303.4124 / 212.590.0948

Wells Fargo Securities, LLC

Todd Stender / Philip Defelice
562.637.1371 / 443.263.6442

