Self-Storage New Supply Update for Top 50 MSAs

December 2017

The Development Opportunity

Deliveries 2010-2014 of an estimated 250-285 facilities (estimated 50-57 per year)

+

Population growth > 1% annually

+

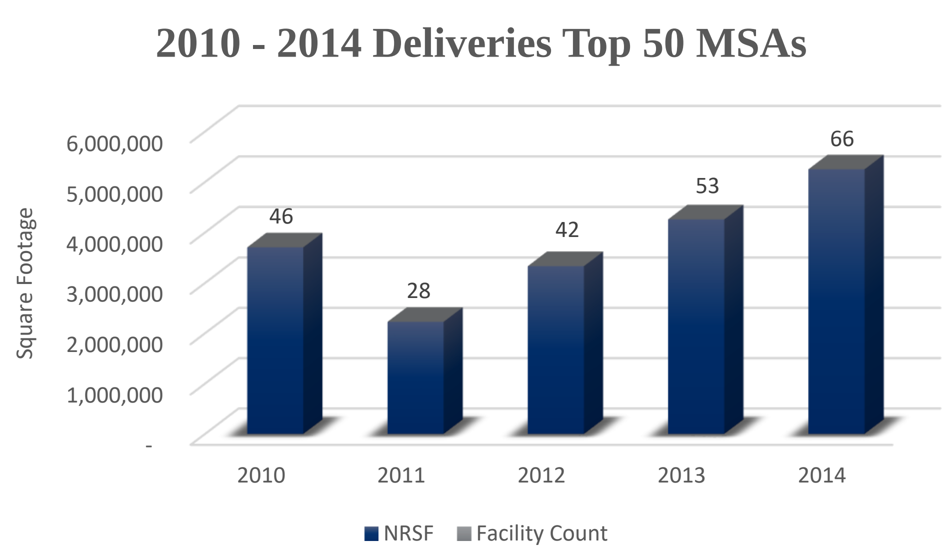
Increased mobility: Millennials

+

Shrinking single family ownership (67.4% in 2009, 63.7% 2015)

=

Unprecedented same store revenue growth 2014 – mid 2016



Source: U.S. Census Bureau

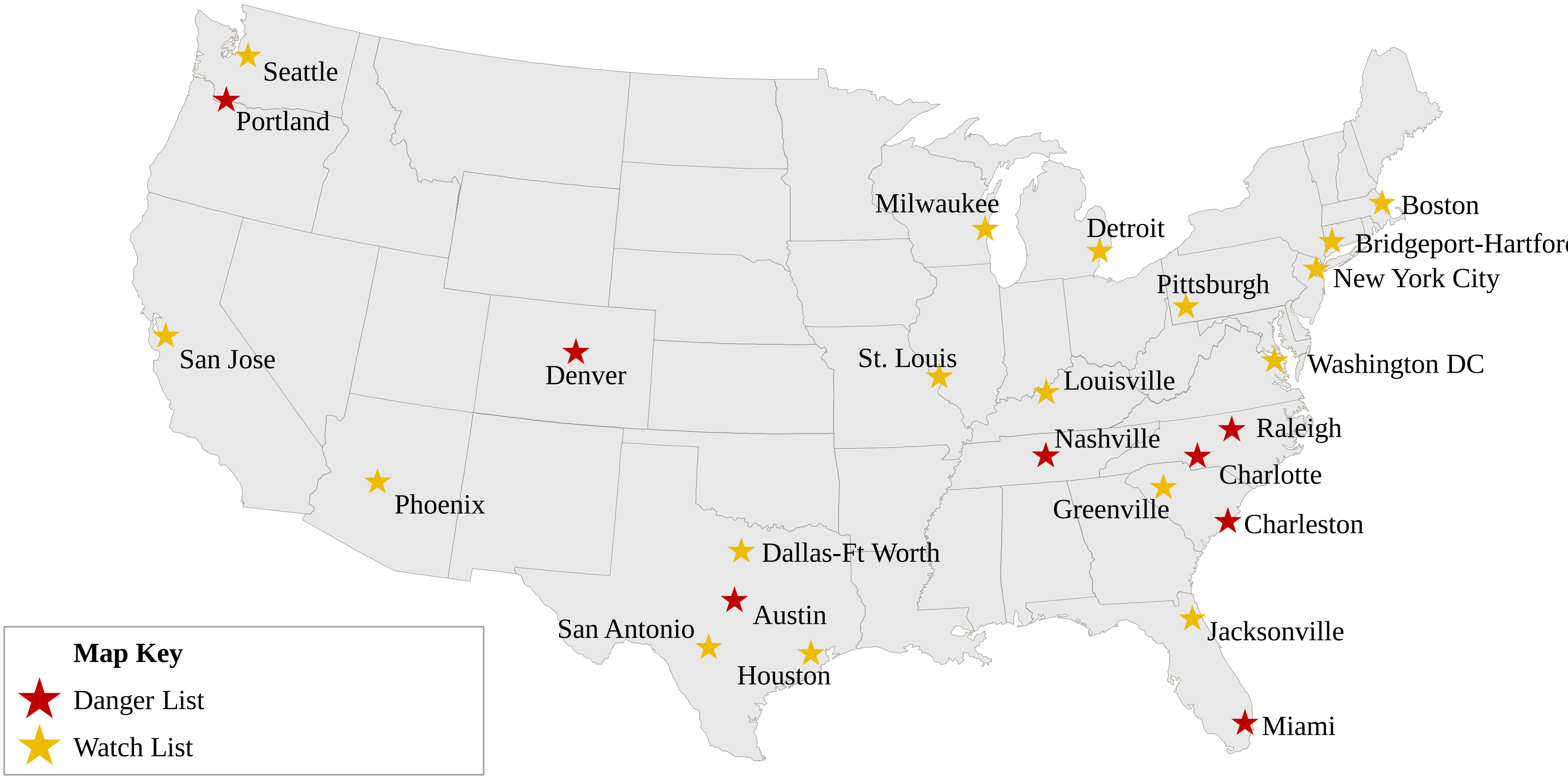
This Development Cycle Differs from Previous Cycles

- Sophisticated vertical construction developer facing enhanced zoning and financing challenges
- Gen V – vertical and climate controlled buildings comparable to new office/multi-family
- Urban core locations following multi-family/retail customers
- Estimated 75% of development is in Top 50 MSAs
- Increased average facility size (estimated average of 80,000 NRSF)
- Increased cost to develop

JCAP Danger and Watch List Definitions

	JCAP Definition
DANGER LIST	Likely to experience higher risk of longer-term absorption issues and 2-3 years of softened rates
WATCH LIST	Likely to experience higher risk of short term absorption issues and moderately softened rates

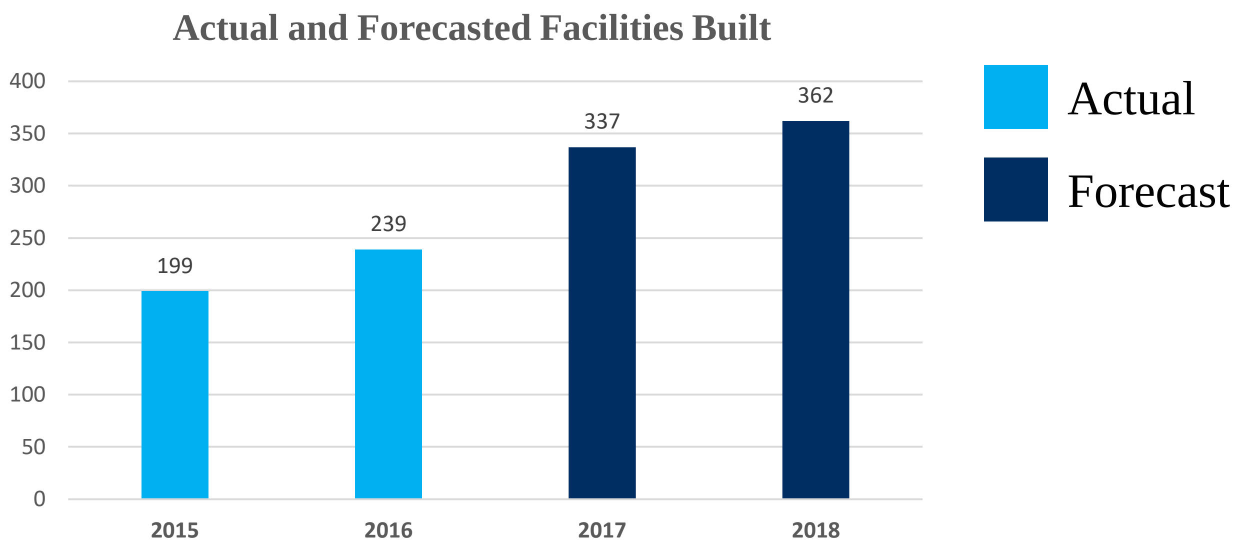
JCAP Danger and Watch List as of September 18, 2017

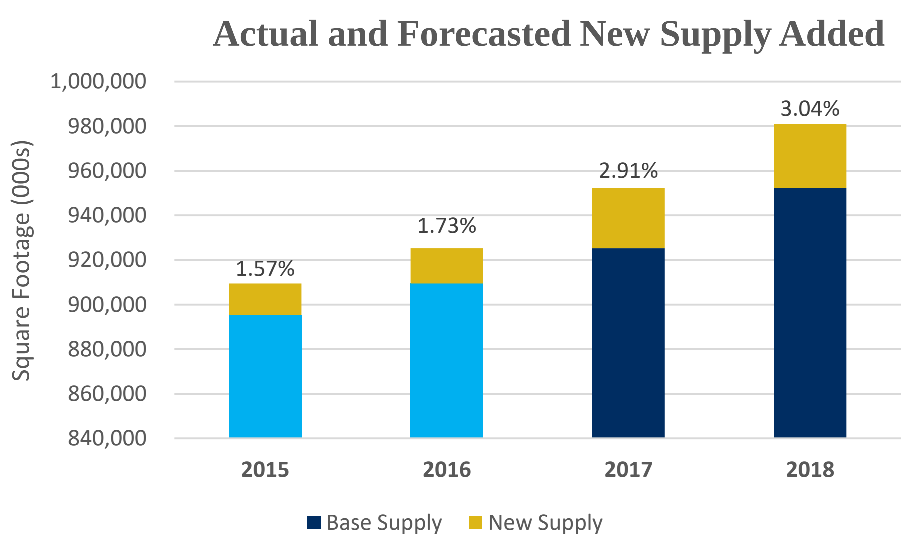


WEIGHTED Square Footage	**100% Under Construction**	**80% Planning**	**50% Prospective**

JERNIGAN Capital

Top 50 MSA New Delivery Forecast as of September 18, 2017





JERNIGAN Capital

Yardi® Matrix Self Storage: Coverage Statistics (12/11)

133 Top US Markets (74 comprise Jernigan Top 50 markets)

> 80% of US pop.

~28k stores

28,410 properties total

26,533 completed stores

1,877 facilities in development pipeline (85% of new supply in Top 50 Jernigan markets)

1.5 billion square feet

Completed inventory of 1.4 billion square feet and 148 million square feet under construction, planned and prospective

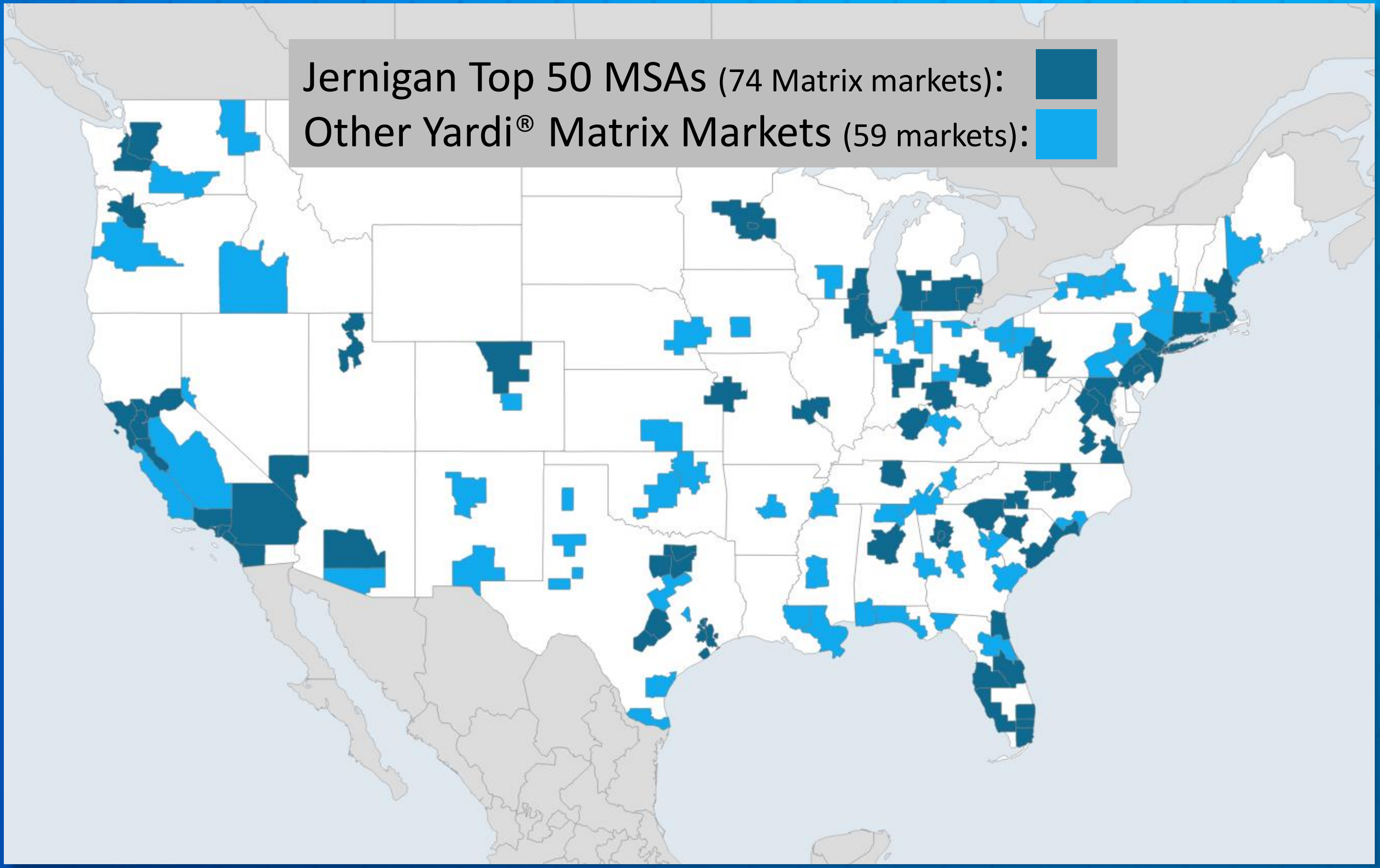
Institutional Research

~45 full-time staff dedicated to surveying, analyzing and publishing research on self storage

Yardi® Matrix Self Storage Heritage

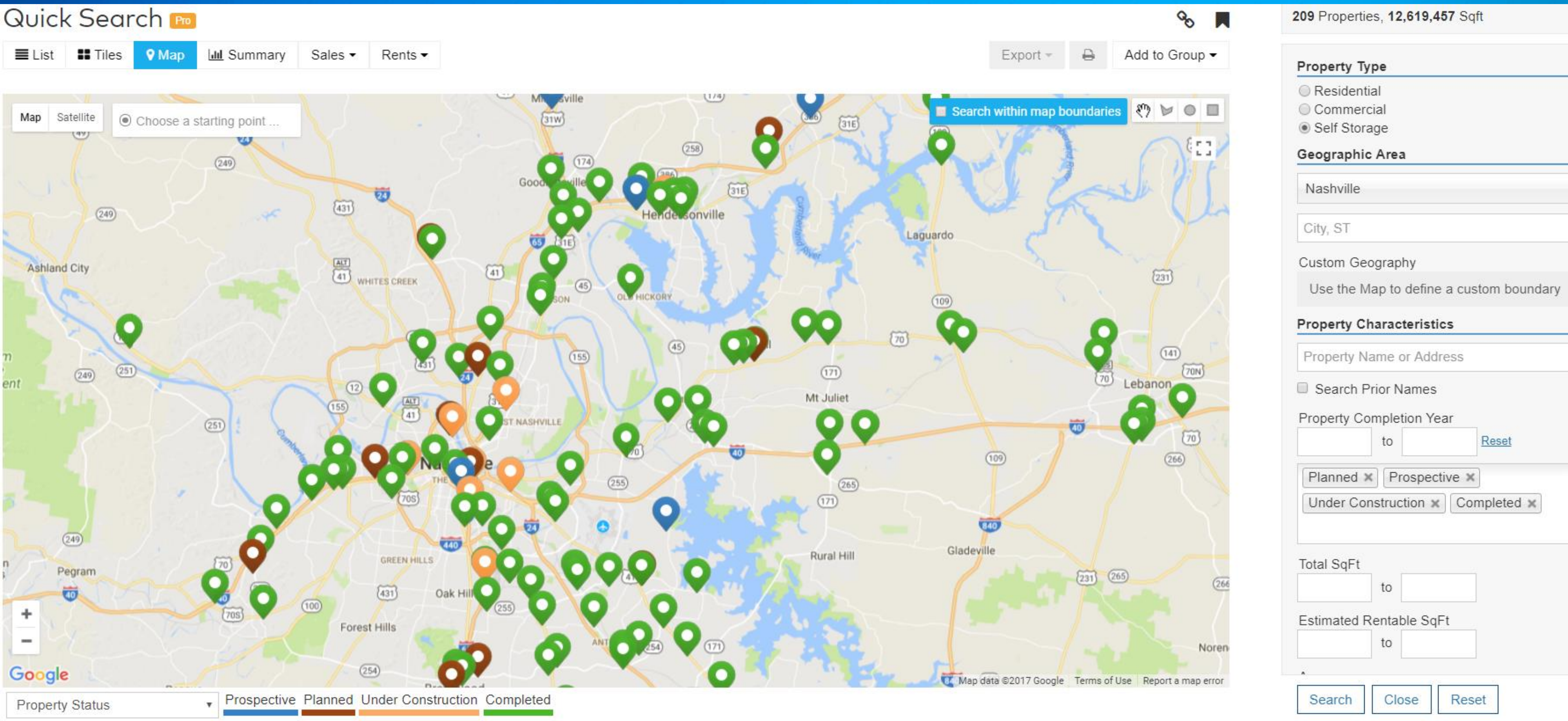
- Precursor Company focused on multifamily founded in 2001
- Acquired by Yardi in 2013
- Self storage expertise obtained via acquisition of Centershift in 2014
- Self storage data product development started in 2014
- Product launched March 2017

Yardi® Matrix Self Storage: Complete Coverage of Urban US



YARDI

The Full Picture: Nashville's Completed Stores & Development Pipeline



Typical Property Record: 1 of 4

Compass Self Storage

Property Details | Parcel Data beta | Notes | Related Reports | Competitive Environment | Download Brochure | Add to Property Group

Storage Unit Breakdown | Property Characteristics | Property Sales | Area Information | Area Map

CMBS Loan

Total SqFt	67,160
Estimated Rentable SqFt [1]	57,086
Address	2825 Saint Johns Bluff Road South Jacksonville, FL 32246
Phone	(904) 515-4855
Improvements Rating	B
Location Rating	C+
Completion Date	January, 2002
Use Type	Self Storage

Owner Groups
Amsdell Companies
Steve Hryszko
(216) 458-0670
1 International Place #220
Cleveland, OH 44135

Manager Groups
Amsdell Companies
Steve Hryszko
(216) 458-0670
1 International Place #220
Cleveland, OH 44135

YARDI

Typical Property Record: 2 of 4

Storage Unit Breakdown

Unit Type	Monthly Rent		Rent per SqFt	
	Low	High	Low	High
5x5	$42.00	$42.00	$1.68	$1.68
5x5 (Climate)	$42.00	$55.00	$1.68	$2.20
5x10	$74.00	$84.00	$1.48	$1.68
5x10	$49.00	$87.00	$0.98	$1.74
5x10 (Climate)	$79.00	$120.00	$1.58	$2.40
10x10	$84.00	$131.00	$0.84	$1.31
10x10	$109.00	$109.00	$1.09	$1.09
10x10 (Climate)	$109.00	$175.00	$1.09	$1.75
10x15	$109.00	$159.00	$0.73	$1.06
10x15 (Climate)	$159.00	$218.00	$1.06	$1.45
10x20	$129.00	$189.00	$0.65	$0.95
10x20 (Climate)	$179.00	$229.00	$0.90	$1.15
10x25	$159.00	$209.00	$0.64	$0.84
10x25 (Climate)	$209.00	$250.00	$0.84	$1.00
10x30	$229.00	$274.00	$0.76	$0.91
10x40	$249.00	$314.00	$0.62	$0.79

Typical Property Record: 3 of 4

Property Characteristics

Common Amenities

- Gate
- Drive-Up Access
- Parking
- RVParking
- Security Camera
- Multi-Story
- Indoor
- Climate Control

Functional Characteristics

- 2 Story
- Estimated Rentable SqFt [1] - 57,086

Other Factors

- CMBS Loan

Services Provided As

- On Site Manager
- Truck Rentals
- Retail Available
- 24 Hour Access

Site Characteristics

- Number of Buildings - 6
- Net Site Size - 3.74 acres
- County - Duval
- Assessors Parcel Number(s) - 163670-0000
  - Assessor/Treasurer

Typical Property Record: 4 of 4

Sales and Loans

Current Loan

Loan Type	Term	Origination Date	Maturity Date	Loan Amount	Interest	Originator	Current Lender	Loan Provider Type
Permanent	10.08 Yr	03/31/2014	04/06/2024	$4,520,000		Citibank	U.S. Bank	CMBS

Sales History

Sale Date	Sale Price	Price Per SqFt	Loan Amount	Loan Maturity Date	Buyer	Seller
2014-03	$3,250,000	$48.39	$4,520,000	04/06/2024	Amsdell Companies	Blanchard, Clayton H. Jr.

- Current Loan: The 03/14 sale was subject to a $4,520,000 loan, dated 03/31/2014, held by U.S. Bank, due date 04/06/2024.

YARDI

How We Got Here: Raw Data Collected & Curated

Where Do We Get Our New Supply Data? Original Research Sources and Methods at Yardi® Matrix: 100% of Stores Confirmed

PRIMARY:
Plans Directly from builders and municipalities

SECONDARY:
Published news about developments

TERTIARY:
Direct updates from properties

Exhaustive Sourcing & 100% Confirmed

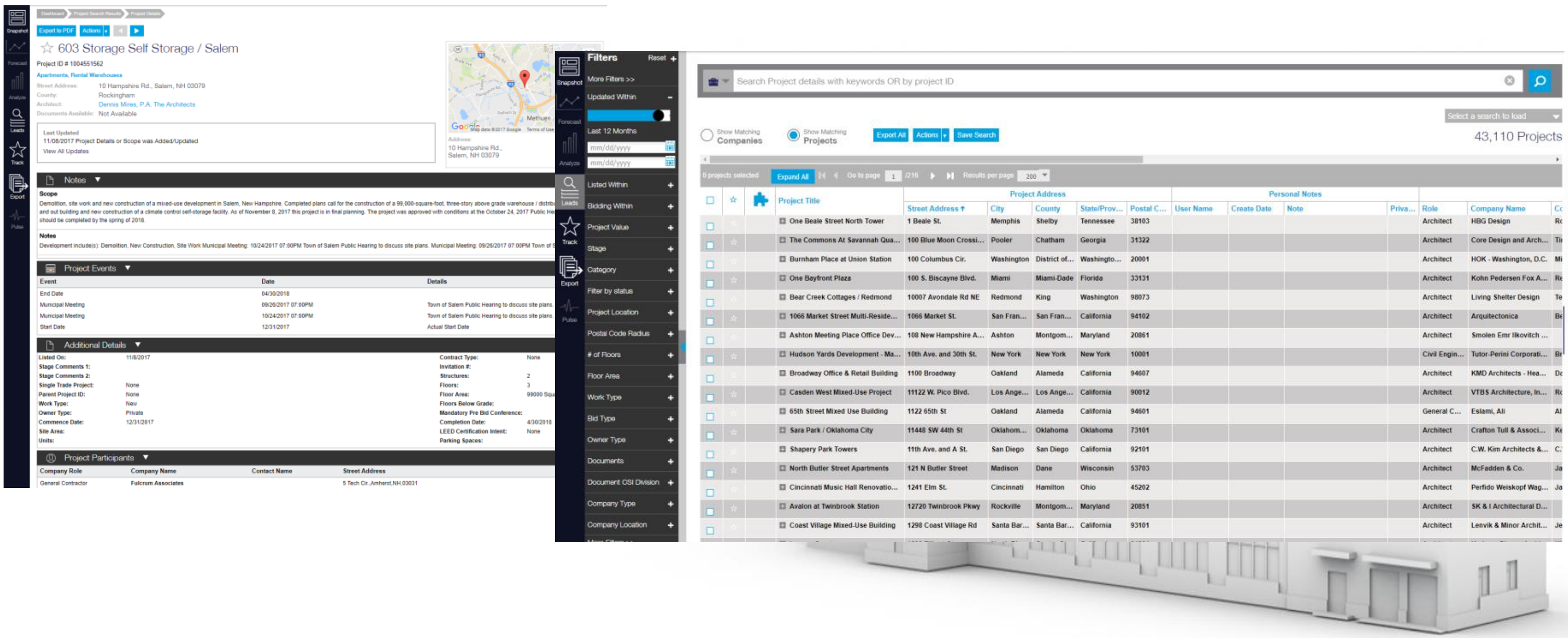
Sources and Methods – 21 Team Members

Lead Generation

Lead Review

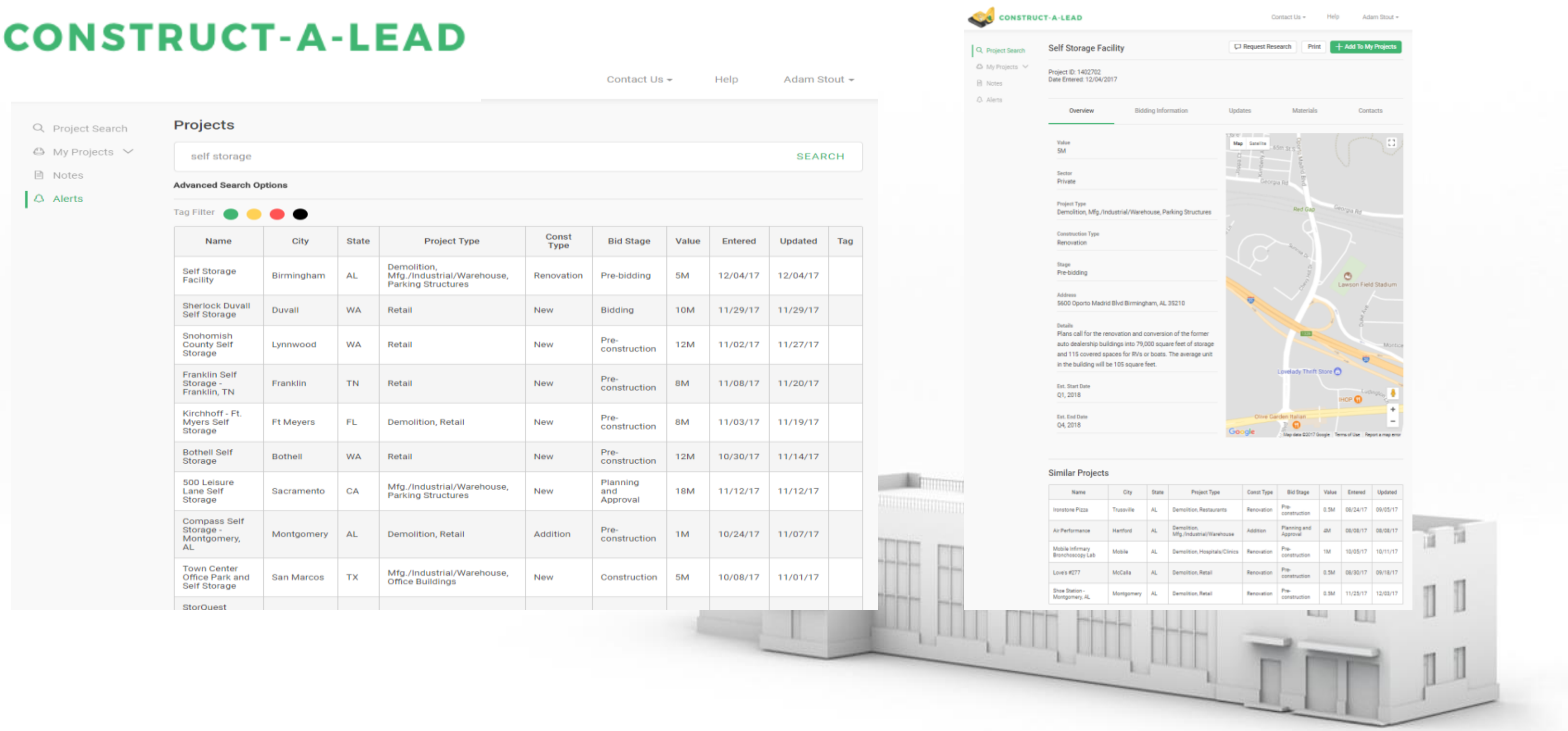
Cycling

New Supply Data - Generating Leads (Primary)



New Supply Data - Generating Leads (Primary)

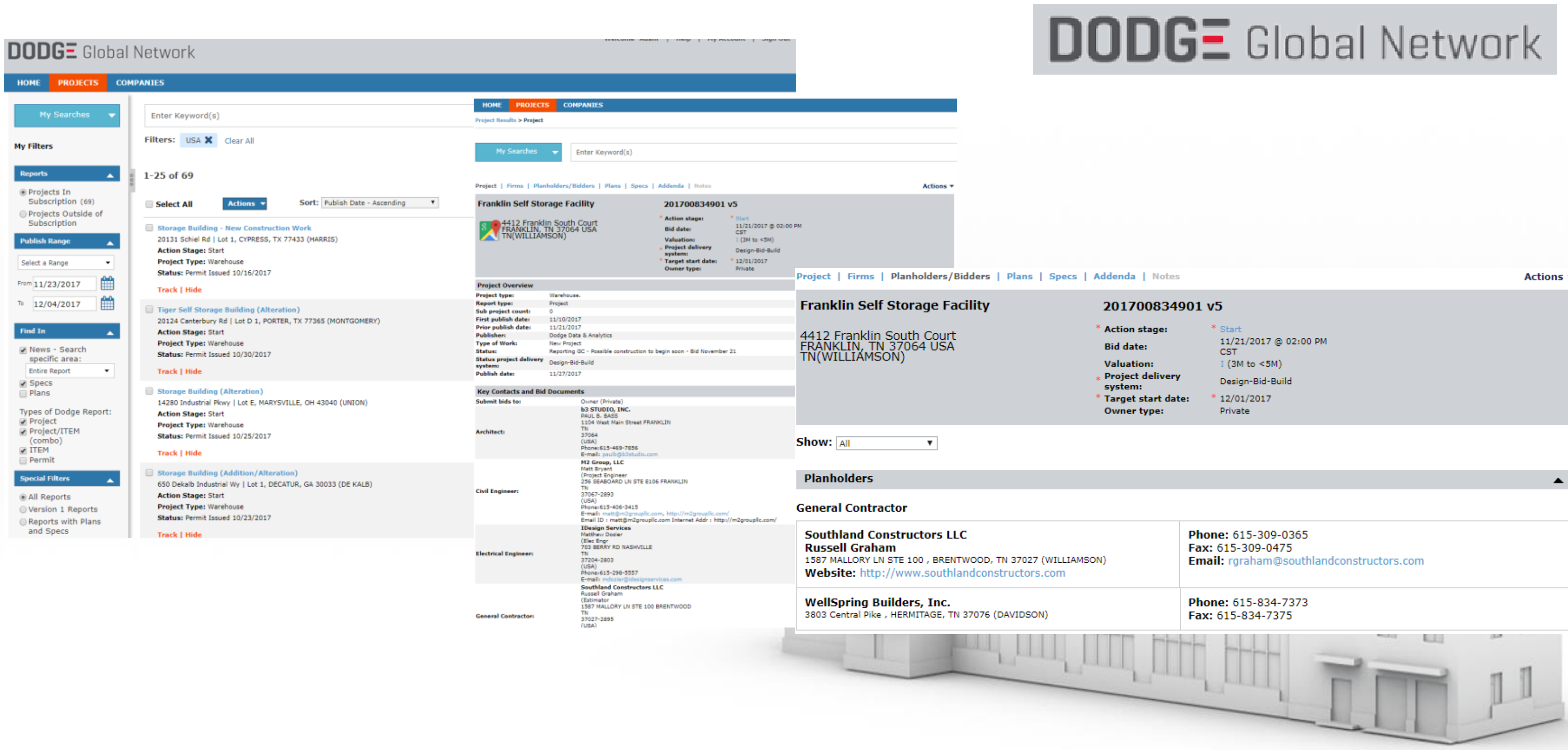
CONSTRUCT-A-LEAD



Name	City	State	Project Type	Const Type	Bid Stage	Value	Entered	Updated	Tag
Self Storage Facility	Birmingham	AL	Demolition, Mfg./Industrial/Warehouse, Parking Structures	Renovation	Pre-bidding	5M	12/04/17	12/04/17	
Sherlock Duvall Self Storage	Duvall	WA	Retail	New	Bidding	10M	11/29/17	11/29/17	
Snohomish County Self Storage	Lynnwood	WA	Retail	New	Pre-construction	12M	11/02/17	11/27/17	
Franklin Self Storage - Franklin, TN	Franklin	TN	Retail	New	Pre-construction	8M	11/08/17	11/20/17	
Kirchhoff - Ft. Myers Self Storage	Ft Meyers	FL	Demolition, Retail	New	Pre-construction	8M	11/03/17	11/19/17	
Bothell Self Storage	Bothell	WA	Retail	New	Pre-construction	12M	10/30/17	11/14/17	
500 Leisure Lane Self Storage	Sacramento	CA	Mfg./Industrial/Warehouse, Parking Structures	New	Planning and Approval	18M	11/12/17	11/12/17	
Compass Self Storage - Montgomery, AL	Montgomery	AL	Demolition, Retail	Addition	Pre-construction	1M	10/24/17	11/07/17	
Town Center Office Park and Self Storage	San Marcos	TX	Mfg./Industrial/Warehouse, Office Buildings	New	Construction	5M	10/08/17	11/01/17	
StorQuest									

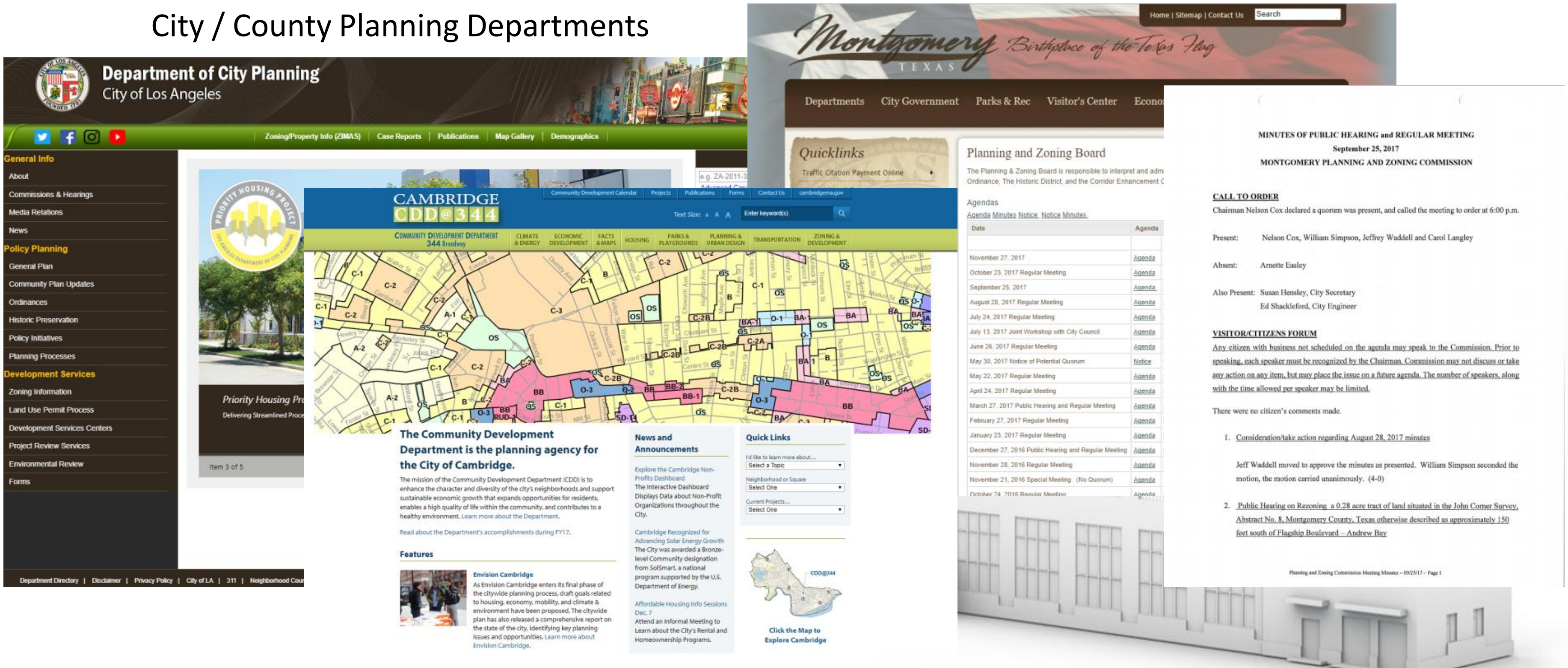
Name	City	State	Project Type	Const Type	Bid Stage	Value	Entered	Updated
Ironstone Pizza	Trussville	AL	Demolition, Restaurants	Renovation	Pre-construction	0.5M	08/24/17	09/05/17
Air Performance	Hartford	AL	Demolition, Mfg./Industrial/Warehouse	Addition	Planning and Approval	4M	08/08/17	08/08/17
Mobile Infirmary Bronchoscopy Lab	Mobile	AL	Demolition, Hospitals/Clinics	Renovation	Pre-construction	1M	10/05/17	10/11/17
Love's #277	McCalla	AL	Demolition, Retail	Renovation	Pre-construction	0.5M	08/30/17	09/18/17
Shoe Station - Montgomery, AL	Montgomery	AL	Demolition, Retail	Renovation	Pre-construction	0.5M	11/25/17	12/03/17

New Supply Data - Generating Leads (Primary)



New Supply Data - Generating Leads (Primary)

City / County Planning Departments



New Supply Data - Generating Leads (Secondary)

- Builders Websites
- Brokers
- Industry Articles obtained from proprietary search engine
- Targeted Google Searches

New Supply - Generating Leads - Tertiary Sources

Market Maintenance Reviews / Cycling:

- Often, we are alerted to new deals, expansions, or renovations when reviewing new supply as well as existing properties.

Construction or Lease Up Phase:

- Rate reviews, find properties under construction and alert us to more accurate completion dates.

Data Sharing Agreements:

- Many of the large developers and investors provide us data, with which we validate and confirm before adding to the pipeline.

YARDI

Generating Leads - Mistakes & Lessons Learned

Mistakes:

Counting every lead as valid.

- 1 in every 4 leads is not a valid property in the supply pipeline.

Trusting public documents and systems to give the properties true status.

- Because every public system and process is different, the only sure way to know the status of a property is to validate it with a person who knows about the project. Public documentation is not enough.

Relying too much on third party providers.

- Only by covering all resources for each market, can you get a comprehensive view of the true market pipeline.

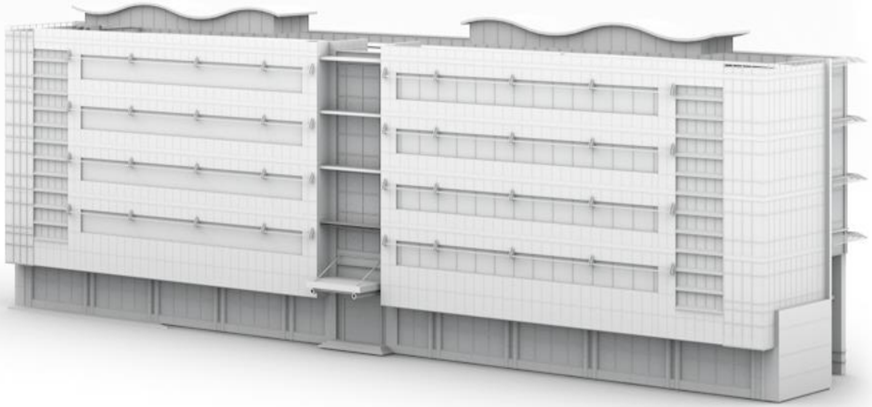
Generating Leads - Mistakes & Lessons Learned

Lessons Learned:

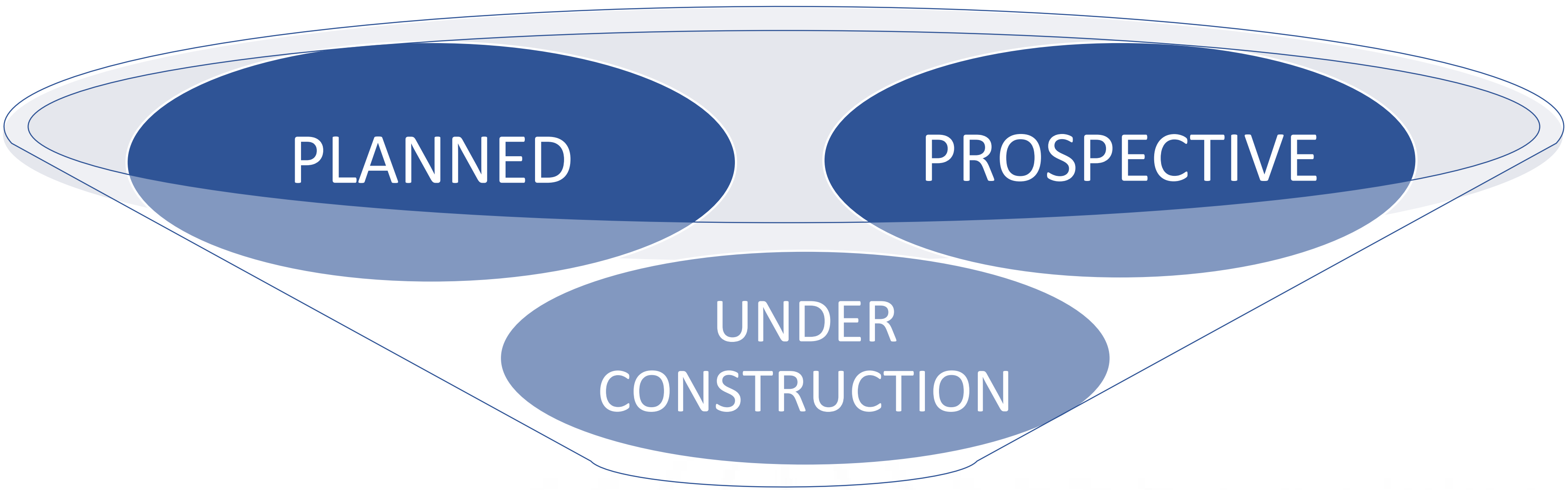
- To define valid leads by stakeholder verification of public or private documentation.
- To never assume information from any lead is correct.
- To be much more efficient and methodical in our questioning process.
- That there is no silver bullet when it comes to lead resources.
- Some leads just can’t be found until later in the process.

Lead Review

- Primary objectives:
  - Validate that there is actionable evidence of an entity's intent to create new self-storage.
  - Validate what part of the process the property is in.
  - Assign a valid status.



Filling the New Supply Funnel: 3 Development Statuses



TOTAL DEVELOPMENT PIPELINE

Lead Review - Statuses

Under Construction:

Construction of the facility has commenced. Construction should not be confused with site work (the grading of the site, laying underground utilities) which does not qualify as Under Construction. Site work can take anywhere from a few months to several years for large mixed-use developments. Note that large mixed-use developments may include multiple components (office, retail, etc.) but we only consider a property to be Under Construction when the self-storage improvements are being built.

The beginning of construction is typically identified by reviewing permits. Permit information typically includes the names of the property owner, developer(s), and contractor(s), contact phone numbers, as well as the name of the development itself. A property remains Under Construction until the final Certificate of Occupancy has been issued as determined by a call to the development or issuing authority.

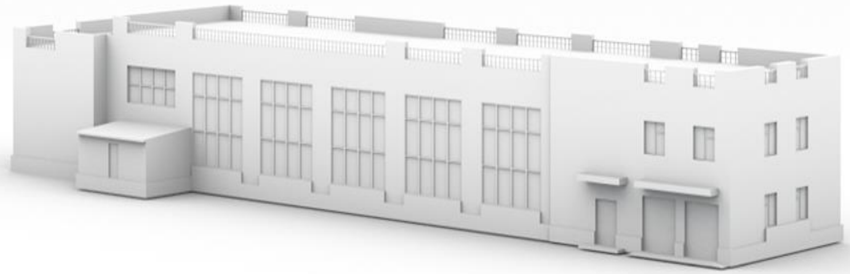
Planned:

A site has been acquired, building plans are being drawn, and the developer is actively moving through the development process. A Prospective development moves into the Planned stage when a zoning application is approved, or active planning is under way with an architect, a site plan has been completed, and unit mix and size have been determined. Construction on Planned properties should be anticipated to begin within the next 12 months.

Prospective:

A developer acquires a site and enters an active zoning change/municipal approval process. No definite plans have been made, or will begin, until the zoning process is complete and the development is authorized. There may be conceptual plans outlined by the developer which may change significantly if approval is received.

Or…Construction of the facility will not commence for one year. The developer may have city approval but the start date has been delayed for some reason. Redevelopment of an existing facility is an example where approval may have been received but the start of construction could be several years out.



Lead Review - Statuses

Abandoned:

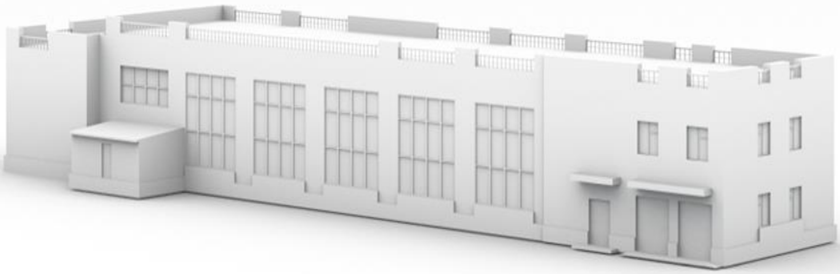
Where active zoning or site plans have been drawn up, or even grading or construction has started, but for whatever reason, the deal falls through and there is supporting evidence that the deal will not continue to be pursued.

Deferred:

When active plans are being pursued to build but for whatever reason, the project is halted for an extended length of time.

Pending:

During our lead review process, there are many leads that don't qualify for a status because there is not enough concrete evidence that they have taken actionable steps to make the deal a reality. We keep a separate list of these properties to follow up with, but we do not publish whispers in Matrix, only what's happening or what we can project is going to come to fruition with a higher degree of confidence.



Lead Review – Build Types

New Build:

Properties that are being built new from the ground up. These can include land where an existing structure is demolished in order to make way for the new structure.

Expansion:

Properties that are expanding square footage of an existing structure or that are adding separate square footage to their operational location.

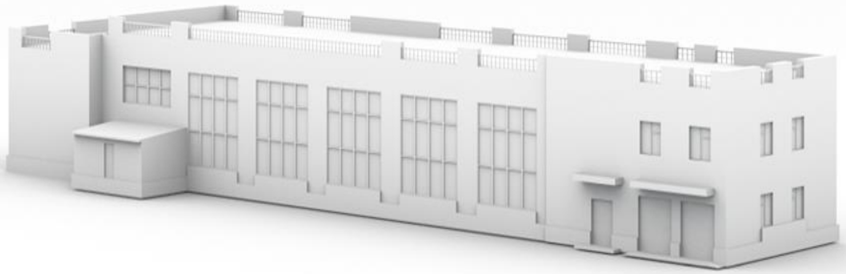
Renovation:

Properties that are altering the existing structure to increase rentable square footage or make the space more appealing to increase value.

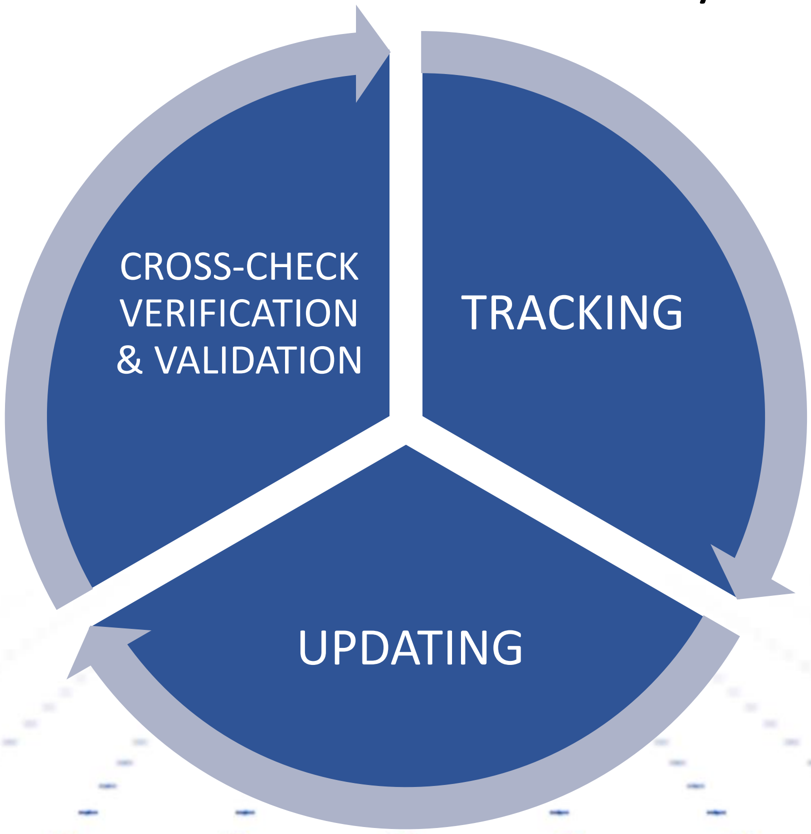
Conversion:

Existing structures that were not originally designed to accommodate rentable self-storage space. Properties that are being altered in structure to add net rentable square footage in the self-storage space.

Validated by Call



Commitment to Constant Curation: Cycling the Updates

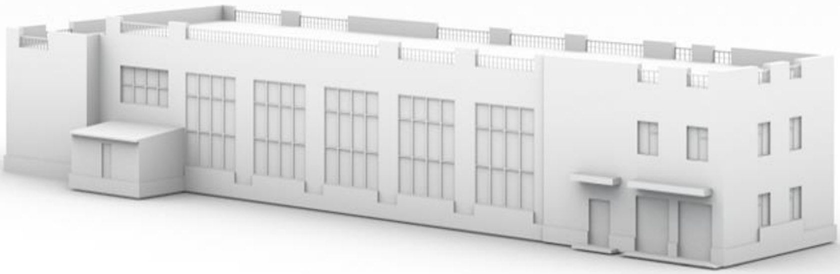


Cycling Timelines:

Under Construction	30 Days
Planned	60 Days
Prospective	90 Days
Deferred	As Needed
Pending	As Needed

Quality Assurance Cross-Checks:

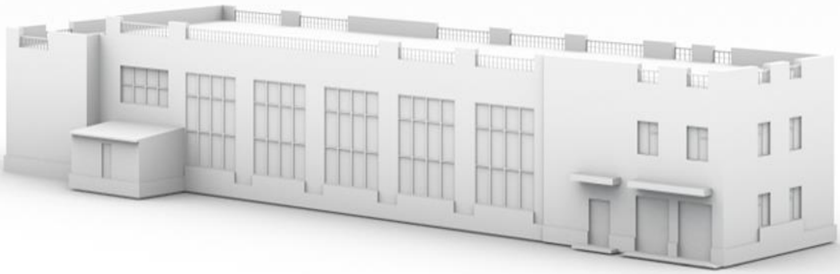
1) Validate status with Stakeholder
2) Validate supporting documents
3) Visual Validation (Maps/Locals)



Refining the Process

What We Have Done:

- Compared data against local market experts
- Compared data against large developers
- Compared against mortgage REITS
- Compared against lending REITS
- …and a variety of other sources



Refining the Process

What We Have Found:

- There are large discrepancies of how everyone defines their data (geography, statuses, whispers, site plans, funding, bids, etc…)
- The geographical boundaries are in many cases different.
- Comparable data sets were often outdated and stale, having properties fallen through over a year ago or properties completed but not removed as new supply.
- Many records were only rumored with no supporting evidence.

Refining the Process

What We Have Learned:

- How to focus on leads that will most likely come to market.
- How to better define properties within the new supply pipeline.
- The optimal timeline to cycle properties to keep data current.
- How to find, validate and maintain an ever evolving pipeline.

Finishing Up - New Supply Property Record

Other Information We Collect:

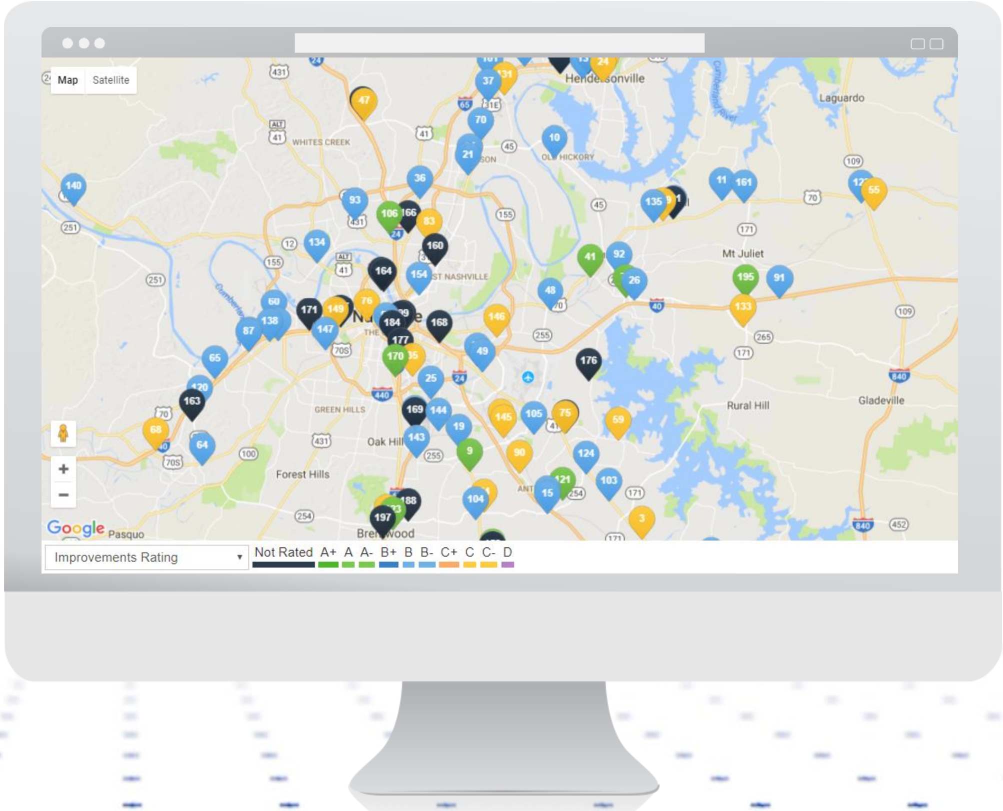
- Rents during the lease up stage
- Square footage, Net Site Size (acres), Number of Buildings
- Owner / Manager – With Contact Information
- Loan Information
- Location Ratings (Improvement ratings once the property is completed)

Proprietary, patented system rates all stores by Improvement Class:

Major factors are: Variety and size of units, variety and quality of amenities, security and construction quality/aesthetics of property.

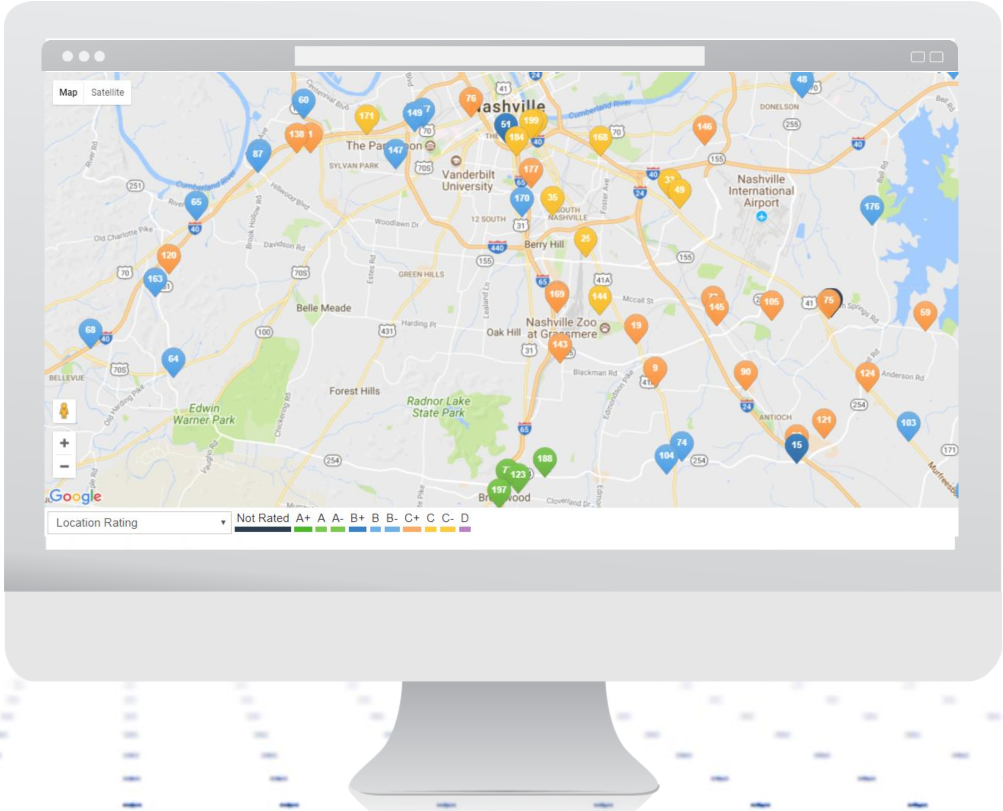
- "A" ratings should have larger units and more variety, have a variety of desirable or higher-end amenities such as climate control, wine storage, or indoor units, have security to facility and units, and are usually built in the last 20 years.
- "B" ratings might have most of what A-Class does, but not everything: Variety of units but not as many amenities, climate controlled but not multiple stories, and are usually built in the 1980s or 1990s.
- "C" properties have little variety, little amenities (usually only a few units with climate, if any, and no indoor units), some security or none and are usually the properties built in the 1970s and earlier.

Visit us at: www.YardiMatrix.com/Property-Types/Self-Storage



And all stores also rated by Location Class:

Visit us at: www.YardiMatrix.com/Property-Types/Self-Storage



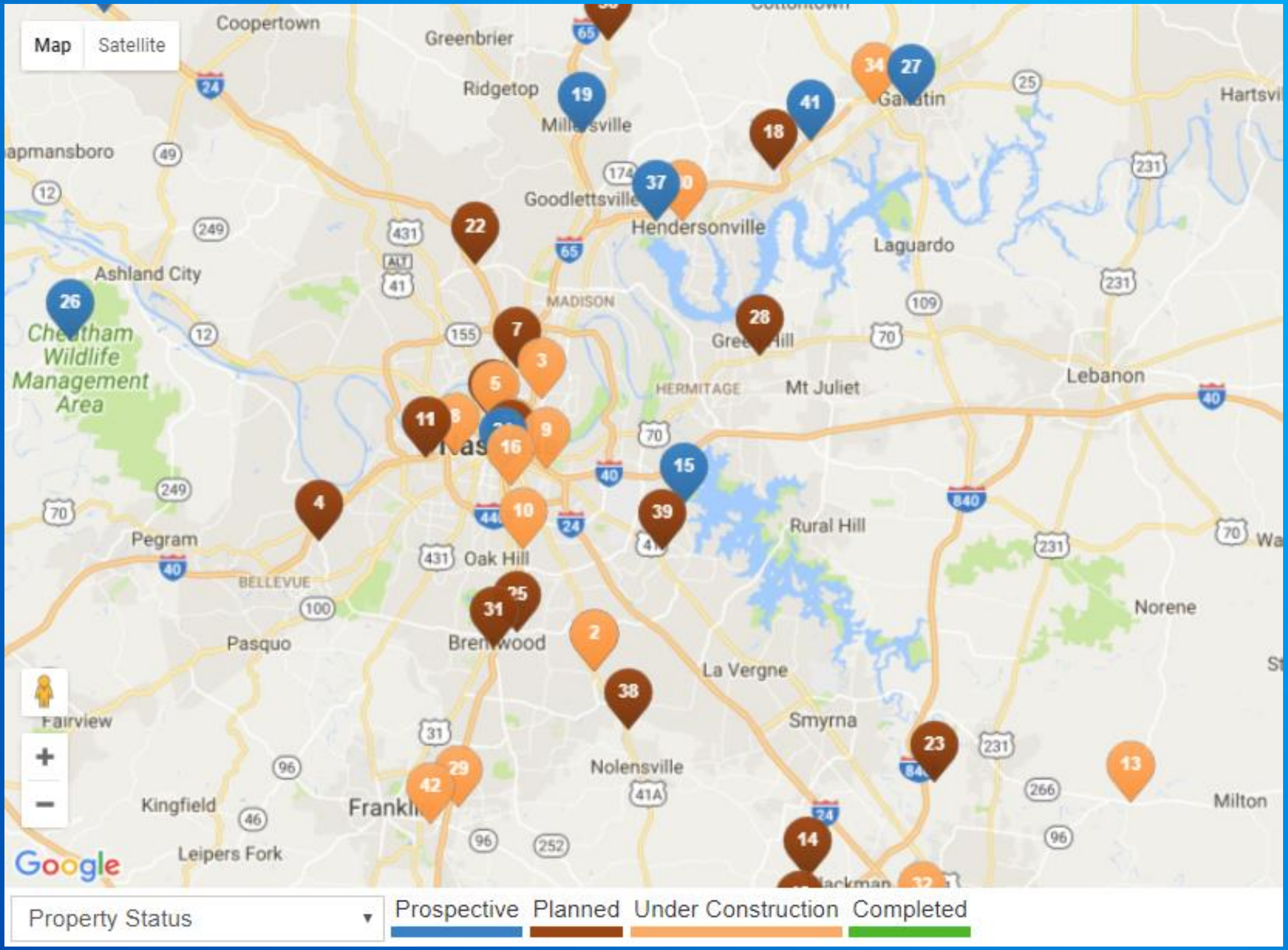
Demographic information, especially income, is the factor weighted the heaviest.

Other factors we weigh: Neighborhood crime levels, freeway or public transportation access and nearby retail/restaurants, which can be negative or positive.

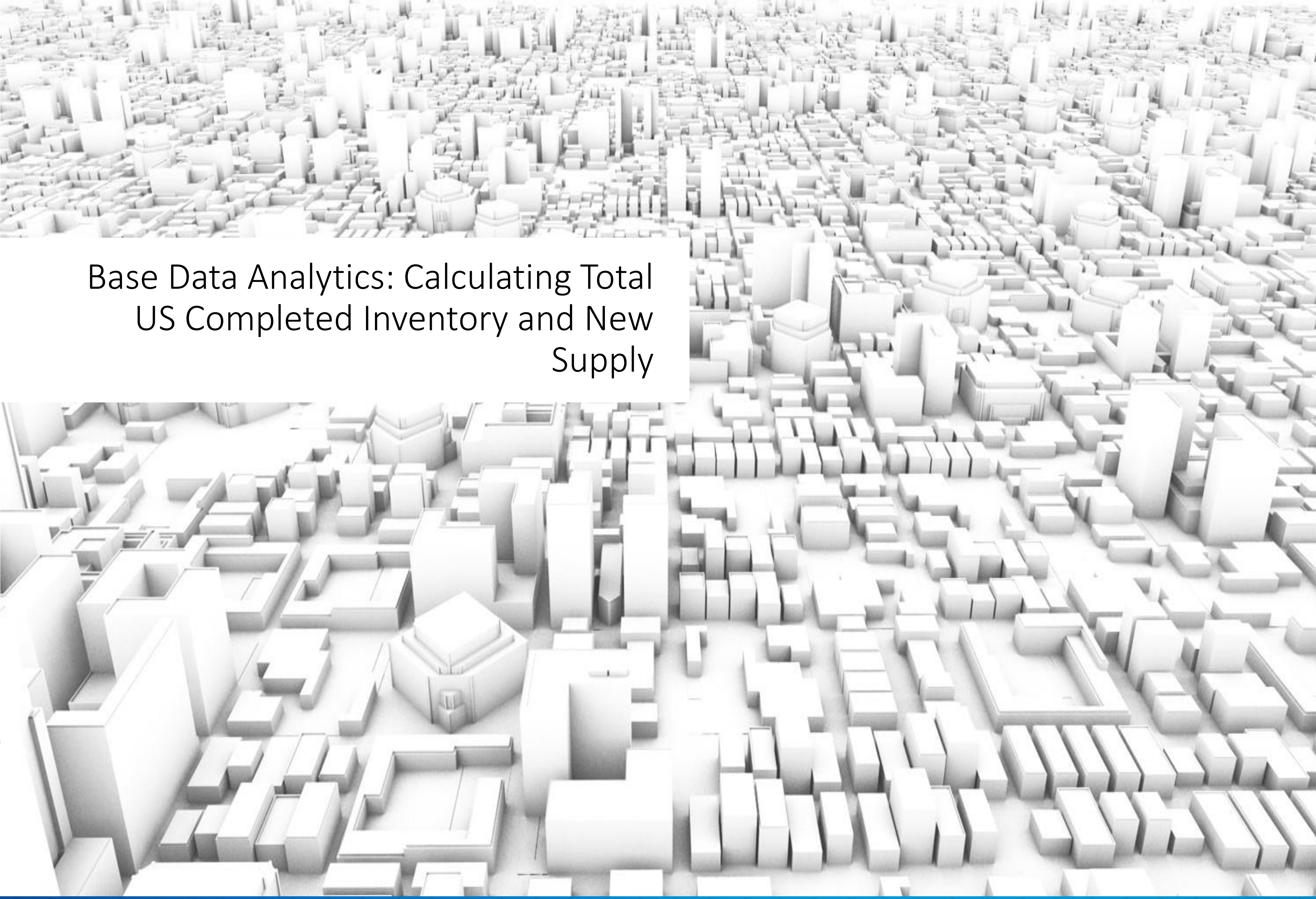
- "A" ratings usually have very high income for the market, access to transportation, low crime and sometimes nearby high-end restaurants.
- "B" locations might have good income but not as high, usually still do not have high crime and have access to transportation.
- "C" locations have low income for their area, higher crime, worse access and if near business they will usually be very small.

Another factor we weight for self-storage is proximity to business/industrial parks, or migrant populations such as colleges, universities or military installations.

Music City Momentum: Nashville’s Development Pipeline at Dec. 4, 2017



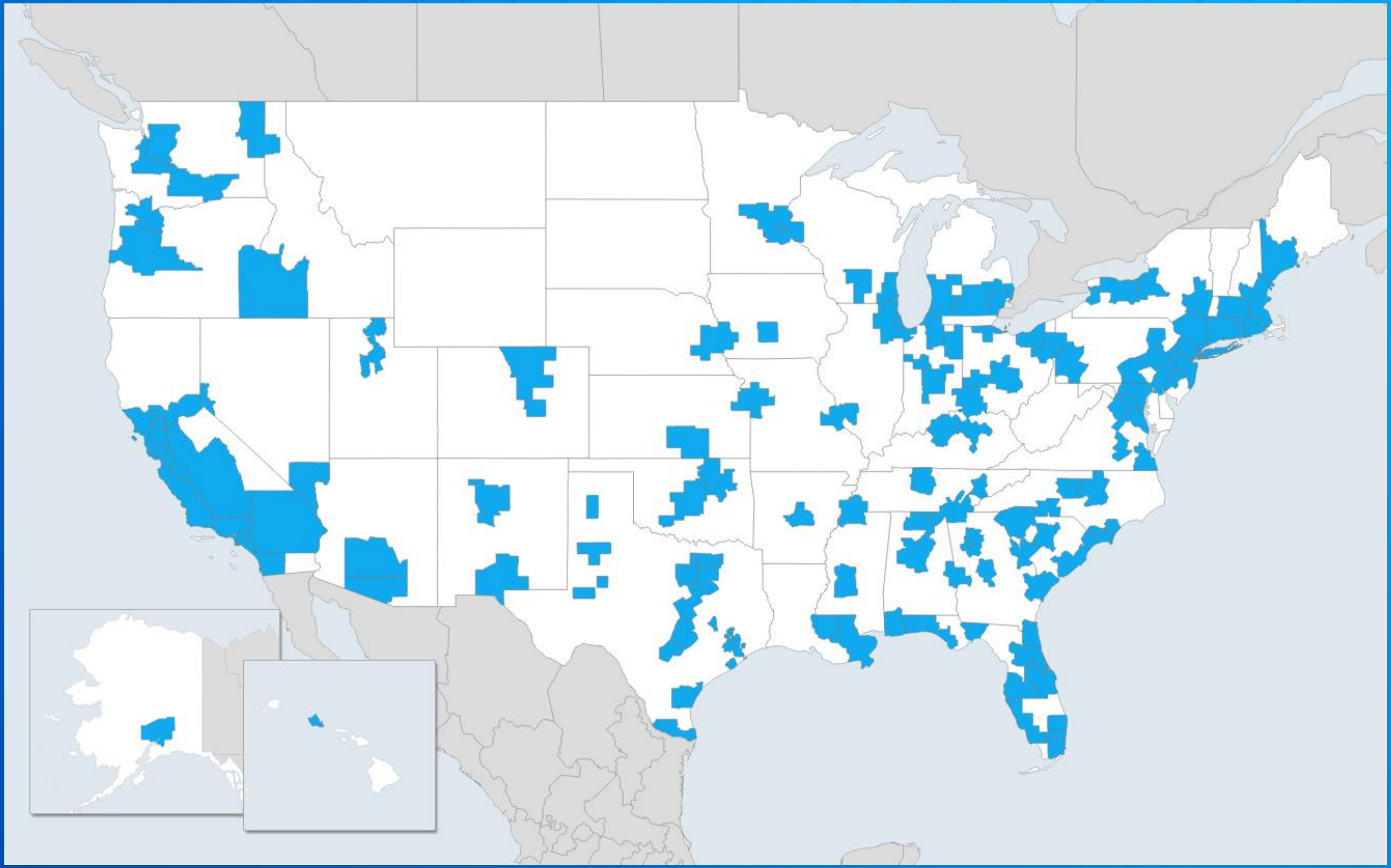
Base Data Analytics: Calculating Total US Completed Inventory and New Supply



YARDI

Yardi® Matrix Steps Taken to Calculate the Complete Storage Inventory Picture

Yardi® Matrix Self Storage Covers 133 Urban Markets



YARDI

Jernigan's Top 50 Metros Correspond to 74 Yardi® Matrix Markets

Yardi Matrix Market	Metro Area
Northern New Jersey	New York
Central New Jersey	New York
Brooklyn	New York
Long Island	New York
White Plains	New York
Queens	New York
Bronx	New York
Manhattan	New York
Staten Island	New York
Ft Lauderdale	Miami
Miami	Miami
West Palm Beach - Boca Raton	Miami
Denver	Denver
North Dallas	Dallas-Ft Worth
Fort Worth	Dallas-Ft Worth
Suburban Dallas	Dallas-Ft Worth
Seattle	Seattle
Tacoma	Seattle
Carolina Triangle	Raleigh-Durham
Suburban Atlanta	Atlanta
Urban Atlanta	Atlanta
Northern Virginia	Washington, D.C.
Washington DC - Suburban Maryland	Washington, D.C.
Suburban Chicago	Chicago
Urban Chicago	Chicago

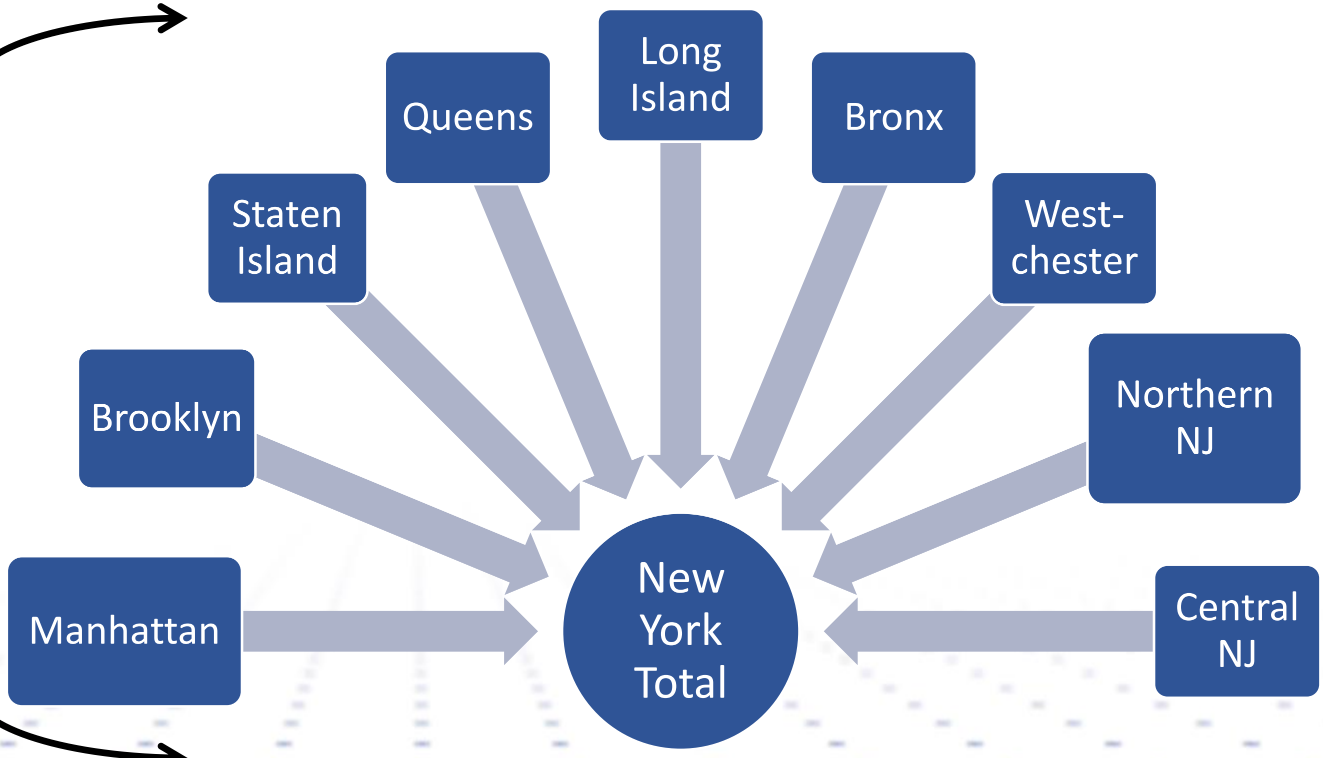
Yardi Matrix Market	Metro Area
Phoenix	Phoenix
Charlotte	Charlotte
Nashville	Nashville
Portland	Portland
West Houston	Houston
East Houston	Houston
Eastern Los Angeles County	Los Angeles
Orange County	Los Angeles
San Fernando Valley - Ventura County	Los Angeles
Metro Los Angeles	Los Angeles
Orlando	Orlando
Richmond - Tidewater	Richmond
Detroit	Detroit
Lansing - Ann Arbor	Detroit
Austin	Austin
Tampa - St Petersburg - Clearwater	Tampa
Bay Area - East Bay	San Fran. Peninsula & East Bay
San Francisco - Peninsula	San Fran. Peninsula & East Bay
Urban Boston	Boston
St Louis	St Louis
Bridgeport - New Haven	Bridgeport - New Haven
Salt Lake City	Salt Lake City
Indianapolis	Indianapolis
Southwest Florida Coast	Sarasota-Cape Coral
Milwaukee	Milwaukee

Yardi Matrix Market	Metro Area
Suburban Philadelphia	Philadelphia
Urban Philadelphia	Philadelphia
Kansas City	Kansas City
Charleston	Charleston
Bay Area - South Bay	San Jose
San Antonio	San Antonio
Urban Twin Cities	Minneapolis
Suburban Twin Cities	Minneapolis
San Diego	San Diego
Pittsburgh	Pittsburgh
Sacramento	Sacramento
Jacksonville	Jacksonville
Greenville	Greenville
Inland Empire	Inland Empire
Baltimore	Baltimore
Louisville	Louisville
Columbus	Columbus
Triad	Greensboro / Winston-Salem
Las Vegas	Las Vegas
Grand Rapids	Grand Rapids
Providence	Providence
Columbia	Columbia
Cincinnati	Cincinnati
Birmingham	Birmingham

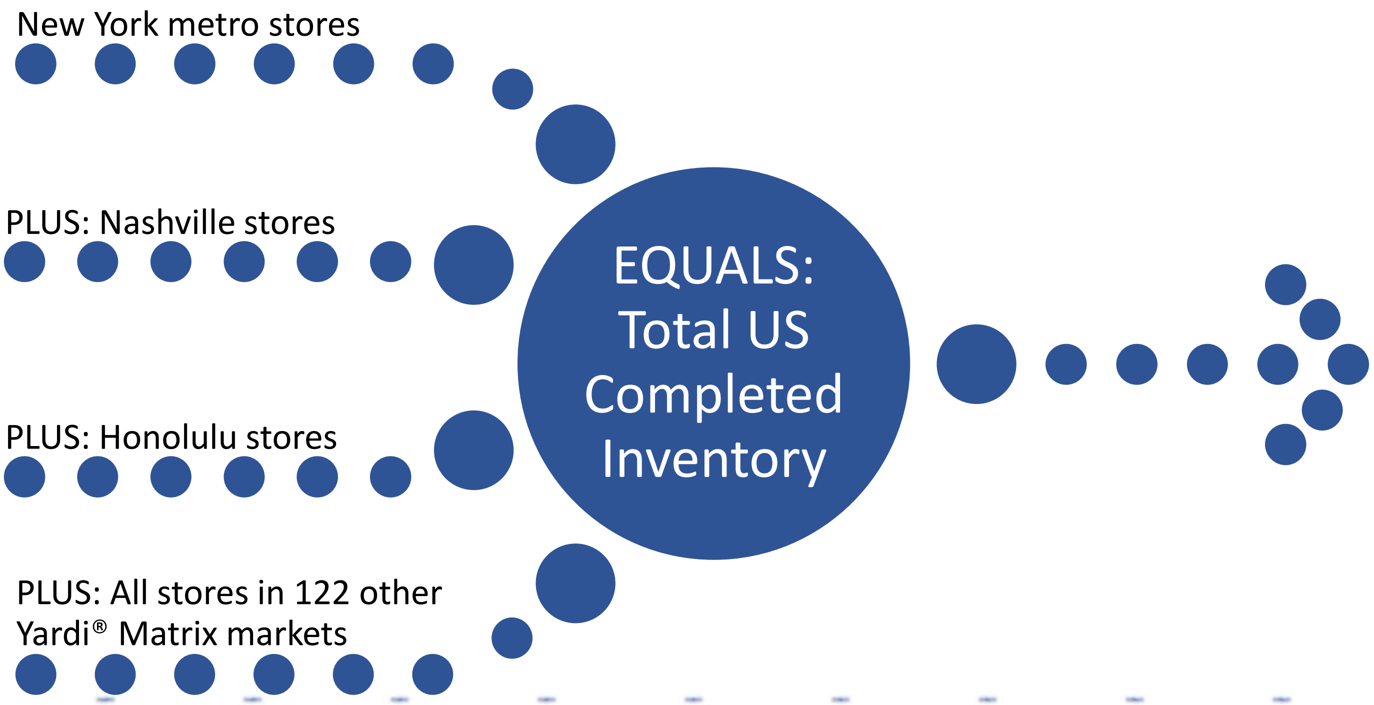
YARDI

Mapping Markets to Metros: New York Metro Extreme Example

New York Metro is Comprised of Nine Actively Monitored Yardi® Matrix Markets



Totaling Up the Universe of US Completed Inventory, One Store at a Time



Totaling Completed Inventory Based on Store Details

	A	B	C	D	F	G	H	I	J	K	M	O	P	Q
1	PID	Property Name	Market	Street #	Street Name	Street Type	City	State	County	Zip	Property Status	Net Ren	Improve	Location
9232	208605	Extra Space Storage	Nashville	5845	Charlotte	Pike	Nashville	TN	Davidson	37209	Completed	76117	B	C+
9233	208606	Secure Storage of Cool Springs	Nashville	1830	General George Patton	Drive	Franklin	TN	Williamson	37067	Completed	52776	B	B
9234	208607	Securlock Storage	Nashville	4221	Hurricane Creek	Blvd	Antioch	TN	Davidson	37013	Completed	59565	C	B-
9235	208608	Pleasant View Mini Storage	Nashville	1020	Industrial	Drive	Pleasant View	TN	Cheatham	37146	Completed	46265	C	B+
9236	208609	Lakeside Stor N Loc	Nashville	10620	Highway 109 North		Lebanon	TN	Wilson	37087	Completed	63944	B	B+
9237	208610	Mallory Storage Station	Nashville	309	Mallory Station	Road	Franklin	TN	Williamson	37067	Completed	61925	A	B
9238	208611	Storage - Plus	Nashville	102	Douglas	Lane	Gallatin	TN	Sumner	37066	Completed	21712	C	B-
9239	208612	CubeSmart Self Storage	Nashville	2365	Church	Street	Murfreesboro	TN	Rutherford	37130	Completed	90259	B	B-
9240	208613	StorPlace Self Storage	Nashville	310	Thompson	Lane	Murfreesboro	TN	Rutherford	37129	Completed	67786	B	B+
9241	208614	US Storage Centers	Nashville	4611	Nolensville	Pike	Nashville	TN	Davidson	37211	Completed	72462	A	C+
9242	208615	CubeSmart Self Storage	Nashville	316	Martingale	Drive	Old Hickory	TN	Davidson	37138	Completed	46740	B	B
9243	208616	Lock - Box Self Storage	Nashville	12337	Lebanon	Road	Mt Juliet	TN	Wilson	37122	Completed	56857	B	B-
9244	208617	Storage Port	Nashville	222	Molly Walton	Drive	Hendersonville	TN	Sumner	37075	Completed	28120	C	B
9245	208618	LifeStorage	Nashville	63	New Shackle Island	Road	Hendersonville	TN	Sumner	37075	Completed	79400	B	B
9246	208619	Fairground Street Mini Storage	Nashville	110	Fairground	Street	Franklin	TN	Williamson	37064	Completed	30518	C	B-
9247	208620	Arrington Storage	Nashville	8225	Neal	Road	Arrington	TN	Williamson	37014	Completed	17955	C	C+
9248	208621	Extra Space Storage	Nashville	5341	Cane Ridge	Road	Antioch	TN	Davidson	37013	Completed	71592	B	B+
9249	208622	Pack Rat Mini Storage	Nashville	120	Weakley	Lane	Smyrna	TN	Rutherford	37167	Completed	87935	B	B
9250	208623	U - Lock - It	Nashville	931	New Salem	Hwy	Murfreesboro	TN	Rutherford	37129	Completed	3420	C	C+
9251	208624	Advantage Mini Storage	Nashville	1830	Memorial	Blvd	Murfreesboro	TN	Rutherford	37129	Completed	74442	B	B
9252	208626	Red Dot Storage	Nashville	2104	Old Greenbrier	Pike	Greenbrier	TN	Robertson	37073	Completed	40841	C	B
9253	208627	Public Storage	Nashville	408	Welshwood	Drive	Nashville	TN	Davidson	37211	Completed	60520	B	C+
9254	208628	West Nashville Mini Storage	Nashville	6225	Robertson	Avenue	Nashville	TN	Davidson	37209	Completed	8369	C	B-
9255	208629	B & L Self Storage	Nashville	109	Woodruff	Street	Madison	TN	Davidson	37115	Completed	10450	C	C-
9256	208630	StorPlace Self Storage	Nashville	2360	Gallatin	Road North	Madison	TN	Davidson	37115	Completed	70091	B	C+

YARDI

Delivered to Jernigan: Annual Completions File 1990 to 2016

	Gross Square Feet		Net Square Feet (Gross to Net Reduction -10%)	
Market	2015	2016	2015	2016
24 Bridgeport - New Haven	74,314	254,175	67,152	229,678
25 Southwest Florida Coast	-	307,357	-	277,734
26 Total Philadelphia	389,736	371,587	352,174	335,774
27 Kansas City	60,750	128,856	54,895	116,437
28 Charleston	36,500	430,517	32,982	389,024
29 Bay Area - South Bay	222,784	84,699	201,312	76,536
30 San Antonio	586,343	702,176	529,832	634,501
31 Total Minneapolis	85,374	352,849	77,146	318,842
32 San Diego	-	149,062	-	134,696
33 Pittsburgh	13,100	47,231	11,837	42,679
34 Sacramento	93,642	-	84,617	-
35 Jacksonville	157,117	81,000	141,974	73,193
36 Greenville	314,935	218,975	284,582	197,870
37 Baltimore	236,770	156,543	213,950	141,456
38 Louisville	355,620	191,599	321,346	173,133
39 Columbus	291,705	177,885	263,591	160,741
40 Columbia	-	159,239	-	143,892
41 Cincinnati	45,450	183,146	41,070	165,495

Matrix Calculated Inventory per Capita by County

	A	B	C	D	E	F	G	AY	AZ	BA	BB	BC	BD
1													
2	Mnemc	Descri	Source	Native	Geogra	County	State	Dec-2011	Dec-2012	Dec-2013	Dec-2014	Dec-2015	Dec-2016
3													
737	POPA.	Popula	U.S. C	ANNU/	Hudsor	Hudson	NJ	648	657	664	670	674	678
901	POPA.	Popula	U.S. C	ANNU/	Bergen	Bergen	NJ	914	920	925	931	936	939
999	POPA.	Popula	U.S. C	ANNU/	Union (	Union	NJ	540	544	548	551	553	556
1023	POPA.	Popula	U.S. C	ANNU/	Ocean	Ocean	NJ	579	581	583	586	589	592
1074	POPA.	Popula	U.S. C	ANNU/	Middle:	Middlesex	NJ	817	824	829	834	836	837
1199	POPA.	Popula	U.S. C	ANNU/	Essex (	Essex	NJ	787	788	790	793	795	797
1204	POPA.	Popula	U.S. C	ANNU/	Somer:	Somerset	NJ	327	329	331	332	333	334
1328	POPA.	Popula	U.S. C	ANNU/	Glouce	Gloucester	NJ	290	290	290	291	292	292
1333	POPA.	Popula	U.S. C	ANNU/	Passai	Passaic	NJ	504	505	506	508	508	508
1532	POPA.	Popula	U.S. C	ANNU/	Morris (	Morris	NJ	496	497	499	498	498	498
1588	POPA.	Popula	U.S. C	ANNU/	Warren	Warren	NJ	108	108	107	107	107	107

Delivered to Jernigan: Inventory per Capita by Metro

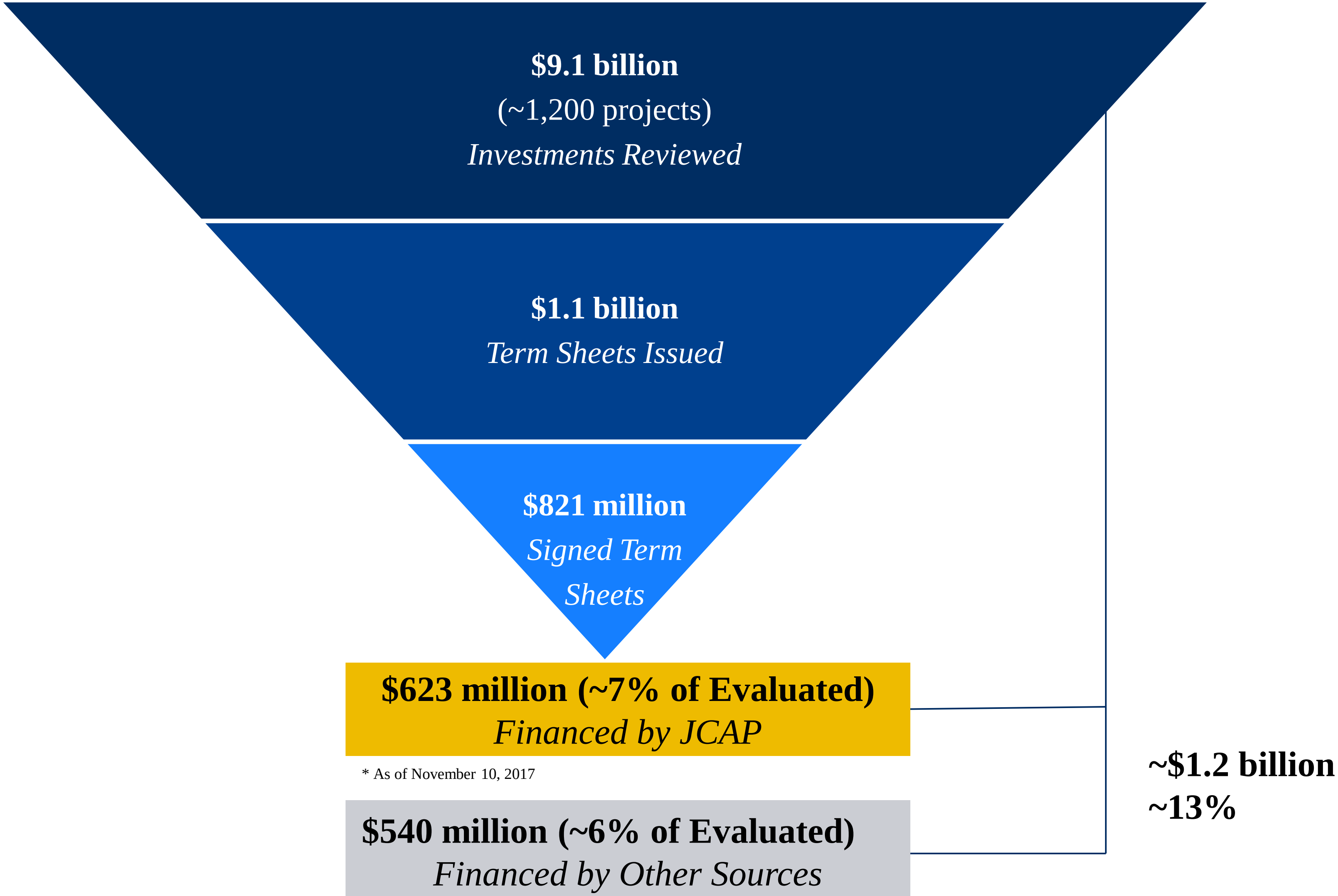
Yardi Matrix Self Storage Completed Inventory and Development Pipeline

			CURRENT COMPLETED NET SQUARE FEET PER CAPITA:					
			2016 Population:		Completed Net Square Feet:		Net Square Feet per Capita:	
Rank	Metro	NY Detail	Metro	NY	Metro	NY	Metro	NY
1	New York (City, Westchester, N. & C. NJ; not CT)		20,723,121		56,282,893		2.7	
		Bronx		1,455,720		4,084,492		2.8
		Brooklyn		2,629,150		4,829,724		1.8
		Central New Jersey		2,884,866		9,902,608		3.4
		Long Island		2,854,083		7,879,108		2.8
		Manhattan		1,643,734		5,221,485		3.2
		Northern New Jersey		4,118,568		11,758,452		2.9
		Queens		2,333,054		4,684,200		2.0
		Staten Island		476,015		780,352		1.6
		White Plains		2,327,931		7,142,473		3.1
2	Miami (including Ft Lauderdale & Palm Beach)		6,066,387		31,937,589		5.3	
3	Denver (including Boulder & Ft Collins)		3,752,464		21,168,492		5.6	
4	Dallas-Ft Worth		7,281,653		55,284,598		7.6	
5	Seattle-Tacoma		4,416,001		25,092,547		5.7	
6	Raleigh-Durham		2,340,236		11,658,916		5.0	
7	Atlanta		5,354,150		34,237,001		6.4	
8	Washington DC (including N. VA and suburban MD)		5,855,524		23,467,991		4.0	
9	Chicago		9,297,459		38,933,259		4.2	
10	Phoenix		4,661,537		25,932,174		5.6	
11	Charlotte		2,542,655		14,783,890		5.8	

Delivered to Jernigan: New Supply Store Counts

	A	B	C	D	E	F
1		Metro	# Stores Under Construction	# Stores Planned	# Stores Prospective	Total Confirmed
26	25	Salt Lake City	8	9	5	22
27	26	Indianapolis	6	10	5	21
28	27	Sarasota-Cape Coral	6	6	7	19
29	28	Milwaukee	5	17	13	35
30	29	Philadelphia	4	9	8	21
31	30	Kansas City	3	11	10	24
32	31	Charleston	7	7	7	21
33	32	San Jose	5	13	3	21
34	33	San Antonio	6	7	4	17
35	34	Minneapolis	5	8	8	21
36	35	San Diego	6	7	2	15
37	36	Pittsburgh	7	5	5	17
38	37	Sacramento	2	12	1	15
39	38	Jacksonville	5	6	7	18
40	39	Greenville	6	5	3	14
41	40	Inland Empire		9	6	15
42	41	Baltimore	5	5	5	15
43	42	Louisville	6	6	1	13

JCAP Proprietary Pipeline Tracking



How Many Prospective Projects Will Reach The Finish Line?

- Challenges observed by JCAP Development Team
  - Commercial bank reluctance
    - Basel 3 and “HVCRE” reserve requirements/costs
    - Great Recession “hangover”
    - Loan demand from other sectors with greater front-end lease up visibility
  - Municipal initiatives regulating self-storage development in large cities such as New York, Miami, Atlanta and Seattle
  - Significantly increased time/difficulty in obtaining self-storage zoning and building permits
- Feedback from JCAP Network of Developers
  - More difficult design/build process
  - Longer construction periods
  - Banks require greater equity and substantial recourse
  - Substantial pursuit costs and financing challenges
  - External factors produce systemic limitations on new development

JCAP's Data Interpretation

- Starting point = Yardi Raw Data
  - Under Construction
  - Planning
  - Prospective
- JCAP weighting of Yardi Data
  - Weighting for Watch List purposes
    - 100% of Under Construction
    - 80% of Planning
    - 50% of Prospective
  - Weighting for forward-looking delivery forecast
    - 100% of Under Construction
    - 60% of Planning
    - 35% of Prospective
- Watch List: New Supply > 10% or > 8.0 SF per capita
- Danger List: New Supply > 15% or > 8.0 SF per capita

Cross Check with U.S. Census Bureau

	2017	2016	2015
Annualized Seasonally	3,408,000,000	1,914,000,000	969,000,000
Total HC/PSF	$75	$73	$71
GSF	45,440,000	26,158,000	13,574,075
Efficiency	75%	78%	81%
NRSF	34,080,000	20,403,240	10,995,001
Assumed Top 50 MSAs %	75%	75%	75%
NRSF Deliveries Top 50 - Census	25,560,000	15,302,430	8,246,251
NRSF Deliveries Top 50 - Yardi	26,960,000	15,690,502	14,054,008
Base at beginning of period	925,180,898	909,490,396	895,436,388
New Supply % - Census	2.76%	1.68%	0.92%
New Supply % - Yardi	2.91%	1.73%	1.57%

Source: U.S. Census Bureau

Danger and Watch List are Supported by 3Q17 Same Store Comps

- Weighted average results from CUBE, LSI, EXR

JCAP Danger List	
Miami	2.24%
Denver	1.35%
Charleston	0.6%
Charlotte	0.3%
Raleigh	-0.6%
Austin	0.34%

JCAP Watch List	
Jacksonville	2.90%
Boston	2.06%
Dallas	1.65%
NYC	1.10%
San Antonio	-0.40%
Houston	-2.52%
Atlanta	0.0%
Orlando	2.3%
Phoenix	1.4%
Tampa	1.1%
Washington DC	2.71%

Source: LSI 3Q17 Supplemental Package, EXR 3Q17 Supplemental Package, CUBE 3Q17 Supplemental Package

JCAP Conclusions

- Submarket specific development is still viable even in Danger and Watch List markets
- Deliveries should peak in 2018
- Deliveries should decline in 2019
- Many prospective projects will fall out due to entitlement, permitting and/or financing issues
- Projects will continue to take longer than historical norms
- Data will become increasingly valuable and will better reflect supply trends

Yardi Matrix Copyright Notice