

THE SELF STORAGE ADVISOR

Spring 2009



Serving the Self Storage Industry | Brokerage | Consulting | Management

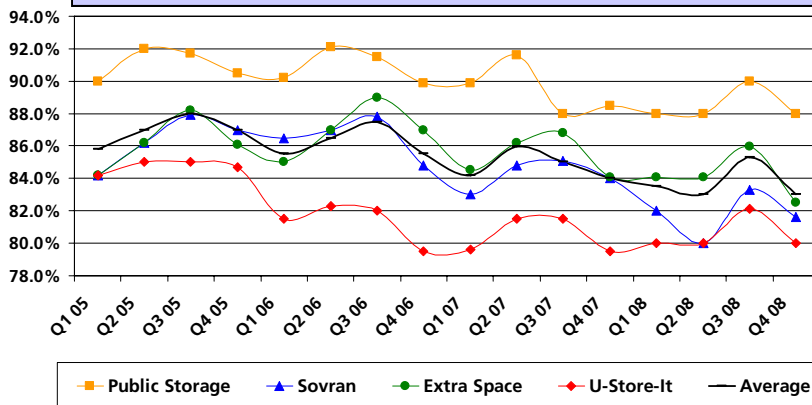
Self Storage Continues to Perform Well In The Last Half of 2008 Into The First Quarter of 2009

- Tenant Demand Remains High Even in the Face of Serious Economic Headwinds.
- Physical Occupancy Percentage Down Nominally
- Collected Rents per Occupied Square Foot are Flat.
- Asking Rents are Stable, a Significant Number of Operators are Managing to Raise Rental Rates.
- Lending Standards Remain Strict but Investor Interest in Self Storage Remains High and Properly Structured Transactions are Getting Completed.

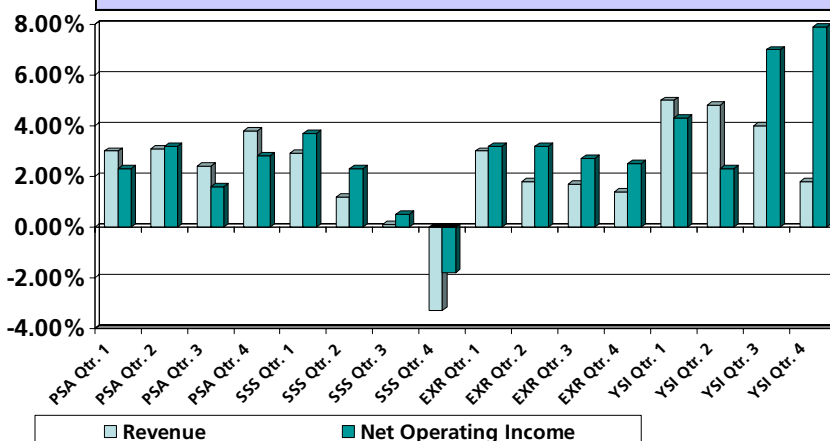
Based upon our overall impression of the Self Storage Market, Supnick Real Estate expects to see improving fundamentals on the investment sales side and operating income results continuing to hold up. We also expect to see some continued pressure on demand and collections as a challenge moving forward.

...The Need To Get It Right Has Never Been Greater

Self Storage REIT Physical Occupancy
Q1 2005 - Q4 2008



Self Storage Real Estate Investment Trusts
Quarterly Same Store Performance 2007 vs. 2008



We are ready to help.

Jeff Supnick is a 25 year self storage industry veteran and former real estate officer for both Public Storage Inc. and Storage USA. During his career in the self storage industry, he has created extraordinary results for our clients.

Put our passion for self storage to work for you. We offer custom designed services focused on your success in self storage.

- Brokerage
- Site Selection
- Market & Feasibility Studies
- Facility Layout & Design
- Construction Services
- Facility Start-Ups
- On Going Operations

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AVAILABLE PROPERTIES



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York, York County, PA



\$2,200,000

Expansion Potential within Existing Building

- 338 units
- +/- 26,254 net rentable SF

Stewartsville, Warren County, NJ



\$3,000,000

Expansion Approvals & Improvements

- 265 units
- +/- 36,875 net rentable SF

Hammonton, Atlantic County, NJ

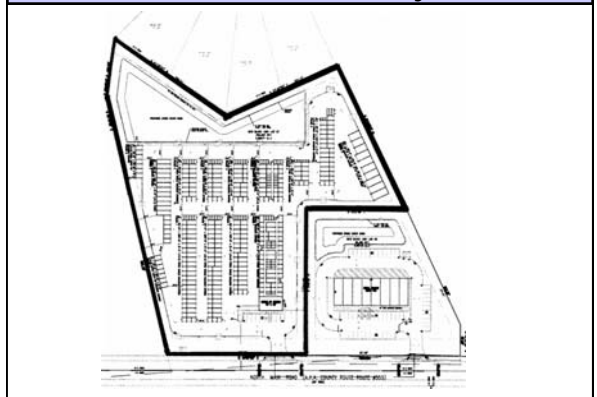


\$4,600,000

Expansion Approvals & Improvements

- 379 units
- +/- 54,350 net rentable SF

Vineland, Cumberland County, NJ



\$725,000

Approved Land Site

- +/- 55,000 net rentable SF

**There is still a great deal of interest in self storage on the part of investors.
Call us today for a confidential & complimentary analysis of your facility.**

PROPERTY MANAGEMENT SERVICES



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Success in Self Storage Doesn't Just Happen . . .

In today's challenging market, your self storage investment will greatly benefit from the dedication and insight of our team of management professionals at Supnick Real Estate Company. Put our decades of experience, knowledge and passion of the industry to work for you.

The Principal of the Management Division of Supnick Real Estate Company, Jeffrey Supnick, has over twenty five years of self storage industry experience with Public Storage Inc., Storage USA and major regional owners. Mr. Supnick has managed over 600,000 sq ft of self storage assets.

Client Testimonials

When we purchased these facilities the average occupancy levels were roughly 60%. Within a year, the occupancy rates had climbed to 86% and 92% as cash collections and the monthly rent rolls also trended higher. With the ongoing training and support of Mr. Supnick, our managers gained the confidence and knowledge to truly manage and grow their stores.

Lou Sacco,
Guardian Self Storage

You have demonstrated a high level of insight into our project, and we very much appreciate your hands-on approach and continued follow up to all of our questions and concerns. Your ability to put complex concepts into laymen's terms was invaluable to us as it would be to any new investor in self storage. You made us feel very comfortable with you and our investment.

Jay Terline,
Newark Self Storage

Let Us Design A Management Plan That Is Right For You & The Needs Of Your Facility

FULL SERVICE MANAGEMENT

- Office Layout & Retail Setup
- Staff Procurement, Training & Evaluation
- Policy and Procedures Manuals
- Income and Expense Controls
- Competition and Market Analysis
- Budget Preparation and Analysis
- Advertising, Promotions and Marketing
- Audits, Controls and Revenue Management
- Business Compliance Practices
- Strategic Rental Rate Pricing
- Facility Design & Rental Unit Space Plans

Call us, we offer customized services in self storage brokerage, property management, consulting, market & feasibility studies, designed to enhance your bottom line and opportunity to succeed.

FEASIBILITY STUDIES



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We Perform the Due Diligence Necessary to Fully Evaluate the Potential of Your Self Storage Site & Develop Strategies to Enable You to Get the Most From Your Investment.

Questions to be Answered by the Feasibility Study Will Include:

- What is the nature of the market area that the proposed self storage facility will serve?
- Is the site an appropriate location for a self storage facility from the standpoint of the physical features of the site, the proposed buildings and the surrounding market?
- What are the likely impacts of competitors in the market and how should you best position your facility in the marketplace with the right design and operational procedures?
- How much cash will be required, how many units and net rentable area should be built and how long will it take to get the project to break even?
- What is the likely financial performance of the proposed self storage project?

Development, Design and Marketing Recommendations Including:

- Development Sketch Plan
- Rental Unit Plan
- Phasing Plan
- Demand Analysis
- Financial Projections
- Operating Budget
- Break Even Analysis
- Financial Return & Valuation
- Five Year Projection Analysis
- Plan for Best Operational Practices

All services are performed by Jeffrey Supnick, a 25 year self storage industry veteran and former real estate officer for both Public Storage Inc. and Storage USA. During his career in the self storage industry, he has had full charge responsibility for the development of over forty self storage facilities. Mr. Supnick is an honors graduate from the City University of New York with a degree in Sociology and holds a Masters Degree in City and Regional Planning from Rutgers University in New Brunswick, NJ. He is a frequent contributor to both the Mini Storage Messenger and Inside Self Storage magazine.

Call us, we offer customized services in self storage brokerage, property management, consulting, market & feasibility studies, designed to enhance your bottom line and opportunity to succeed.

PUBLICATIONS



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Published Articles by Supnick Real Estate

Full Articles can be found at www.supnick.com in the Publications section

Brokerage

Exit Strategies

(Published in Inside Self Storage Magazine - Feb. '09)

For anyone who is developing a self storage facility or who is currently operating a self storage property, it is never too early to think about the day that you may sell your property. In planning your exit strategy today you will not only be rewarded by operating a better investment in the present term, but you will also be handsomely rewarded in the future for that day in the life of the majority of self storage properties when the property is sold... (continued at www.supnick.com)

Feasibility & Consulting

X Marks the Storage Spot - The Importance of Site Selection

(Published in Inside Self Storage Magazine - Feb. '08)

Inexperienced developers often think a site's success is a sure bet if all competing self-storage facilities in a market are renting at or near capacity. Others think that if there are no climate-controlled facilities in a market, they'll strike gold by building one. Potentially worst of all are those who have land they don't know what to do with, and having heard self-storage is a cash cow, enter the industry hungrily... (continued at www.supnick.com)

Getting the Most Out of a Self Storage Feasibility Study

(Pub. in Inside Self Storage Magazine - Mar. '09)

A great deal has been written about what makes for a suitable self-storage site location. The key variables are visibility and convenience of location within a market. In determining the feasibility of any site are three foundational questions nearly every self-storage feasibility needs to address...(continued at www.supnick.com)

Management

Training a Manager - Guidelines for Growing Top Line Revenue

(Published in Mini Storage Messenger Magazine - Oct. '08)

More than ever in today's environment self storage operators are challenged to increase the profitability of their businesses. To improve the performance and the value of your self storage asset it is necessary to increase the net operating income of your store... (continued at www.supnick.com)

Supply, Demand & Creativity: Are You Willing To Change With the Times

(Published in Mini Storage Messenger Magazine - July '06)

Many leading companies in the New World Economy such as Dell Computers, Wal-Mart and others operate their businesses in highly competitive environments. These companies have found out two important lessons that we in the self storage industry can benefit from... (continued at www.supnick.com)

Restoring Your Self Storage Facility To Its Former Glory

(Published on Inside Self Storage Website - Sept. '08)

As self storage management and development consultants we often work with operators of older facilities whose most common question is: A few years ago we were doing great, how can we now compete with the new competition that has come into the market? We believe that any older self storage facility can benefit greatly from a makeover of its appearance and operational procedures... (continued at www.supnick.com)