



PROFORMANCE

Joint Venture Transaction Summary

SEPTEMBER 2016

Information in this presentation is as of June 30, 2016, except as otherwise noted.



NATIONAL STORAGE
— AFFILIATES —



FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this presentation that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “may” or similar expressions, we intend to identify forward-looking statements. The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause our actual results to differ significantly from those expressed in any forward-looking statement.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. Forward-looking statements are not predictions of future events. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described in our quarterly report on form 10-Q filed with the SEC on August 9, 2016 and annual report on form 10-K filed with the SEC on March 10, 2016 under the headings “business,” “risk factors,” “properties,” and “management’s discussion and analysis of financial condition and results of operations,” as applicable. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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iSTORAGE ACQUISITION OVERVIEW



Acquisition Highlights

- ✓ NSA joint venture (the “Joint Venture” and “JV”) with a large state pension fund advised by Heitman Capital Management, LLC (“JV Investor”) is under contract to purchase the iStorage portfolio, a leading self-storage owner and operator with 66 properties in 12 states
- ✓ Purchase price of \$630 million for iStorage property portfolio representing a 5.3% current cap rate⁽¹⁾
- ✓ 75% / 25% split between JV Investor / NSA
- ✓ High quality portfolio with in-place occupancy of 86% and \$12.24 in place rent per occupied square foot
- ✓ \$100 million of equity committed to Joint Venture to fund future acquisitions of up to \$200 million of jointly approved future acquisitions within selected markets
- ✓ NSA expected to acquire the iStorage management platform and the iStorage brand in a separate transaction
- ✓ Acquisition expected to be immediately accretive to NSA's Core FFO per share
- ✓ Expected closing in Q4 2016

(1) The capitalization rate is based on current run rate net operating income.

(2) As of September 1, 2016.

Portfolio Summary⁽²⁾

Properties / Units	66 / 36,000+
States / Markets	12 / 24
Rentable Storage SF	~4.5 Million
Occupancy	86%
Rent per Occupied SF	\$12.24

Santa Maria, California



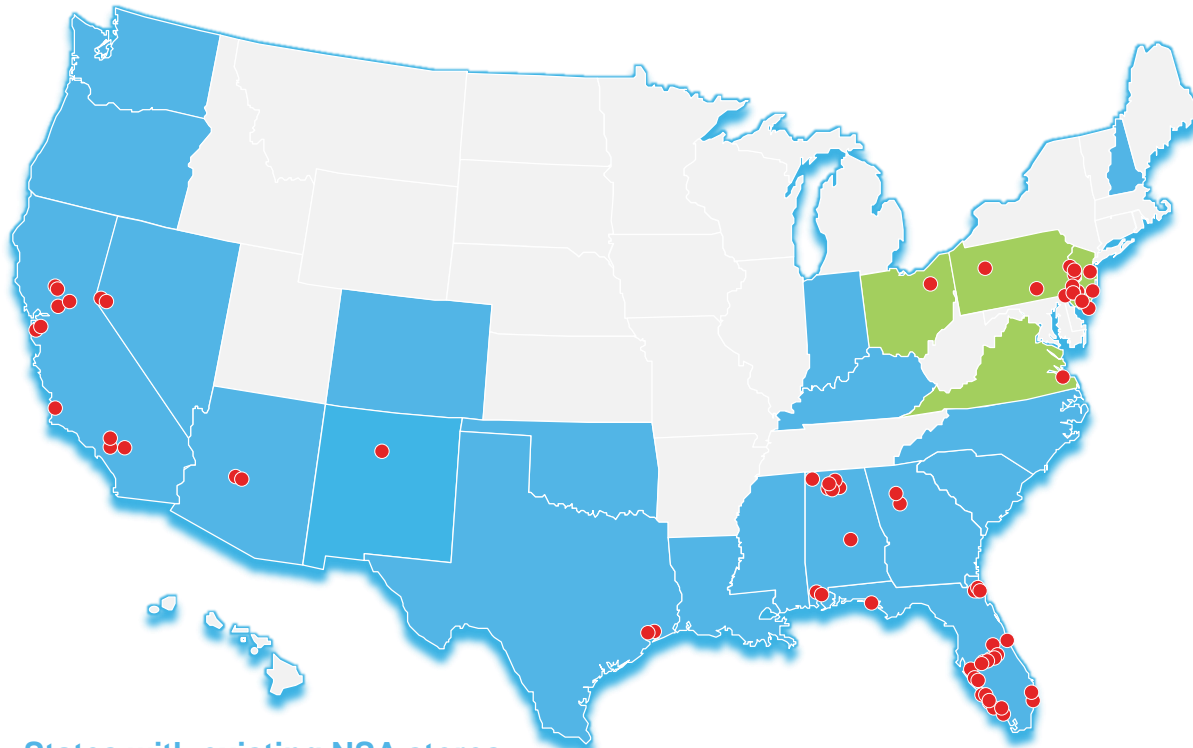
Fort Myers, Florida



COMPLEMENTARY TO EXISTING FOOTPRINT



Acquisition enhances presence in existing markets and adds 4 new densely populated states for growth



States with existing NSA stores

New states upon closing of the JV acquisition (NJ, OH, PA, VA)

iStorage properties

Riverside, California



Huntsville, Alabama



ADDITION OF JOINT VENTURE STRATEGY TO DRIVE EXTERNAL GROWTH



1 Acquire Internal Pipeline Properties (Participating Regional Operator (“PRO”) managed assets)

- NSA’s internal pipeline has almost 100 additional assets located in ten states totaling over \$700 million in estimated asset value⁽¹⁾
- PROs are obligated to offer to contribute stabilized assets which they control upon debt maturity
- PROs are committed to facilitate the contribution of assets they manage, but do not control

2 Source Relationship Driven Local Acquisitions

- PRO acquisition teams with long-standing local relationships and significant investment in NSA source single assets and portfolios from third parties
- Proven ability to close deals: over \$400 million of third party acquisitions closed subsequent to IPO
- Focus on institutional quality assets with strong operational performance that are synergistic to existing operations and geographies

3 Recruit New PROs

- Evaluating several operators with the goal of adding one to three per year over the next three to five years
- Focus on operators with established platforms in Top 100 MSAs, typically with \$100+ million portfolios and 20+ properties, reputation for operational excellence and demonstrated capabilities to grow their portfolios

4 Strategic Joint Ventures

- Opportunistically partner with institutional funds to acquire attractive portfolios through a promoted return structure
- NSA will provide property and asset management services for joint ventures through its internal operating platform, generating additional third party fee income

(1) There can be no assurance as to whether NSA will acquire any properties or the actual timing of any acquisitions. NSA has varying degrees of control and influence on these acquisitions. This estimated acquisition pipeline may not be completely realized given that PROs do not own controlling interests in many of the properties and contributions are driven by debt, stabilization or other outside factors.



JOINT VENTURE SUMMARY

Capital Structure	<ul style="list-style-type: none">• 25% of equity from NSA, remaining 75% from the state pension fund advised by Heitman Capital Management, LLC• 50% equity / 50% senior secured non-recourse debt• NSA's total capital commitment will be up to \$105 million, which will be funded through its revolving line of credit⁽¹⁾
Summary of Terms	<ul style="list-style-type: none">• NSA will receive fees for its management platform services, including property acquisitions, property management, call center management, customer acquisition services, brand services, website hosting and tenant warranty program management• NSA and JV Investor will receive initial investment returns on a pari-pasu basis, and NSA will have a promoted interest above target return thresholds• \$100 million of equity is committed to the Joint Venture to fund up to \$200 million of jointly approved future acquisitions within selected markets
Portfolio Acquisition	<ul style="list-style-type: none">• Joint Venture is under contract to acquire \$630 million portfolio via off-market transaction• 66 properties located in 12 states• 4.5 million square feet of storage / 36,000+ storage units
Timing	<ul style="list-style-type: none">• Expected closing: Fourth Quarter 2016

⁽¹⁾ \$105 million includes \$80 million to be funded for this transaction plus \$25 million committed to be funded for jointly approved future acquisitions.



ANTICIPATED JOINT VENTURE SOURCES & USES

Key Points

- Joint Venture expects to borrow \$320 million in a secured, non-recourse financing at an attractive market rate
- NSA will contribute \$80 million in cash to the Joint Venture, resulting in 25% ownership
- NSA will draw on its revolving line of credit to fund the equity contribution

(\$ in millions)

Sources

JV Investor's Equity Contribution	\$240
NSA's Equity Contribution	80
JV's Secured Mortgage Debt	320

Total Sources	\$640
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Uses

Acquisition of iStorage Properties	\$630
Transaction Costs	10

Total Uses	\$640
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Note: The transaction is subject to the satisfaction of a number of customary closing conditions and there is no assurance that the Joint Venture properties will be acquired or will be acquired at the time or pursuant to the terms currently contemplated.

Bradenton, Florida



Camden, New Jersey



St. Petersburg, Florida





ACQUISITION OF MANAGEMENT PLATFORM

Transaction Overview	<ul style="list-style-type: none">• NSA is under contract to simultaneously acquire and integrate the iStorage management company and operating platform with NSA's platform
Technology / Operating Platform	<ul style="list-style-type: none">• Fully integrated and proprietary marketing and operations platform including revenue management software
Internet Marketing	<ul style="list-style-type: none">• Lead generation systems, CRM platform, and strong web presence
Call Center	<ul style="list-style-type: none">• Integrated inbound / outbound call center with inquiry follow-up, agent auditing and full reporting capabilities
Brand	<ul style="list-style-type: none">• iStorage.com / related domains, physical signage and trademark
Personnel	<ul style="list-style-type: none">• Over 150 experienced operations managers and employees from iStorage are anticipated to join NSA



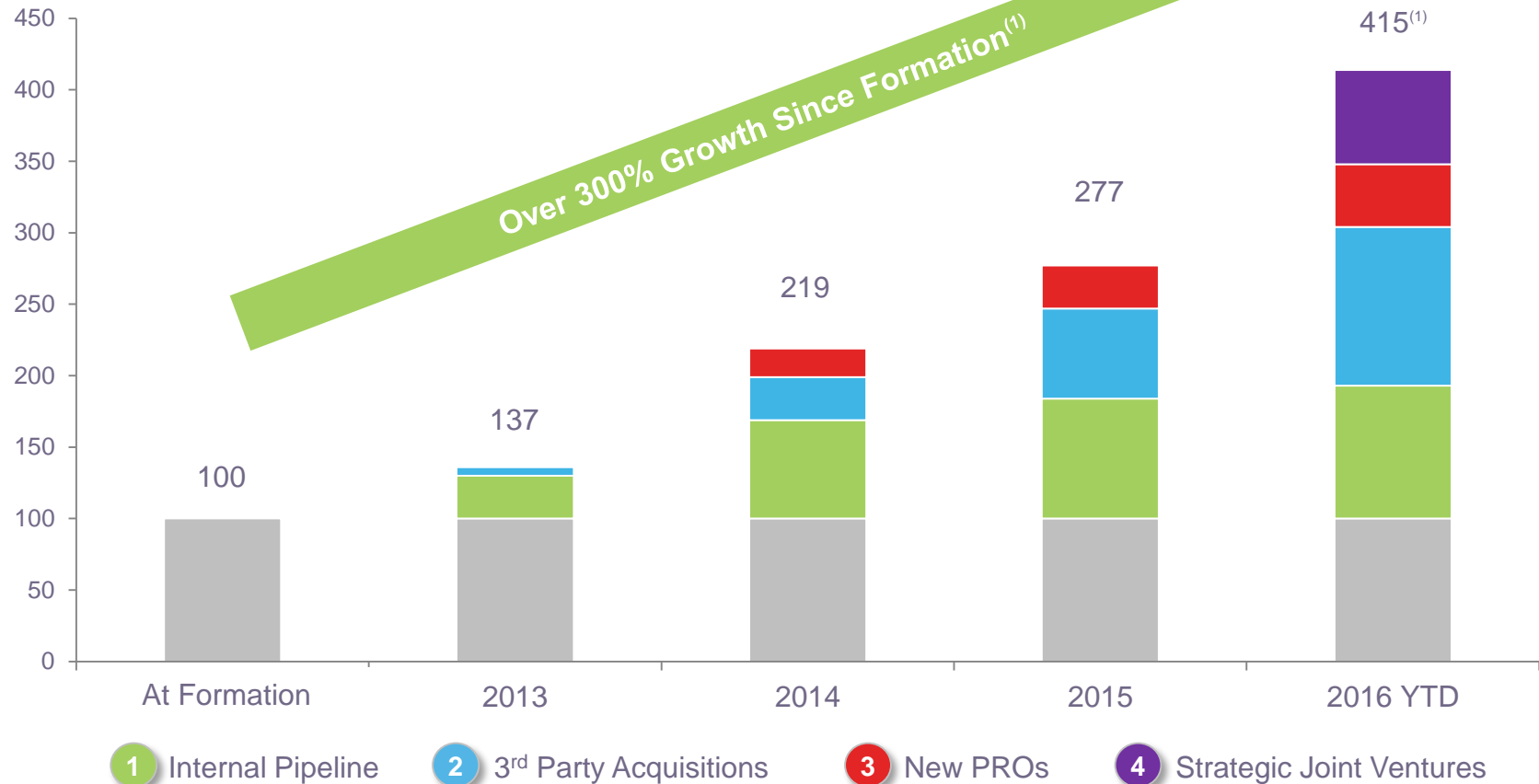
STRATEGIC BENEFITS

Off-Market Acquisition in Existing Targeted Markets	<ul style="list-style-type: none">• Off-market opportunity to acquire a large, institutional quality portfolio• Adds 66 properties in attractive markets with population and job growth• Significant growth in NSA's top target markets, including Florida and California
Portfolio With Upside Potential	<ul style="list-style-type: none">• Potential to increase rent and ancillary income in a number of markets• Opportunity to push occupancy above the current 86% through the stabilization of the portfolio and lease-up of recent expansions• Future expansion and re-development opportunities
Build on the IPO Story	<ul style="list-style-type: none">• Further demonstrates NSA's ability to grow externally post-IPO• Accretive deployment of up to \$105 million of capital by NSA• Introduces a new source of capital and growth potential with a promoted return structure backed by a well respected institution
Enhanced Operating Systems / Platform	<ul style="list-style-type: none">• Addition of experienced field and operations personnel as well as a fully integrated call center• Sophisticated web marketing and customer acquisition systems to identify demand growth and capture customer leads• Provide various property management services to generate fee income



NSA'S TRACK RECORD OF EXTERNAL GROWTH

Number of Properties



(1) Property count includes 349 properties owned by NSA as of September 1, 2016 and the 66 iStorage properties currently under contract by the Joint Venture. Acquisitions of Joint Venture properties under contract are subject to customary closing conditions and there is no assurance that the Joint Venture properties will be acquired or will be acquired at the time or pursuant to the terms currently contemplated.

CONCLUSION



1 Strategic Joint Venture utilizes a new source of capital for NSA

2 Attractive portfolio with potential occupancy, rate and expansion upside by integrating with NSA's best practices

3 Immediately accretive deployment of up to \$105 million of NSA capital

4 Valuable brand and customer acquisition / technology platform

5 Creation of third party fee income for NSA and opportunity for scale efficiencies in G&A