

May 4, 2022



# National Storage Affiliates Trust Reports First Quarter 2022 Results

GREENWOOD VILLAGE, Colo.--(BUSINESS WIRE)-- National Storage Affiliates Trust ("NSA" or the "Company") (NYSE: NSA) today reported the Company's first quarter 2022 results.

## First Quarter 2022 Highlights

- Reported net income of \$44.8 million for the first quarter of 2022, an increase of 62.1% compared to the first quarter of 2021. Reported diluted earnings per share of \$0.24 for the first quarter of 2022 compared to \$0.19 for the first quarter of 2021.
- Reported core funds from operations ("Core FFO") of \$87.4 million, or \$0.68 per share for the first quarter of 2022, an increase of 38.8% per share compared to the first quarter of 2021.
- Reported an increase in same store net operating income ("NOI") of 22.2% for the first quarter of 2022 compared to the same period in 2021, driven by a 16.6% increase in same store total revenues partially offset by an increase of 3.1% in same store property operating expenses.
- Reported same store period-end occupancy of 94.8% as of March 31, 2022, an increase of 140 basis points compared to March 31, 2021.
- Acquired 12 wholly-owned self storage properties for approximately \$92.9 million during the first quarter of 2022. Consideration for these acquisitions included the issuance of \$16.6 million of OP equity.
- Issued the previously announced \$125.0 million of 2.96% senior unsecured notes due November 30, 2033 in a private placement.
- As previously announced, one of the Company's largest participating regional operators ("PROs"), Kevin Howard Real Estate, Inc., d/b/a Northwest Self Storage and its controlled affiliates ("Northwest"), retired effective January 1, 2022. As a result of the retirement, on January 1, 2022, management of the Company's properties in the Northwest managed portfolio was transferred to NSA and the Northwest brand name and related intellectual property were internalized by the Company. In addition, NSA no longer pays supervisory and administrative fees or reimbursements to Northwest and all subordinated performance units related to Northwest's managed portfolio were converted into OP units.

## Highlights Subsequent to Quarter-End

- Kroll Bond Rating Agency upgraded the issuer credit rating of NSA's operating partnership to BBB+ with a Stable Outlook from BBB with a Positive Outlook.
- In April 2022, one of the Company's unconsolidated real estate ventures acquired seven self storage properties for approximately \$208 million. The venture financed the

acquisition with capital contributions from the venture members, of which the Company contributed approximately \$52 million.

Tamara Fischer, President and Chief Executive Officer, commented, "First quarter results confirmed that the favorable performance trends experienced in 2021 are continuing into 2022. Rental demand remains robust, supply remains muted, and we are benefiting from continued strength in rate growth to both new and in-place tenants. The combination of these factors drove the fourth consecutive quarter of NOI growth north of 20%, resulting in 39% core FFO per share growth. Based on this strong performance and favorable April trends, we are pleased to be able to raise our same store NOI growth and core FFO per share guidance for 2022."

## Financial Results

(\$ in thousands, except per share and unit data)	Three Months Ended March 31,		
	2022	2021	Growth
<b>Net income</b>	<b>\$ 44,786</b>	<b>\$ 27,635</b>	<b>62.1%</b>
<b>Funds From Operations ("FFO")<sup>(1)</sup></b>	<b>\$ 86,856</b>	<b>\$ 50,907</b>	<b>70.6%</b>
Add back acquisition costs	553	292	89.4%
<b>Core FFO<sup>(1)</sup></b>	<b>\$ 87,409</b>	<b>\$ 51,199</b>	<b>70.7%</b>
<b>Earnings (loss) per share - basic</b>	<b>\$ 0.24</b>	<b>\$ 0.24</b>	<b>—</b>
<b>Earnings (loss) per share - diluted</b>	<b>\$ 0.24</b>	<b>\$ 0.19</b>	<b>26.3%</b>
<b>FFO per share and unit<sup>(1)</sup></b>	<b>\$ 0.67</b>	<b>\$ 0.49</b>	<b>36.7%</b>
<b>Core FFO per share and unit<sup>(1)</sup></b>	<b>\$ 0.68</b>	<b>\$ 0.49</b>	<b>38.8%</b>

(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 \$17.2 million for the first quarter of 2022 as compared to the same period in 2021. This increase resulted primarily from additional NOI generated from the 206 self storage properties acquired between April 1, 2021 and December 31, 2021, 12 self storage properties acquired during the three months ended March 31, 2022, same store NOI growth of 22.2% in the first quarter of 2022 compared to the same period 2021 and increases in equity in earnings from the Company's unconsolidated real estate ventures, partially offset by increases in depreciation and amortization, interest expense and general and administrative expenses.

The increase in FFO and Core FFO for the first quarter of 2022 was primarily the result of incremental NOI from properties acquired between April 1, 2021 and March 31, 2022 and same store NOI growth, partially offset by an increase in subordinated performance unit distributions.

## Same Store Operating Results (631 Stores)

(\$ in thousands, except per square foot data)	Three Months Ended March 31,		
	2022	2021	Growth
Total revenues	\$ 132,619	\$ 113,727	16.6%
Property operating expenses	34,317	33,284	3.1%
<b>Net Operating Income (NOI)</b>	<b>\$ 98,302</b>	<b>\$ 80,443</b>	<b>22.2%</b>
<b>NOI Margin</b>	<b>74.1%</b>	<b>70.7%</b>	<b>3.4%</b>
<b>Average Occupancy</b>	<b>94.7%</b>	<b>92.2%</b>	<b>2.5%</b>
<b>Average Annualized Rental Revenue Per Occupied Square Foot</b>	<b>\$ 14.10</b>	<b>\$ 12.43</b>	<b>13.4%</b>

Year-over-year same store total revenues increased 16.6% for the first quarter of 2022 as compared to the same period in 2021. The increase was driven primarily by a 250 basis point increase in average occupancy and a 13.4% increase in average annualized rental revenue per occupied square foot. Markets which generated above portfolio average same store total revenue growth for the first quarter of 2022 include: Riverside-San Bernardino, Atlanta and Sarasota. Markets which generated below portfolio average same store total revenue growth for the first quarter of 2022 include: Kansas City, Tulsa, and Los Angeles.

Year-over-year same store property operating expenses increased 3.1% for the first quarter of 2022. The increase primarily resulted from increases in property tax expense and utilities.

## Investment Activity

During the first quarter, NSA invested \$92.9 million in the acquisition of 12 self storage properties consisting of approximately 0.7 million rentable square feet configured in approximately 5,000 storage units. Total consideration for these acquisitions included approximately \$76.0 million of net cash, \$8.9 million of 6.000% Series A-1 cumulative redeemable preferred units, \$5.6 million of OP units, \$2.1 million of subordinated performance units and the assumption of approximately \$0.3 million of other liabilities.

## Balance Sheet

On January 28, 2022, the operating partnership issued \$125.0 million of 2.96% senior unsecured notes due November 30, 2033 in a private placement to certain institutional investors. The Company used the proceeds to repay outstanding amounts on its revolving line of credit and for general corporate purposes.

On April 11, 2022, Kroll Bond Rating Agency upgraded the issuer credit rating of the Company's operating partnership to BBB+ with a Stable Outlook from BBB with a Positive Outlook.

## Common Share Dividends

On February 24, 2022, NSA's Board of Trustees declared a quarterly cash dividend of \$0.50 per common share, representing a 43% increase from the first quarter 2021. The first quarter 2022 dividend was paid on March 31, 2022 to shareholders of record as of March 15, 2022.

## 2022 Guidance

The following table outlines NSA's updated and prior FFO guidance estimates and related assumptions for the year ended December 31, 2022:

	Current Ranges for Full Year 2022		Prior Ranges for Full Year 2022		Actual Results for Full Year 2021
	Low	High	Low	High	
Core FFO per share <sup>(1)</sup>	\$ 2.80	\$ 2.85	\$ 2.68	\$ 2.74	\$ 2.26
Same store operations <sup>(2)</sup>					
Total revenue growth	11.0%	13.0%	8.0%	9.5%	15.1%
Property operating expenses growth	5.0%	6.25%	5.25%	6.5%	4.0%
NOI growth	14.0%	16.0%	9.0%	11.0%	19.8%
General and administrative expenses					
General and administrative expenses (excluding equity-based compensation), in millions	\$ 52.0	\$ 54.0	\$ 51.0	\$ 53.0	\$ 45.5
Equity-based compensation, in millions	\$ 6.5	\$ 7.0	\$ 6.5	\$ 7.0	\$ 5.5
Management fees and other revenue, in millions	\$ 27.0	\$ 29.0	\$ 26.0	\$ 28.0	\$ 24.4
Core FFO from unconsolidated real estate ventures, in millions	\$ 24.0	\$ 25.0	\$ 22.0	\$ 23.0	\$ 20.7
Subordinated performance unit distributions, in millions	\$ 58.0	\$ 61.0	\$ 52.0	\$ 55.0	\$ 49.8
Acquisitions of self storage properties, in millions	\$ 400.0	\$ 600.0	\$ 400.0	\$ 600.0	\$ 2,175.0

	Current Ranges for Full Year 2022		Prior Ranges for Full Year 2022	
	Low	High	Low	High
<b>Earnings (loss) per share - diluted</b>	<b>\$ 1.28</b>	<b>\$ 1.38</b>	<b>\$ 1.12</b>	<b>\$ 1.22</b>
Impact of the difference in weighted average number of shares and GAAP accounting for noncontrolling interests, two-class method and treasury stock method	0.16	0.02	0.19	0.07
Add real estate depreciation and amortization, including NSA's share of unconsolidated venture real estate depreciation and amortization	1.80	1.90	1.76	1.86
FFO attributable to subordinated unitholders	(0.45)	(0.47)	(0.40)	(0.43)
Add acquisition costs and NSA's share of unconsolidated real estate venture acquisition costs	0.01	0.02	0.01	0.02
<b>Core FFO per share and unit</b>	<b>\$ 2.80</b>	<b>\$ 2.85</b>	<b>\$ 2.68</b>	<b>\$ 2.74</b>

(1) The table above provides a reconciliation of the range of estimated earnings (loss) per share - diluted to estimated Core FFO per share and unit.

(2) 2022 guidance reflects NSA's 2022 same store pool comprising 631 stores. 2021 actual results reflect NSA's 2021 same store pool comprising 560 stores.

## 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 4, 2022.

## 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 11:00 am Eastern Time on Thursday, May 5, 2022 to discuss its first quarter 2022 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](http://www.nationalstorageaffiliates.com).

#### Conference Call and Webcast:

Date/Time: Thursday, May 5, 2022, 11:00am ET  
Webcast available at: [www.nationalstorageaffiliates.com](http://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 Thursday, May 12, 2022. A replay of the webcast will be available for 30 days on NSA's website at [www.nationalstorageaffiliates.com](http://www.nationalstorageaffiliates.com).

### **Upcoming Industry Conference**

NSA management is scheduled to participate in BMO's 2022 Real Estate Summit in New York, New York on May 12, 2022 and in Nareit's REITweek 2022 Investor Conference, June 7-9, 2022 in New York, New York.

### **About National Storage Affiliates Trust**

National Storage Affiliates Trust is a real estate investment trust headquartered in Greenwood Village, Colorado, focused on the ownership, operation and acquisition of self storage properties predominantly located within the top 100 metropolitan statistical areas throughout the United States. As of March 31, 2022, the Company held ownership interests in and operated 1,061 self storage properties located in 42 states and Puerto Rico with approximately 68.4 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](http://www.nationalstorageaffiliates.com). NSA is included in the MSCI US REIT Index (RMS/RMZ), the Russell 2000 Index of Companies and the S&P MidCap 400 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 the Company's ability to execute on its acquisition pipeline; the timing of acquisitions under contract; the internalization of retiring participating regional operators ("PROs") into the Company; negative impacts from the COVID-19 pandemic 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, 2022. 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.

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

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>		
Rental revenue	\$ 174,469	\$ 113,127
Other property-related revenue	6,166	4,137
Management fees and other revenue	6,549	5,728
Total revenue	<u>187,184</u>	<u>122,992</u>
<b>OPERATING EXPENSES</b>		
Property operating expenses	49,358	34,604
General and administrative expenses	13,966	11,238
Depreciation and amortization	58,072	32,424
Other	470	397
Total operating expenses	<u>121,866</u>	<u>78,663</u>
<b>OTHER (EXPENSE) INCOME</b>		
Interest expense	(22,647)	(16,792)
Equity in earnings of unconsolidated real estate ventures	1,494	759
Acquisition costs	(553)	(292)
Non-operating expense	(112)	(173)
Gain on sale of self storage properties	2,134	—
Other expense	(19,684)	(16,498)
<b>Income before income taxes</b>	<u>45,634</u>	<u>27,831</u>
Income tax expense	(848)	(196)
<b>Net income</b>	<u>44,786</u>	<u>27,635</u>
Net income attributable to noncontrolling interests	(19,558)	(6,797)
<b>Net income attributable to National Storage Affiliates Trust</b>	<u>25,228</u>	<u>20,838</u>
Distributions to preferred shareholders	(3,279)	(3,275)
<b>Net income attributable to common shareholders</b>	<u>\$ 21,949</u>	<u>\$ 17,563</u>
<b>Earnings (loss) per share - basic</b>	<u>\$ 0.24</u>	<u>\$ 0.24</u>
<b>Earnings (loss) per share - diluted</b>	<u>\$ 0.24</u>	<u>\$ 0.19</u>
<b>Weighted average shares outstanding - basic</b>	<u>91,323</u>	<u>71,794</u>
<b>Weighted average shares outstanding - diluted</b>	<u>91,323</u>	<u>123,187</u>

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

	March 31, 2022	December 31, 2021
<b>ASSETS</b>		
Real estate		
Self storage properties	\$ 5,892,406	\$ 5,798,188
Less accumulated depreciation	(624,368)	(578,717)
Self storage properties, net	5,268,038	5,219,471
Cash and cash equivalents	26,616	25,013
Restricted cash	2,531	2,862
	2,121	2,433
Debt issuance costs, net		
Investment in unconsolidated real estate ventures	184,547	188,187
Other assets, net	115,607	102,417
Operating lease right-of-use assets	21,951	22,211
Total assets	<u>\$ 5,621,411</u>	<u>\$ 5,562,594</u>
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Debt financing	\$ 2,999,751	\$ 2,940,931
Accounts payable and accrued liabilities	60,678	59,262
Interest rate swap liabilities	3,821	33,757
Operating lease liabilities	23,751	23,981
Deferred revenue	23,366	22,208
Total liabilities	3,111,367	3,080,139
Equity		
Preferred shares of beneficial interest, par value \$0.01 per share. 50,000,000 authorized, 8,744,935 and 8,736,719 issued and outstanding at March 31, 2022 and December 31, 2021, respectively, at liquidation preference	218,623	218,418
Common shares of beneficial interest, par value \$0.01 per share. 250,000,000 shares authorized, 91,461,720 and 91,198,929 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	915	912
Additional paid-in capital	1,830,732	1,866,773
Distributions in excess of earnings	(315,024)	(291,263)
Accumulated other comprehensive income (loss)	11,734	(19,611)
Total shareholders' equity	1,746,980	1,775,229
Noncontrolling interests	763,064	707,226
Total equity	2,510,044	2,482,455
Total liabilities and equity	<u>\$ 5,621,411</u>	<u>\$ 5,562,594</u>



**Reconciliation of Net Income to FFO and Core FFO**  
(in thousands, except per share and unit amounts) (unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Net income</b>	<b>\$ 44,786</b>	<b>\$ 27,635</b>
Add (subtract):		
Real estate depreciation and amortization	57,759	32,070
Company's share of unconsolidated real estate venture real estate depreciation and amortization	3,846	3,881
Gain on sale of self storage properties	(2,134)	—
Distributions to preferred shareholders and unitholders	(3,552)	(3,517)
FFO attributable to subordinated performance unitholders <sup>(1)</sup>	(13,849)	(9,162)
<b>FFO attributable to common shareholders, OP unitholders, and LTIP unitholders</b>	<b>86,856</b>	<b>50,907</b>
Add:		
Acquisition costs	553	292
<b>Core FFO attributable to common shareholders, OP unitholders, and LTIP unitholders</b>	<b>\$ 87,409</b>	<b>\$ 51,199</b>

**Weighted average shares and units outstanding - FFO and Core FFO:<sup>(2)</sup>**

Weighted average shares outstanding - basic	91,323	71,794
Weighted average restricted common shares outstanding	28	25
Weighted average effect of forward offering agreement <sup>(3)</sup>	—	399
Weighted average OP units outstanding	35,351	29,751
Weighted average DownREIT OP unit equivalents outstanding	1,925	1,925
Weighted average LTIP units outstanding	603	585
<b>Total weighted average shares and units outstanding - FFO and Core FFO</b>	<b>129,230</b>	<b>104,479</b>

<b>FFO per share and unit</b>	<b>\$ 0.67</b>	<b>\$ 0.49</b>
<b>Core FFO per share and unit</b>	<b>\$ 0.68</b>	<b>\$ 0.49</b>

(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<sup>(4)</sup> 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.

(3) Represents the dilutive effect of the forward offering from the application of the treasury stock method.

**Reconciliation of Earnings (Loss) Per Share - Diluted to FFO and Core FFO Per Share and Unit**  
(in thousands, except per share and unit amounts) (unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Earnings (loss) per share - diluted</b>	<b>\$ 0.24</b>	<b>\$ 0.19</b>
Impact of the difference in weighted average number of shares <sup>(4)</sup>	(0.07)	0.04
Impact of GAAP accounting for noncontrolling interests, two-class method and treasury stock method <sup>(5)</sup>	0.15	—
Add real estate depreciation and amortization	0.45	0.31
Add Company's share of unconsolidated real estate venture real estate depreciation and amortization	0.03	0.04
Subtract gain on sale of self storage properties	(0.02)	—
FFO attributable to subordinated performance unitholders	(0.11)	(0.09)
<b>FFO per share and unit</b>	<b>0.67</b>	<b>0.49</b>
Add acquisition costs	0.01	—
<b>Core FFO per share and unit</b>	<b>\$ 0.68</b>	<b>\$ 0.49</b>

- (4) 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.
- (5) 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<sup>(4)</sup>.

#### Net Operating Income

(dollars in thousands) (unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Net income</b>	<b>\$ 44,786</b>	<b>\$ 27,635</b>
(Subtract) add:		
Management fees and other revenue	(6,549)	(5,728)
General and administrative expenses	13,966	11,238
Other	470	397
Depreciation and amortization	58,072	32,424
Interest expense	22,647	16,792
Equity in earnings of unconsolidated real estate ventures	(1,494)	(759)
Acquisition costs	553	292
Income tax expense	848	196
Gain on sale of self storage properties	(2,134)	—
Non-operating expense	112	173
<b>Net Operating Income</b>	<b>\$ 131,277</b>	<b>\$ 82,660</b>

#### EBITDA and Adjusted EBITDA

(dollars in thousands) (unaudited)

	Three Months Ended March 31,	
	2022	2021
<b>Net income</b>	<b>\$ 44,786</b>	<b>\$ 27,635</b>
Add:		
Depreciation and amortization	58,072	32,424
Company's share of unconsolidated real estate venture depreciation and amortization	3,846	3,881
Interest expense	22,647	16,792
Income tax expense	848	196
<b>EBITDA</b>	<b>130,199</b>	<b>80,928</b>
Add (subtract):		
Acquisition costs	553	292
Gain on sale of self storage properties	(2,134)	—
Equity-based compensation expense	1,544	1,286
<b>Adjusted EBITDA</b>	<b>\$ 130,162</b>	<b>\$ 82,506</b>

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20220504006038/en/>

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Source: National Storage Affiliates Trust