

November 9, 2015



National Storage Affiliates Trust Reports Third Quarter 2015 Results

- Core FFO Increased 14% to \$0.24 per Share -

- Same Store NOI Increased 13.6% Year-Over-Year -

- Acquired 15 Self Storage Properties -

GREENWOOD VILLAGE, Colo.-- National Storage Affiliates Trust ("NSA" or the "Company") (NYSE: NSA), today reported the Company's third quarter 2015 results.

Third Quarter 2015 Highlights

- Core funds from operations ("Core FFO") was \$11.3 million, or \$0.24 per share for the third quarter of 2015, an increase of 14% per share compared to Core FFO of \$3.2 million, or \$0.21 per share, for the third quarter of 2014.
- Net operating income ("NOI") was \$23.7 million for the third quarter of 2015, an increase of 80.0% compared to NOI of \$13.2 million for the third quarter of 2014.
- Same store NOI was \$10.0 million for the third quarter of 2015, an increase of 13.6% compared to same store NOI of \$8.8 million for the third quarter of 2014.
- Same store revenue was \$15.3 million for the third quarter of 2015, an increase of 10.0% compared to same store revenue of \$13.9 million for the third quarter of 2014.
- Acquired 15 self storage properties during the third quarter of 2015 for approximately \$106 million.

Year-To-Date 2015 Highlights

- Year-to-date 2015 Core FFO was \$24.2 million, or \$0.68 per share, an increase of 31% per share compared to Core FFO of \$6.2 million, or \$0.52 per share, for the nine months ended September 30, 2014.
- Year-to-date 2015 NOI was \$63.0 million, an increase of 99.3% compared to year-to-date NOI of \$31.6 million for the nine months ended September 30, 2014.
- Year-to-date 2015 same store NOI was \$28.5 million, an increase of 11.7% compared to year-to-date same store NOI of \$25.5 million for the nine months ended September 30, 2014.
- Since October 1, 2015, the Company has acquired 15 additional properties valued at approximately \$68 million.

Arlen Nordhagen, Chief Executive Officer, commented, "We are pleased to report a solid quarter of results. The ongoing implementation of our best practices programs by our Participating Regional Operators is producing outcomes that continue to exceed our expectations - both in same store results and in the pace of our acquisitions. Core FFO per share and same store NOI increased over the second quarter as well as year over year. On the investment front, our portfolio increased to 261 properties as of September 30, 2015, with the acquisition of 15 properties during the quarter with an estimated value of \$106 million, and subsequently increased to 276 properties following the acquisition of an additional 15 properties during October with an estimated value of \$68 million. Our team continues to perform well in all areas of operations."

Financial Results

(\$ in thousands, except per share and unit data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income (loss)	<u>\$ 2,109</u>	<u>\$ (5,025)</u>	<u>\$ (569)</u>	<u>\$ (13,986)</u>
Funds From Operations ("FFO")	<u>8,459</u>	<u>(446)</u>	<u>19,057</u>	<u>(4,351)</u>
Add back acquisition costs, organizational and offering expenses, and loss on early extinguishment of debt	<u>2,874</u>	<u>3,631</u>	<u>5,164</u>	<u>10,599</u>
Core FFO	<u>\$ 11,333</u>	<u>\$ 3,185</u>	<u>\$24,221</u>	<u>\$ 6,248</u>
FFO per share and unit	<u>\$ 0.18</u>	<u>\$ (0.03)</u>	<u>\$ 0.53</u>	<u>\$ (0.36)</u>
Core FFO per share and unit	<u>\$ 0.24</u>	<u>\$ 0.21</u>	<u>\$ 0.68</u>	<u>\$ 0.52</u>

FFO was \$8.5 million, or \$0.18 per share, for the third quarter of 2015, compared to a FFO net loss of \$0.4 million, or \$0.03 per share, for the third quarter of 2014. Core FFO was \$11.3 million, or \$0.24 per share for the third quarter of 2015, an increase of 14% per share compared to Core FFO of \$3.2 million, or \$0.21 per share, for the third quarter of 2014. The increases in FFO and Core FFO were primarily the result of an additional \$5.6 million of NOI from the acquisition of 57 self storage properties acquired between October 1, 2014 and September 30, 2015, and reductions in interest expense and organizational and offering expenses, partially offset by general and administrative expenses.

Net income attributable to the Company was \$2.1 million for the third quarter of 2015, compared to a net loss of \$5.0 million for the third quarter of 2014. The increase was primarily due to an increase in NOI resulting from an additional 88 self storage properties acquired from July 1, 2014 to September 30, 2015, and reductions in interest expense and organizational and offering expenses, partially offset by increases in depreciation and amortization and general and administrative expenses.

A reconciliation of net income (loss) to FFO, Core FFO and NOI may be found in the supplemental financial information.

Total Portfolio Operating Results

(\$ in thousands, except per square foot data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total revenue	\$ 35,678	\$ 20,863	\$ 95,619	\$ 50,239
Property operating expenses	12,000	7,710	32,668	18,665
Net Operating Income (NOI)	\$ 23,678	\$ 13,153	\$ 62,951	\$ 31,574
Average annualized rental revenue per occupied square foot	\$ 10.75	\$ 9.74	\$ 10.60	\$ 9.63

Total revenues were \$35.7 million for the third quarter of 2015, an increase of 71.0% compared to total revenues of \$20.9 million for the third quarter of 2014. Total revenue increases were driven by a 250 basis point increase in average occupancy for the third quarter of 2015 compared to the third quarter of 2014, combined with a 10.4% increase in average annualized rental revenue per occupied square foot compared to the third quarter of 2014 and continued, solid progress in acquisition activity.

Total portfolio NOI was \$23.7 million for the third quarter of 2015, an increase of 80.0% compared to NOI of \$13.2 million for the third quarter of 2014.

Same Store Operating Results

(\$ in thousands, except per square foot data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total revenue	\$15,278	\$13,886	\$43,787	\$40,428
Property operating expenses	5,273	5,078	15,330	14,961
Net Operating Income (NOI)	\$10,005	\$ 8,808	\$28,457	\$25,467
NOI Margin	65.5%	63.4%	65.0%	63.0%
Average Occupancy	90.4%	87.9%	88.0%	85.4%
Average annualized rental revenue per occupied square foot	\$ 10.11	\$ 9.42	\$ 9.91	\$ 9.42

Same store revenues were \$15.3 million for the third quarter of 2015, an increase of 10.0% compared to \$13.9 million for the third quarter of 2014. Revenue increases were driven by a 250 basis point increase in average occupancy for the third quarter of 2015 compared to the third quarter of 2014, combined with a 7.3% increase in average annualized rental revenue per occupied square foot compared to the prior year.

Same store NOI was \$10.0 million for the third quarter of 2015, an increase of 13.6% compared to same store NOI of \$8.8 million for the third quarter of 2014. The increase was driven by an average occupancy gain of 250 basis points and an average annualized rental revenue per occupied square foot increase of 7.3% for the third quarter of 2015 compared to the third quarter of 2014.

Investment Activity

NSA acquired 15 self storage properties in the third quarter of 2015 for an investment of approximately \$106 million, composed of approximately 1.1 million rentable square feet configured in approximately 8,200 storage units.

Since October 1, 2015, the Company acquired 15 properties valued at approximately \$68 million, composed of approximately 950,000 rentable square feet configured in approximately 7,400 storage units.

Debt and Credit Facility Activity

On August 13, 2015, the Company entered into an amendment with its lenders to expand the Company's unsecured credit facility to \$550 million, comprised of a \$350 million revolving line of credit and a \$200 million term loan.

At September 30, 2015, NSA had \$496 million of total debt outstanding including approximately \$312 million outstanding debt under its credit facility.

Dividends

On September 2, 2015, NSA's Board of Trustees declared a quarterly dividend of \$0.19 per common share which was paid on October 15, 2015 to holders of record at September 30, 2015.

2015 Guidance

	Full Year 2015
Core FFO per share	\$0.89 to \$0.91
Subordinated Performance Unit Distributions (\$ in millions)	\$14.0 to \$14.8
Same Store NOI Growth Compared to Prior Year	10% to 11%
G&A, including approximately \$3.0 million of non-cash compensation (\$ in millions)	\$15.5 to \$16.5

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 November 9, 2015.

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 presentation 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 1:00pm Eastern Time on Tuesday, November 10, 2015 to discuss its 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, November 10, 2015, 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: 13613621

A replay of the call will be available for one week through Tuesday, November 17, 2015. A replay of the webcast will be available for 30 days on NSA's website at www.nationalstorageaffiliates.com.

Upcoming Industry Conference

NSA management is scheduled to attend NAREIT's upcoming REITWorld 2015 Conference in Las Vegas, Nevada on November 17 - 19, 2015.

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. The Company currently owns and operates 276 self storage properties located in 16 states with approximately 15.7 million rentable square feet. NSA is the sixth largest owner and operator of self storage properties among public and private companies in the U.S. For more information, please visit the Company's website at www.nationalstorageaffiliates.com. NSA is included in the Russell 2000 Index of Companies.

NOTE REGARDING FORWARD LOOKING STATEMENTS

NSA makes forward-looking statements in this press release that are subject to risks and uncertainties. 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. When NSA uses the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," or similar expressions, the Company intends to identify forward-looking statements.

The forward-looking statements contained in this press release reflect NSA's current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions, and changes in circumstances that may cause the Company's actual results to differ significantly from those expressed in any forward-looking statement.

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 the timing of acquisitions;
- the Company's relationships with, and its ability to attract additional, PROs;
- NSA's ability to effectively align the interests of its PROs with the Company and its shareholders;
- the integration of the Company's PROs and their contributed portfolios into the Company, including into its financial and operational reporting infrastructure and internal control framework;
- NSA's operating performance and projected operating results, including its ability to achieve market rents and occupancy levels, reduce operating expenditures and increase the sale of ancillary products and services;
- the Company's ability to access additional off-market acquisitions;
- actions and initiatives of the U.S. federal, state and local government and changes to U.S. federal, state and local government policies and the execution and impact of these actions, initiatives and policies;
- the state of the U.S. economy generally or in specific geographic regions, states or municipalities;
- economic trends and economic recoveries;
- NSA's ability to obtain and maintain financing arrangements on favorable terms;
- general volatility of the securities markets in which we participate;
- changes in the value of the Company's assets;
- projected capital expenditures;
- the impact of technology on NSA's products, operations, and business;

- *the implementation of the Company's technology and best practices programs (including NSA's ability to effectively implement its integrated Internet marketing strategy);*
- *changes in interest rates and the degree to which the Company's hedging strategies may or may not protect NSA from interest rate volatility;*
- *impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters;*
- *the Company's ability to qualify, and maintain its qualification, as a REIT for U.S. federal income tax purposes;*
- *NSA's ability to successfully remediate the material weakness in its internal control over financial reporting;*
- *availability of qualified personnel;*
- *the timing of conversions of subordinated performance units into OP units and the conversion ratio in effect at such time;*
- *estimates relating to the Company's ability to make distributions to its shareholders in the future; and*
- *NSA's understanding of its competition.*

*The forward-looking statements are based on NSA's beliefs, assumptions and expectations of the Company's future performance, taking into account all information currently available to NSA. 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 the Company. Readers should carefully review NSA's financial statements and the notes thereto, as well as the section entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business and Properties" described in the Company's Prospectus filed with the SEC pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on April 24, 2015 (the "Prospectus"), and the other documents NSA files from time to time with the Securities and Exchange Commission. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in NSA's 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 the Company to predict those events or how they may affect NSA. Except as required by law, the Company is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.***

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
REVENUE				
Rental revenue	\$ 34,600	\$ 20,274	\$92,650	\$ 48,923
Other property-related revenue	1,078	589	2,969	1,316
Total revenue	<u>35,678</u>	<u>20,863</u>	<u>95,619</u>	<u>50,239</u>
OPERATING EXPENSES				
Property operating expenses	12,000	7,710	32,668	18,665
General and administrative expenses	4,056	2,315	11,856	5,449
Depreciation and amortization	10,341	6,777	30,192	15,311
Total operating expenses	<u>26,397</u>	<u>16,802</u>	<u>74,716</u>	<u>39,425</u>
Income from operations	9,281	4,061	20,903	10,814
OTHER INCOME (EXPENSE)				
Interest expense	(4,246)	(5,459)	(16,052)	(15,628)
Loss on early extinguishment of debt	—	—	(914)	(1,020)
Acquisition costs	(2,874)	(3,092)	(4,192)	(8,363)
Organizational and offering expenses	—	(539)	(58)	(1,216)
Non-operating (expense) income	(52)	3	(256)	—
Gain on sale of self storage properties	—	1	—	1,427
Other income (expense)	<u>(7,172)</u>	<u>(9,086)</u>	<u>(21,472)</u>	<u>(24,800)</u>
Net income (loss)	2,109	(5,025)	(569)	(13,986)
Net loss attributable to noncontrolling interests	<u>2,263</u>	<u>5,025</u>	<u>8,405</u>	<u>13,986</u>
Net income (loss) attributable to National Storage Affiliates Trust	<u>\$ 4,372</u>	<u>\$ —</u>	<u>\$ 7,836</u>	<u>\$ —</u>
Earnings (loss) per share - basic	<u>\$ 0.19</u>	<u>\$ —</u>	<u>\$ 0.61</u>	<u>\$ —</u>
Earnings (loss) per share - diluted	<u>\$ 0.03</u>	<u>\$ —</u>	<u>\$ 0.06</u>	<u>\$ —</u>
Weighted average shares outstanding - basic	<u>23,000</u>	<u>1</u>	<u>12,924</u>	<u>1</u>
Weighted average shares outstanding - diluted	<u>63,456</u>	<u>1</u>	<u>38,758</u>	<u>1</u>

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

	September 30, 2015	December 31, 2014
ASSETS		
Real estate		
Self storage properties	\$ 1,077,801	\$ 838,941
Less accumulated depreciation	(59,881)	(39,614)
Self storage properties, net	1,017,920	799,327
Cash and cash equivalents	6,786	9,009
Restricted cash	3,794	2,120
Debt issuance costs, net	5,203	6,346
Other assets, net	10,989	15,944
Total assets	\$ 1,044,692	\$ 832,746
LIABILITIES AND EQUITY		
Liabilities		
Debt financing	\$ 495,981	\$ 597,691
Accounts payable and accrued liabilities	16,617	10,012
Distributions payable	12,975	6,763
Deferred revenue	5,313	4,176
Total liabilities	530,886	618,642
Equity		
Common shares of beneficial interest, par value \$0.01 per share. 250,000,000 and 1,000 shares authorized, 23,017,210 and 1,000 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively	230	—
Additional paid-in capital	234,818	—
Retained earnings	10	—
Accumulated other comprehensive loss	—	—
Total shareholders' equity	235,058	—
Noncontrolling interests	278,748	214,104
Total equity	513,806	214,104
Total liabilities and equity	\$ 1,044,692	\$ 832,746

Funds From Operations and Core Funds From Operations

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income (loss)	\$ 2,109	\$ (5,025)	\$ (569)	\$ (13,986)
Add (subtract):				
Real estate depreciation and amortization	10,248	6,777	29,943	15,311
Gain on sale of self storage properties	—	(1)	—	(1,427)
FFO attributable to subordinated performance unitholders ⁽¹⁾	(3,898)	(2,197)	(10,317)	(4,249)
FFO attributable to common shareholders, OP unitholders, and LTIP unitholders	8,459	(446)	19,057	(4,351)
Add:				
Acquisition costs	2,874	3,092	4,192	8,363
Organizational and offering expenses	—	539	58	1,216
Loss on early extinguishment of debt	—	—	914	1,020
Core FFO attributable to common shareholders, OP unitholders, and LTIP unitholders	\$ 11,333	\$ 3,185	\$24,221	\$ 6,248

Weighted average shares and units outstanding - FFO and Core FFO: ⁽²⁾

Weighted average shares outstanding - basic	23,000	1	12,924	1
Weighted average restricted common shares outstanding	17	—	6	—
Weighted average OP units outstanding ⁽³⁾	21,109	14,874	20,181	11,917
Weighted average DownREIT OP unit equivalents outstanding	1,432	177	1,411	60
Weighted average LTIP units outstanding ⁽⁴⁾	2,243	—	1,273	—
Total weighted average shares and units outstanding - FFO and Core FFO	47,801	15,052	35,795	11,978

FFO per share and unit	\$ 0.18	\$ (0.03)	\$ 0.53	\$ (0.36)
Core FFO per share and unit	\$ 0.24	\$ 0.21	\$ 0.68	\$ 0.52

(1) Amounts represent distributions declared for subordinated performance unitholders and DownREIT subordinated performance unitholders for the periods presented. For the three months ended September 30, 2014, these distributions were declared and paid to unitholders of record as of September 30, 2014 during the period subsequent to September 30, 2014, and therefore the amounts are not reflected in the historical financial statements 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). Subordinated performance units and DownREIT subordinated units have been excluded from the calculations of FFO and Core FFO per share and unit as their effect is anti-dilutive.

(3) Amount for the nine months ended September 30, 2014 includes 2,060,711 OP units outstanding for the entire period which were issued in connection with the contribution of 65 self storage properties on April 1, 2014 by SecurCare Portfolio Holdings, LLC and SecurCare Value Properties, Ltd. (collectively, "NSA Predecessor"), entities whose principal owner is the Company's chief executive officer. For financial reporting purposes, NSA Predecessor contributions are reported as a reorganization of entities under common control whereby the contributed self storage properties are included in the Company's results of operations for the entirety of the nine months ended September 30, 2014 and have been recorded in the Company's financial statements at NSA Predecessor's depreciated historical cost basis.

(4) LTIP units have been excluded from the calculations of weighted average shares and units outstanding prior to April 28, 2015 because such units did not participate in distributions prior to the Company's initial public offering.

Other Non-GAAP Financial Measurements

(dollars in thousands) (unaudited)

Net Operating Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income (loss)	\$ 2,109	\$ (5,025)	\$ (569)	\$(13,986)
Add:				
General and administrative expenses	4,056	2,315	11,856	5,449
Depreciation and amortization	10,341	6,777	30,192	15,311
Interest expense	4,246	5,459	16,052	15,628
Loss on early extinguishment of debt	—	—	914	1,020
Acquisition costs	2,874	3,092	4,192	8,363
Organizational and offering expenses	—	539	58	1,216
Gain on sale of self storage properties	—	(1)	—	(1,427)
Non-operating expense (income)	52	(3)	256	—
Net Operating Income	\$ 23,678	\$ 13,153	\$62,951	\$ 31,574

EBITDA and Adjusted EBITDA

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income (loss)	\$ 2,109	\$ (5,025)	\$ (569)	\$(13,986)
Add:				
Depreciation and amortization	10,341	6,777	30,192	15,311
Interest expense	4,246	5,459	16,052	15,628
Loss on early extinguishment of debt	—	—	914	1,020
EBITDA	16,696	7,211	46,589	17,973
Add:				
Acquisition costs	2,874	3,092	4,192	8,363
Organizational and offering expenses	—	539	58	1,216
Gain on sale of self storage properties	—	(1)	—	(1,427)
Equity-based compensation expense ⁽¹⁾	654	316	2,375	1,000
Adjusted EBITDA	\$ 20,224	\$ 11,157	\$53,214	\$ 27,125

(1) Equity-based compensation expense is a non-cash item that is included in general and administrative expenses in NSA's consolidated statements of operations.

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