



January 19, 2016

Sovran Self Storage Announces \$398 Million in Acquired and Contracted Acquisitions; Strategic Entrance into California

BUFFALO, N.Y.--(BUSINESS WIRE)-- Sovran Self Storage, Inc. (NYSE:SSS), a self storage real estate investment trust (REIT), today announced that it had entered into contracts to acquire 25 self storage facilities in eight different states for a total purchase price of approximately \$371 million. In addition, the Company also announced the acquisition of five facilities during the 4th quarter of 2015 and January 2016 for a purchase price of approximately \$27 million, bringing the total acquired and under contract to 30 self storage facilities.

The newly announced facilities include five single store acquisitions and four portfolio acquisitions; one comprised of 13 stores, and three comprised of four properties each. In aggregate, the newly announced transactions include 21 stabilized properties in the Company's existing markets of Boston/SE New Hampshire (6), Central/Southern Florida (5), Connecticut (2), Dallas (3), Denver (1), New York City metro area (2) and Philadelphia (2). A recently developed facility in Phoenix, AZ, another market in which the Company has a presence, also will be acquired.

The Company has also executed contracts to acquire eight properties in the Los Angeles, CA metro area, a new market for the Company. Seven of these properties are stabilized and account for approximately \$167 million of the overall transaction costs, while the eighth property is a newly developed store in North Los Angeles County being acquired for \$18.6 million. Collectively, the properties total approximately 2.3 million square feet of rentable storage space. The seven stabilized Los Angeles stores account for 749,042 sq. ft., and the newly opened Los Angeles store has 79,835 sq. ft.

David Rogers, the Company's Chief Executive Officer, commented, "We are very excited to acquire such an excellent group of high-quality properties. Those in our existing markets will be tremendous additions to the portfolio, and while all are well-run facilities, we expect improved operating results as we apply our

customer service standards and transition these stores onto our web marketing and Revenue Management platforms."

Regarding the California purchases, Rogers noted, "While it's taken us a while to get there, we are thrilled to enter the Los Angeles market. We are doing it the way we intended – with a group of high quality facilities in sufficient scale, on an immediately accretive basis, with the opportunity to improve operating results in a meaningful way. This will present a future growth vehicle for Sovran."

The new acquisitions strengthen the Company's strategic position in its existing markets as well as open a new market for future growth. The 22 stores being acquired in the Company's existing markets will improve its already significant physical and digital operating presence in those cities, while the eight Los Angeles acquisitions constitute sufficient scale to perform competitively in a market the Company has long considered desirable. The Company also expects to drive increased occupancy levels, rental rates, and ancillary income as the stores and new employees become integrated with Sovran's proprietary web marketing and management systems. The Company believes that the acquisitions of the stabilized properties will be accretive on a leverage neutral basis to funds from operations (FFO) in 2016.

The Company has taken, or anticipates taking title to all 30 of the stores at various dates between late December 2015 and April 2016.

The Company is also under contract to purchase four "Certificate of Occupancy" properties; two in Chicago, one in Miami and one in Charleston, SC. The Company expects to execute the purchase of all four of these properties upon completion of construction at various dates later in 2016 for total consideration of approximately \$38 million.

FORWARD LOOKING STATEMENTS:

All pending acquisitions mentioned in this release are subject to further due diligence and closing conditions; therefore no assurance can be given that these properties will be purchased according to the terms described.

When used within this news release, the words "intends," "believes," "expects," "anticipates," and similar expressions are intended to identify "forward looking statements" within the meaning of that term in Section 27A of the Securities Act of 1933, and in Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. Such factors include, but are not limited to, the effect of competition from new self storage facilities, which could cause rents and occupancy rates to decline; the Company's ability to evaluate, finance and

integrate acquired businesses into the Company's existing business and operations; the Company's existing indebtedness may mature in an unfavorable credit environment, preventing refinancing or forcing refinancing of the indebtedness on terms that are not as favorable as the existing terms; interest rates may fluctuate, impacting costs associated with the Company's outstanding floating rate debt; the Company's ability to comply with debt covenants; the future ratings on the Company's debt instruments; the regional concentration of the Company's business may subject it to economic downturns in the states of Florida and Texas; the Company's ability to effectively compete in the industries in which it does business; the Company's reliance on its call center; the Company's cash flow may be insufficient to meet required payments of principal, interest and dividends; and tax law changes which may change the taxability of future income.

ABOUT SOVRAN SELF STORAGE, INC:

Sovran Self Storage, Inc. is a self-administered and self-managed equity REIT that is in the business of acquiring and managing self storage facilities. The Company operates over 500 self storage facilities in 25 states under the name "Uncle Bob's Self Storage"®. For more information, visit www.unclebobs.com, like us on [Facebook](#), or follow us on [Twitter](#).

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