

January 2022

# Investor Presentation



# Forward Looking Statements

This presentation may contain forward looking statements as defined in Section 27A of the Securities Act of 1933, and in Section 21E of the Securities Exchange Act of 1934. Forward looking statements address matters that are subject to a number of risks and uncertainties.

Such factors include, but are not limited to, the effect of competition from new self-storage facilities, which would cause rents and occupancy rates to decline; risks associated with the COVID-19 global health crisis or similar events, including but not limited to (i) the impact to the health of our employees and/or customers, (ii) the negative impacts to the economy and to self-storage customers which could reduce the demand for self-storage or reduce our ability to collect rent, (iii) reducing or eliminating our ability to increase rents charged to our current or future customers, (iv) limiting our ability to collect rent from or evict past due customers, (v) we could see an increase in move-outs of longer-term customers due to the economic uncertainty and significant rise in unemployment resulting from the COVID-19 global health crisis which could lead to lower occupancies and reduced average rental rates as longer-term customers are replaced with new customers at lower rates, and (vi) potential negative impacts on the cost and availability of debt and equity which could have a negative impact on our capital and growth plans; the Company's ability to evaluate, finance and integrate acquired self-storage facilities into the Company's existing business and operations; the Company's ability to effectively compete in the industry in which it does business; and other such factors as set forth in the Company's 10-K for the year ended December 31, 2020 as filed with the Securities and Exchange Commission.

The Company is under no obligation to update any such forward looking statements.



# Life Storage At a Glance<sup>1</sup>

**1,032**

Stores in 34 states

**+58%**

Quarterly dividend increase during last five years

**93.9%**

Same store Occupancy Dec 31, 2021

**35+**

Years in the self storage business

**360**

Properties managed for 3<sup>rd</sup> Party Entities

**575K+**

Customers

**5.1x<sup>2</sup>**

Debt to EBITDA

**\$11.8B**

Enterprise value

**139%**

5-year total return

**Investment Grade Rated**

Moody's: Baa2  
S&P: BBB

## Notes:

- (1) All statistics as of September 30, 2021, except dividend increase, which is as of January 2022, and Same Store Occupancy, which is year-end 2021
- (2) Proforma for \$600 million 2.4% senior unsecured notes offering that priced September 28, 2021 and closed on October 7, 2021

A photograph of a Life Storage office building. The building is a two-story structure with a tan facade and large windows. The "Life Storage" logo is prominently displayed on the upper part of the building. A blue awning over the entrance is labeled "OFFICE". A dark van with the Life Storage logo and contact information is parked in the foreground. The scene is set against a clear blue sky with some light clouds.

Life Storage

A graphic consisting of two overlapping squares, one yellow and one light blue, positioned to the left of the text.

# Investment Highlights

# Investment Highlights

- Attractive industry fundamentals
- Diversified portfolio with increasing focus on primary markets
- Growth strategy driven by disciplined capital allocation
- Innovative technology solutions to drive customer acquisition and revenue management
- Differentiated corporate customer value proposition
- Strong financial performance, conservative balance sheet and attractive valuation





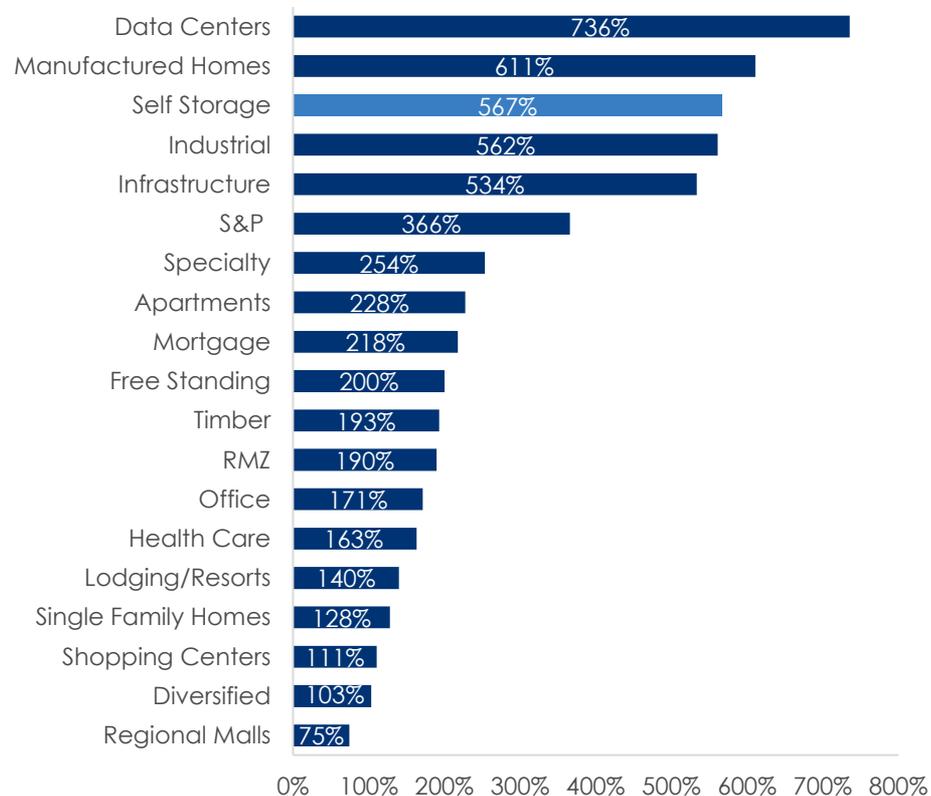
# An Attractive Sector



# Attractive Sector

- Recession resistant
- High cash flow
  - High operating margins
  - Low capital expenses
- Short-term leases
  - Enables re-pricing monthly
- Fragmented industry
  - Provides opportunity to build scale via acquisitions

## Total Shareholder Return<sup>1</sup> (10 Years)



**Notes:**

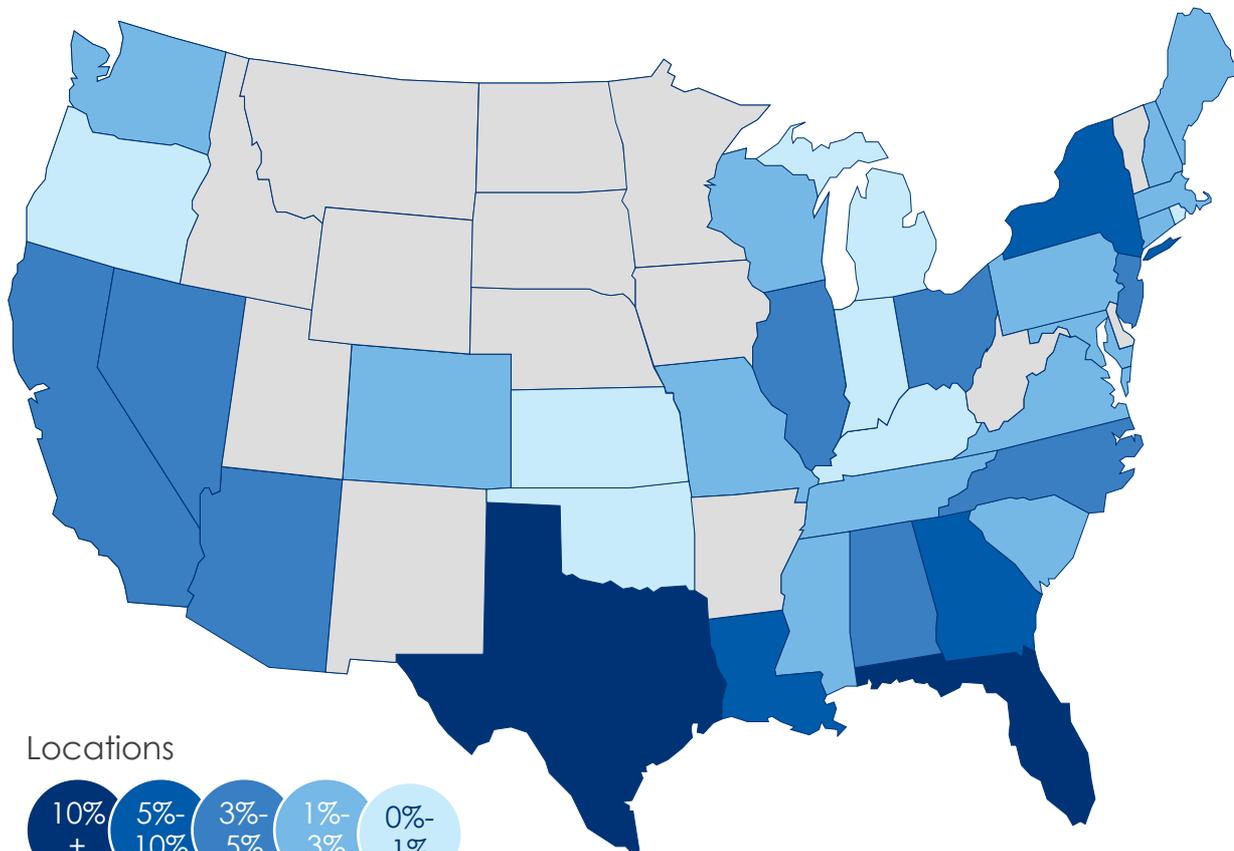
(1) Data as of September 30, 2021; Source: FactsSet

## Diversified Portfolio

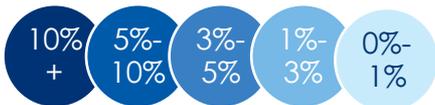
Life Storage has grown substantially in recent years, with a particular focus on accessing and building scale in both primary markets and secondary markets where the company can leverage its presence to drive margin expansion and revenue growth. Its 2016 expansion to the West Coast and asset recycling program in 2018 and 2019 have enhanced both its demographics and geographic diversity.



# Coast-to-Coast Presence



Locations



**1,032 Facilities<sup>1</sup>**

- 672 Wholly Owned
- 102 Joint Venture
- 258 Managed

**75M**  
Net Rentable Square Feet

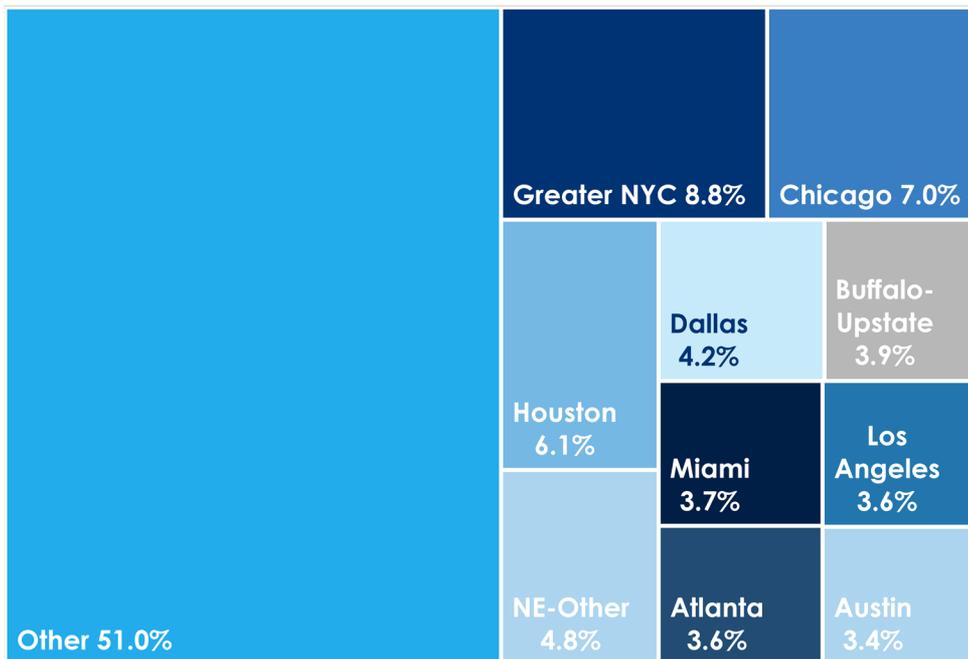
**600K+**  
Customers

Notes:  
(1) As of October 31, 2021

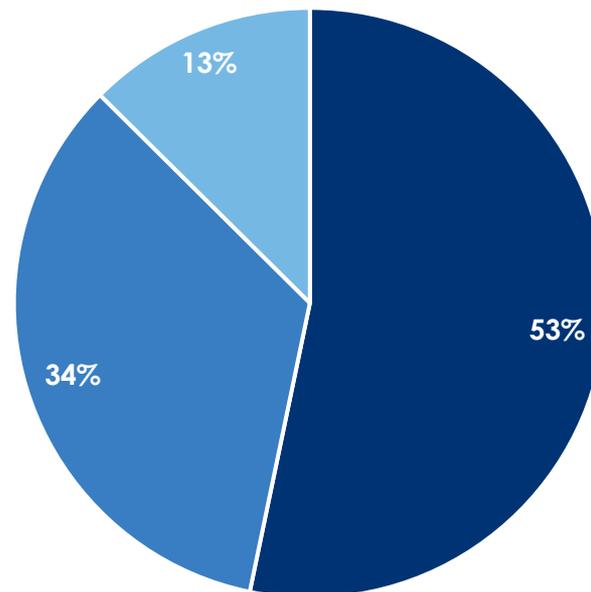
# High Geographic Diversification<sup>1</sup>

Life Storage owns and manages properties in 34 states, including almost 40% of its wholly-owned portfolio in 20 of the top-25 fastest growing markets in the United States. Additionally, roughly 60% of its owned stores are in the Sun Belt<sup>2</sup> region.

**Top-10 Largest Markets**  
(YTD Sep-2021 Revenue)



**CBSA Market Rank**  
(Store Distribution)



■ 1-25 ■ 26-100 ■ 101+

**Notes:**

(1) Wholly-owned stores only; as of September 30, 2021

(2) Sun Belt region defined as Alabama, Arizona, California, Florida, Georgia, Louisiana, Mississippi, Nevada, New Mexico, North Carolina, South Carolina, Texas, Utah

# Bigger, Better, Stronger

- Increased scale by almost 90%, including more than 11x growth in managed stores (non-Joint Venture)
- Added five primary markets (Los Angeles, Seattle, Sacramento, Baltimore and Las Vegas)
- Enhanced store quality
- Improved demographic profile
- Increased store operating performance
- Strengthened corporate financial performance

(\$ in '000s, except FFO/Share, Rent/Sq Ft, Median Income)

Stores	Dec 2015	Sept 2021	% Inc
Owned	452	659	46%
Joint Venture	69	102	48%
Managed (non-Joint Venture)	21	255	1114%
Total	542	1016	87%
Top-35 Markets Sq Ft (owned)	55%	66%	19%
Climate Controlled Sq Ft (owned)	43%	50%	16%

## Demographics

3-Mile Pop Density	78,742	91,374	16%
3-Mile Med HH Income	\$ 69,517	\$ 73,918	6%

## Financial

Avg SS Rent per Square Foot	\$ 12.64 <sup>(3)</sup>	\$ 16.57 <sup>(2)</sup>	31%
Avg SS Rev per Store (Last Twelve Month)	\$ 808 <sup>(1)</sup>	\$ 1,060 <sup>(4)</sup>	31%
Store Revenue	\$ 360,766 <sup>(3)</sup>	\$ 713,520 <sup>(4)</sup>	98%
Management Fees	\$ 5,836 <sup>(3)</sup>	\$ 20,390 <sup>(4)</sup>	249%
Adj. FFO per Share <sup>(5)</sup>	\$ 3.29 <sup>(3)</sup>	\$ 4.67 <sup>(4)</sup>	42%
Credit Rating	BBB-/Baa3 <sup>(6)</sup>	BBB/Baa2	+1 grade

### Notes:

(1) Data for 4Q15

(2) Data for 3Q21

(3) Data for last twelve months as of Dec 31, 2015

(4) Data for last twelve months as of Sep 30, 2021

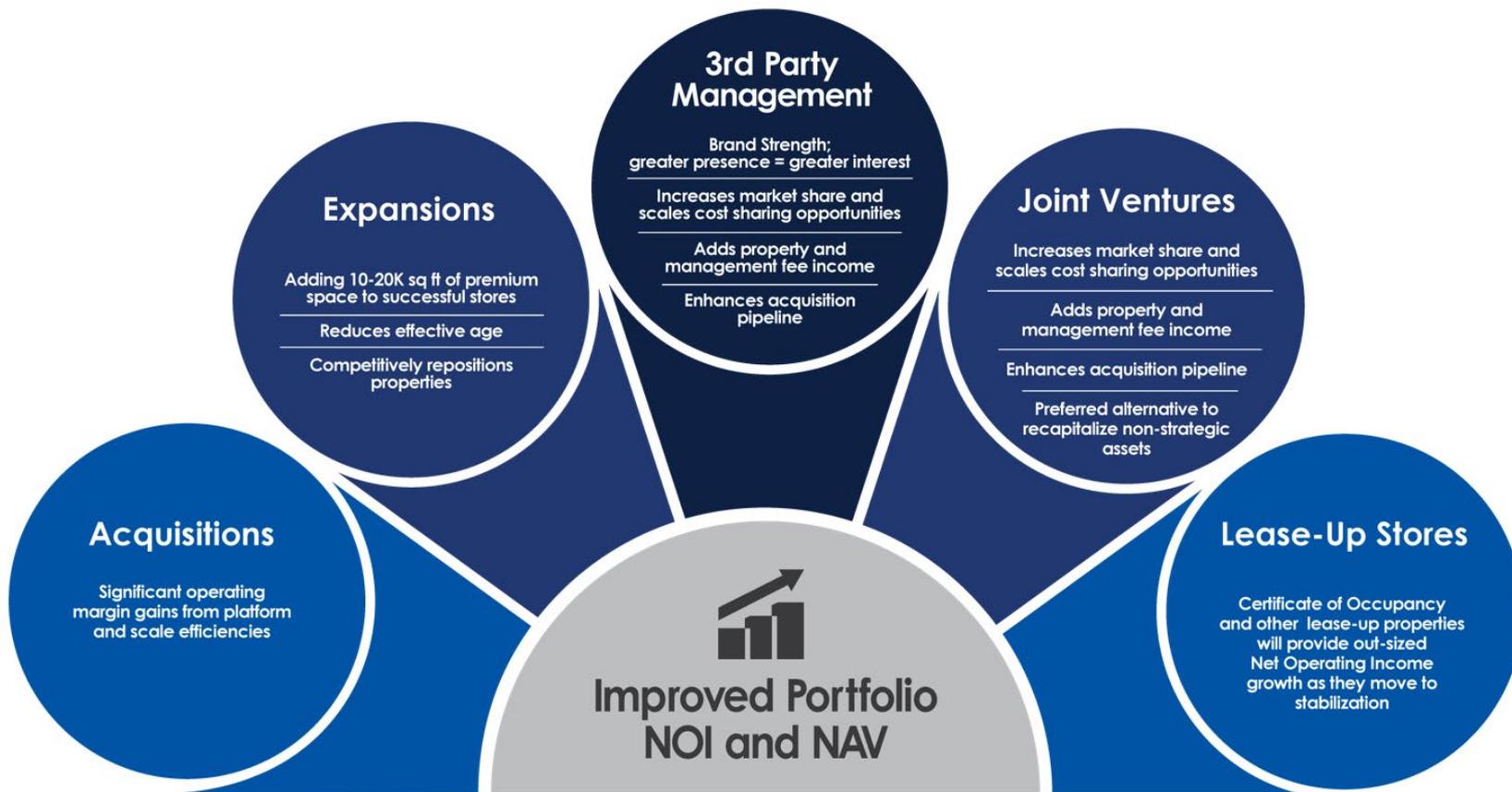
(5) Reflects Jan 2021 3-for-2 stock split (50% stock dividend)

(6) Prior to Dec 1, 2015

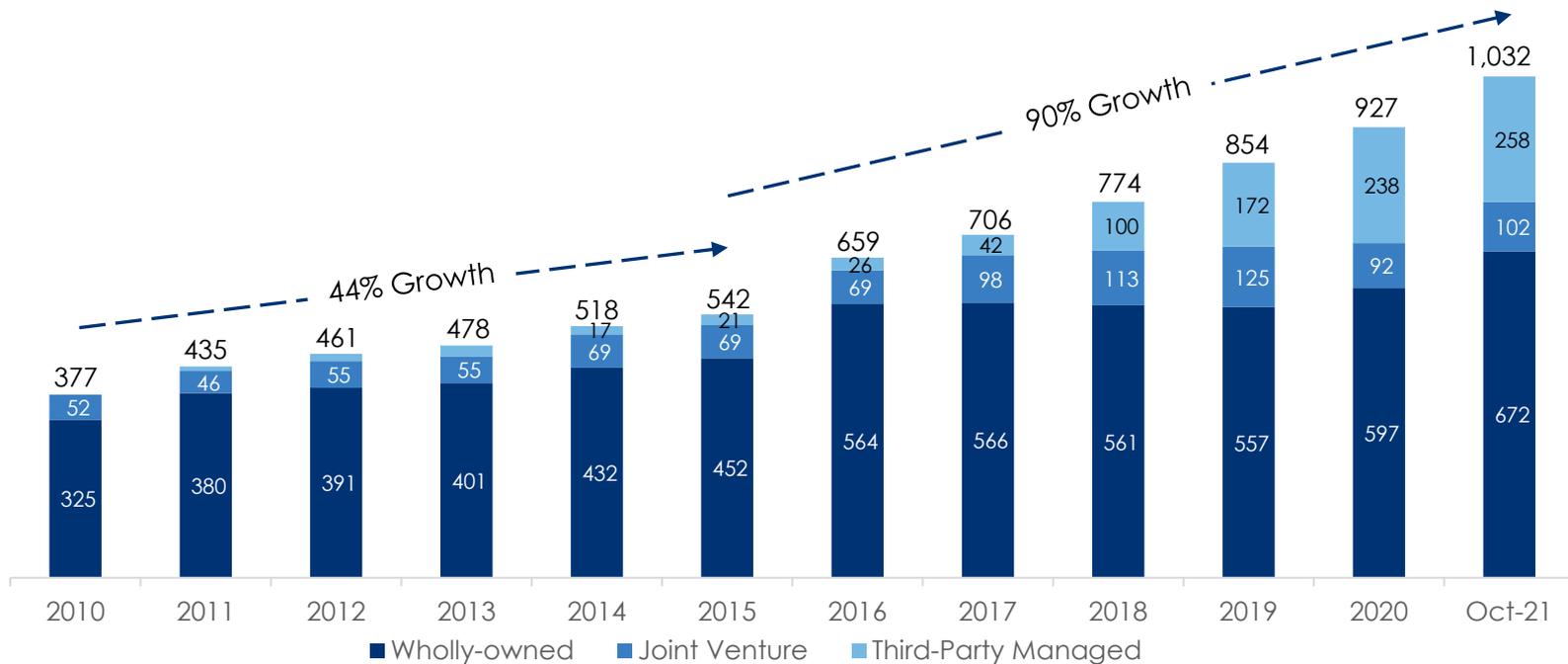
 **Growth  
Strategy**



# Embedded Growth Drivers



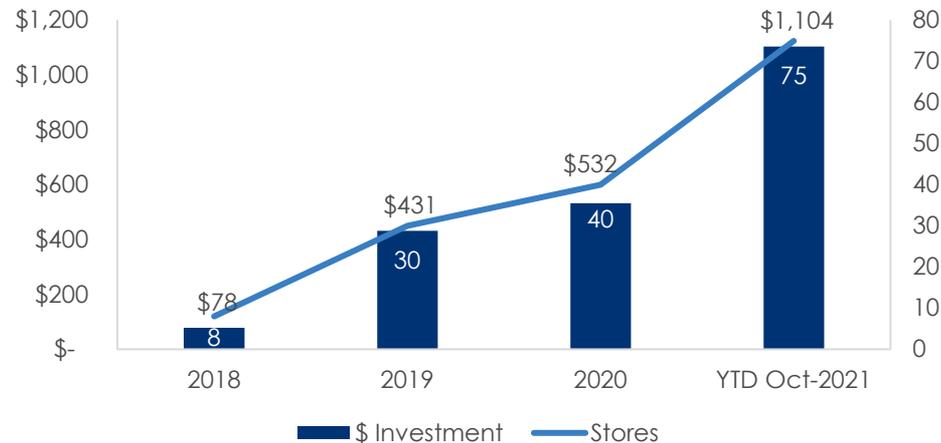
# Accelerating, Diversified Store Growth



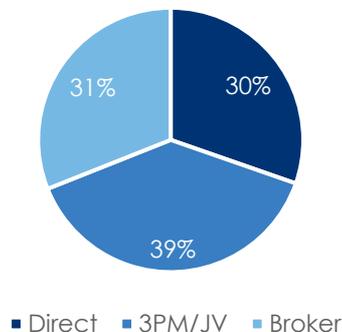
# Acquisition Strategy

- Focus on markets with attractive demographics and higher rates per square foot and growth (typically primary and secondary markets)
- Build scale in existing markets to leverage brand and in-place cost structure
- Diversify portfolio
- Active portfolio management (sold 45 non-strategic stores between 4Q18 and 3Q19)

## Acquired Stores (\$ in millions)



## Stores Acquired by Source (2019 - Oct 2021)



# Lease-Up Properties

- The Company does not develop new properties, but occasionally purchases newly built properties or properties in the early stages of lease-up. As of September 30, 2021, there were 36 of these lease-up facilities, which will have an outsized contribution to NOI over the next couple of years.

**\$33.4 MM**  
Estimated  
Stabilized NOI<sup>1</sup>

**+\$0.12**  
Incremental NOI  
Impact per share  
as of September  
30, 2021<sup>2</sup>

Market	Stores	Cost	Rentable Sq Ft	Occupancy	9/30/21 NOI <sup>3</sup>
Austin, TX	4	\$56,012	359,867	86.6%	\$1,924
Tampa, FL	3	35,205	218,704	91.4%	1,904
Richmond, VA	3	31,004	238,376	90.8%	2,252
New York, NY	2	105,245	189,333	88.2%	3,996
Sacramento, CA	2	32,133	169,893	91.2%	1,688
Washington, DC	2	28,729	151,785	89.3%	1,328
Jacksonville, FL	2	26,500	154,279	89.6%	1,472
Atlanta, GA	2	26,105	169,319	97.6%	1,496
Dallas, TX	2	21,332	179,905	90.8%	1,052
Charleston, SC	2	16,305	142,000	94.4%	1,104
Tucson, AZ	1	22,576	76,618	94.2%	1,228
Seattle, WA	1	19,475	89,183	66.1%	672
Phoenix, AZ	1	17,190	77,846	88.4%	320
Orlando, FL	1	14,846	76,340	84.9%	224
Charlotte, NC	1	12,549	69,958	94.2%	628
Raleigh, NC	1	11,874	79,203	88.0%	484
Miami, FL	1	11,492	48,833	80.2%	388
Chattanooga, TN	1	9,604	71,640	93.5%	420
St. Louis, MO	1	9,301	78,260	89.7%	572
Greenville, SC	1	8,658	67,749	93.1%	248
Denver, CO	1	6,831	64,850	95.3%	168
Oklahoma City, OK	1	5,083	63,600	93.0%	112
	<b>36</b>	<b>\$528,049</b>	<b>2,837,641</b>	<b>89.8%</b>	<b>\$23,680</b>

#### Notes:

(1) NOI at 80% occupancy and stable market rates

(2) Based on the difference between estimated stabilized NOI and current NOI and assuming 79.2 million diluted shares

(3) 3Q21 NOI annualized

## Expansions & Enhancements

Weighing demand indicators and revenue potential, the Company redevelops properties to add premium space types. The Company completed 13 such projects in 2020. With an 8%+ yield, these low-risk investments in existing properties also upgrade the appearance and customer experience at these stores.



# Expansions & Enhancements

Low risk investments with attractive returns (8%+ yield)

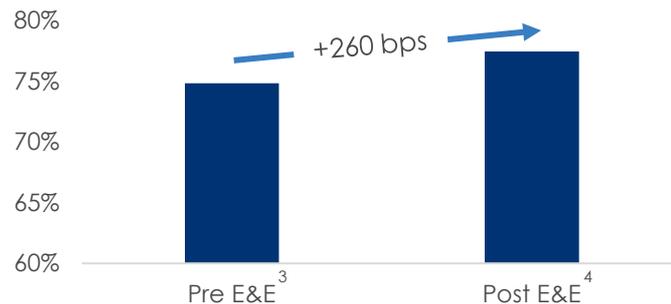
Adds premium space types

Upgrades appearance and customer experience

Investments and Return



NOI Margin<sup>2</sup>  
(No Real Estate Taxes)



Notes:

- (1) Estimated
- (2) Includes all Expansions and Enhancements completed between 2016 and 2018
- (3) NOI margin for the 12-month period prior to construction
- (4) NOI margin for months 13-24 following completion

# 1903 Garden St. Titusville, FL

**\$4.7 MM**  
Net Investment

**12.9%**  
Stabilized Yield  
*(planned)*

**67.2 K**  
Rentable Sq Ft

After



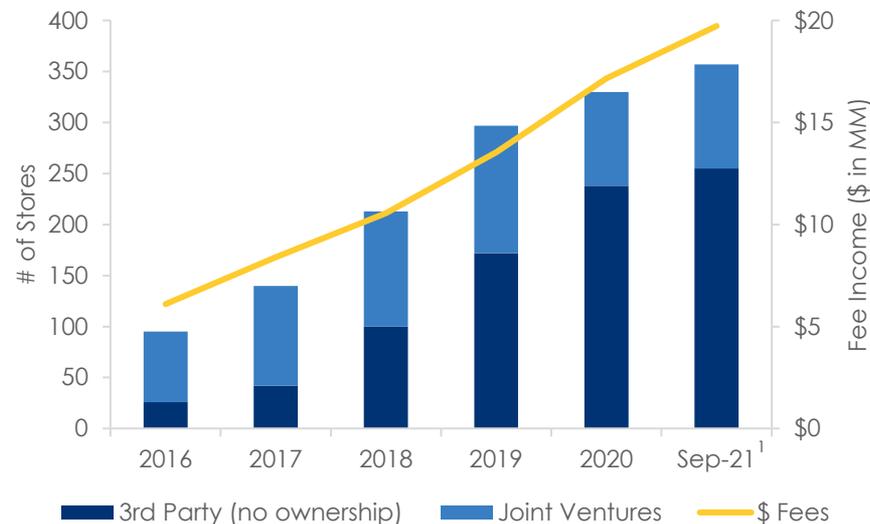
Before



# 3<sup>rd</sup> Party Management

- Generate fee income
  - Drive revenue growth without leveraging the balance sheet
- Build scale
  - Leverage existing cost structure to improve efficiency
- Augment acquisition pipeline
  - Off-market opportunities
  - Acquired 57 stores from the portfolio from December 31, 2019 – September 30, 2021
- Capture additional customer data
  - Improve operational decisions
- Increase brand awareness

### Management Fee Income



### 4-Year Annual Growth Rates (2016 – 2020)

**30%**  
Fee income

**37%**  
Total 3PM stores

**74%**  
Non-JV 3PM store

**Notes:**

(1) 2021 fees are estimated (YTD Sep-21 annualized)

# Joint Ventures

- Generate higher returns due to collection of management fees in addition to pro-rata equity interest
- Similar to 3<sup>rd</sup> Party Management:
  - Build scale
  - Augment acquisition pipeline
  - Capture additional customer data
  - Increase brand awareness
- Lower risk opportunity to invest in early-stage lease-up opportunities

## Joint Ventures

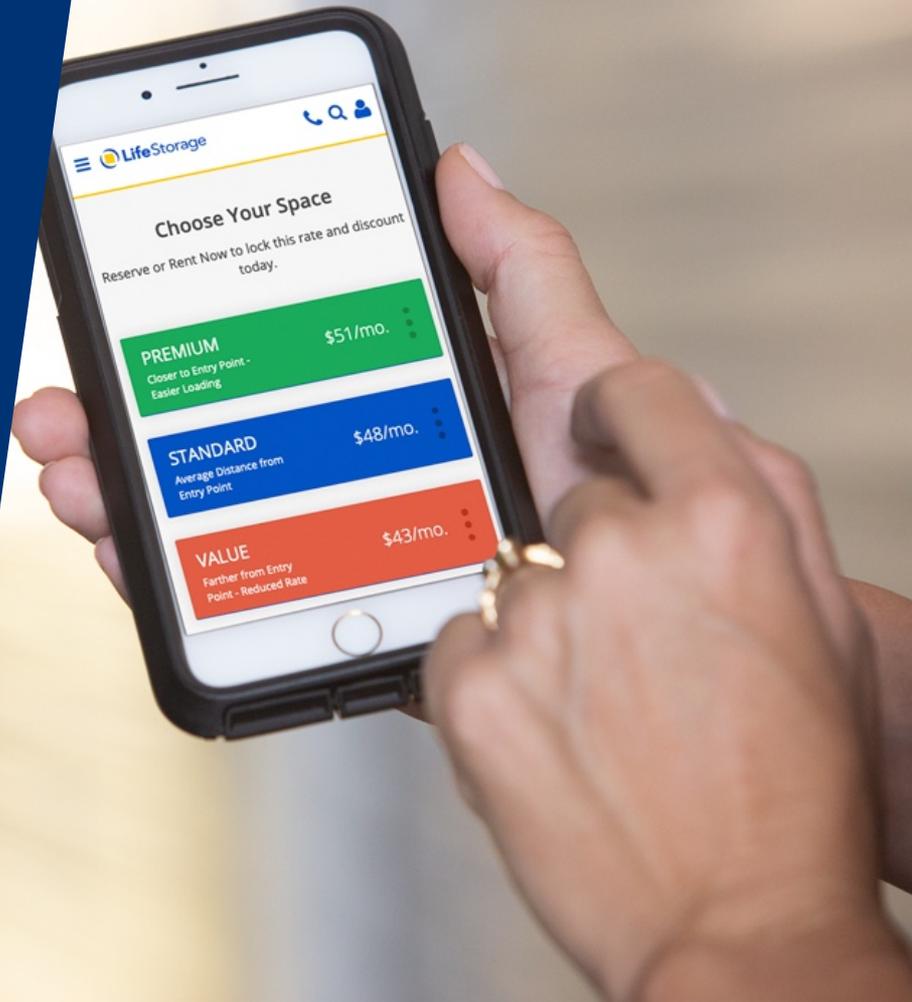
(\$ in millions)



**Minority  
Investments in  
106 operating  
stores and six  
development  
stage stores**

**Acquired 36 JV  
stores for \$531  
million since YE  
2019**

# Innovative Technology



# Data Driven Platforms

Interconnected data platforms create a better understanding of customer behavior and lead to informed decisions in Marketing, Revenue Management and Operations

## Primary Benefits:

- **Marketing Spend Efficiency**  
Improved targeting and conversion measurement
- **Customer Trends**  
Better understanding of customer behavior for price sensitivity, in-place increases
- **Staffing Efficiency**  
Predictive models for demands on our call center and store staff



# Data Driven Platforms

## Performance Data

- Store occupancy
- Move-in performance
- Historical performance
- Enhanced with third-party competitor data and demand signals



## Rent Now Data

- Analyze access behavior
- Forecast staffing needs
- Foundation for Tier-Pricing
- Deeper understanding of customer online behavior

## Customer Acquisition

- Target facilities with need
- Optimize ad campaigns for conversion
- Target similar customers
- Optimize website performance

## Customer Data

- Rental characteristics
- Lifetime value
- Price sensitivity
- Enhanced with third-party demographic and profile data



## Call & Store Data

- Analyze call transcripts
- Evaluate urgency signals
- Optimize sales with training
- Forecast staffing needs

## Maximize Revenue

- Optimize rates
- Optimize incentives
- Optimize for supply/demand
- Optimize in-place rent increases
- Optimize unit mix



# Self-Service Rentals *(Rent Now)*

Self-service rental platform has generated significant store-level efficiencies and extensions of the technology are bringing more value to each rental

## Primary Benefits

- **Customer Acquisition**

Usage grew tremendously in 2020, from less than 10% of rentals in 2018 to a peak of more than 50% during COVID lockdowns; recent stabilization at roughly 30% of rentals

- **Improved Efficiency**

Self-service helps control payroll hours at stores and the call center



# Self-Service Rentals *(Rent Now)*



2018



2019-2020



2021 →



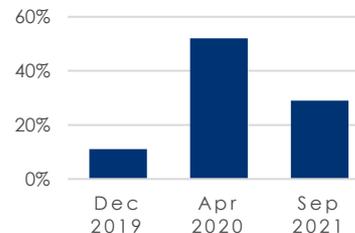
- First publicly-traded self-storage REIT with online self service-rentals, introduced Rent Now in 2018
- Customers complete the rental process online and make their first month's rental payment
- Automation activates the customer's access to the property, and the customer can instantly proceed to their space
- Digital maps provide customers with turn-by-turn directions on their mobile device to access their space
- Each customer is validated digitally to confirm identity and limit fraud

- Life Storage expands pricing alternatives to meet customer needs by launching online Tier Pricing during 1H20
- Digital maps created for Rent Now are repurposed to calculate travel distance from each space to the closest entry point
- Rental rates are presented in tiers (Premium, Standard and Value):
  - Premium spaces have convenient travel distance, and are sold at a higher rate
  - Value spaces have less convenient travel distance, and are sold at lower rate

- At the on-set of the COVID-19 pandemic, Life Storage is the only publicly-traded self-storage REIT offering contact-free rentals
- Out of concern for customers and employees, the company adapts the system to allow call center and counter customers to complete their rental online without entering the store offices

- Leveraging Rent Now platforms, Life Storage begins expanding its self-service alternatives with a phased pilot deployment of kiosks beginning in 1Q22

**% of Rentals**

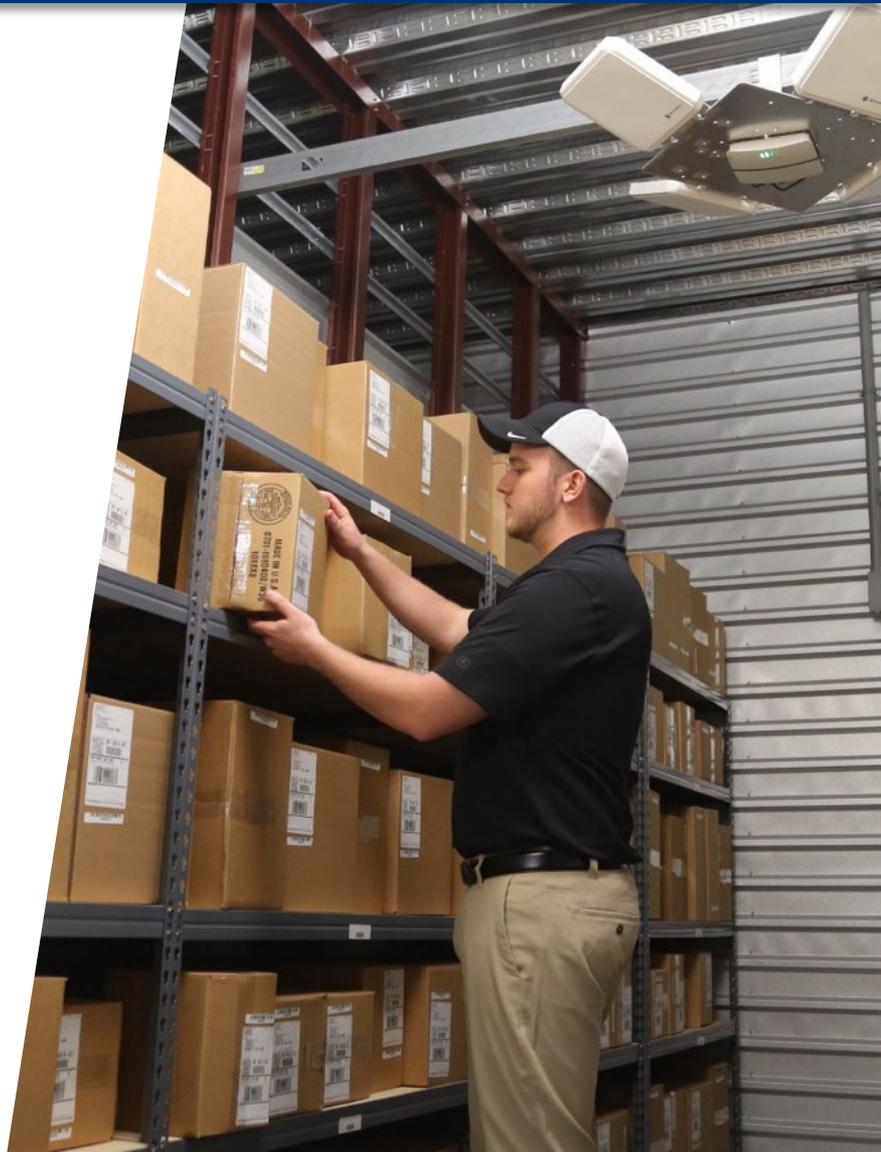


# Warehouse Anywhere

Our B2B Storage & Inventory Management solutions bring client products closer to customers and offer final-mile delivery to end-users.

## Primary Benefits:

- **Forward Deployment**  
Warehouse Anywhere customers place products closer to their customers or service areas to improve efficiency
- **Reduce Logistics Costs**  
Decreases rental costs, shortens the shipping path for products, and automates processes normally handled by warehouse employees
- **Increases Tracking Accuracy**  
Technology tracks inventory more accurately and reduces the shrinkage that challenges traditional logistics



# Warehouse Anywhere



- For customers who have multi-regional storage needs (e.g., pharmaceutical companies)
- Established a network of 12,000+ Life Storage and partner self-storage facilities across the country to fulfill business customers' nationwide storage needs
- **Revenue model:**
  - Rental income



- Proprietary platform that ties directly to our customers' ERP system to better track real-time inventory stored in each unit via RFID-based technology
- **Target sectors:**
  - Service and repair
  - Medical devices
  - Retail
- **Revenue model:**
  - Rental income
  - Fees for use of technology platform and ancillary services (e.g., courier service)



- Typically encompasses 5,000-8,000 sq ft of a storage facility
- Enables e-commerce customers to get products closer to end users from large distribution facilities to simplify and reduce cost of delivery
- **Footprint:**
  - Operating in Atlanta, Las Vegas and Chicago; Los Angeles and Dallas planned 2H21
- **Revenue model:**
  - Rental income
  - Fees to "pick, pack and ship"
- Micro-fulfillment Center  
[Example video here](#)

# Warehouse Anywhere *(Inventory Management)*

## Cloud Application

- Online portal for inventory status and management of unit access
- Optional integration with customer's ERP application



### Check-in

- Company personnel and couriers are granted access to the storage unit with app-connected Bluetooth locks
- Customers receive inventory with manual scanning or automated scanning via RFID tags



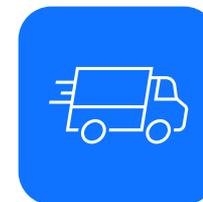
### Monitor

- Inventory status is logged and continuously updates the Cloud application for real-time reporting



### Pickup

- Company personnel and / or couriers are granted temporary access to the facility and storage unit
- Inventory is checked-out with manual scanner or automated with RFID



### Deliver

- Same-day delivery is available and more cost-effective with local courier partners
- Company personnel can have parts / products where needed in hours

# Financial Strength

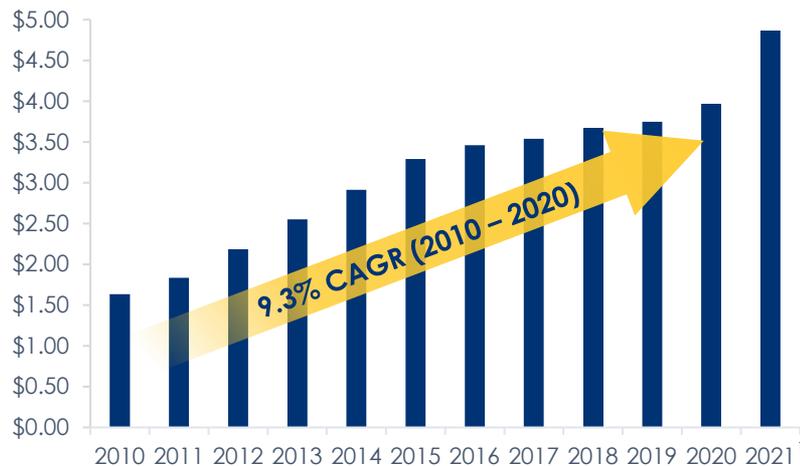
Life Storage is well positioned to continue cash flow and dividend growth, supported by multiple revenue drivers, a favorable payout ratio and a solid balance sheet.



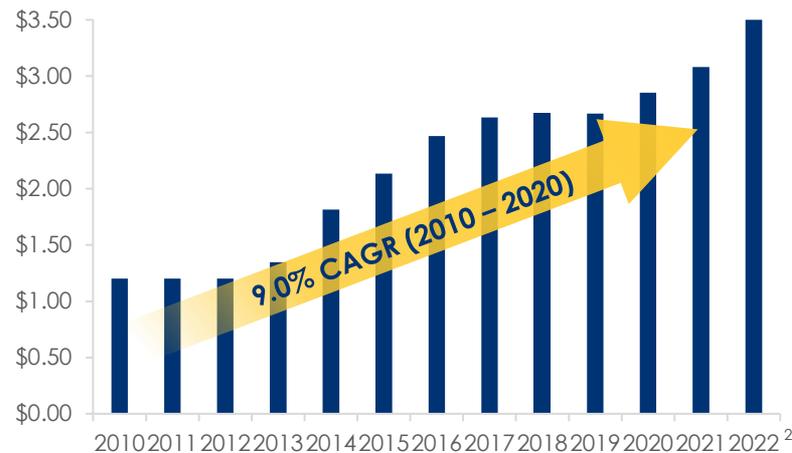
# Growing Value

Robust cash flow and dividend growth.

### Robust Adjusted FFO Per Share Growth



### Strong Dividend Growth



**Notes:**

(1) Estimated – YTD Sep-21 annualized

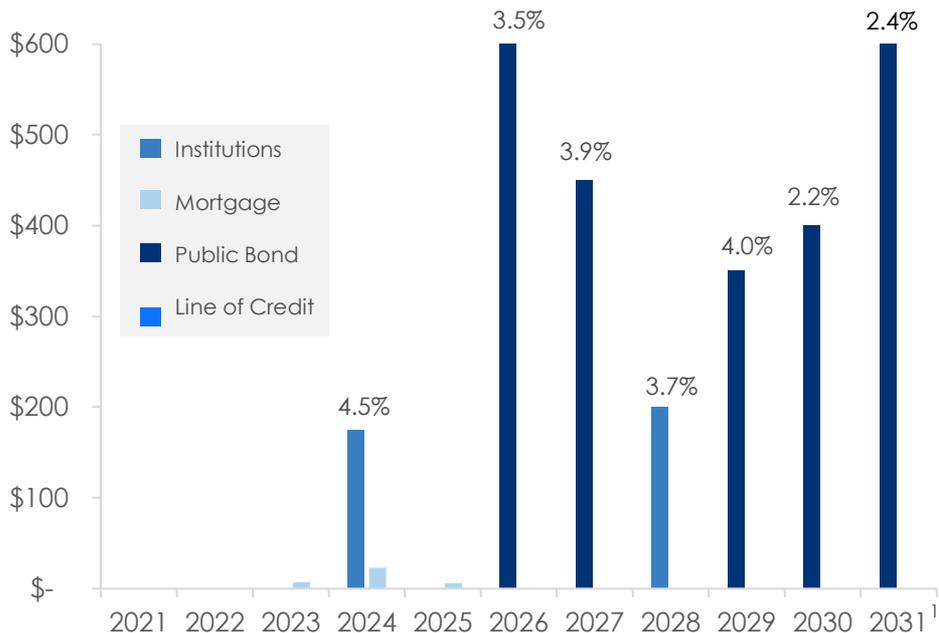
(2) Estimated – 1Q22 annualized

# Well Positioned Balance Sheet

Solid, unsecured balance sheet with no debt maturities until 2023.

## Debt Maturity Schedule

(in \$millions)



**\$0 million**  
Line of Credit (\$500 million available)

**3.5%**  
Weighted average interest rate

**6.3 Years**  
Weighted average maturity

**100%**  
Fixed interest rate

**99%**  
Unencumbered

**Baa2**  
Moody's

**BBB**  
Standard & Poor's

**Notes:**

(1) Proforma for \$600 million 2.4% senior unsecured notes offering that priced September 28, 2021 and closed on October 7, 2021

# Conservative Financial Ratios

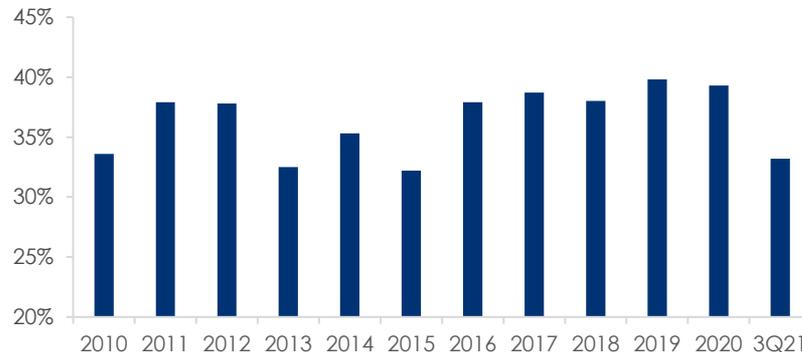
Life Storage's conservative financial ratios provide flexibility and a favorable outlook.

**5.1x<sup>1</sup>**  
Debt/  
EBITDA

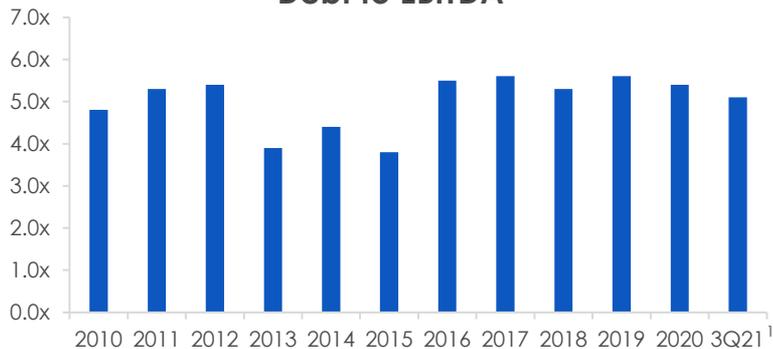
**5.7x**  
Debt Service  
Coverage

**33%**  
Debt to  
Total Assets

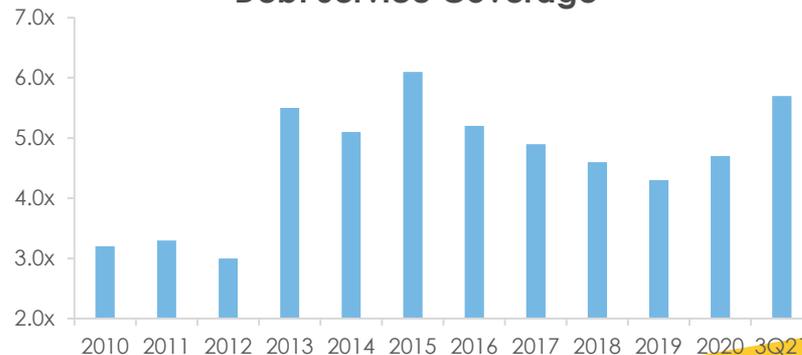
Debt to Total Assets



Debt to EBITDA



Debt Service Coverage



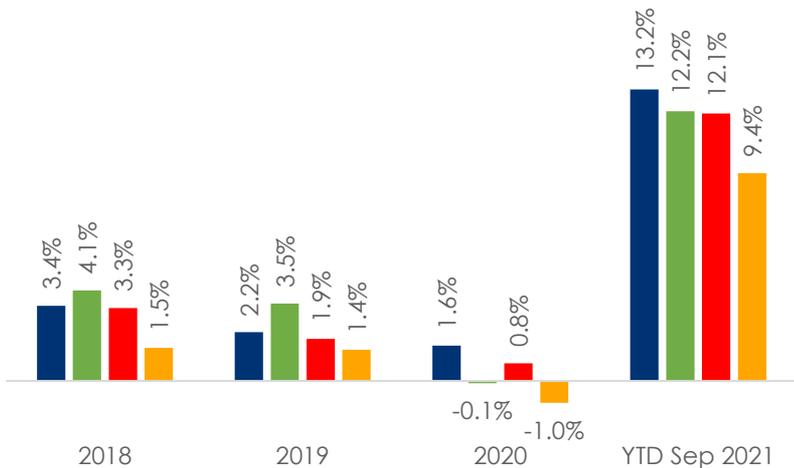
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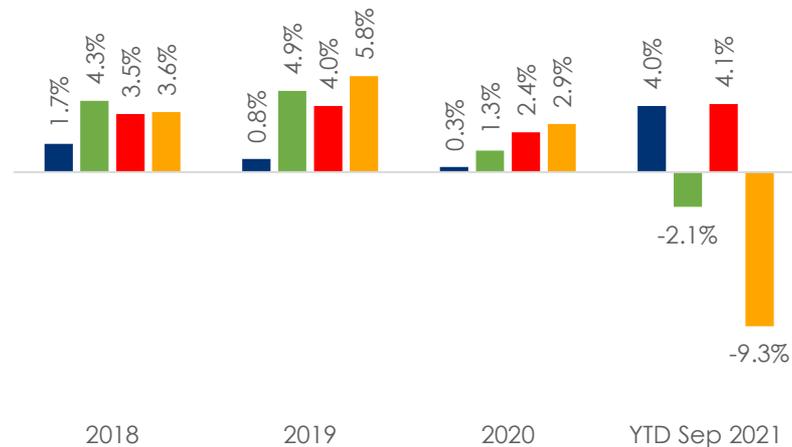
# Peer Benchmarks

Favorable operating trends developing relative to peers. Same store NOI growth driven by both accelerating same store revenue growth and strong expense control.

### SS Revenue Growth



### SS Expense Growth



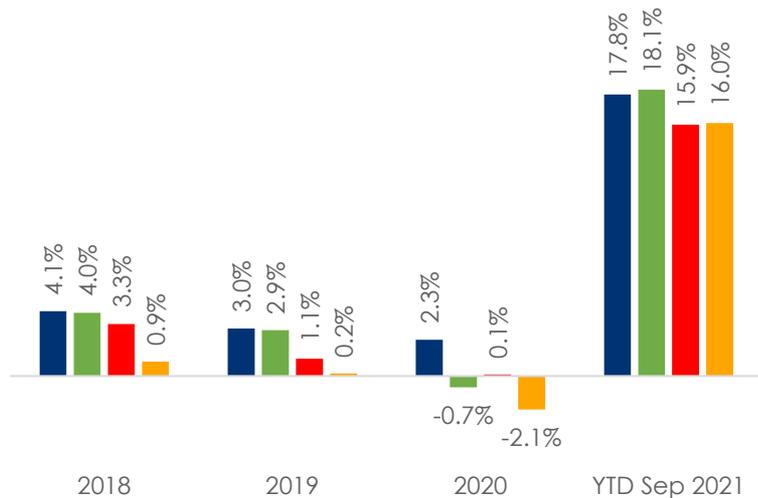
■ LSI   
 ■ EXR   
 ■ CUBE   
 ■ PSA<sup>1</sup>

**Notes:**

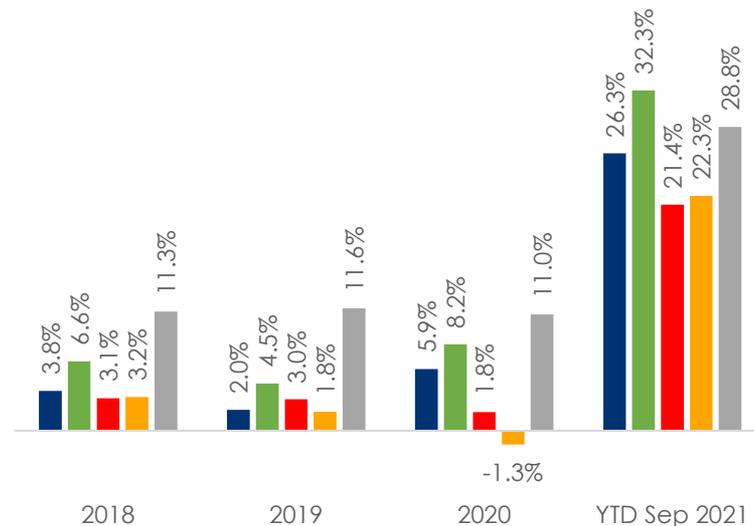
(1) PSA SS expense growth and NOI growth do not include allocated overhead costs in 2018-2020 or Indirect cost of operations in 2020-YTD September 30, 2021.

# Peer Benchmarks

## SS NOI Growth



## Core FFO Growth



■ LSI<sup>1</sup>
■ EXR
 ■ CUBE
 ■ PSA<sup>2</sup>
■ NSA<sup>3</sup>

**Notes:**

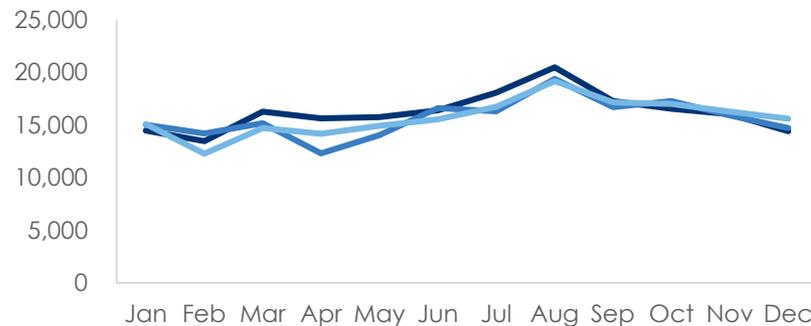
- (1) LSI 2019 FFO affected by planned dilution associated with the completed asset recycling strategy that included the sale of 45 stabilized stores between 4Q18 and 3Q19.
- (2) PSA SS expense growth and NOI growth do not include allocated overhead costs in 2018-2020 or Indirect cost of operations in 2020-YTD Sep 30, 2021.
- (3) NSA same store statistics not included due to lack of stabilization requirement in same store definition.

# Same Store Trends

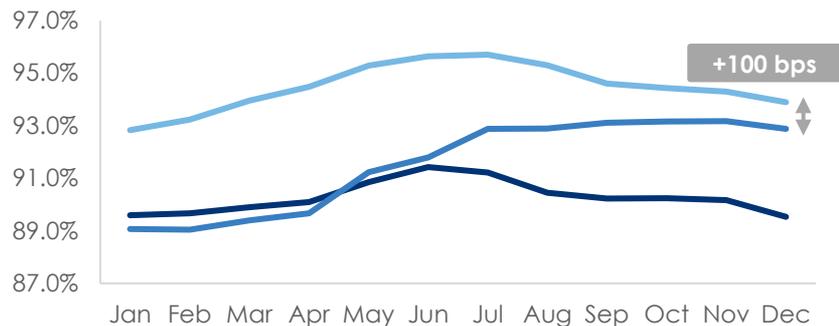
## Same Store Move-Ins



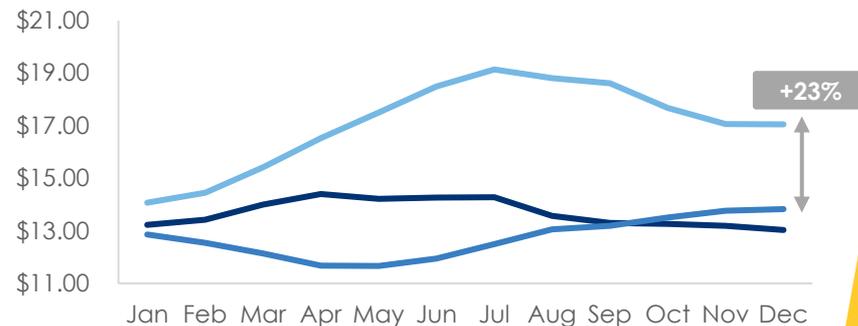
## Same Store Move-Outs



## Same Store Occupancy



## Street Rates



— 2019 — 2020 — 2021

**Notes:**

(1) December 2021 data is preliminary and subject to standard month-end close process.

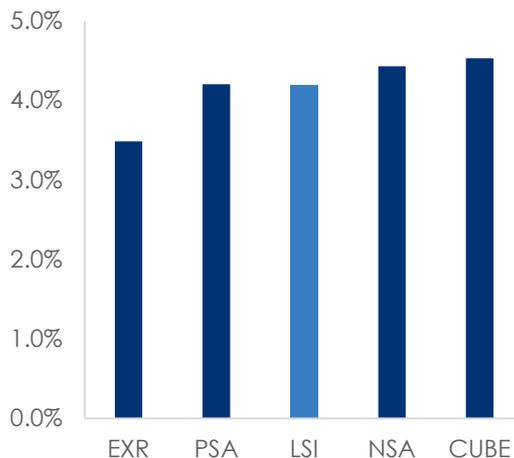
# Attractive Valuation

Comparatively, important metrics are imbalanced despite the Company's position and performance. The Company is well-positioned financially and has a positive outlook but is trading at a value price.

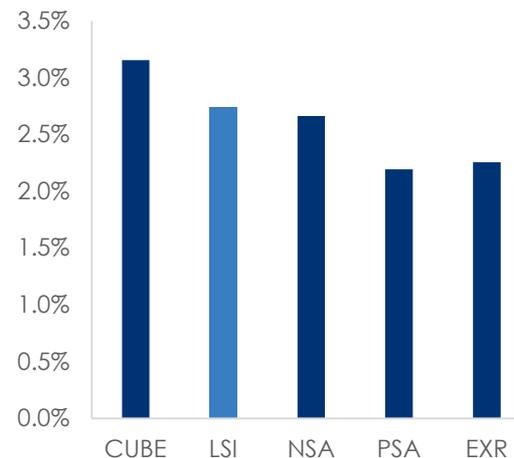
FFO Multiple



Implied Cap Rate



Dividend Yield



Source: FactSet; as of January 5, 2022.

# 2021 SUSTAINABILITY REPORT

 ESG



 LifeStorage

# Environmental

- Pro-active initiatives to reduce environmental impact, including:
  - Energy-efficient Cool Roofs
  - LED light fixtures and motion sensors
  - Energy-efficient HVACs
  - Water-saving native planting or xeriscape landscaping
- On-pace to install 18 solar arrays in 2021, a 50% increase in total installed base at wholly-owned stores from year-end 2020
- Ambitious 5-year environmental performance goals established in 2020
  - Reduce energy consumption by 10%
  - Increase renewable energy generation by 200%



# Social

- Launched Diversity, Equality & Inclusion program
  - Established Diversity Council
  - Enhanced annual diversity training for all employees
  - \$50K donated in honor of Juneteenth
- Implemented *Volunteers for Life*, an employee volunteer recognition program
- Average 2020 customer satisfaction score of over 93%
- 2021 employee engagement survey results
  - 72% employee satisfaction score
  - 73% employee engagement
- 57% of employees are female



# Governance

- Board
  - 37.5% board diversity (gender and race)
  - Separate chair and CEO roles
  - Shareholder ability to call special meetings
  - Simple majority vote to amend by-laws
  - One share, one vote
  - External and internal executive pay parity
  - Annual director elections
  - Risk oversight by full Board and Committees
  - Compensation recovery/claw back policies
  - Expanded scope of responsibility for sustainability oversight of Board Sub-committees
  
- Company
  - Anonymous, confidential, third-party whistleblower program
  - ESG Steering Committee
  - 2021 Materiality Assessment for Sustainability Priorities

