

URBIS

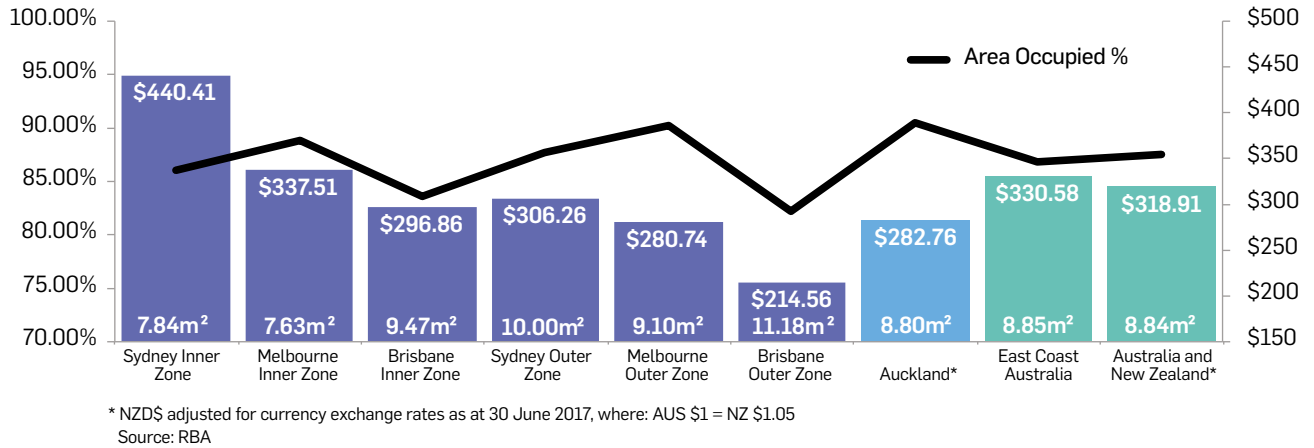
URBIS STORAGE INDEX

**30 JUNE 2017
RELEASED SEPTEMBER 2017**



THE RESULTS

Weighted average \$ rate/sq.m., weighted average unit size and area occupied (%) as at 30 June 2017



AREA OCCUPIED

- The average occupancy for Urbis Storage Index (USI) facilities on the East Coast of Australia is 86.85%. The USI results for the past 6 months to June 2017 show a marginal increase of less than 1% (0.085%) in area occupied for East Coast Australia facilities.
- The USI data shows that the total Melbourne and Sydney market experienced a decline in area occupied by 0.64% and 0.13% respectively. The Brisbane market experienced a growth in area occupied of 1.73%. Notwithstanding this rise, the Brisbane Outer region remains at softer occupancy levels averaging 82.33% in occupancy.

AVERAGE STORAGE FEE RATES

- Average Storage Fee rates achieved for all East Coast Australia facilities experienced moderate growth of 2.08% over the 12-month period to June 2017. CPI growth over the same period was 2.20%.

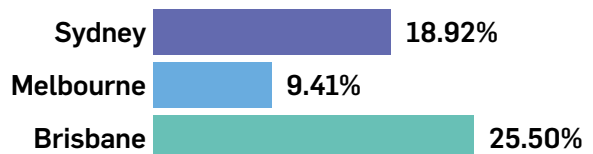
AUCKLAND STANDS OUT

- The Auckland zone has been a stand out performer with storage fee rate growth at 4.18% over the previous 12 months. The Auckland zone experienced a 1.14% decrease in occupancy by area for the same period, but maintains a high average occupancy of 90.46%.

LOOKING FORWARD

The question remains as to the level of overall fee revenue increases that can be achieved. Urbis is of the view that the substantial increase in apartment living will give rise to stronger demand for self storage and will be the major factor driving revenue growth. The following chart shows the percentage increase in the population living in apartments in the major metropolitan centres of Sydney, Melbourne and Brisbane.

Percentage change of people living in apartments between the 2011 and 2016 census dates



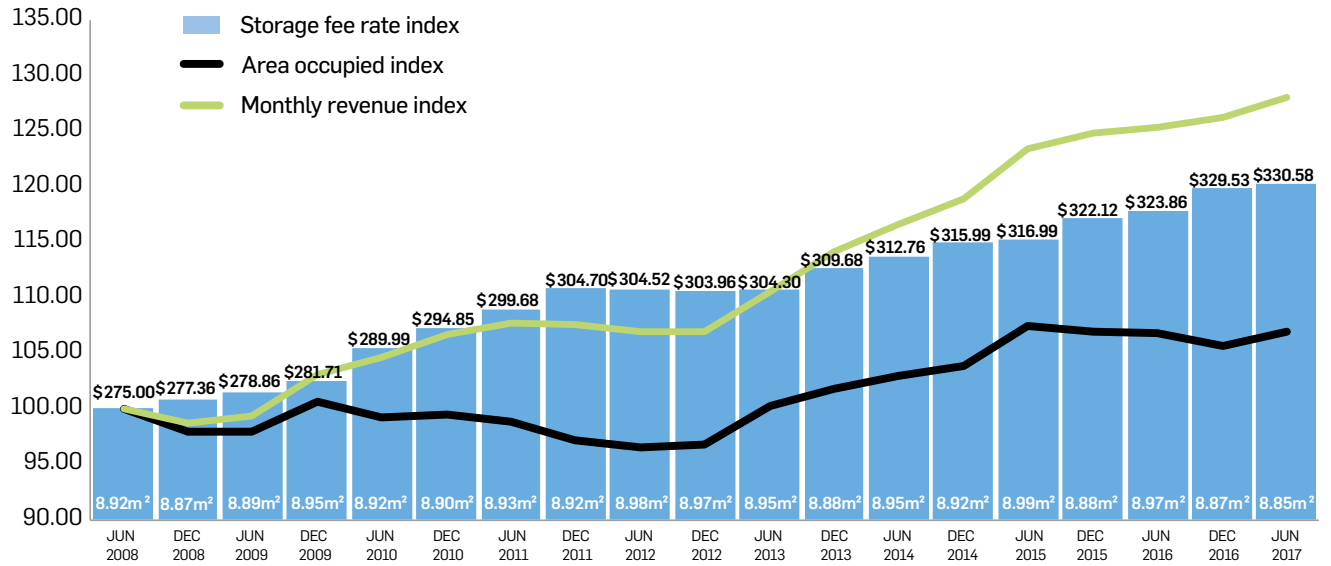
(Source: 2011 and 2016 Census)



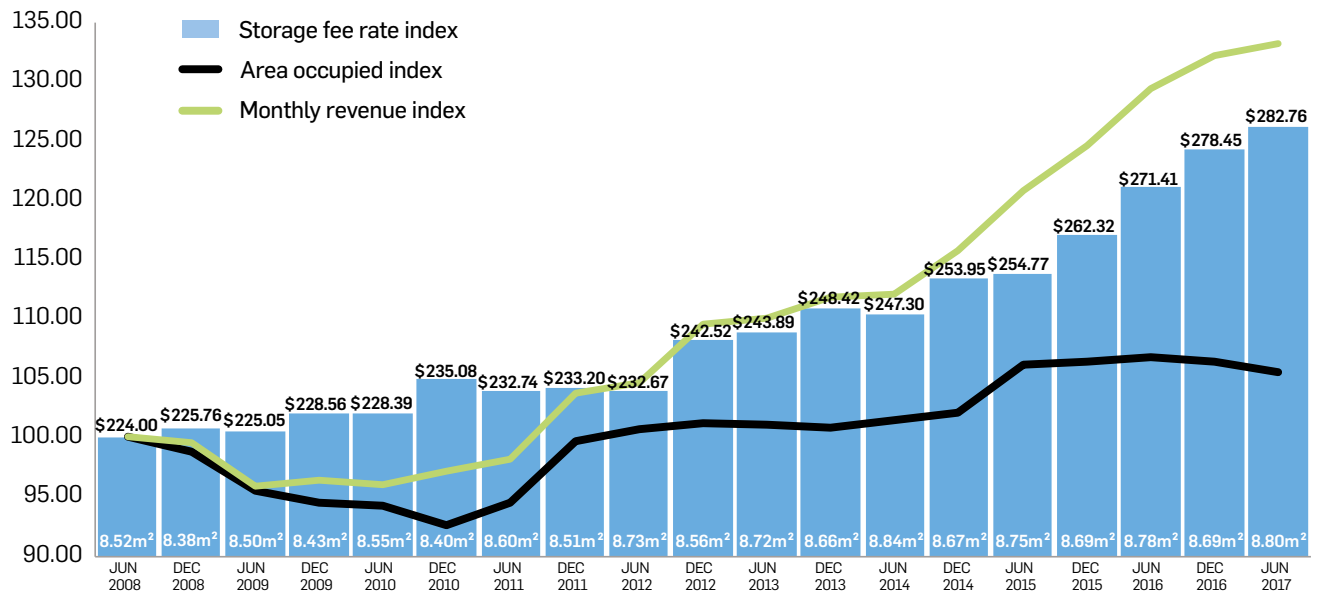
David Blackwell
Director

Urbis has been monitoring the self storage industry in Australia and New Zealand since 2008. Our substantial set of time series data, the first of its kind in the Australasian self storage industry, affords Urbis as the self storage experts. Our measured approach and proven expertise provides an accurate picture of your facility's value and how to maximise it.

East Coast Australia Zone: SFR index, AO index, MR index and average unit size occupied



Auckland Zone: SFR index, AO index, MR index and average unit size occupied



PERFORMANCE INDICES

Storage fee rate index area

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00
31-Dec-08	100.81	103.03	99.61	99.73	103.93	100.05	100.79
30-Jun-09	100.90	101.64	101.00	102.99	103.85	100.73	100.47
31-Dec-09	102.29	103.78	101.22	103.21	106.66	101.27	102.04
30-Jun-10	103.93	106.66	109.20	106.34	108.10	102.03	101.96
31-Dec-10	105.77	108.23	110.24	111.21	108.72	101.74	104.94
30-Jun-11	107.94	109.37	113.19	112.09	109.67	102.74	103.90
31-Dec-11	110.44	110.02	113.86	115.65	111.33	104.12	104.11
30-Jun-12	111.69	111.02	113.92	113.58	110.71	102.76	103.87
31-Dec-12	111.65	110.53	115.05	113.55	110.68	103.95	108.27
30-Jun-13	111.86	109.86	113.75	113.04	112.33	105.62	108.88
31-Dec-13	115.82	111.04	113.75	116.33	113.86	104.56	110.90
30-Jun-14	116.83	113.09	113.40	119.80	113.29	105.90	110.40
31-Dec-14	117.64	115.32	114.19	120.61	114.07	106.96	113.37
30-Jun-15	117.95	118.00	113.62	120.08	112.72	107.68	113.74
30-Dec-15	120.10	119.80	114.56	123.07	114.70	107.67	117.11
30-Jun-16	121.11	120.32	115.19	124.82	116.27	106.11	121.16
31-Dec-16	123.86	123.89	116.31	127.62	116.14	105.62	124.31
30-Jun-17	124.74	123.45	118.21	128.65	113.88	105.41	126.23

Area occupied index

30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00
31-Dec-08	95.12	95.77	99.71	100.43	101.80	98.63	98.77
30-Jun-09	95.38	98.93	100.15	97.42	99.69	99.32	95.47
31-Dec-09	96.39	100.21	103.60	103.70	101.57	103.01	94.49
30-Jun-10	96.53	98.02	99.10	102.46	102.06	100.33	94.18
31-Dec-10	95.50	98.85	100.07	103.56	104.35	98.01	92.59
30-Jun-11	95.61	97.13	99.58	103.03	103.51	97.43	94.54
31-Dec-11	93.56	98.42	97.51	98.66	100.06	97.77	99.67
30-Jun-12	91.81	97.77	95.96	98.37	101.07	99.93	100.74
31-Dec-12	90.44	97.49	94.01	99.92	104.66	103.10	101.14
30-Jun-13	94.07	99.75	98.01	103.58	106.85	105.54	101.12
31-Dec-13	93.67	101.99	102.37	105.58	107.09	107.51	100.78
30-Jun-14	94.20	103.10	104.39	105.95	108.09	110.93	101.46
31-Dec-14	95.19	102.96	106.75	107.67	110.65	108.71	102.14
30-Jun-15	98.72	105.25	110.49	114.30	113.08	109.89	106.19
31-Dec-15	97.75	104.58	112.60	114.08	111.97	107.48	106.41
30-Jun-16	96.27	107.87	112.82	114.76	107.06	108.74	106.76
31-Dec-16	94.93	105.33	113.25	113.45	106.84	108.12	106.38
30-Jun-17	96.02	107.92	111.75	114.28	110.87	108.19	105.54

Monthly revenue index

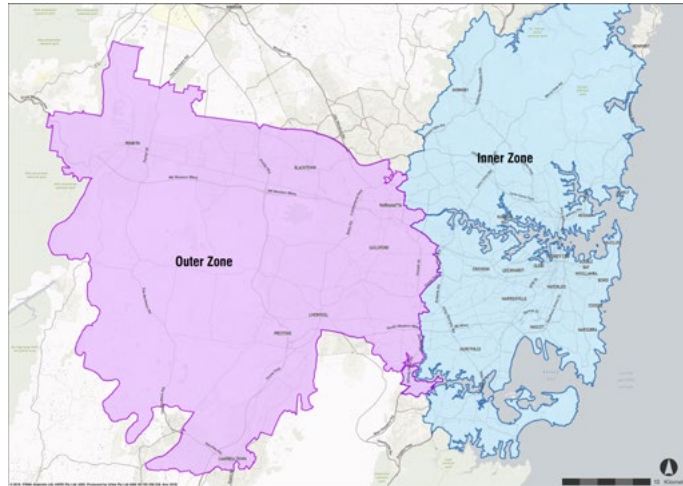
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00
31-Dec-08	95.89	98.67	99.32	100.16	105.81	98.68	99.54
30-Jun-09	96.23	100.56	101.15	100.34	103.52	100.05	95.92
31-Dec-09	98.60	104.00	104.87	107.03	108.33	104.31	96.41
30-Jun-10	100.33	104.54	108.22	108.96	110.33	102.36	96.03
31-Dec-10	101.02	106.99	110.32	115.17	113.45	99.72	97.17
30-Jun-11	103.20	106.23	112.72	115.49	113.52	100.09	98.22
31-Dec-11	103.34	108.28	111.03	114.10	111.40	101.79	103.76
30-Jun-12	102.54	108.54	109.32	111.72	111.90	102.68	104.64
31-Dec-12	100.97	107.76	108.16	113.46	115.84	107.18	109.50
30-Jun-13	105.22	109.59	111.48	117.08	120.03	111.47	110.10
31-Dec-13	108.48	113.25	116.45	122.82	121.93	112.41	111.77
30-Jun-14	110.06	116.60	118.38	126.93	122.46	117.48	112.01
31-Dec-14	111.98	118.74	121.91	129.85	126.22	116.27	115.80
30-Jun-15	116.44	124.20	125.54	137.26	127.46	118.33	120.77
30-Dec-15	117.39	125.29	128.99	140.41	128.43	115.72	124.61
30-Jun-16	116.60	129.78	129.96	143.25	124.48	115.38	129.35
31-Dec-16	117.57	130.49	131.72	144.78	124.08	114.21	132.24
30-Jun-17	119.78	133.23	132.10	147.02	126.27	114.04	133.23

ZONE BOUNDARIES

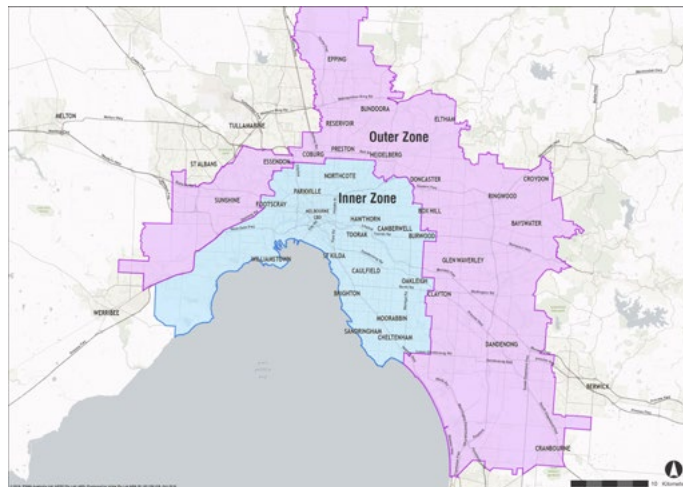
The Urbis Storage Index monitors over 70 mature self storage facilities over seven core zones, representing a sample size in excess of 10% of the overall self storage market in each zone.

The geographical structure of the Sydney, Melbourne and Brisbane Inner and Outer Zones can be seen in the map extracts below.

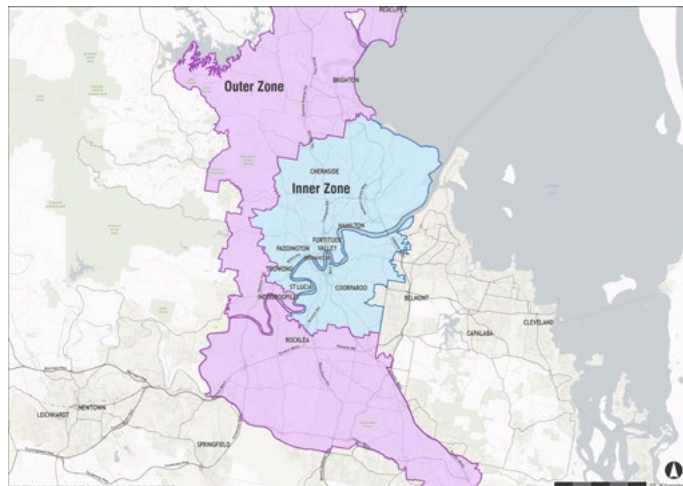
SYDNEY ZONE BOUNDARIES



MELBOURNE ZONE BOUNDARIES



BRISBANE ZONE BOUNDARIES



THE URBIS STORAGE INDEX

Urbis has been monitoring the self storage industry in Australia and New Zealand since 2008.

The USI has monitored the movement of the self storage industry through three (3) primary performance measurement indices. These indices include:

- **Storage fee rate (SFR) index** – The total accrued monthly revenue (ex GST) as at the respective index date for all facilities included in the zone, divided by the total area of occupied storage space measured in square metres for all facilities included in that zone. The monthly SFR is then annualised to produce a weighted average annual SFR as at the index date.
- **Area occupied (AO) index** – The total storage area occupied in square metres for all facilities within each zone.
- **Monthly revenue (MR) index** – The total accrued monthly revenue (ex GST) as at the index date. The MR Index is effectively a function of the above two (2) indices, as it represents the total amount of storage area occupied and the achieved SFR's. The results of the above primary performance measurements are converted to an index, where the base point of 100 is set as at 30 June 2008.

GEOGRAPHICAL STRUCTURE

Recognising that there are significant variations in average storage fee rates, occupancy and monthly revenue in different geographic locations, the indices have been prepared for a series of geographic zones. These are:

- Sydney Inner Zone
- Sydney Outer Zone
- Melbourne Inner Zone
- Melbourne Outer Zone
- Brisbane Inner Zone
- Brisbane Outer Zone
- Auckland, New Zealand Zone
- Total East Coast Australia Zone (combined Sydney, Melbourne and Brisbane).
- Total Australia and New Zealand

The Index monitors over 70 mature self storage facilities over the seven (7) core zones.

ABOUT URBIS

In today's dynamic and complex markets, putting a value on property involves much more than local knowledge and simple sums.

Our valuations take account of everything likely to impact the value of a property, now and in the future. Drawing on extensive experience across every sector, we look at property from more angles to give institutional and private investors, corporate clients and government more insightful analysis, more nuanced advice plus a clearer sense of value – and how to maximise it.

With consultants specialising in the industrial, residential, retail, commercial and self storage sectors, we provide insightful analysis and accurate reporting to help minimise risk and maximise opportunities.

Our national business model ensures our clients get access to the right people to deliver timely and reliable advice. Work is shared amongst consultants in our Sydney, Melbourne and Brisbane offices to make sure we deliver optimum results within the required timeframes.

“Our focus is to add value by delivering quality advice and incisive analysis to our clients.”

David Blackwell
Director

CONTACTS

Contact one of our self storage specialists to find out how we can assist you.



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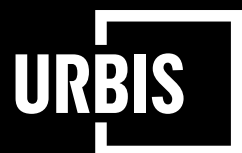
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