



Stor-Age Property REIT Limited
Incorporated in the Republic of South Africa

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Approved as a REIT by the JSE

("Stor-Age", the "group" or the "Company")

TRADING UPDATE

Stor-Age, South Africa's leading and largest self storage property fund, is pleased to provide the following trading update for the third quarter ended 31 December 2021.

Total occupancy in the same store portfolio increased by 10 500m² (2.6%) in the quarter ending 31 December 2021 whilst the closing average rental rate increased by 1.6% (annualised 6.3%) and 1.5% (annualised 6.0%) in SA and the UK respectively.

Occupancy summary

SA	30 September 2021			31 December 2021		
	GLA m ²	Occupied m ²	% occupied	GLA m ²	Occupied m ²	% occupied
Same stores	360 600	313 100	86.8%	366 800	325 300	88.7%
New stores	-	-	-	16 500	9 600	58.2%
Total	360 600	313 100	86.8%	383 300	334 900	87.4%

UK	30 September 2021			31 December 2021		
	GLA m ²	Occupied m ²	% occupied	GLA m ²	Occupied m ²	% occupied
Same stores	88 500	83 300	94.1%	88 900	81 600	91.8%

Total	30 September 2021			31 December 2021		
	GLA m ²	Occupied m ²	% occupied	GLA m ²	Occupied m ²	% occupied
Same stores	449 100	396 400	88.3%	455 700	406 900	89.3%
New stores	-	-	-	16 500	9 600	58.2%
Total	449 100	396 400	88.3%	472 200	416 500	88.2%

Increase in quarter ending 31 December 2021	SA	UK	Total
Occupied m ²	21 800	(1 700)	20 100
Same stores	12 200	(1 700)	10 500
New stores	9 600	-	9 600
Occupied %	7.0%	(2.0%)	5.1%
Same stores	3.9%	(2.0%)	2.6%
New stores	100%	-	100%

In SA, the growth in occupancy over the quarter was 12 200m² (3.9%) fueled by strong demand from both domestic and commercial customers. The occupancy growth in the quarter was approximately 8.0% higher than the corresponding quarter in the prior year.

In the UK, occupancy decreased by 1 700m² reflecting the impact of seasonality. The UK self storage market experiences a greater degree of seasonality than the SA market with the autumn and winter months being a traditionally slower trading period. Although the seasonal occupancy loss was expected, it was significantly lower than pre-Covid levels.

Acquisition and development activity

Stor-Age portfolio

In the quarter we completed the acquisition of Silver Park Self Storage (located alongside Okavango Road in Brackenfell, Cape Town northern suburbs, GLA 7 700m², R60.1 million purchase consideration) and Green Cube Self Storage (located in Ottery, Cape Town southern suburbs, GLA 5 500m², R48 million purchase consideration). Both properties complement the existing portfolio and present an excellent opportunity for occupancy and rental rate growth.

Trading also commenced at Cresta in Johannesburg (7 400m² GLA on full fit-out) in October 2021 following the completion of the first phase of construction.

Moorfield JV

Stor-Age has a 24.9% equity interest in a JV with Moorfield, a leading UK real estate fund manager with a 25-year track record, to develop a portfolio of self storage properties in the UK.

In October 2021 the JV concluded the acquisition of a site in Hounslow, a large suburban town in West London, to develop a 62 000 sqf GLA (5 800m²) store at an estimated cost of £13 million. Final planning consent has been received and construction is expected to start imminently.

Contracts have been exchanged for a further two opportunities, both of which are expected to be completed shortly (combined 97 000 sqf / 9 000m² GLA) at an estimated cost of £20 million. In addition, heads of terms have been agreed for the acquisition of another prime development site, subject to formal planning consent, to develop a 61 000 sqf GLA (5 700m²) store at an estimated cost of £13 million.

The JV is now more than 90% committed in relation to the initial allocation of £50 million (with the potential to increase to £100 million) and is actively pursuing acquisition opportunities.

Nedbank JV

In September 2021 we announced a JV with Nedbank Property Partners, a division of Nedbank, to develop two high profile properties in Morningside (7 400m² GLA) and Bryanston (4 700m² GLA), at a cost of approximately R200 million. Stor-Age will have a 50% equity interest in the JV. Construction has now started in Morningside with the store scheduled to open in the first half of 2023. Final planning approval is expected for the Bryanston property by February, after which construction will start on site. We anticipate developing further properties in our SA pipeline in the JV structure.

Definitions

SA – South Africa

UK – United Kingdom

m² – square metres

sqf – square feet

Same store refers to properties trading at 30 September 2021 and 31 December 2021

New stores include Cresta (commenced trading in October 2021), Silver Park and Green Cube

Cape Town, 14 January 2022

Sponsor

Investec Bank Limited