



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”)

BUSINESS AND TRADING UPDATE

Stor-Age, South Africa’s leading and largest self storage property fund, is pleased to provide the following voluntary business update.

Trading update

Key operating metrics for the first five months of FY23, as well as the 12-month trading period ending 31 August 2022, have again demonstrated the resilience of Stor-Age’s business model.

In South Africa total occupancy increased by 28 700m² year-on-year (“y-o-y”). On a same store basis to 31 August 2022, the average rental rate increased by 6.7% y-o-y, while the average occupancy increased by approximately 6 300m² or 2.0%.

In the UK total occupancy increased by 28 900m² y-o-y. On a same store basis to 31 August 2022, the average rental rate increased by 10.8% y-o-y, while the average occupancy increased by approximately 1 000m² or 1.3%.

The tables below summarise the closing occupancy at 31 August 2022 and the y-o-y and year-to-date (“YTD”) occupancy growth:

SA	GLA	Occupied	% occupied	Occupancy	Occupancy
	Aug-22	Aug-22	Aug-22	growth y-o-y m ²	growth YTD m ²
Same-store	361 000	321 300	89.0%	9 200	(1 200)
Non same-store [^]	26 900	19 900	74.0%	19 500	3 500
	387 900	341 200	88.0%	28 700	2 300

[^] Non same-store includes new developments that commenced trading during the year (Tyger Valley and Cresta), acquisitions (Silver Park and Green Cube), and the re-opened Waterfall (post the civil unrest in 2021).

UK	GLA	Occupied	% occupied	Occupancy	Occupancy
	Aug-22	Aug-22	Aug-22	growth y-o-y m ²	growth YTD m ²
Same-store	92 100	84 600	91.8%	500	4 100
Non same-store [^]	37 500	28 400	75.7%	28 400	2 400
	129 600	113 000	87.2%	28 900	6 500

[^] Non same-store includes the acquisitions – McCarthy’s Storage World (January 2022) and Storagebase (March 2022 and acquired in the Moorfield JV, in which Stor-Age holds a 25% interest).

In SA, same-store closing occupancy increased by 9 200m² y-o-y (growth of 2.9%). The decrease in YTD closing occupancy of 0.4% reflects the impact of seasonality in the first five months of FY23, which we expect to recover in the second half of the financial year. The non-same-store portfolio has traded positively, with total occupancy gains of 19 500m² y-o-y, as well as 3 500m² YTD. The y-o-y growth includes 9 700m² of occupancy gains at the newly opened Tyger Valley and Cresta properties. The acquired properties (Silver Park and Green Cube) accounted for a further 9 800m² of gains and have traded in line with expectations since acquisition.

In the UK, same-store closing occupancy increased by 500m² y-o-y (growth of 0.5%). The YTD closing occupancy increased by 4 100m² (growth of 5.1%), reflecting both high levels of demand and the traditional stronger summer trading period in the first half of the financial year. The acquired properties in the McCarthy's (January 2022) and Storagebase portfolios (March 2022) have traded positively since their respective acquisitions, with gains in occupancy in FY23 of 2 400m² YTD.

Acquisition and development progress

Acquisition

Think Self Storage

Think Secure Self Storage (the "Property") in Parklands, a suburb located on Cape Town's west coast, has been secured for acquisition.

Secured for a purchase consideration of R65 million, the Property is well located on the corner of Sandown and Koeberg Roads in Parklands – servicing the broader Parklands, Sunningdale and Table View areas. The Property's location is highly complementary to the existing Stor-Age Sunningdale and Table View properties.

The purpose-built multi-storey Property offers an existing total potential of 4 000m² GLA, while also benefiting from significant additional bulk. A planning application will be submitted to expand the Property by an additional estimated 2 900m² GLA, translating into approximately 6 900m² GLA in total on completion.

Built to a high quality and specification, the Property benefits from good visibility and presence onto Sandown Road, with good access off Koeberg Road from a nearby intersection. Sandown Road is currently the only direct link road to the N7 highway from the broader west coast suburbs (and the R27) and is considered a main arterial road.

The due diligence has been completed and transfer is expected in the last quarter of 2022.

Developments

South Africa

At 31 March 2022, Stor-Age's secured development pipeline in South Africa comprised ten properties with an approximate total development cost of R900 million, and which will add an estimated 60 800m² GLA to the portfolio.

We anticipate that the majority of our new developments will be completed in a JV structure with a development partner.

Morningside

At an estimated total development cost of R125 million and offering an estimated 7 400m² GLA on completion, excellent progress is being made on site, with the property scheduled to open for trading in the first quarter of FY24. Construction began on site at this greenfield development in December 2021.

The property is being developed in the Nedbank JV.

Bryanston

At an estimated total development cost of R75 million and offering an estimated 4 700m² GLA on completion, excellent progress is also being made on site, with the property scheduled to open for trading in the second quarter of FY24. Construction began on site at this greenfield development in April 2022.

The property is being developed in the Nedbank JV.

Pinelands

At an estimated total development cost of R97 million and offering an estimated 7 300m² GLA on completion, work began on site in August 2022, with the property scheduled to open for trading in the first half of FY24.

The property is a brownfield conversion and will form part of the Nedbank JV.

Paarden Eiland

At an estimated total development cost of R75 million and offering an estimated 4 700m² GLA on completion, work began on site in August 2022, with the property scheduled to open for trading in the first half of FY24.

The property is a brownfield conversion and will form part of the Nedbank JV.

UK

Stor-Age's secured development pipeline in the UK comprises four properties with an approximate total development cost of £45 million, and which will add an estimated 228 000sqf GLA to the portfolio.

Our new developments are being completed in the Moorfield JV.

Heathrow

Offering an estimated 61 000sqf (5 700m²) + GLA on completion, excellent progress is being made on site, with the property scheduled to open for trading in the first quarter of FY24. Construction began on site at this greenfield development in March 2022.

Bath

Offering an estimated 47 000sqf (4 400m²) GLA on completion, work began on site in April 2022, with the property scheduled to open for trading in the first quarter of FY24.

Continual refinement of the design process while on site has resulted in an additional estimated 2 000sqf GLA, thus taking the original planned 45 000sqf GLA up to 47 000sqf GLA.

The property is a brownfield conversion.

Canterbury

Offering an estimated 54 000sqf (5 000m²) GLA on completion, contracts have now completed. Planning permission is in hand, with the contractor appointed and expected to start imminently on site.

The property is a greenfield development.

Site 4

Offering an estimated 64 000sqf (5 900m²) GLA on completion, contracts were exchanged in August 2022, with completion scheduled for October 2022. Construction is scheduled to begin in the second half of FY23

The property will be a brownfield conversion.

Portfolio expansion – complete

Three major extensions (new builds) have recently been completed at Chester (July 2022), Bedford and Doncaster (August 2022), bringing online an additional estimated 54 000sqf + across the three properties.

Portfolio expansion – town planning applications

We continue to seek opportunities to unlock value in the existing portfolio. Accordingly, a number of town planning applications are currently either in hand and approved, or have recently been submitted as follows:

- Milton Keynes – approvals are in place for an additional estimated 18 000sqf GLA, with construction scheduled to begin in the second half of FY23
- Huddersfield – a pre-application package was submitted in September 2022 for an estimated 22 000sqf GLA expansion
- Wakefield – a planning application is currently in progress for an estimated 9 000sqf GLA expansion
- Blackpool – a pre-application package was submitted in September 2022 for an estimated 23 000sqf GLA expansion

Definitions:

GLA – gross lettable area

m² - square metres

sqf – square foot

Cape Town

27 September 2022

Sponsor

Investec Bank Limited