

STOR-AGE ON THE MOVE SINCE NOVEMBER LISTING

JSE newcomer Stor-Age Property REIT has followed its November 2015 listing debut with strong growth momentum, despite the current turbulence in the local economy. The company, which rents out space on a short-term flexible lease-basis, today provided an update on its three latest developments within its pipeline, which will enhance its revenue and fee income streams. In addition to the new high quality developments in prime locations, management has grown the existing portfolio occupancy levels off the back of rising demand.

CEO Gavin Lucas says Stor-Age enjoyed strong demand in the last quarter of 2015, evidenced by an 8% growth in customer enquiry numbers year-on-year for the final quarter, supporting his assertion that the Stor-Age business model fares equally well in economic down-cycles. He explains that this is in line with self storage trading trends in first world markets and the underlying resilience of the self storage product. "People need storage space in both strong and weak economies as they move and/or downsize." He says enquiry levels are continuing to increase in all of South Africa's six main cities.

Of the three additions to the portfolio he says: "Our newest properties in Sunninghill and Randburg (Johannesburg) and Berea (Durban) will raise the company's profile and further entrench the Stor-Age brand to consolidate our market leadership of the South African self storage sector." Designed to complement the existing built environment in which they trade, the properties will be modern, multi-storey, purpose-built self storage buildings.

Stor-Age Sunninghill will be one of the company's flagship properties and marks its entry into Johannesburg's high density northern suburbs. Stor-Age Randburg will serve the established retail, business and residential corridor. Both offer excellent exposure to the main highways in line with Stor-Age's strategy to build high visibility properties with easy access off main arterials. For Stor-Age Berea the group will convert an existing four storey building and it will serve the needs of suburbs such as Musgrave, Palm Ridge, Essenwood, Glenwood and Windermere.

Stor-Age's ongoing growth is underpinned by a strong balance sheet, which Lucas points out was well-planned. "We anticipated higher interest rates and so took on lower debt levels on listing relative to our peers. This has resulted in a conservative balance sheet with a debt to property asset ratio of only 10% and 80% of debt hedged against further interest rate hikes for three years."

Looking forward Lucas concludes that Stor-Age should continue to trade positively ahead of the industry, "given the company's exceptional financial health and business model that continues to demonstrate its resilience in tougher economic environments".

Stor-Age is South Africa's only specialist self storage REIT on the JSE. The fast growing self storage sector is a niche sub-sector of the broader commercial property market. Stor-Age provides self storage solutions across 32 properties, which are differentiated by their high visibility to passing traffic, easy access off busy arterial routes and proximity to middle to upper income suburbs.

Ends.

Issued by: Envisage
Nicole Katz/Michèle Mackey
011 326 8260/082 497 9827
nicole@envisagesa.co.za; michele@envisagesa.co.za

On behalf of: Stor-Age Property REIT Limited
CEO, Gavin Lucas

Website: www.stor-age.co.za

Share code: SSS
JSE sector: Speciality REITs
ISIN: ZAE000208963

Issue date: 1 February 2016

Note: About the portfolio

The portfolio of 32 Stor-Age branded and managed properties covers approximately 245 000 m² of GLA concentrated in the four major cities - Johannesburg, Pretoria, Cape Town and Durban.

Stor-Age has in place a R1 billion+ pipeline of 19 properties over which it has a pre-emptive right of acquisition. Stor-Age earns ongoing licencing, asset management and property management fees from the pipeline properties, which are housed in a separate company. Of the 19 properties, eight are currently trading and the balance of 11 is either under construction or in planning.