



Stor-Age Property REIT Limited
Incorporated in the Republic of South Africa
Registration number 2015/168454/06
Share Code: SSS ISIN ZAE000208963
(Approved as a REIT by the JSE)
("Stor-Age" or "the Company")

ACQUISITION OF SELF STORAGE PORTFOLIO IN KWAZULU NATAL AND CAUTIONARY ANNOUNCEMENT

1. INTRODUCTION

The board of directors of Stor-Age ("the Board") is pleased to announce that Stor-Age has entered into a Memorandum of Understanding with the shareholders of DanCor Properties Proprietary Limited ("**DanCor**") in terms of which Stor-Age will acquire 100% of the shares in DanCor ("the Proposed Acquisition"). DanCor currently trades from four locations under the name StorTown ("StorTown") with properties situated in Brackenhill (two properties), Durban CBD and Durban North.

Shareholders will be advised of the detailed terms and conditions of the Proposed Acquisition as and when formal agreement has been reached between the parties in this regard.

2. ABOUT StorTown

StorTown opened its first store in Brackenhill in 2006 and has subsequently grown to a portfolio of four properties, comprising c. 22,000m² of gross lettable area. The portfolio is well positioned geographically across Durban and has a broad customer following.

3. RATIONALE FOR THE ACQUISITION

The Board is of the view that the Proposed Acquisition is in line with Stor-Age's stated strategy of pursuing value-added acquisitions in a fragmented industry, thereby strengthening the group's position as the premium South African self storage brand.

From a sector perspective, concluding the deal would further contribute to Stor-Age's position as a significant self storage operator and property fund in the South African market, with the introduction of a broader geographical store offering across the city of Durban.

The intention is for all stores to be rebranded and added to Stor-Age's sophisticated operations platform, with the majority of the value enhancement planned over time through key initiatives such as digital marketing, revenue management and increased scale in a key market.

4. CAUTIONARY ANNOUNCEMENT

Shareholders are hereby advised to exercise caution when dealing in the Company's securities until a further announcement is made providing all relevant details in respect of the Proposed Acquisition.

Cape Town
8 June 2017

Corporate Advisor and Sponsor

Competition Law Advisor



Baker & McKenzie