

# Nontraded REIT Industry Review: First Quarter 2015

## SmartStop Self Storage, Inc. (formerly Strategic Storage Trust, Inc.)

Total Assets.....	\$798.0 Million
Real Estate Assets .....	\$649.8 Million
Cash .....	\$12.3 Million
Securities .....	\$80.5 Million
Other .....	\$55.4 Million



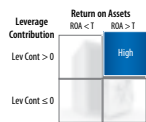
Initial Offering Date: .....	March 17, 2008
Offering Close Date: .....	September 22, 2013
Current Price per Share: .....	\$10.81
Reinvestment Price per Share: .....	\$10.27
Cumulative Capital Raised during Offering (including DRP).....	\$549.0 Million

Cash to Total Assets Ratio: .....	1.5%
Asset Type: .....	Storage
Number of Properties: .....	127
Square Feet / Units / Rooms / Acres: .....	80,675 Units
Percent Leased: .....	87.4%
Weighted Average Lease Term Remaining: .....	Not Applicable
LifeStage: .....	Maturing
Investment Style: .....	Core
Weighted Average Shares Outstanding: .....	58,162,068



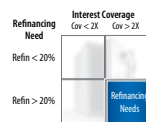
### Performance Profiles

#### Operating Performance



The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

#### Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

#### Cumulative MFFO Payout



The REIT has not yet reached full coverage of cash distributions with an MFFO payout ratio below 100% since inception, but the last 12 months shows full coverage of distributions, a positive trend. If the 12-month trend continues, the distribution rate can be maintained.

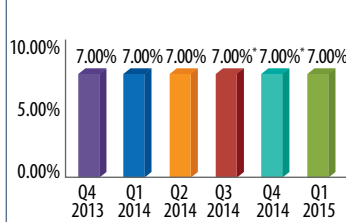
#### Summary

The REIT's return on assets was 8.78% for the last four quarters, well above the yield on 10-Year Treasuries, and its leverage contribution was positive, given its estimated weighted average cost of debt of 4.79% and 60.1% debt ratio. The interest coverage ratio was 2.6X for the last four quarters, above the 2.0X benchmark, and 53.4% of debt was maturing in the next two years. Unhedged variable rate debt was 41% of the total, so there are significant refinancing needs along with interest rate risk. The REIT has improved the ratio of cash distributions (excluding DRP proceeds) to MFFO to 63% for the last four quarters, but is still at 101% since inception.

### Contact Information

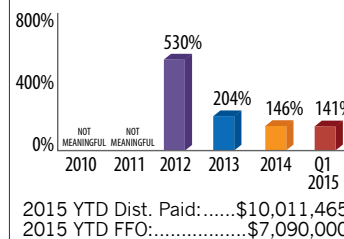
[www.StrategicStorageTrust.com](http://www.StrategicStorageTrust.com)  
**Strategic Storage Trust**  
 111 Corporate Drive,  
 Suite 120  
 Ladera Ranch, CA 92694  
 (877) 327-3485

### Historical Distribution



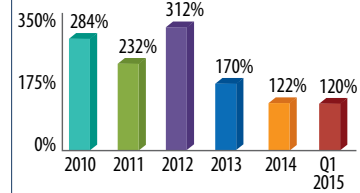
\*See Notes

### Historical FFO Payout Ratio



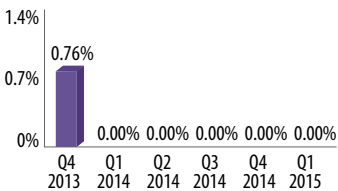
2015 YTD Dist. Paid:.....\$10,011,465  
 2015 YTD FFO:.....\$7,090,000

### Historical MFFO Payout Ratio



2015 YTD Dist. Paid:.....\$10,011,465  
 2015 YTD MFFO:.....\$8,377,733  
 BVP Adjusted MFFO – see notes

### Redemptions

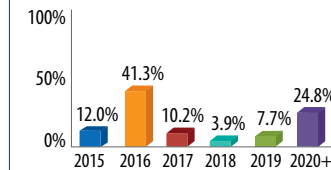


### Debt Breakdown

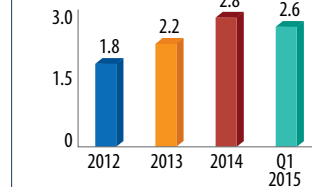


Debt to Total Assets Ratio:.....60.1%  
 Total:.....\$479.9 Million  
 Fixed:.....\$283.5 Million  
 Variable:.....\$196.4 Million  
 Avg. Wtd. Rate:.....4.79%  
 Loan Term:.....<1 – 8 yrs

### Debt Repayment Schedule



### Interest Coverage Ratio



### Source of Distributions, Trends and Items of Note

- On April 2, 2015, the board of directors approved the suspension of the distribution reinvestment plan. Accordingly, beginning with the distributions declared by the board for the month of March 2015, which were payable in April 2015, and continuing until such time as the board may approve the resumption of the distribution reinvestment plan, if ever, all distributions declared by the board will be paid to stockholders in cash.
- On March 18, 2015, the board of directors declared a distribution rate for the second quarter of 2015 of \$0.001917808 per day per share on the outstanding shares of common stock payable to stockholders of record of such shares on each day during the period, commencing on April 1, 2015 and continuing on each day thereafter through and including June 30, 2015.
- The 7.00% distribution yield above is based upon the original \$10.00 share price.
- As of March 31, 2015, the REIT owned 127 self storage facilities (126 were wholly owned and one was 99% owned) located in 17 states (Alabama, Arizona, California, Florida, Georgia, Illinois, Kentucky, Mississippi, Nevada, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas and Virginia) and Canada comprising approximately 80,675 units and approximately 10.5 million rentable square feet. As of March 31, 2015, it also had noncontrolling interests in two additional self storage facilities.
- During the three months ended March 31, 2015 the Company acquired one property in Tempe, Arizona, for \$4.275 million.
- The REIT's Cash to Total Assets ratio decreased to 1.5% as of 1Q 2015 compared to 2.8% as of 1Q 2014.
- The REIT's Debt to Total Assets ratio increased to 60.1% as of 1Q 2015 compared to 55.0% as of 1Q 2014.
- The Company had not hedged variable rate debt as of March 31, 2015.
- The Company does not report Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA"). The MFFO above is estimated by Blue Vault Partners.
- During the quarter ended March 31, 2015 the Company paid \$5.437 million in cash distributions and had \$4.574 million reinvested via the DRP. For the quarter ended March 31, 2015, the source of distributions was 68.4% cash flows provided by operations and 31.6% offering proceeds from the distribution reinvestment plan.