

URBIS

URBIS STORAGE INDEX

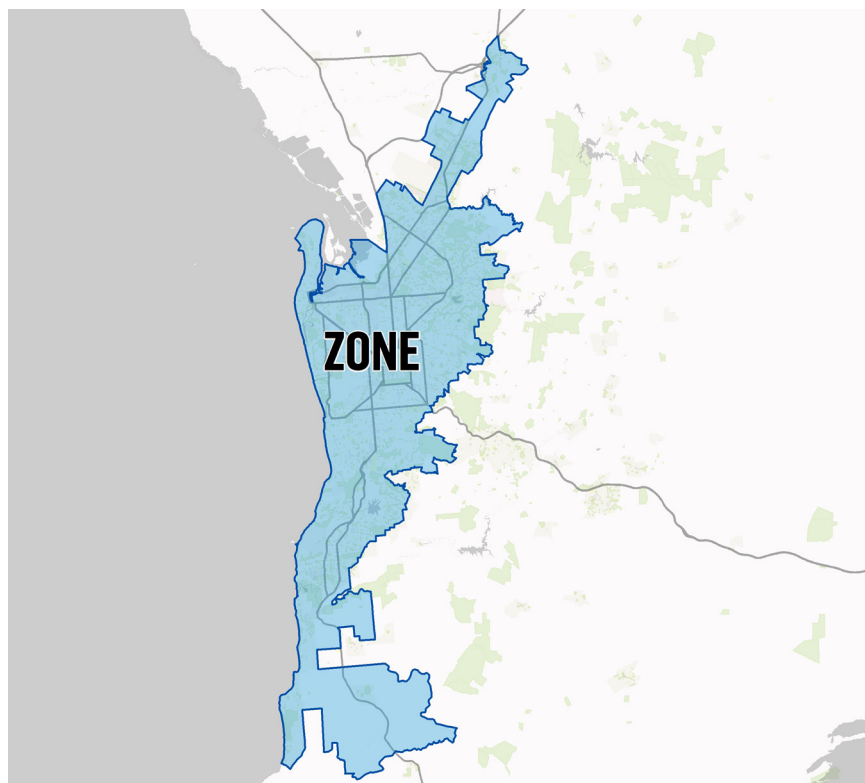
**AS AT 31 DECEMBER 2019
RELEASED MARCH 2020**



WELCOME ADELAIDE TO THE URBIS STORAGE INDEX

In this release of the Urbis Storage Index, we welcome the Adelaide self storage market. Following the continued growth and maturity of the self storage industry, as well as demand from market participants we have commenced an index to track the performance of the Adelaide market.

The Urbis Storage Index will monitor approximately 40% of the self storage market in Adelaide across a range of operators and locations within the Adelaide metropolitan area.



STORAGE FEE RATE

The average storage fee rate recorded was **\$259.62** per m² p.a. This result is at the lower end of the Australian markets that we track.



OCCUPANCY

Average occupancy recorded for the Adelaide market was **80.94%**. When compared with the other markets in the Index, this occupancy level is below all other markets except for the Perth Zone.



AVERAGE UNIT SIZE

The average unit size for the sampled facilities was **8.06m²**.

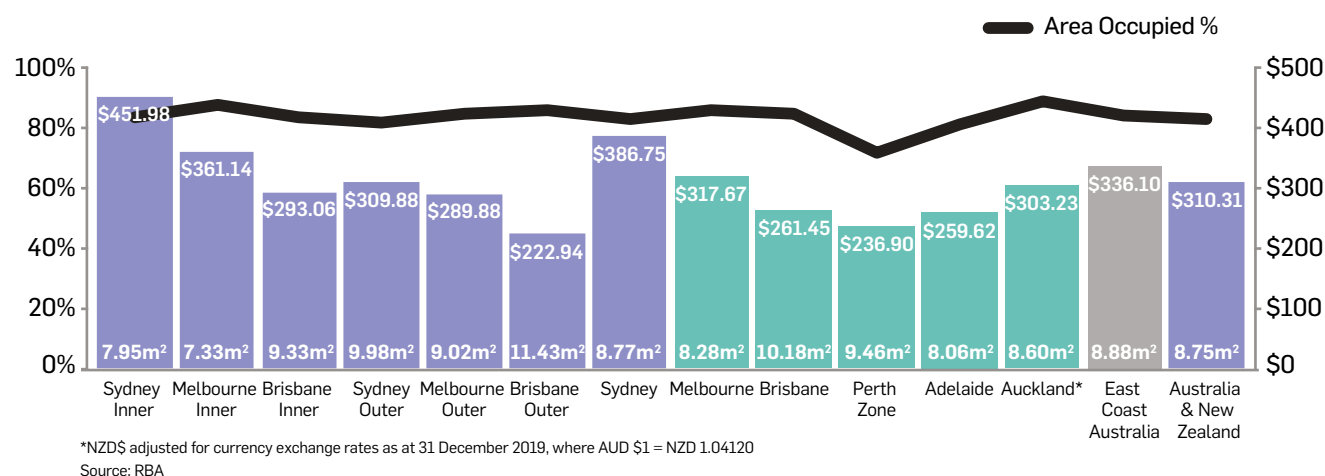
Results recorded in this release of the Index will form the basis of the Index for the Adelaide market (i.e. 100).

Date	Storage Fee Rate (\$/sq.m.)	Area Occupied	Monthly Revenue*
31-Dec-19	100.00	100.00	100.00

*The Monthly Revenue (MR) index is effectively a function of the Storage Fee Rate (SFR) index and the Area Occupied (AO) index

THE RESULTS

Weighted average \$ rate/sq.m., weighted average unit size and area occupied (%) as at 31 December 2019



AREA OCCUPIED

Following steady results in the June 2019 release of the Urbis Storage Index, occupancy has remained generally stable over the past six months. Occupancy in both the Brisbane Inner and Brisbane Outer Zones has bounced back since the previous release, recording increases in area occupied of 2.36% and 5.07% respectively. Auckland experienced the largest decline over the past six months falling by 4.01% between June and December 2019.

The Perth and Inner Sydney Zones recorded marginal increases in area occupied of 0.60% and 0.58% over the past six-month period to December 2019, whilst area occupied tracked marginally lower across Melbourne, reducing by 0.76%.

AVERAGE STORAGE FEE RATES

In the June 2019 release of the Urbis Storage Index, we recorded negative growth in all markets tracked in the Index. This trend continued across the second half of 2019, with the exception of the Auckland and Melbourne markets. Auckland was the stand-out over the past six months experiencing average storage fee rate growth of 5.14%, followed by the Melbourne Inner Zone with growth of 2.65%.

Overall, the combined East Coast Australian markets recorded a fall of 0.41% over the past six months. Over the same period results for the combined Australian and New Zealand markets recorded a fall of 2.31%.

CONCLUSIONS

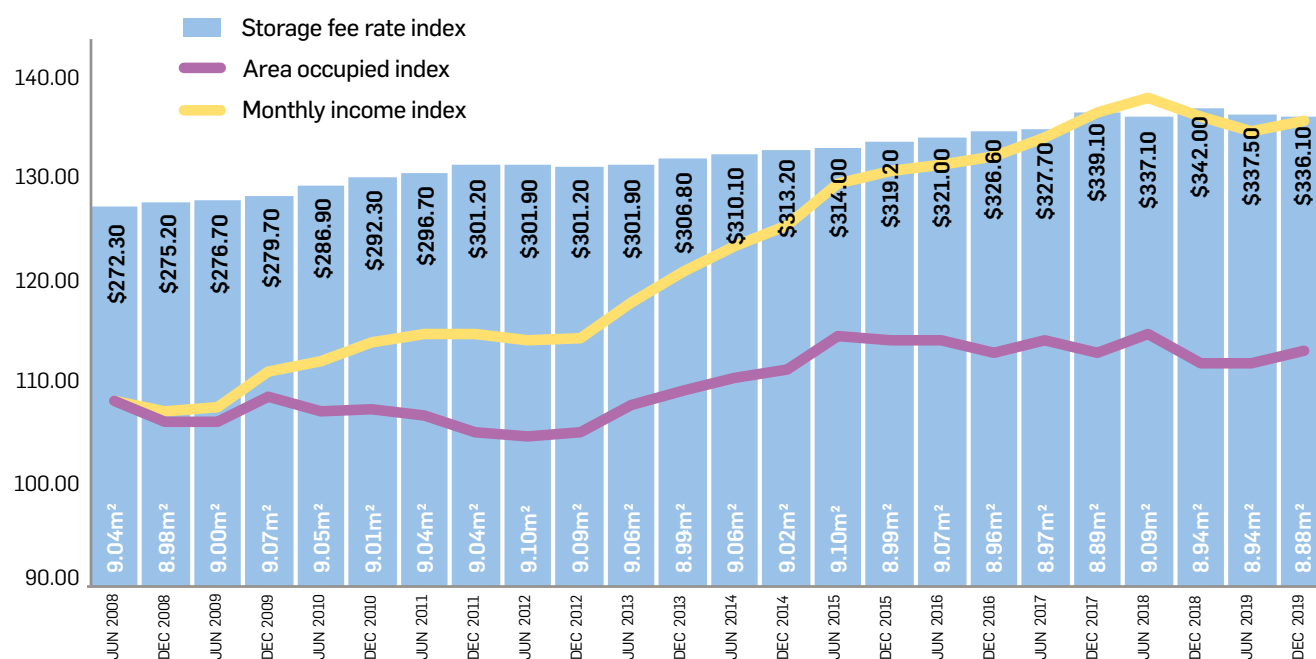
Across 2019, we witnessed a consistent trend of negative fee rate growth, whilst occupancy has generally held firm. Brisbane experienced the largest decline in achieved fee rate across the 12 month period to December 2019, with the Brisbane Inner Zone down 2.39% and the Brisbane Outer Zone down 3.24%. Whilst Occupancy has remained generally stable in the Brisbane Inner Zone, occupancy has dropped 3.85% in the Brisbane Outer Zone.

In fact, most of the negative storage fee rate growth is being witnessed in the outer regions. The Sydney Outer Zone declined by 2.83% over 2019 and the Melbourne Outer Zone declined 2.62%. Occupancy has remained relatively stable in both zones. The Melbourne Inner Zone enjoyed an increase of 2.48% in fee rate across 2019, complimented by an increase in area occupied of 1.72% - the strongest results in both fee rate and occupancy across all major markets. Auckland continues to enjoy strong fee rate growth (2.09% across 2019), whilst occupancy has remained stable. Perth witnessed a fall in occupancy of 1.80% over 2019, paired with a minor reduction of 0.62% in average storage fee rates.

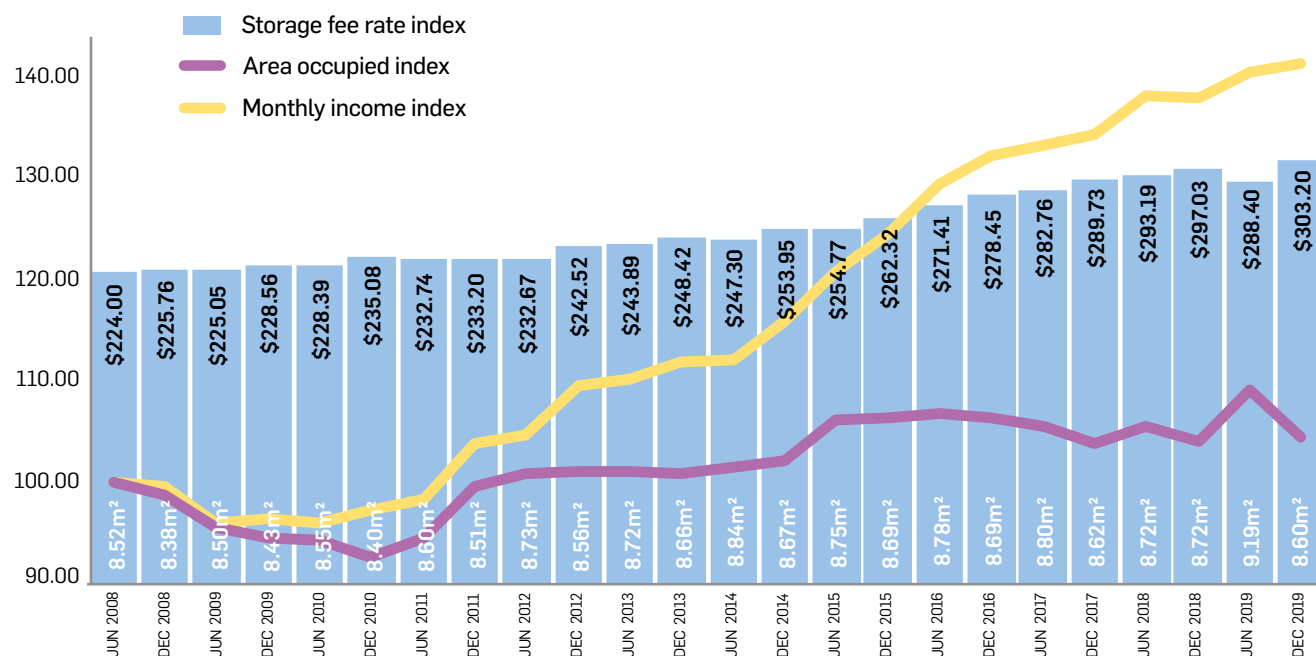
Overall, the combined results sum up the 2019 year, showing stable levels of occupancy across the board while storage fee rates have declined 1.71% across the East Coast Australia and 3.92% across Australia and New Zealand.

Zone	Occupancy by Area
Sydney Inner	83.68%
Sydney Outer	81.82%
Sydney	82.82%
Melbourne Inner	87.59%
Melbourne Outer	84.66%
Melbourne	85.78%
Brisbane Inner	83.61%
Brisbane Outer	85.79%
Brisbane	84.58%
Perth	71.72%
Adelaide	80.94%
Auckland	88.75%
East Coast Australia	84.15%
Australia & New Zealand	82.96%

East Coast Australia Zone: SFR index, AO index, MR index and average unit size occupied



Auckland Zone: SFR index, AO index, MR index and average unit size occupied



PERFORMANCE INDICES

Storage fee rate index area

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	100.66	103.03	101.75	99.73	103.93	100.05	100.79	-	-
30-Jun-09	100.86	101.64	103.09	102.99	103.84	100.73	100.47	-	-
31-Dec-09	102.15	103.78	103.89	103.22	106.66	101.27	102.04	-	-
30-Jun-10	103.57	106.66	110.42	106.34	108.10	102.04	101.96	-	-
31-Dec-10	105.76	108.23	112.24	111.21	108.72	101.74	104.94	-	-
30-Jun-11	107.64	109.37	115.43	112.09	109.67	102.73	103.90	-	-
31-Dec-11	109.95	110.02	117.91	115.65	111.33	104.11	104.11	-	-
30-Jun-12	111.66	111.02	117.11	113.58	110.71	102.76	103.87	-	-
31-Dec-12	111.27	110.53	118.76	113.55	110.68	103.95	108.27	-	-
30-Jun-13	111.95	109.86	117.10	113.04	112.34	105.62	108.88	-	-
31-Dec-13	115.66	111.04	116.63	116.33	113.86	104.56	110.90	-	-
30-Jun-14	116.78	113.09	115.90	119.80	113.30	105.91	110.40	-	-
31-Dec-14	117.53	115.32	116.47	120.61	114.07	106.96	113.37	-	-
30-Jun-15	117.62	118.00	115.86	120.08	112.72	107.68	113.73	-	-
31-Dec-15	119.69	119.80	117.18	123.08	114.70	107.67	117.11	-	-
30-Jun-16	120.77	120.31	117.77	124.83	116.27	106.11	121.16	-	-
31-Dec-16	123.41	123.89	119.13	127.62	116.14	105.63	124.31	-	-
30-Jun-17	124.31	123.44	121.44	128.65	113.88	105.41	126.23	-	-
31-Dec-17	129.51	127.22	126.63	132.55	115.24	110.13	129.34	100.00	-
30-Jun-18	129.02	126.91	124.64	133.89	112.61	113.89	130.89	97.25	-
31-Dec-18	128.78	128.54	127.21	136.42	115.18	113.19	132.60	96.13	-
30-Jun-19	128.01	126.08	127.00	131.82	114.47	112.13	128.76	96.03	-
31-Dec-19	127.43	124.90	130.37	132.84	112.42	109.53	135.37	95.53	100.00

Area occupied index

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	94.96	95.77	97.81	100.43	101.80	98.64	98.77	-	-
30-Jun-09	94.94	98.93	98.08	97.42	99.69	99.32	95.47	-	-
31-Dec-09	96.08	100.21	101.72	103.70	101.57	103.01	94.49	-	-
30-Jun-10	95.95	98.01	96.27	102.46	102.06	100.32	94.18	-	-
31-Dec-10	94.68	98.85	97.55	103.56	104.35	98.01	92.59	-	-
30-Jun-11	94.58	97.13	97.05	103.03	103.51	97.43	94.54	-	-
31-Dec-11	92.44	98.42	94.26	98.66	100.06	97.77	99.67	-	-
30-Jun-12	90.46	97.77	93.54	98.37	101.07	99.93	100.74	-	-
31-Dec-12	89.44	97.49	91.46	99.92	104.66	103.10	101.14	-	-
30-Jun-13	93.02	99.75	95.72	103.58	106.85	105.54	101.12	-	-
31-Dec-13	92.59	101.99	100.41	105.57	107.09	107.51	100.78	-	-
30-Jun-14	93.38	103.11	103.63	105.95	108.09	110.93	101.46	-	-
31-Dec-14	94.35	102.97	106.28	107.67	110.64	108.71	102.14	-	-
30-Jun-15	97.62	105.25	110.20	114.30	113.08	109.89	106.19	-	-
31-Dec-15	96.81	104.58	112.69	114.08	111.97	107.48	106.41	-	-
30-Jun-16	95.35	107.87	112.85	114.76	107.06	108.74	106.76	-	-
31-Dec-16	93.99	105.33	113.35	113.45	106.84	108.12	106.38	-	-
30-Jun-17	95.26	107.92	111.58	114.28	110.88	108.18	105.54	-	-
31-Dec-17	93.88	105.52	113.68	111.89	109.68	107.12	103.76	100.00	-
30-Jun-18	93.22	109.18	114.19	114.13	112.10	113.34	105.45	102.65	-
31-Dec-18	93.81	101.96	113.43	109.05	109.68	107.51	103.97	101.14	-
30-Jun-19	93.61	103.77	112.72	110.66	107.44	106.05	109.02	104.96	-
31-Dec-19	94.20	104.29	112.50	111.05	110.65	112.77	104.40	105.82	100.00

Monthly revenue index

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	95.59	98.67	99.52	100.16	105.81	98.68	99.54	-	-
30-Jun-09	95.76	100.56	101.11	100.34	103.52	100.05	95.92	-	-
31-Dec-09	98.14	104.00	105.67	107.03	108.33	104.31	96.41	-	-
30-Jun-10	99.37	104.54	106.30	108.96	110.33	102.36	96.03	-	-
31-Dec-10	100.13	106.99	109.49	115.17	113.45	99.72	97.17	-	-
30-Jun-11	101.80	106.23	112.02	115.49	113.52	100.09	98.22	-	-
31-Dec-11	101.63	108.28	111.15	114.10	111.40	101.79	103.76	-	-
30-Jun-12	101.00	108.54	109.55	111.72	111.90	102.68	104.64	-	-
31-Dec-12	99.52	107.76	108.61	113.46	115.84	107.18	109.50	-	-
30-Jun-13	104.13	109.59	112.09	117.08	120.03	111.47	110.10	-	-
31-Dec-13	107.09	113.25	117.10	122.82	121.93	112.41	111.77	-	-
30-Jun-14	109.05	116.60	120.10	126.93	122.46	117.48	112.01	-	-
31-Dec-14	110.89	118.74	123.78	129.85	126.22	116.27	115.80	-	-
30-Jun-15	114.82	124.20	127.68	137.26	127.46	118.33	120.77	-	-
31-Dec-15	115.86	125.29	132.05	140.41	128.43	115.72	124.61	-	-
30-Jun-16	115.15	129.78	132.90	143.25	124.48	115.38	129.35	-	-
31-Dec-16	115.99	130.49	135.04	144.78	124.08	114.21	132.24	-	-
30-Jun-17	118.42	133.23	135.50	147.02	126.27	114.04	133.23	-	-
31-Dec-17	121.59	134.24	143.95	148.32	126.40	117.97	134.20	100.00	-
30-Jun-18	120.28	138.56	142.33	152.82	126.23	129.07	138.02	99.83	-
31-Dec-18	120.81	131.06	144.30	148.77	126.33	121.69	137.86	97.23	-
30-Jun-19	119.84	130.84	143.15	145.87	122.98	118.92	140.36	100.80	-
31-Dec-19	120.05	130.26	146.67	147.52	124.40	123.52	141.33	101.08	100.00



THE URBIS STORAGE INDEX

Urbis has been monitoring the self storage industry in Australia and New Zealand since 2008.

The USI has monitored the movement of the self storage industry through three (3) primary performance measurement indices. These indices include:

- **Storage fee rate (SFR) index** – The total accrued monthly revenue (ex GST) as at the respective index date for all facilities included in the zone, divided by the total area of occupied storage space measured in square metres for all facilities included in that zone. The monthly SFR is then annualised to produce a weighted average annual SFR as at the index date.
- **Area occupied (AO) index** – The total storage area occupied in square metres for all facilities within each zone.
- **Monthly revenue (MR) index** – The total accrued monthly revenue (ex GST) as at the index date. The MR Index is effectively a function of the above two (2) indices, as it represents the total amount of storage area occupied and the achieved SFR's. The results of the above primary performance measurements are converted to an index, where the base point of 100 is set as at 31 December 2008.

GEOGRAPHICAL STRUCTURE

Recognising that there are significant variations in average storage fee rates, occupancy and monthly revenue in different geographic locations, the indices have been prepared for a series of geographic zones. These are:

- Sydney Inner Zone
- Sydney Outer Zone
- Melbourne Inner Zone
- Melbourne Outer Zone
- Brisbane Inner Zone
- Brisbane Outer Zone
- Perth Zone
- Adelaide Zone
- Auckland, New Zealand Zone
- Total East Coast Australia Zone (combined Sydney, Melbourne and Brisbane).
- Total Australia and New Zealand

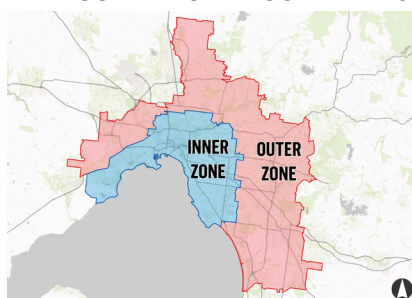
The Urbis Storage Index incorporated the Perth Zone from 31 December 2017 and the Adelaide Zone from 31 December 2019.

AUSTRALIAN ZONE BOUNDARIES

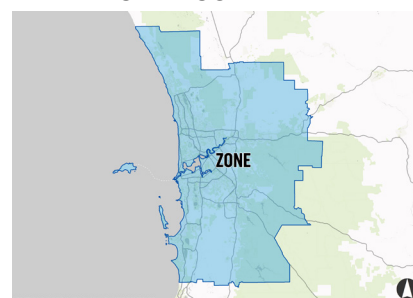
The Urbis Storage Index monitors over 100 mature self storage facilities over nine (9) core zones, representing a sample size in excess of 10% of the overall self storage market in each zone.

The geographical structure of the Sydney, Melbourne, Brisbane, Adelaide and Perth Zones can be seen in the maps below.

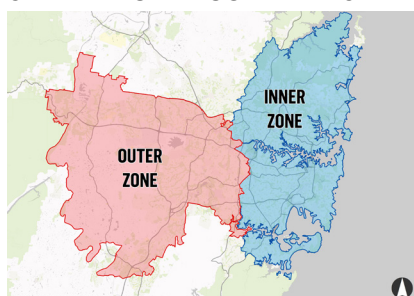
MELBOURNE ZONE BOUNDARIES



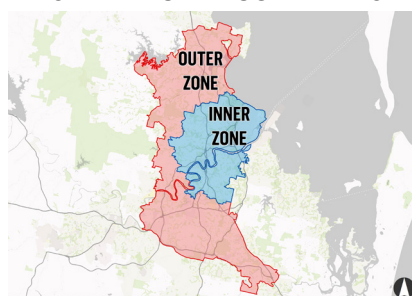
PERTH ZONE BOUNDARY



SYDNEY ZONE BOUNDARIES



BRISBANE ZONE BOUNDARIES



ADELAIDE ZONE BOUNDARY



A CLEARER SENSE OF VALUE

In today's dynamic and complex markets, putting a value on property involves much more than local knowledge and simple sums.

Our valuations take account of everything likely to impact the value of a property, now and in the future. Drawing on extensive experience across every sector, we look at property from more angles to give institutional and private investors, corporate clients and government more insightful analysis, more nuanced advice plus a clearer sense of value – and how to maximise it.

With consultants specialising in the industrial, residential, retail, commercial and self storage sectors, we provide insightful analysis and accurate reporting to help minimise risk and maximise opportunities.

Our national business model ensures our clients get access to the right people to deliver timely and reliable advice. Work is shared amongst consultants in our Sydney, Melbourne and Brisbane offices to make sure we deliver optimum results within the required timeframes.

Our team of self storage experts live and breathe self storage. We are registered to value facilities in every state and region across Australia and New Zealand. We have the people, the expertise and the coverage to deliver the best advice every time.

**“We analyse the
data and produce
this Index to help
you make the best
decisions.”**

Linda Sharkey
Director

The Urbis Storage Index has been monitoring the self storage industry in Australia and New Zealand since 2008. This substantial data series is the first of its kind in the Australasian self storage industry. Urbis has established itself as the industry leader, providing our clients with a measured approach and proven expertise in: Valuation, Feasibility Analysis, Transaction Management and Specialised Research.

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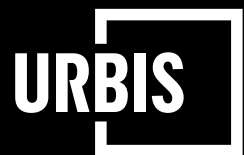
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