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**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**June 2, 2020  
(Date of Report (Date of Earliest Event Reported))**

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**EXTRA SPACE STORAGE INC.**

(Exact Name of Registrant as Specified in Its Charter)

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**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**001-32269**  
(Commission  
File Number)

**20-1076777**  
(IRS Employer  
Identification Number)

**2795 East Cottonwood Parkway, Suite 300  
Salt Lake City, Utah 84121**  
(Address of Principal Executive Offices)

**(801) 365-4600**  
(Registrant's Telephone Number, Including Area Code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934**

<b>Title of each class</b>	<b>Trading symbol</b>	<b>Name of each exchange on which registered</b>
<b>Common Stock, \$0.01 par value</b>	<b>EXR</b>	<b>New York Stock Exchange</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**ITEM 7.01 REGULATION FD DISCLOSURE**

We are furnishing with this report a copy of a slide presentation as Exhibit 99.1, that may be used in presentations to investors and analysts from time to time.

The information contained in this Current Report, including the exhibit referenced herein, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of Extra Space Storage Inc., whether made before or after the date hereof, regardless of any general incorporation language in such filing. This Current Report (including the exhibit hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely to satisfy the requirements of Regulation FD.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) The following exhibit is furnished herewith:

<b><u>Exhibit Number</u></b>	<b><u>Description of Exhibit</u></b>
99.1	<a href="#">Slide Presentation dated June 2020</a>
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EXTRA SPACE STORAGE INC.

Date: June 3, 2020

By /s/ P. Scott Stubbs

Name: P. Scott Stubbs

Title: Executive Vice President and Chief Financial Officer



REITweek Virtual Conference  
June 2020



# FORWARD-LOOKING STATEMENTS

Certain information set forth in this release contains "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements include statements concerning the benefits of store acquisitions, developments, favorable market conditions, our outlook and estimates for the year and other statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, the competitive landscape, plans or intentions relating to acquisitions and developments and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as "believes," "estimates," "expects," "may," "will," "should," "anticipates," or "intends," or the negative of such terms or other comparable terminology, or by discussions of strategy. We may also make additional forward-looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by us or on our behalf, are also expressly qualified by these cautionary statements. There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this release. Any forward-looking statements should be considered in light of the risks referenced in the "Risk Factors" section included in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Such factors include, but are not limited to:

- adverse changes in general economic conditions, the real estate industry and the markets in which we operate;
- failure to close pending acquisitions and developments on expected terms, or at all;
- the effect of competition from new and existing stores or other storage alternatives, which could cause rents and occupancy rates to decline;
- potential liability for uninsured losses and environmental contamination;
- the impact of the regulatory environment as well as national, state and local laws and regulations, including, without limitation, those governing real estate investment trusts ("REITs"), tenant reinsurance and other aspects of our business, which could adversely affect our results;
- disruptions in credit and financial markets and resulting difficulties in raising capital or obtaining credit at reasonable rates or at all, which could impede our ability to grow;
- increases in interest rates;
- reductions in asset valuations and related impairment charges;
- our lack of sole decision-making authority with respect to our joint venture investments;
- the effect of recent changes to U.S. tax laws
- the failure to maintain our REIT status for U.S. federal income tax purposes; and
- economic uncertainty due to the impact of war or terrorism, which could adversely affect our business plan.

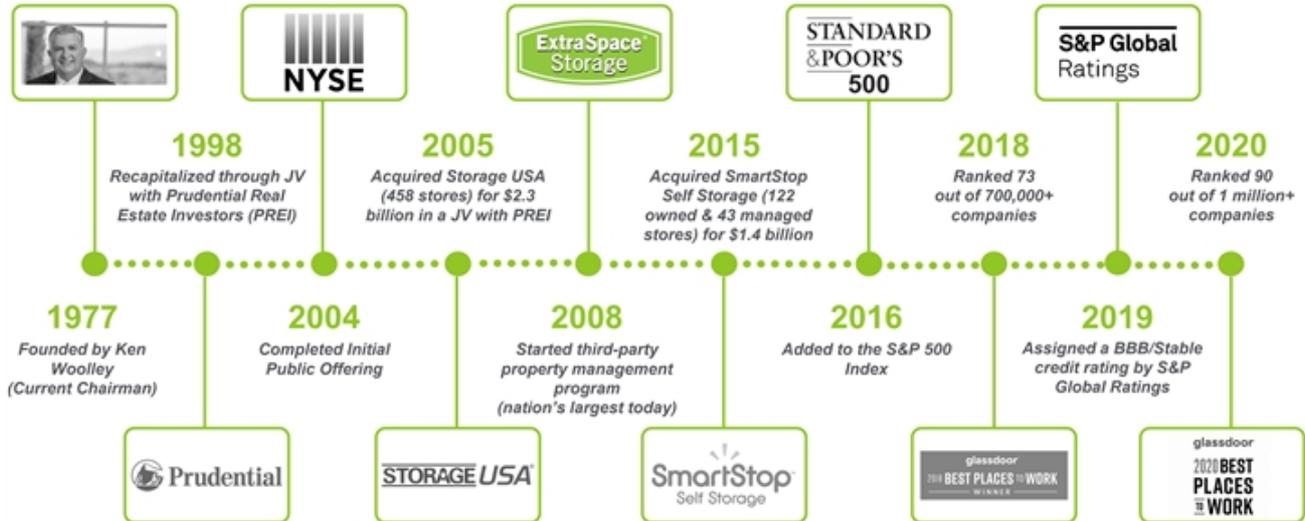
All forward-looking statements are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them, but there can be no assurance that management's expectations, beliefs and projections will result or be achieved. All forward-looking statements apply only as of the date made. We undertake no obligation to publicly update or revise forward-looking statements which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

# Q1 2020 QUICK FACTS



<b>6.9%</b> Core FFO Growth Per Share	<b>926.1%</b> 10-year Total Shareholder Return		<b>1,852</b> Properties
<b>143 Million</b> Square feet	<b>91.7%</b> Average Same-store Occupancy	<b>\$13.2 Billion</b> Market Cap	<b>\$6.8 Billion</b> in acquisitions over past 10 years
<b>1.9%</b> YTD Same-Store Revenue Growth	<b>S&amp;P 500</b>		<b>1977</b> Founded
	<b>\$1.3 Billion</b> Annual Revenue	<b>2004</b> IPO – NYSE “EXR”	<b>52.5%</b> 5-year Dividend Increase

# EXTRA SPACE STORAGE TIMELINE



# WHY INVEST IN EXTRA SPACE STORAGE (EXR)?



## ATTRACTIVE SECTOR

Need-based, recession resilient asset class with high operating margins and low cap-ex requirements, resulting in high FAD. The granularity of assets and tenant base, reduces volatility, tenant risk and market risk.

## OPERATIONAL EXCELLENCE

Enhancing value of existing and newly acquired self-storage facilities, through best-in-class customer acquisition, revenue management and customer service platforms.

## DISCIPLINED GROWTH

Consistent growth of our geographically-diverse portfolio through accretive acquisitions, mutually-beneficial joint-venture partnerships, and third-party management services in a highly fragmented sector.

## SOLID BALANCE SHEET

Appropriately leveraged balance sheet, consisting of diversified capital sources to provide access to the cheapest sources of funds in different economic climates.

## STRONG PARTNERSHIPS

Creating growth opportunities through joint-venture and third-party management relationships. Our partnerships provide capital, additional income streams, leveraged returns and future acquisition opportunities.

# MANAGEMENT DEPTH



SAMRAT SONDHI

CMO  
17 YEARS



SCOTT STUBBS

CFO  
19 YEARS



JOE MARGOLIS

CEO  
15 YEARS\*



GWYN MCNEAL

CLO  
15 YEARS



MATT HERRINGTON

COO  
13 YEARS

\*Includes Mr. Margolis' time as Director on Extra Space Storage's board.

# ENVIRONMENTAL HIGHLIGHTS



Highest-rated U.S.  
Self-storage REIT  
by GRESB

GRESB Public Disclosure Level



↓

**E D C B A**

Global Average: C



2018 2019

**+21.7%**

GRESB REAL ESTATE ASSESSMENT  
2019 Improvement



**SUSTAINALYTICS**  
Best ESG Risk Rating of  
U.S. Self-storage REIT  
8<sup>th</sup> Percentile – Company Risk  
(Lowest = Best)

**MSCI** 

Highest Rated U.S. Self-storage REIT

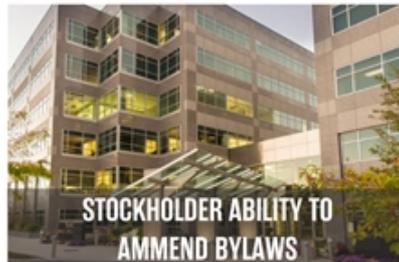
## ENVIRONMENTAL HIGHLIGHTS



## SOCIAL HIGHLIGHTS



# GOVERNANCE HIGHLIGHTS



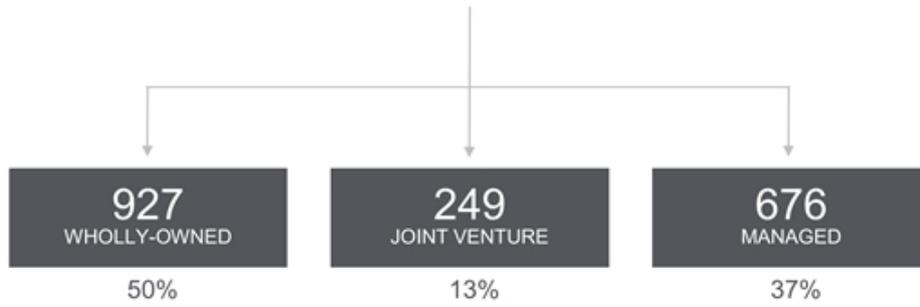


# PORTFOLIO & PERFORMANCE

# EFFICIENT OWNERSHIP STRUCTURE

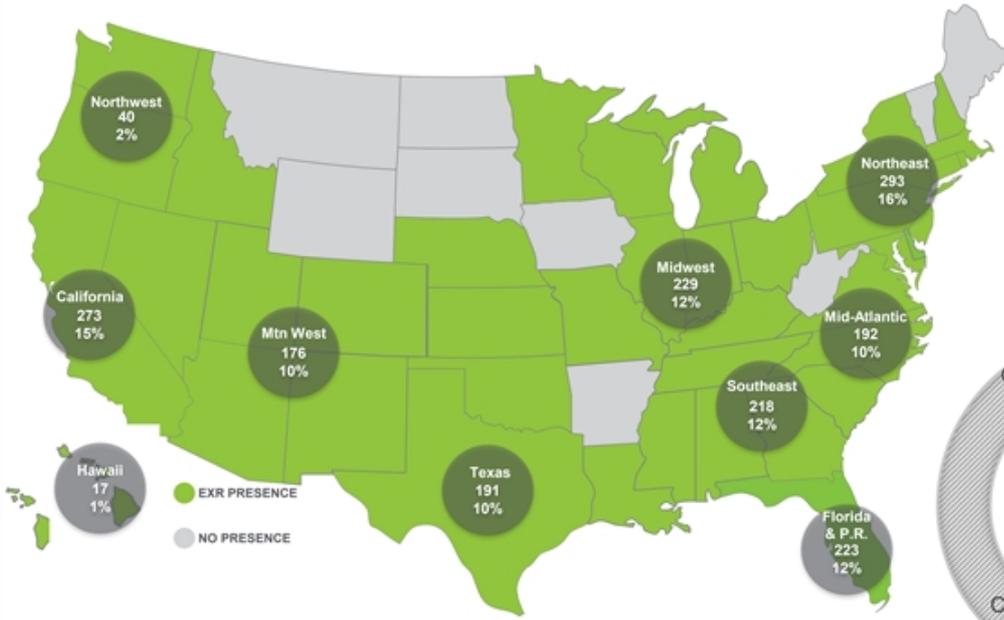


1,852 PROPERTIES



\*As of March 31, 2020

# DIVERSIFICATION AND SCALE

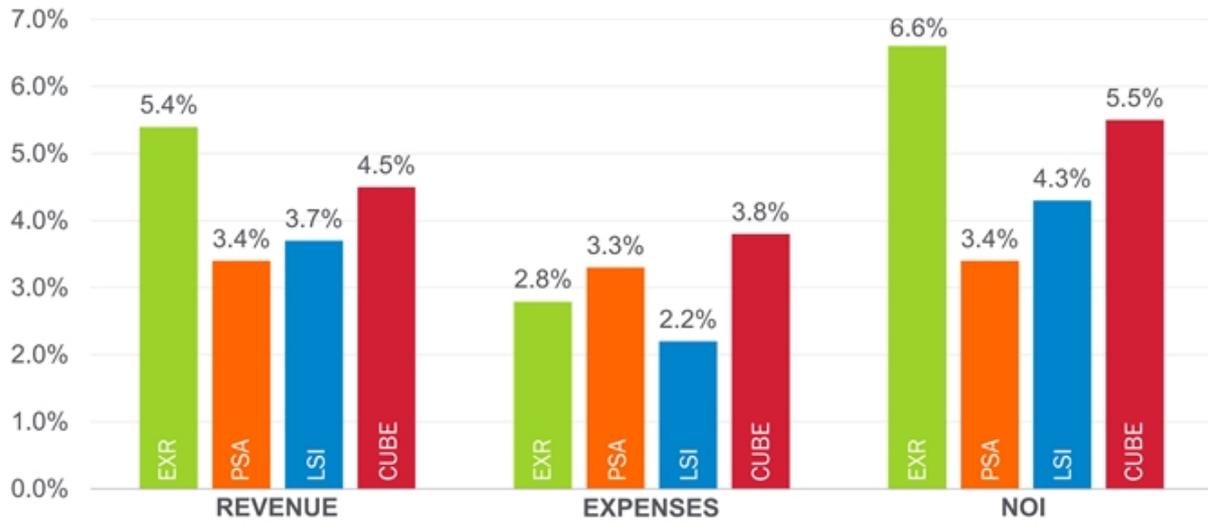


\*As of March 31, 2020

# BEST IN-CLASS OPERATOR



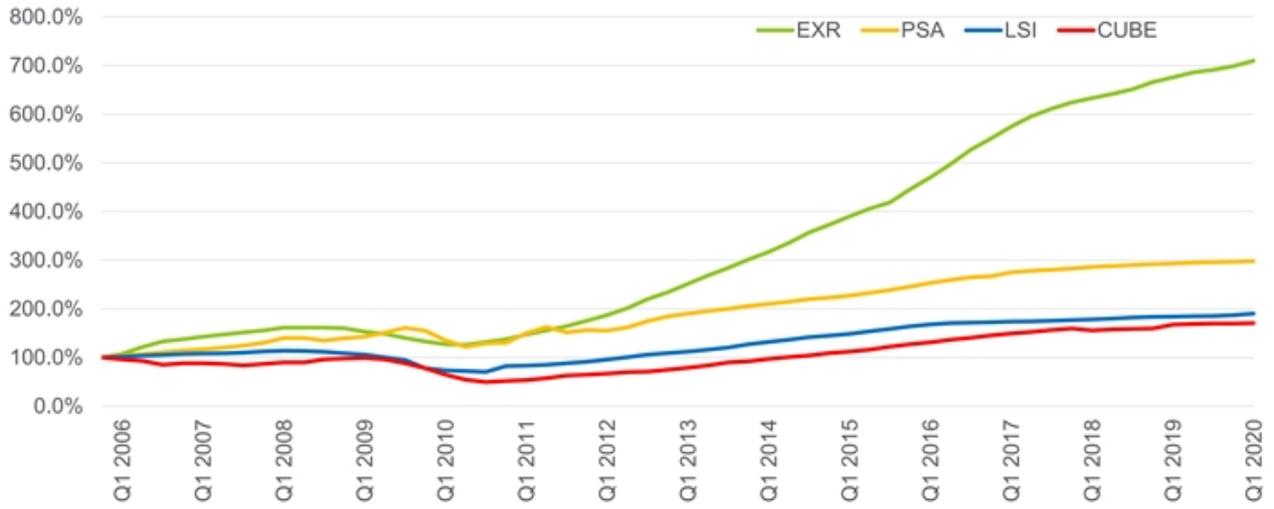
5-years of Average Same-Store Outperformance



\*EXR and PSA results exclude tenant reinsurance revenues and expenses. CUBE results (and LSI results prior to 2019) include the benefit from tenant insurance revenue. Data as of March 31, 2020 as reported in public filings.

# SECTOR-LEADING CORE FFO GROWTH

Core FFO Per Share Growth - Normalized

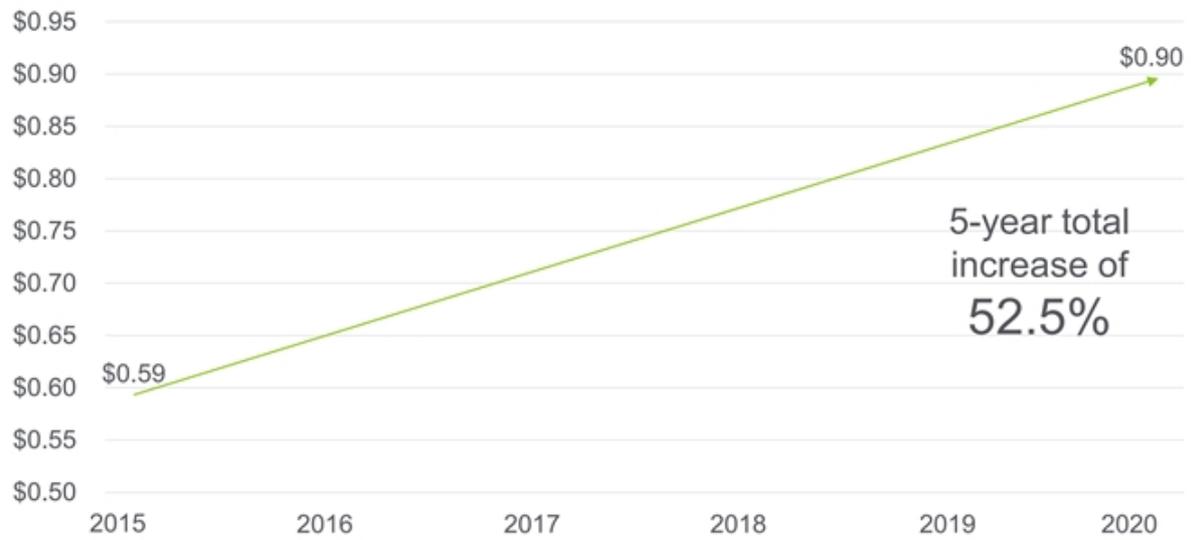


\*Data as of March 31, 2020 as reported in public filings

# SIGNIFICANT DIVIDEND GROWTH



Quarterly Dividend Per Share



\*As reported in public filings

## TOP REIT STOCK OF THE DECADE

**1,179%**

10-Year Total Return to Shareholders

**#1**

Among Publicly  
Traded REITs

**#11**

Among Members  
of S&P 500

**3x**

Average Return of Publicly  
Traded Storage Peers

\*Results from "KeyBanc Leaderboard" January 3, 2019 and MarketWatch article December 28, 2019.

# SOLID BALANCE SHEET



S&P Global Ratings: BBB/Stable

	<u>03/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>
<b>Interest Coverage Ratio<sup>1</sup>:</b>	4.98	4.81	4.85	4.95	5.34
<b>Fixed Charge Ratio<sup>1</sup>:</b>	4.02	3.82	3.76	3.68	3.75
<b>Net Debt/EBITDA<sup>1</sup>:</b>	5.73	5.59	5.54	5.79	6.06
<b>Fixed Debt %:</b>	78.3%	78.7%	74.1%	74.7%	70.0%
<b>Weighted Ave. Interest Rate:</b>	3.3%	3.3%	3.5%	3.3%	3.0%
<b>Average Maturity:</b>	4.4 years	4.7 years	5.0 years	4.7 years	4.7 years
<b>Total Revolving Capacity:</b>	\$790 million	\$790 million	\$790 million	\$600 million	\$600 million
<b>ATM Capacity:</b>	\$299 million	\$299 million	\$258 million	\$349 million	\$349 million

1. EBITDA is reported quarter annualized.



# SECTOR TRENDS

# CURRENT SECTOR TRENDS



Changes To Operations Related To COVID-19

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New Supply in Many Markets / Deliveries Experiencing Delays

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Near Peak Occupancy Levels, With Pressure Related To COVID

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Moderating Revenue Growth

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Increasing Customer Utilization

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Scale and Technology Advantage of REITs

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Ownership and Management Consolidation

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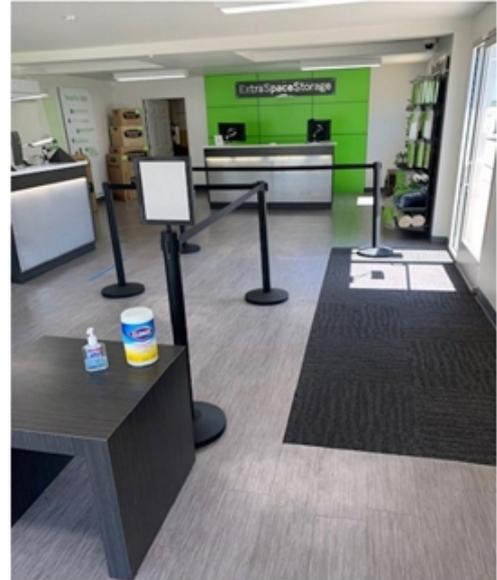
Muted Acquisitions Environment



# COVID-19 UPDATES



- All properties and offices open
- No layoffs or furloughs necessary
- Physical and digital updates for “No Contact” rental process completed
- Existing customer increases and auctions resumed selectively by geographic location
- Rentals down year-over-year with trends improving nationwide in May, vacates also continue to be down year-over-year in May
- Achieved street rates down ~20% year-over-year in May
- Cash collections continue to be steady at ~93% (~95% of normal collections)



# NEW SUPPLY IN MANY MARKETS



Initially Impacted Primary Markets; Moving to Secondary and Tertiary Markets

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Geographically Diversified Portfolios are Holding up Better

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Lease-up Periods Reverting to Historical Durations

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Development Yields Compressing Due to Increased Construction Costs and Moderating Revenue Projections

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Deliveries Peaked in 2018, Modest Moderation in 2019

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Projects Under Construction Expected to Deliver with Delays; Many Projects in Planning Likely to be Cancelled

# INCREASING LENGTH OF TENANT STAY



\*Data measured for in-place customers mid-month to reduce volatility. 597 "Core" EXR stores.

# TECHNOLOGY ADVANTAGE



## SMALL OPERATORS



STATIC ADVERTISING



MANUAL PROCESSES



INTUITION

CUSTOMER ACQUISITION



SEARCH ENGINES



CALL CENTER



PAY-PER-CLICK



SOCIAL

PRICING



ALGORITHMIC PROPRIETARY REVENUE MANAGEMENT

DECISION MAKING



ANALYTICS



DATA



OPTIMIZATION

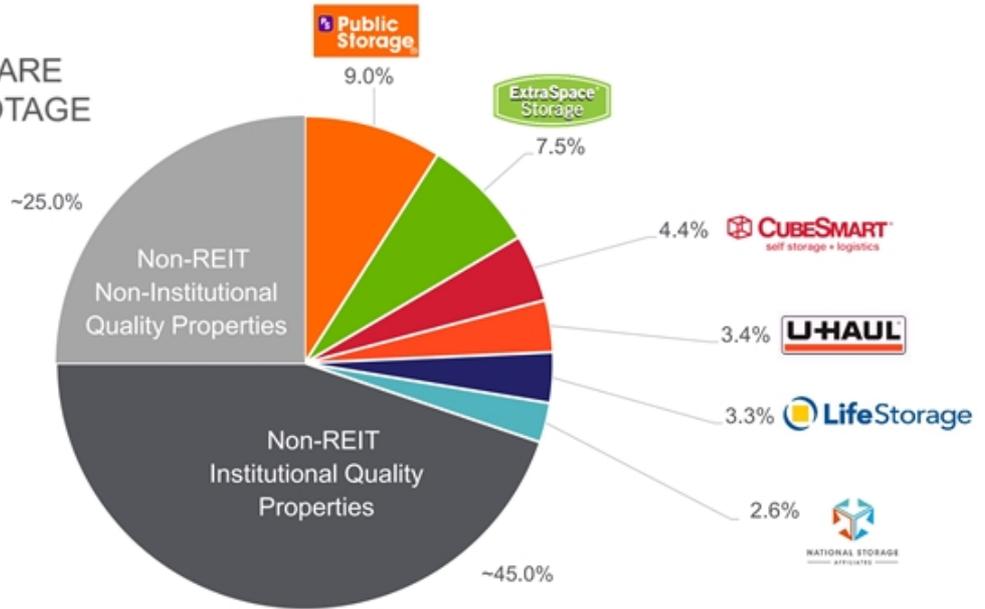
# TECHNOLOGY AND DATA QUICK FACTS



# OPPORTUNITY FOR CONSOLIDATION



## U.S. MARKET SHARE BY SQUARE FOOTAGE



\*REIT data from public filings as of March 31, 2019. U-Haul and total U.S. storage square footage per the 2020 Self-Storage Almanac. Percentage of Institutional and Non-Institutional Quality Properties estimated by Extra Space Storage.



# OVERVIEW OF GROWTH STRATEGIES



## Third-Party Management

Before

After



BRONX, NY

## Acquisitions



ATLANTA, GA

ExtraSpace  
Storage

## Certificate of Occupancy



DALLAS, TX

## Redevelopment

Before

After



BRONX, NY

# CONSISTENT GROWTH

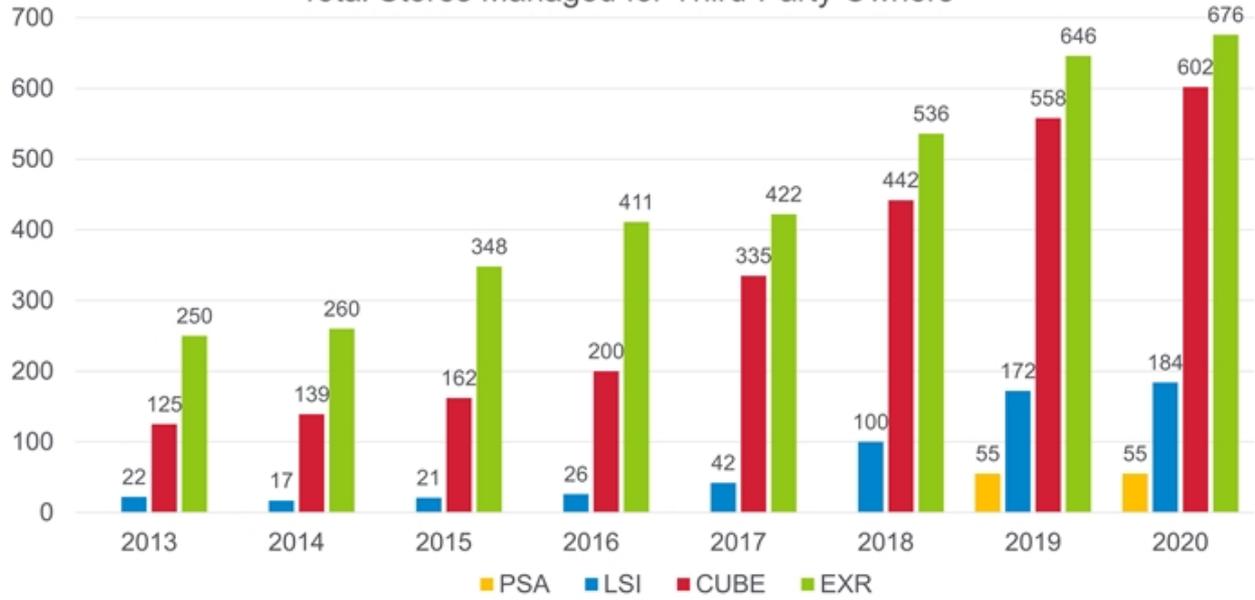
Extra Space Storage Branded Stores



\*Data as of March 31, 2020 as reported in public filings.

# THIRD-PARTY MANAGEMENT STRATEGY

## Total Stores Managed for Third-Party Owners



\*Data as of March 31, 2020 as reported in public filings. Public Storage did not disclose a Q1 2020 property count. Totals exclude properties held in joint venture.

# THIRD-PARTY MANAGEMENT STRATEGY



*"My challenges before EXR were to stay afloat. Today, occupancy and profits are great. I have been in the business around 40 years and I could not think of the numbers or keeping the properties on the par that you (EXR) have done."*

*-Partner since 2012, 6 stores in Florida*

## Additional Income Streams

- Management Fees
- Tenant reinsurance revenue from managed properties
- Asset management fees and financing fees for services to partners
- A focus on profitability over store count

## Increased Scale

- Increase store count, customer set and data points by ~35%
- Nation's largest third-party management platform
- Cost efficiencies generated through scale
- Increased brand promotion and awareness
- Opportunities to further develop and expand best management practices

## Acquisition Pipeline

- Semi-proprietary acquisition pipeline
- Low-risk transactions and integration through perfect operational knowledge
- Deep relationships established with future sellers
- No broker fees or market auction process

## Partner Diversification

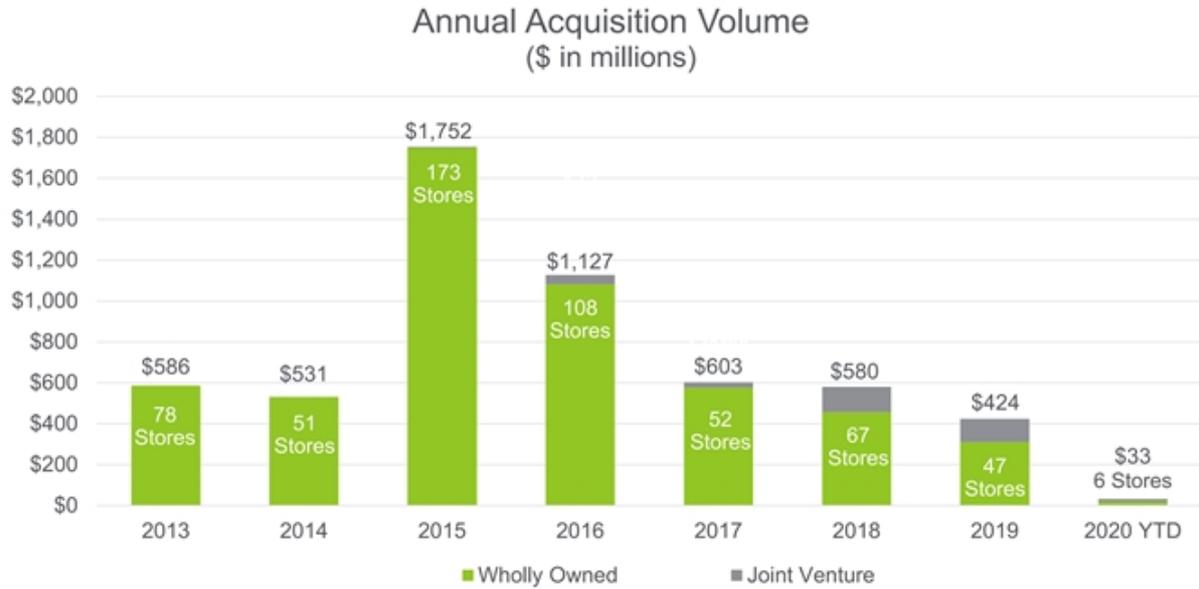
- Over 200 separate ownership groups
- 66% of stores are owned by partners with  $\leq 9$  properties
- 73% of 2019 store additions were new developments



## ACQUISITION STRATEGY

- Acquire undermanaged stores, raise to EXR portfolio operating averages, achieve outsized NOI growth
- Emphasis on geographic diversification
- Focus on primary and secondary markets
- Reduce transaction and integration risk through acquiring assets already on the management platform
- Seek to enhance operational efficiencies by building scale in core markets

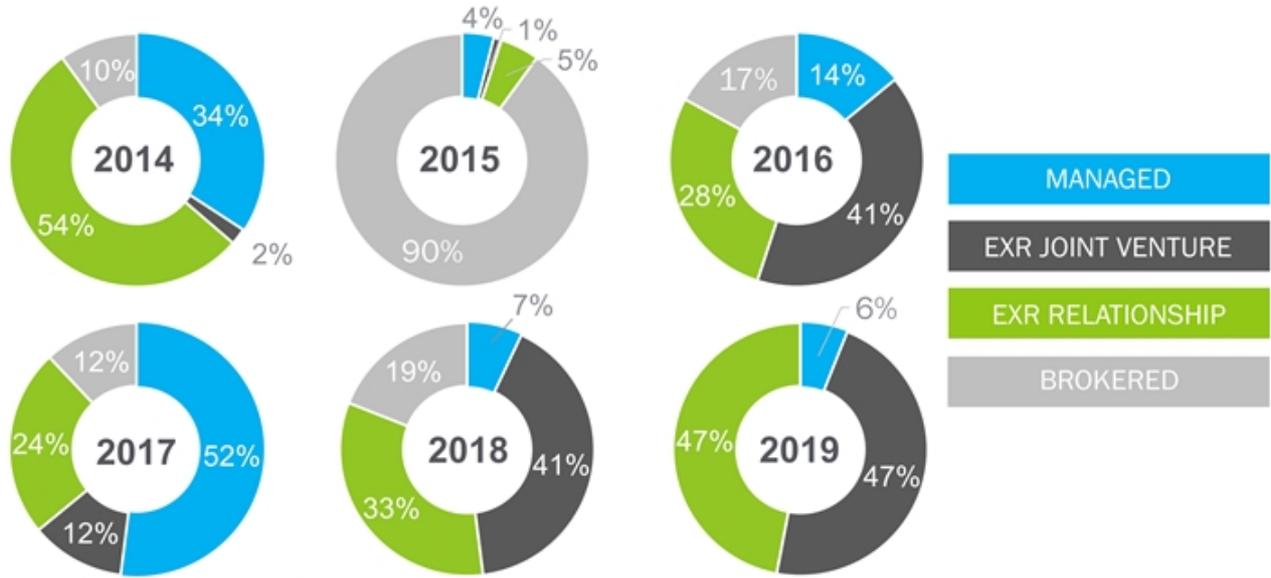
# ROBUST ACQUISITION ACTIVITY



\*As of 1<sup>st</sup> Quarter Earnings Release dated May 6, 2020. Investments in joint ventures are considered at EXR net investment in the joint venture. Excludes investments in preferred equity, bridge loans or net lease assets.

# SOURCES OF ACQUISITIONS

Percentage of Annual Acquisition Investment by Seller Type



\*Data based on EXR investment dollar volume.

# ADDITIONAL GROWTH STRATEGIES

## CERTIFICATE OF OCCUPANCY

- Acquire newly developed properties at completion of construction
  - Avoid development, entitlement and construction risk
  - Avoid carrying costs during development
  - Receive a higher stabilized return by accepting the lease-up risk

## REDEVELOPMENT / SITE EXPANSION

- Redevelop existing properties in order to:
  - Provide brand consistency across portfolio
  - Increase revenue by increasing SF and optimizing unit mix
  - Improve retail feel of properties
  - Achieve attractive risk-adjusted yields given existing cost basis and operating familiarity

- ✓ Enhance NOI at existing properties by increasing net rent per square foot and optimizing unit mix
- ✓ Maintain balanced average portfolio life through addition of new, purpose-built assets in key markets
- ✓ Reduce effective age of existing assets through redevelopment in high-rent markets
- ✓ Improve Extra Space Storage brand consistency throughout portfolio
- ✓ Offer highly amenitized product to maintain strong market share and customer experience

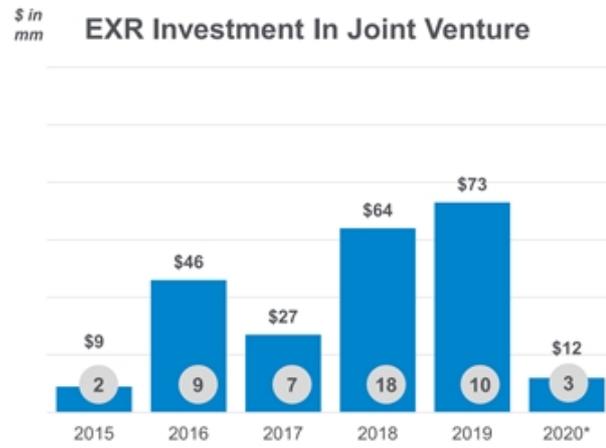
# CERTIFICATE OF OCCUPANCY



# CERTIFICATE OF OCCUPANCY: WHOLLY-OWNED VS. JV INVESTMENTS



- Primarily held 100% ownership of projects delivered early in the current real estate cycle with early deliveries experiencing very fast lease-up and strong yields
- Currently closing most "C of O" acquisitions in joint venture structures to increase EXR yield and reduce our risk



● Number of Stores

\*As of 1st Quarter Earnings Release dated May 6, 2020. Investments in joint ventures are considered at EXR net investment in the joint venture. Excludes investments in preferred equity, bridge loans or net lease assets.

PROACTIVE SITE REDEVELOPMENT: BEFORE



ATLANTA, GA

# PROACTIVE SITE REDEVELOPMENT: AFTER



ATLANTA, GA

# SITE EXPANSION

Project Cost: \$4.1 million

Units Added: 419

Expected ROI: 12.2%

ExtraSpace  
Storage

6780

ST. PETERSBURG, FL

## BRIDGE LENDING

- Completed projects only (no construction loans)
- All properties to be managed by EXR
- Steady loan submission volume
- Volume of approvals increasing
- Mix of requests on existing and to be delivered projects

### 2020 Year-to-Date Overview

**\$21M**

Closed

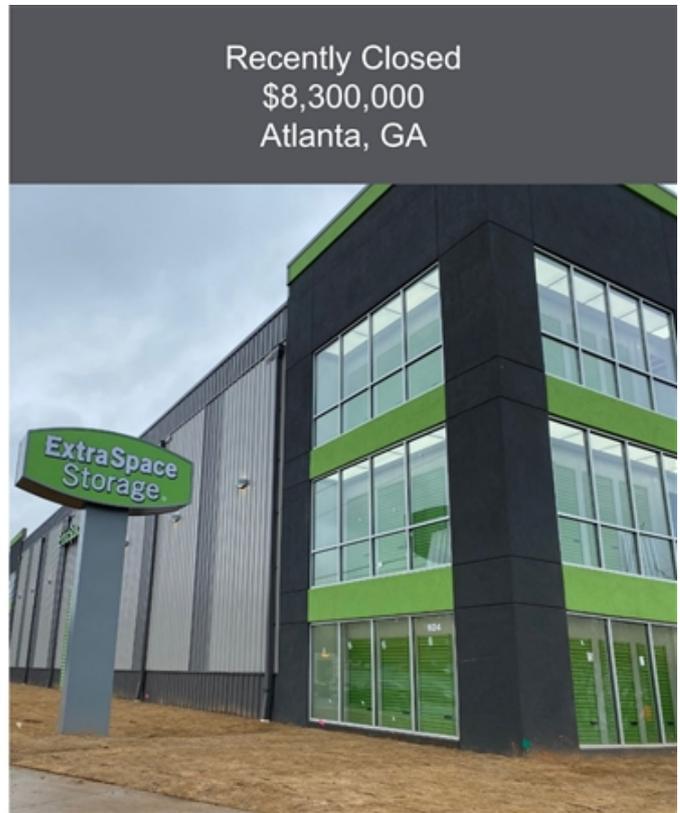
**\$187M**

Approved  
to close in  
2020-2021

**\$70M**

Total Balances  
Outstanding

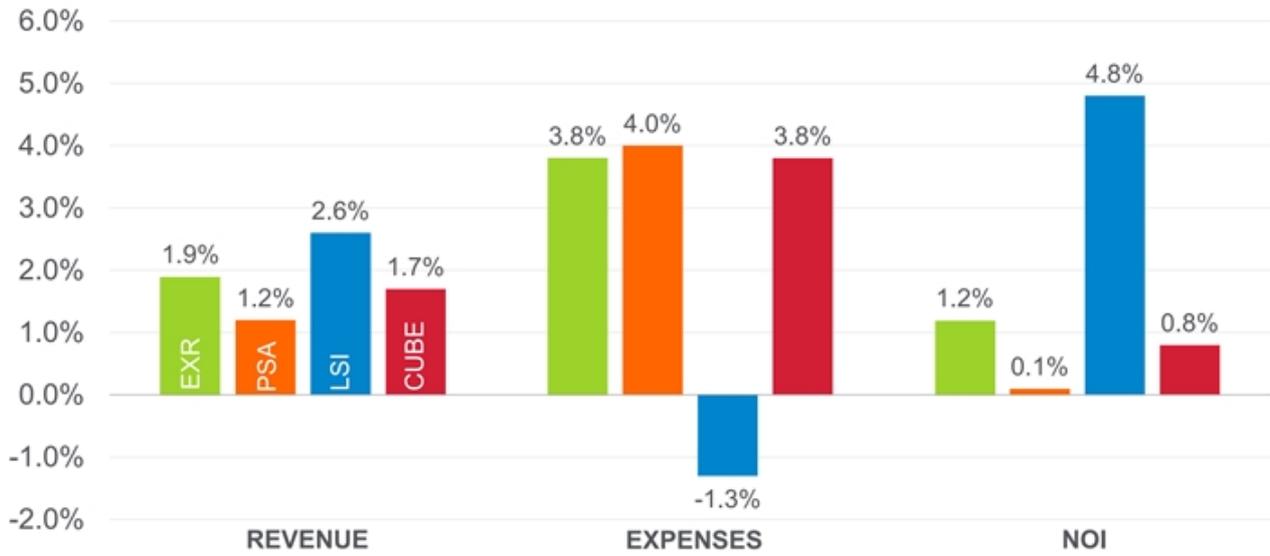
Recently Closed  
\$8,300,000  
Atlanta, GA



# QUARTERLY UPDATE

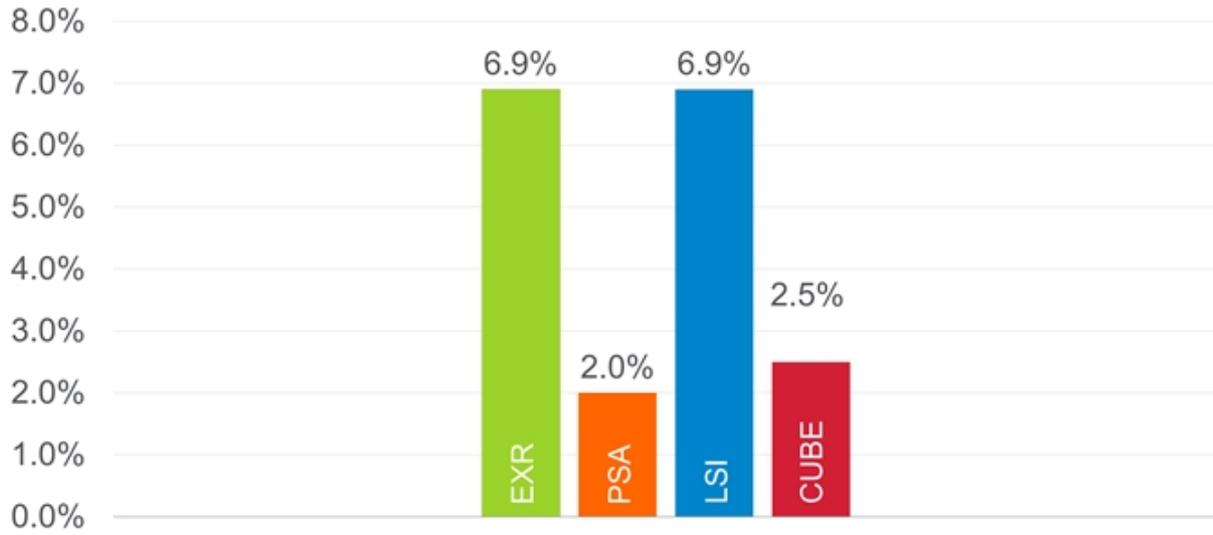


# 2020 Q1 SAME-STORE PERFORMANCE



\* CUBE results include the benefit from tenant insurance revenue. Data as of March 31, 2020 as reported in public filings.

## 2020 Q1 CORE FFO PER SHARE GROWTH



\*Data as of March 31, 2020 as reported in public filings.

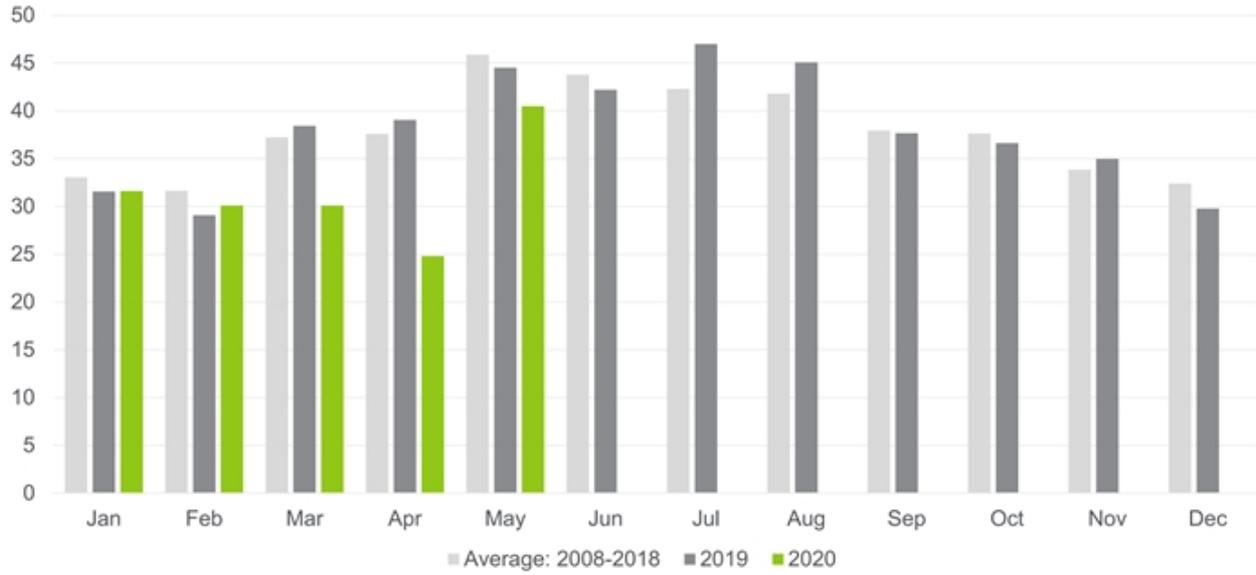
# OCCUPANCY TRENDS – SAME-STORE POOL



\*Data for 2020 "Same-store" pool of 863 stores.

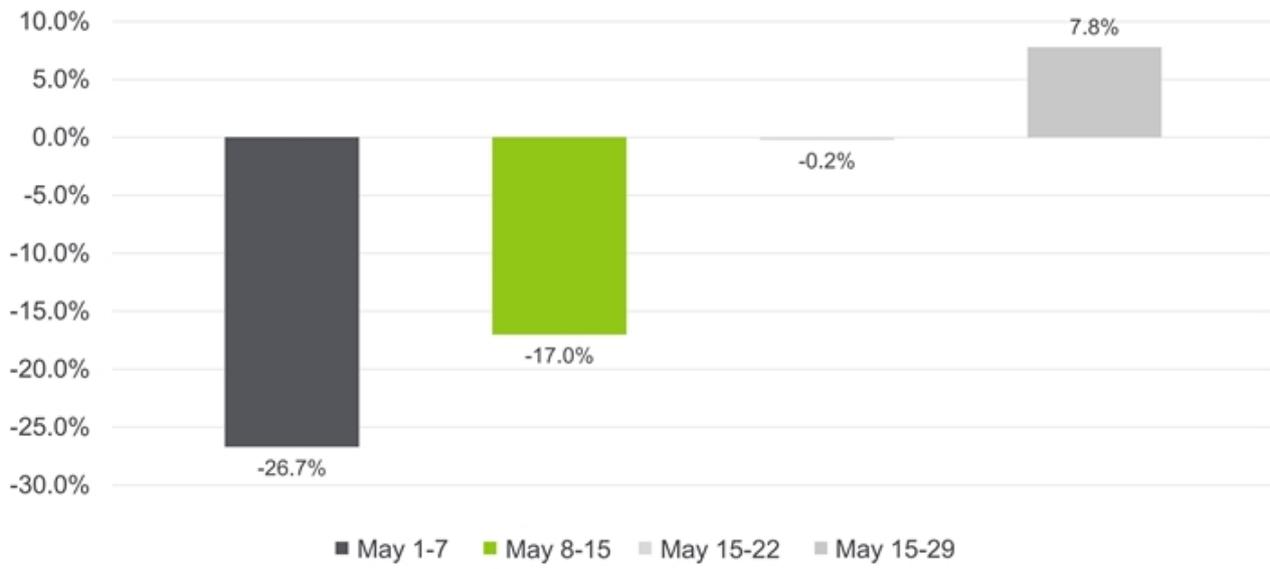
# RENTAL ACTIVITY

## Average Monthly Rentals Per Store



\*Data for "Core" pool of 597 stores

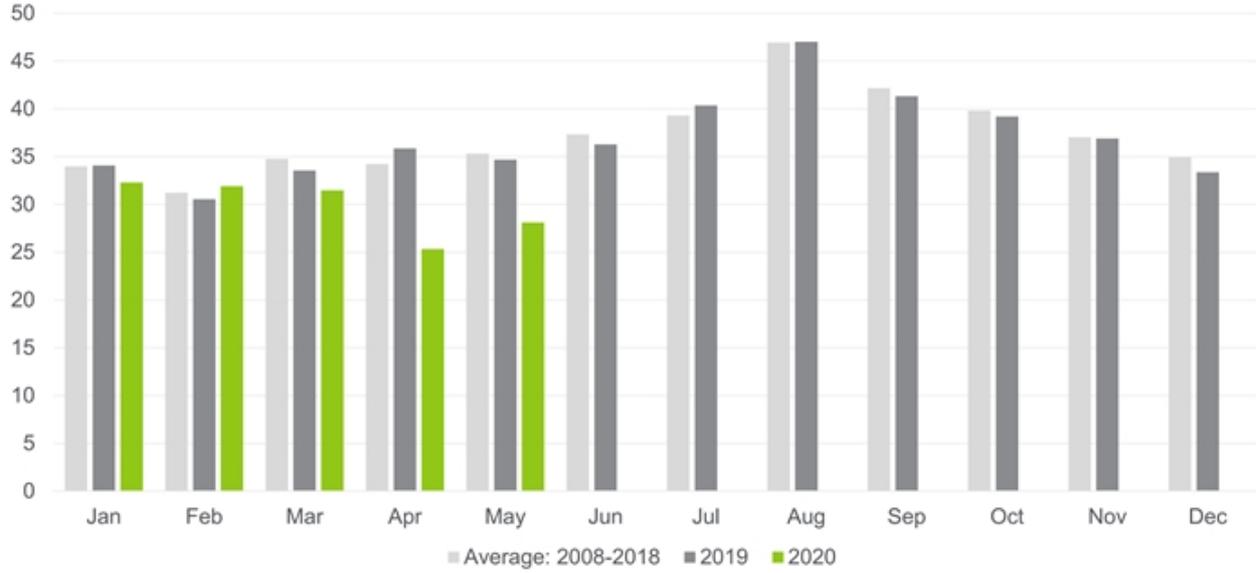
# RENTAL TREND SLIDE DURING MAY



\*Data for "Mature" pool of 1,407 stores

# STABLE VACATES

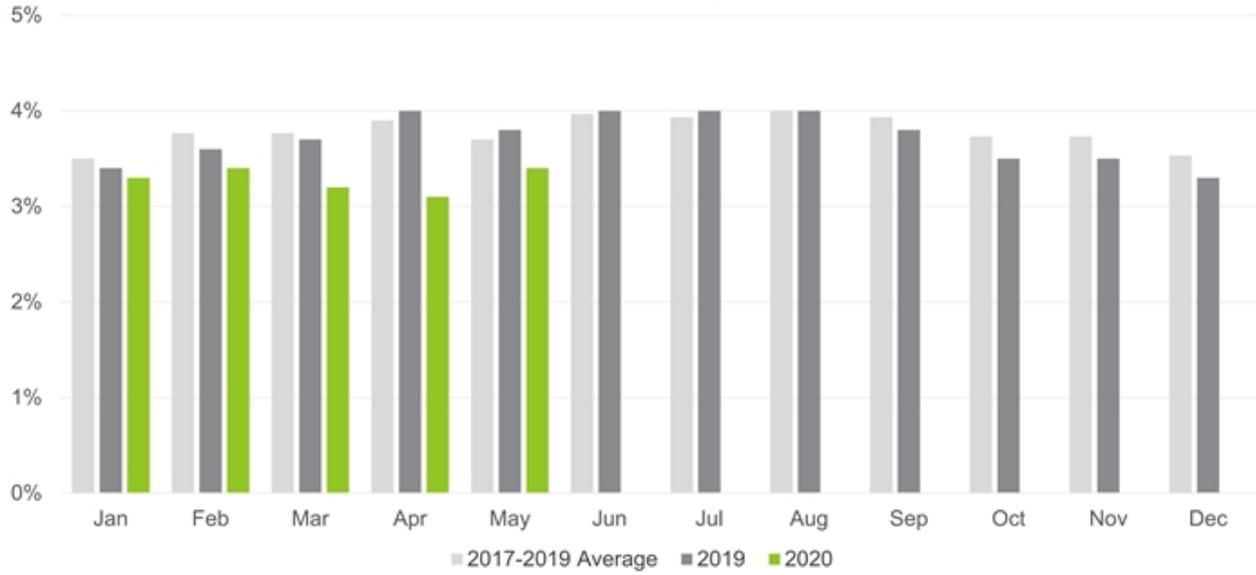
Average Monthly Vacates Per Store



\*Data for "Core" pool of 597 stores

# DISCOUNT TRENDS

Discounts as a Percentage of Rental Revenue



\*Data for "Core" pool of 597 stores



# NON-GAAP FINANCIAL MEASURES

## Definition of FFO:

FFO provides relevant and meaningful information about the Company's operating performance that is necessary, along with net income and cash flows, for an understanding of the Company's operating results. The Company believes FFO is a meaningful disclosure as a supplement to net income. Net income assumes that the values of real estate assets diminish predictably over time as reflected through depreciation and amortization expenses. The values of real estate assets fluctuate due to market conditions and the Company believes FFO more accurately reflects the value of the Company's real estate assets. FFO is defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") as net income computed in accordance with U.S. generally accepted accounting principles ("GAAP"), excluding gains or losses on sales of operating stores and impairment write downs of depreciable real estate assets, plus depreciation and amortization related to real estate and after adjustments to record unconsolidated partnerships and joint ventures on the same basis. The Company believes that to further understand the Company's performance, FFO should be considered along with the reported net income and cash flows in accordance with GAAP, as presented in the Company's consolidated financial statements. FFO should not be considered a replacement of net income computed in accordance with GAAP.

For informational purposes, the Company also presents Core FFO, which in previous quarters was referred to as FFO as adjusted. There have been no definitional changes between FFO as adjusted and Core FFO. Core FFO excludes revenues and expenses not core to our operations and non-cash interest. Although the Company's calculation of Core FFO differs from NAREIT's definition of FFO and may not be comparable to that of other REITs and real estate companies, the Company believes it provides a meaningful supplemental measure of operating performance.

The Company believes that by excluding revenues and expenses not core to our operations, the costs related to acquiring stores and non-cash interest charges, stockholders and potential investors are presented with an indicator of its operating performance that more closely achieves the objectives of the real estate industry in presenting FFO.

Core FFO by the Company should not be considered a replacement of the NAREIT definition of FFO. The computation of FFO may not be comparable to FFO reported by other REITs or real estate companies that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently. FFO does not represent cash generated from operating activities determined in accordance with GAAP, and should not be considered as an alternative to net income as an indication of the Company's performance, as an alternative to net cash flow from operating activities as a measure of liquidity, or as an indicator of the Company's ability to make cash distributions.