



PENDER PROPERTY INVESTOR UPDATE NO. 10 / 2019

October 31, 2019

PENDER CONSTRUCTION PROGRESS

We are pleased to provide you with an update on our NationWide Self Storage (NWSS-I) property located at 1223 East Pender St., Vancouver, BC (the Pender Property).

Throughout the summer we have seen continued progress on our Pender Property, and we are pleased to report that we are now in the final stages of building completion.

NATIONWIDE SMART ACCESS (NOKĒ) & LOCKER INSTALLATION

We are pleased to announce that locker installation has now been completed on three of the four floors.

In addition, the amazing NationWide Smart Access and security system powered by Nokē has commenced installation. The Nokē system allows tenants to access their lockers through an app on their smart phone or with a fob. Tenants will enjoy the ease and convenience of sharing access to their space without having to lend out a physical key or combination. The Pender facility will be the first facility in Canada to use this innovative Integrated, smart locking system. Nokē is a proven system that has been revolutionizing the self-storage industry in the US with its' transformative smartlock hardware and software solutions.

Nokē also allows management at the facility to monitor, control and track the movements of tenants throughout the building, leading to increased security.



EXTERNAL SIGNAGE INSTALLATION

Nationwide Self Storage backlit signage has now been installed on the building exterior, including a large blade sign and blue LED lights surrounding the building.

STORAGE LOCKER PRE-BOOKINGS & WEBSITE UPDATE

We have recently gone live with a 'Coming Soon' landing page linked to google ads for our Pender facility, and we have seen pre-opening rental registrations starting to come in for the facility. The final website will be live early December 2019 coinciding with our planned opening date (subject to the City of Vancouver issuing an occupancy permit and BC hydro connecting power).



SELF STORAGE DETAILS

Development Costs (excluding soft costs)	\$ 8,190,000(approximately)
Cost per Square Foot (excluding soft costs)	\$140 per sq. ft. (approximately)
Building Size	58,500 sq. ft. (building only)
Building Height	4 floors
Efficiency Ratio	70+%
Net Rentable Square Feet	65,000 sq. ft. (approx.)- with sky lockers, inclusive of parking, hallways, elevators etc.
Number of Storage lockers	571 Walk in units, 281 sky lockers
Average Locker Size	70-80 sq. ft.
Targeted completion date	Late Quarter 4, 2019 (conditional)

As previously reported in our July 2019 update, we have experienced some frustrating issues due to delays in achieving municipal and regulatory approvals. The City of Vancouver is undergoing a construction boom and as a result, is understaffed in all departments. These regulatory scheduling issues have resulted in a delay in the completion of this project. Currently, we are still also experiencing delays with BC Hydro. We cannot receive occupancy without power to the facility and unfortunately Hydro cannot give us a hard completion date on this. We are continuing to press BC Hydro on this issue as we have been for the past 6 months and are still hopeful for a mid-December 2019 opening.

BUILDING VALUATION UPDATE

The good news is the value of self-storage facilities continues to climb as cap rates compress. In December 2018, Canadian Self Storage Valuation Services Inc. (CSSVS) provided an updated property appraisal on an 'As Proposed Basis' (the "As-Proposed Appraisal). As per this As-Proposed Appraisal, if the self-storage building was completed and fully occupied with industry normal rental rates (as well as other assumptions) the 'As Proposed' value of the Development Property would be approximately \$32,350,000 as at December 31, 2018.^{1, 2} This represents a stabilized property value increase of \$3,350,000 since March 2018. We believe that this asset has further appreciated in value over the past 12 months' as cap rates further compressed. We will be providing an updates appraisal December 31, 2019.

DON'T MISS OUR UPDATES!

We are pleased to announce that we have launched a new Pender Property Overview page on our website where you will find all relevant project details, the latest investor updates and our latest architectural drawings and building pictures.

Email info@nationwideselfstorage.ca to be added to our email list and be sure to add our email address to your contacts so you don't miss an update.

- 1. A complete description, summary and analysis leading to the conclusion of appraised value is included in the full CSSVS Appraisal and is available upon request.*
- 2. Does not include targeted annual cash distributions paid to investors once the property achieves a reasonable level of occupancy or any debt financing that may be required to complete construction or any debt financing utilized through refinancing strategies (to return capital to investors) once at mature occupancy. The property is currently under construction and anticipated to be completed in approximately Q4 2019.*

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THE ABOVE INFORMATION IS SPECIFIC TO NATIONWIDE I SELF STORAGE TRUST AND ITS PROPERTY AT 1223 EAST PENDER ST., VANCOUVER, BC. TO REVIEW OTHER PROPERTIES RELATED TO NATIONWIDE SELF STORAGE, PLEASE VISIT OUR WEBSITE.