



**NationWide
Self Storage**

PENDER

1223 EAST PENDER STREET



**20
22**

**OPERATIONS
Semi-Annual Review**

NATIONWIDE SELF STORAGE

We are pleased to provide you with this semi-annual summary of events and operations review for the period ending June 30th, 2022.

NationWide Self Storage (the “Pender Facility”) is a AAA, institutional grade, very visible four-story self-storage facility favorably situated five minutes from central downtown Vancouver and granting easy access to main traffic arteries such as East Hastings Clark Drive and Pender Street.

The state-of-the-art, 58,500 sq. ft. facility features modern architecture and design, enterprise-level built-in security, and a keyless smart access system controlled via an app on your phone.

Our initial development permit allowed for 559 lockers of varied sizes, intending to install an additional 250+ second-level sky lockers later as part of the Phase II development. Sky lockers are smaller, affordably priced second-level lockers that can be accessed via a secure rolling staircase.

As previously reported, the installation of the Sky Lockers were completed in March 2022 and we were able to bring them to market right away.

Our initial rental projections for the Sky Lockers were 12 rentals per month, but we have surpassed our projections with a total of 66 Sky Lockers rented between March 12 and June 30, 2022 (an average of approximately 22 Sky Locker rentals monthly).

The addition of the new Sky Lockers reduced our overall occupancy from 53% occupancy to 36%, however we are pleased to report that lease-ups have been strong, and the occupancy rate for June 30th, 2022, has risen sharply from 36% up to 55.4% (by locker).

12/2019

Opened for Partial Occupancy

559

Walk-in Lockers, Opening Day

+281

Sky Lockers Installed, March 2022

840

Total Lockers, June 2022



REPORT ON PENDER RENTAL ACTIVITY

We have seen robust rental activity at the Pender Facility this past quarter, with 206 new rentals in total. This represents an average of 69 new monthly rentals in Quarter 2, 2022 which is quite impressive compared to the 32 new monthly rentals in Quarter 1, 2022.

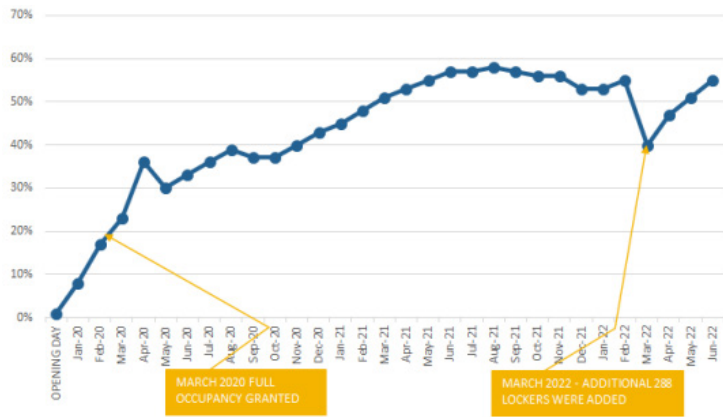
Quarter 3 is showing signs of slowing a little, but that is normal for self-storage in the Summer/Fall period.

At the end of May 2022 the board/rack/street rates had increased, bringing our rates in line or above our immediate competition. These increases have not affected the continued lease-up rate or caused move-outs. We have completed rent rate increases for Quarter 1, Quarter 2 and Quarter 3. The next scheduled tenant rate increase will be October 1 for Quarter 4.

We have seen Google reviews from our Pender Facility tenants continue to be strong with over 135+ reviews and a 4.7 out of 5-star rating.

As mentioned the Pender Facility occupancy as at June 30, 2022 was 55.4%, including the new Sky Lockers. Considering the 265 sky lockers only became available for rent three months ago, this lease-up rate is in line with industry standards.

PENDER OCCUPANCY SINCE OPENING BY UNITS



265

Sky Lockers Installed March 2022

66

Sky Lockers Rented, June 30, 2022

199

Sky Lockers Remaining, June 30, 2022

55%

Occupancy, June 30, 2022

3

Tenant Rent Raises Since Opening



PENDER FACILITY IN THE NEWS

NationWide's CEO, Mr. Shane Doyle, was interviewed by the Globe and Mail in August 2022.

Mr. Doyle discussed Vancouver's booming self-storage market and the newly introduced zoning restrictions. In reference to the Pender Facility and the construction cost of a similar project today, Mr. Doyle reported that "NationWide's East Vancouver location cost \$22.5 million to develop (\$10 million for land and \$12.5 million for construction). A similar facility today would cost \$50 million minimum to develop."

Also featured in the article was Mr. Clive Bradley, head of CBRE's self-storage practice group for Canada. He stated there is "growing interest" from individual investors and large public and private real estate investment trusts in Canada. As CBRE's Clive Bradley put it, self-storage has become "a hot commodity" during the past three years.

Mr. Patrick Wood (a self-storage real estate specialist) also discussed the growing importance of self-storage for business in Vancouver. "Self-storage allows small business owners to stay in Vancouver, when they otherwise couldn't afford to, or there's no space for them." Now, at least one-third to "in some cases, half" of all B.C. self-storage units are rented by commercial clients - a 50% increase from three years ago", he says.

Management at the Pender Facility has introduced new marketing initiatives to target neighboring businesses, and this is proving successful. As our Sky Lockers and standard walk-in lockers continue to lease up steadily, we will be closer to achieving revenue levels that can support cash distributions. Cash distributions to investors remains our top priority.

NationWide Self Storage Vancouver provides an economical and efficient way for Vancouver businesses to manage their inventory and reduce commercial or retail rent costs.

[Click here](#) to download the August 2022 Globe and Mail article featuring Shane Doyle, CEO, NationWide Self Storage.

