

**UNITED STATES  
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**

**Date of Report (Date of earliest event reported): August 1, 2016**

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**National Storage Affiliates Trust**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**001-37351**  
(Commission File Number)

**46-5053858**  
(IRS Employer  
Identification No.)

**5200 DTC Parkway, Suite 200  
Greenwood Village, Colorado, 80111**  
(Address of principal executive offices)

**(720) 630-2600**  
(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))755000-4-2612-v0.5
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.01. Completion of Acquisition or Disposition of Assets.**

On August 1, 2016, National Storage Affiliates Trust (the "Company"), through its operating partnership, NSA OP, LP (the "Operating Partnership"), completed its acquisition of a portfolio of 22 self-storage properties (the "CPA 17 Portfolio") from unrelated third party sellers controlled by Corporate Property Associates 17 – Global Incorporated ("CPA 17") for approximately \$154 million in cash, funded with cash on hand and borrowings under the Company's credit facility.

In connection with the acquisition of the CPA 17 Portfolio, the Company is filing the historical financial statements and pro forma financial information required by Item 9.01 of Form 8-K. The historical financial statements and pro forma financial information relating to the CPA 17 Portfolio described in Item 9.01 below should be read in conjunction with this Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

**(a) Financial Statements of Properties Acquired**

The following Statements of Revenues and Certain Expenses are set forth in Exhibit 99.1 which is incorporated herein by reference.

- Report of Independent Auditors
- Combined Statements of Revenue and Certain Expenses for the Three Months Ended March 31, 2016 and the Year Ended December 31, 2015
- Notes to Combined Statements of Revenue and Certain Expenses

**(b) Pro Forma Financial Information**

The following pro forma financial statements for the Company are set forth in Exhibit 99.2 which is incorporated herein by reference.

- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2016.
- Unaudited Pro Forma Condensed Consolidated Statement of Operations for the three months ended March 31, 2016.
- Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 2015.
- Notes to Unaudited Pro Forma Consolidated Financial Statements.

**(c) Not applicable.**

**(d) Exhibits:**

The following exhibits are furnished with this report:

| <b>Exhibit Number</b> | <b>Description</b>  |
|-----------------------|---|
| 23.1                  | Consent of EKS&H LLLP   |
| 99.1                  | Historical Statements of Revenue and Certain Expenses of Acquisition Properties |
| 99.2                  | Unaudited Pro Forma Consolidated Financial Statements of the Company            |

**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.

National Storage Affiliates Trust

By: /s/ TAMARA D. FISCHER  
Name: Tamara D. Fischer  
Title: Chief Financial Officer

Date: August 5, 2016

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (File No. 333-208602), Registration Statement on Form S-3 (File No. 333-211570) and Registration Statement on Form S-3 (File No. 333-211974) of our reports, as set forth below, with respect to the statements of revenues and certain operating expenses, which reports appear in the Current Report on Form 8-K filed with the Securities and Exchange Commission by National Storage Affiliates Trust on August 5, 2016.

(i) our report dated August 5, 2016 with respect to the CPA 17 Portfolio for the year ended December 31, 2015, and the related notes to the financial statements.

/s/ EKS&H LLLP

Denver, Colorado  
August 5, 2016

**CPA 17 Portfolio**

**Historical Statements of Revenue and Certain Expenses of Acquisition Properties**

**National Storage Affiliates Trust**

|  | <b>Page</b>         |
|--|---------------------|
| Report of Independent Auditors   | <a href="#">F-2</a> |
| Combined Statements of Revenue and Certain Expenses for the Three Months Ended March 31, 2016 and the Year Ended December 31, 2015 | <a href="#">F-3</a> |
| Notes to Combined Statements of Revenue and Certain Expenses   | <a href="#">F-4</a> |

## INDEPENDENT AUDITORS' REPORT

To National Storage Affiliates Trust

We have audited the accompanying combined statements of revenue and certain expenses of the CPA 17 Portfolio for the year ended December 31, 2015, and the related notes to the combined financial statements.

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements of revenue and certain expenses. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined statements of revenue and certain expenses in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the revenue and certain expenses described in Note 1 to the combined financial statements of the CPA 17 Portfolio for the year ended December 31, 2015, in accordance with U.S. generally accepted accounting principles.

### BASIS OF ACCOUNTING

As described in Note 1 to the combined financial statements, the statements of revenue and certain expenses have been prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission, and are not intended to be a complete presentation of revenue and expenses of the CPA 17 Portfolio. Our opinion is not modified with respect to this matter.

/s/ EKS&H LLLP

Denver, Colorado  
August 5, 2016

CPA 17 Portfolio

Combined Statements of Revenue and Certain Expenses  
For the Three Months Ended March 31, 2016 (unaudited) and the Year Ended December 31, 2015  
(dollars in thousands)

|  | <u>2016</u>     | <u>2015</u>     |
|--|-----------------|-----------------|
|  | (Unaudited)     |                 |
| <b>Revenue</b>                               |                 |                 |
| Rental revenue                               | \$ 3,629        | \$ 13,461       |
| Other property-related revenue               | 18              | 79              |
| Total revenue                                | <u>3,647</u>    | <u>13,540</u>   |
| <b>Certain Expenses</b>                      |                 |                 |
| Property operating expenses                  | 1,039           | 4,073           |
| Real estate taxes                            | 265             | 1,063           |
| Supervisory and administrative fees          | 224             | 849             |
| Total certain expenses                       | <u>1,528</u>    | <u>5,985</u>    |
| <b>Revenue in excess of certain expenses</b> | <u>\$ 2,119</u> | <u>\$ 7,555</u> |

The accompanying notes are an integral part of these combined statements of revenue and certain expenses.

**CPA 17 Portfolio**  
**Notes to Combined Statements of Revenue and Certain Expenses**  
**(dollars in thousands)**

**1. BASIS OF PRESENTATION**

On August 1, 2016, National Storage Affiliates Trust (“NSA”) acquired twenty-two self storage properties located in various sub-markets in California (the “CPA 17 Portfolio”) from an unrelated third party (the “Seller”).

The accompanying combined statements of revenue and certain expenses (the “Statements”) of the CPA 17 Portfolio have been prepared pursuant to Rule 3-14 of Regulation S-X promulgated by the Securities and Exchange Commission. Accordingly, the Statements are not representative of the entire operations of the CPA 17 Portfolio for the periods presented as certain items are excluded. Such omitted items consist of depreciation and amortization, interest expense, and administrative costs not directly related to the future operations of the CPA 17 Portfolio.

The unaudited interim combined statements of revenue and certain expenses for the period from January 1, 2016 through March 31, 2016, were prepared on the same basis as the combined statements of revenue and certain expenses for the year ended December 31, 2015, and reflects all adjustments, consisting of only normal recurring adjustments, which are, in the opinion of management necessary for a fair presentation of the results of the unaudited interim period. The results of the unaudited interim period are not necessarily indicative of the expected results for the entire fiscal year.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Use of Estimates.* The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Revenue Recognition.* Management has determined that all of the leases associated with the CPA 17 Portfolio are operating leases, which generally may be terminated on a month-to-month basis. Rental income is recognized ratably over the lease term using the straight-line method. Rents received in advance are deferred and recognized on a straight-line basis over the related lease term associated with the prepayment. Promotional discounts and other incentives are recognized as a reduction to rental income over the applicable lease term. Other property-related revenue consists of ancillary revenues such as tenant insurance commissions and sales of storage supplies, which are recognized in the period earned.

*Advertising Costs.* Advertising costs are primarily attributable to internet, directory and other advertising. Advertising costs were expensed in the period in which the cost was incurred. Advertising costs amounted to \$65 (unaudited) and \$257 for the three months ended March 31, 2016 and the year ended December 31, 2015, respectively.

*Repairs and Maintenance.* Major replacements and betterments that improved or extended the life of the CPA 17 Portfolio were capitalized. Expenditures for ordinary repairs and maintenance were expensed as incurred. Repairs and maintenance amounted to \$64 (unaudited) and \$293 for the three months ended March 31, 2016 and the year ended December 31, 2015, respectively.

**3. RELATED PARTY TRANSACTIONS**

The CPA 17 Portfolio is subject to agreements entered into with Extra Space Management, Inc. (“Extra Space”) that provide for a fee equal to 6% of gross revenue (as defined in the agreements and subject to a minimum). The amounts incurred under these agreements are included in supervisory and administrative fees in the accompanying combined statements of revenue and certain expenses. The services provided by Extra Space consist of supervisory, administrative, leasing and related services.

**CPA 17 Portfolio**  
**Notes to Combined Statements of Revenue and Certain Expenses**  
**(dollars in thousands)**

The employees responsible for operation of the CPA 17 Portfolio are employees of Extra Space. The amounts charged by Extra Space for salaries, wages and benefits for the CPA 17 Portfolio are included in property operating expenses and amounted to \$430 (unaudited) and \$1,641 for the three months ended March 31, 2016 and the year ended December 31, 2015, respectively.

**4. SUBSEQUENT  
EVENTS**

Management has evaluated the events and transactions that have occurred through August 5, 2016, the date that the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

**Index to Financial Statements****National Storage Affiliates Trust**

|  | <u>Page</u>         |
|--|---------------------|
| <b>National Storage Affiliates Trust Unaudited Pro Forma Condensed Consolidated Financial Information</b>    |                     |
| Introduction   | <a href="#">F-2</a> |
| Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2016                                | <a href="#">F-4</a> |
| Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Three Months Ended March 31, 2016 | <a href="#">F-5</a> |
| Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Year Ended December 31, 2015      | <a href="#">F-6</a> |
| Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements                                     | <a href="#">F-7</a> |

**NATIONAL STORAGE AFFILIATES TRUST**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

National Storage Affiliates Trust is a fully integrated, self-administered and self-managed real estate investment trust focused on the self storage sector. As used herein, "NSA," the "Company," "we," "our," and "us" refers to National Storage Affiliates Trust and its consolidated subsidiaries, except where the context indicates otherwise. The Company elected and qualified to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes commencing with its taxable year ended December 31, 2015. Through its controlling interest as the sole general partner of NSA OP, LP (its "operating partnership"), a Delaware limited partnership, the Company is focused on the ownership, operation, and acquisition of self storage properties in the United States.

The accompanying unaudited pro forma condensed consolidated financial statements as of and for the three months ended March 31, 2016 and for the year ended December 31, 2015 are derived from (i) the financial statements of the Company, (ii) the statements of revenue and certain expenses for certain acquisitions, and (iii) financial information regarding certain other acquisitions.

On August 1, 2016, the Company acquired a 22 self storage property portfolio with an estimated fair value of \$154.0 million (the "CPA 17 Portfolio") from unrelated third party sellers controlled by Corporate Property Associates 17 - Global Incorporated ("CPA 17"). The Company previously disclosed pro forma financial information related to certain closed and probable acquisitions, including other adjustments (the "Previously Disclosed Acquisitions") and the Company's initial public offering (the "IPO") in Exhibit 99.2 to the Current Report on Form 8-K/A filed by the Company on May 25, 2016 (the "Form 8-K/A"). This previously disclosed pro forma financial information was as of and for the three months ended March 31, 2016 and for the year ended December 31, 2015. The Previously Disclosed Acquisitions included one self storage property that was considered probable of acquisition as of May 25, 2016 that was acquired by the Company on June 1, 2016. Herein, the Company has supplemented this previously disclosed pro forma financial information by including the pro forma effect of the acquisitions of the CPA 17 Portfolio from unrelated third party sellers controlled by CPA17.

On May 6, 2016, the Company entered into an amended and restated credit facility with a syndicated group of lenders. The amendment increased the borrowing capacity of the credit facility by \$125.0 million for a total credit facility of \$675.0 million, consisting of three components: (i) a revolving line of credit that provides for a total borrowing commitment up to \$350.0 million (the "Revolver"), (ii) a \$225.0 million tranche A term loan facility (the "Term Loan A"), and (iii) a \$100.0 million tranche B loan facility (the "Term Loan B" and together with the Revolver and the Term Loan A, the "Facilities"), extended the maturity dates and reallocated borrowings among the Facilities. In addition, on June 30, 2016, the Company entered into a credit agreement with a syndicated group of lenders to make available a term loan facility (the "Term Loan Facility") in an aggregate amount of \$100.0 million. The Term Loan Facility matures in June 2023. Because these additional debt financings are not directly related to the acquisition of the CPA 17 Portfolio to which we give pro forma effect, a pro forma adjustment is not reflected for the impact of these additional debt financings in the unaudited pro forma condensed consolidated financial statements included herein. For additional details about the Facilities see the Current Report of Form 8-K filed by the Company on June 28, 2016.

On July 6, 2016, the Company closed a follow-on public offering of 12,046,250 of its common shares, which included 1,571,250 common shares sold upon the exercise in full by the underwriters of their option to purchase additional shares, at a public offering price of \$20.75 per share. The Company received aggregate net proceeds from the offering of approximately \$237.7 million after deducting the underwriting discount and estimated offering expenses. The Company contributed the net proceeds from this follow-on offering to its operating partnership which used the proceeds to repay outstanding borrowings under the Revolver and for general corporate and working capital purposes. Because the follow-on offering is not directly related to the acquisition of the CPA 17 Portfolio to which we give pro forma effect, a pro forma adjustment is not reflected for the impact of the follow-on offering in the unaudited pro forma condensed consolidated financial statements.

The unaudited pro forma condensed consolidated balance sheet as of March 31, 2016 gives effect to the acquisition of the CPA 17 Portfolio as well as the Previously Disclosed Acquisitions included in the unaudited pro forma condensed consolidated balance sheet as of March 31, 2016 included in Exhibit 99.2 to the Form 8-K/A. In addition to the historical results of operations of the Company and the Previously Disclosed Acquisitions and IPO included in Exhibit 99.2 to the Form 8-K/A, the unaudited pro forma condensed consolidated statements of operations for the three months ended March 31, 2016 and the year ended December 31, 2015 give pro forma effect to the acquisition of the CPA 17 Portfolio, as if the acquisitions had occurred on January 1, 2015. The pro forma condensed consolidated statements of operations also give effect to the following:

- An increase in interest expense that would have been incurred for periods that the CPA 17 Portfolio is included in the pro forma results but excluded from the Company's historical statements of operations;
- Estimated incremental depreciation and amortization expense for periods that the CPA 17 Portfolio is included in the pro forma results but excluded from the Company's historical statements of operations; and

**NATIONAL STORAGE AFFILIATES TRUST**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

- Estimated net change in supervisory and administrative fees that would have been incurred had the asset management agreements related to the CPA 17 Portfolio been in place since January 1, 2015.

The Company's unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical financial statements and related notes thereto included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 10, 2016 (the "Annual Report") and the Company's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2016, and the Form 8-K/A. The adjustments to the Company's unaudited pro forma condensed consolidated financial statements are based on available information and assumptions that the Company considers reasonable. The Company's unaudited pro forma condensed consolidated financial statements do not purport to (i) represent the Company's financial position had the acquisition of the CPA 17 Portfolio and Previously Disclosed Acquisitions occurred on March 31, 2016; (ii) represent the Company's results of operations that would have actually occurred if the acquisition of the CPA 17 Portfolio, Previously Disclosed Acquisitions and the Company's IPO had occurred on January 1, 2015, or (iii) project the Company's financial position or results of operations as of any future date or for any future period, as applicable.

**NATIONAL STORAGE AFFILIATES TRUST**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**  
**MARCH 31, 2016**  
(dollars in thousands, except per share amounts)

**Pro Forma Adjustments**

|  | <u>NSA (A)</u>      | <u>Previously<br/>Disclosed<br/>Acquisitions<br/>(B)</u> | <u>CPA 17<br/>Portfolio (C)</u> | <u>Other<br/>Adjustments</u> | <u>Pro Forma<br/>Combined</u> |
|--|---------------------|--|---------------------------------|------------------------------|-------------------------------|
| <b>ASSETS</b>  |                     |  |                                 |                              |                               |
| Real estate  |                     |  |                                 |                              |                               |
| Self storage properties  | \$ 1,234,541        | \$ 192,579   | \$ 149,633                      | \$ —                         | \$ 1,576,753                  |
| Less accumulated depreciation  | (76,810)            | —  | —                               | —                            | (76,810)                      |
| Self storage properties, net   | 1,157,731           | 192,579  | 149,633                         | —                            | 1,499,943                     |
| Cash and cash equivalents  | 8,489               | —  | —                               | —                            | 8,489                         |
| Restricted cash  | 2,889               | —  | —                               | —                            | 2,889                         |
| Debt issuance costs, net   | 1,530               | —  | —                               | —                            | 1,530                         |
| Other assets, net  | 9,215               | 5,388  | 4,342                           | —                            | 18,945                        |
| Total assets   | <u>\$ 1,179,854</u> | <u>\$ 197,967</u>  | <u>\$ 153,975</u>               | <u>\$ —</u>                  | <u>\$ 1,531,796</u>           |
| <b>LIABILITIES AND EQUITY</b>  |                     |  |                                 |                              |                               |
| Liabilities  |                     |  |                                 |                              |                               |
| Debt financing   | \$ 634,312          | \$ 118,635   | \$ 153,322                      | 1,076 (D)                    | \$ 907,345                    |
| Accounts payable and accrued liabilities   | 14,380              | 1,074  | 653                             | —                            | 16,107                        |
| Deferred revenue   | 6,058               | —  | —                               | —                            | 6,058                         |
| Total liabilities  | 654,750             | 119,709  | 153,975                         | 1,076                        | 929,510                       |
| Equity   |                     |  |                                 |                              |                               |
| Common shares of beneficial interest, par value \$0.01 per share. 250,000,000 shares authorized, 23,023,841 and 23,015,751 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively | 230                 | —  | —                               | —                            | 230                           |
| Additional paid-in capital   | 239,014             | —  | —                               | —                            | 239,014                       |
| Retained (deficit) earnings  | (2,384)             | (774)  | —                               | (501) (D)                    | (3,659)                       |
| Accumulated other comprehensive loss   | (693)               | —  | —                               | —                            | (693)                         |
| Total shareholders' equity   | 236,167             | (774)  | —                               | (501)                        | 234,892                       |
| Noncontrolling interests   | 288,937             | 79,032   | —                               | (575) (D)                    | 367,394                       |
| Total equity   | 525,104             | 78,258   | —                               | (1,076)                      | 602,286                       |
| Total liabilities and equity   | <u>\$ 1,179,854</u> | <u>\$ 197,967</u>  | <u>\$ 153,975</u>               | <u>\$ —</u>                  | <u>\$ 1,531,796</u>           |

See notes to pro forma condensed consolidated financial statements.

**NATIONAL STORAGE AFFILIATES TRUST**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**THREE MONTHS ENDED MARCH 31, 2016**  
(in thousands, except per share amounts)

|  | <b>Pro Forma Adjustments</b> |  |                             |                          | <b>Pro Forma Combined</b> |
|--|------------------------------|--|-----------------------------|--------------------------|---------------------------|
|  | <b>NSA (E)</b>               | <b>Previously Disclosed Acquisitions (F)</b> | <b>CPA 17 Portfolio (G)</b> | <b>Other Adjustments</b> |                           |
| <b>REVENUE</b>   |                              |  |                             |                          |                           |
| Rental revenue   | \$ 38,501                    | \$ 6,244                                     | \$ 3,629                    | \$ —                     | \$ 48,374                 |
| Other property-related revenue   | 1,148                        | 74   | 18                          | —                        | 1,240                     |
| Total revenue  | 39,649                       | 6,318  | 3,647                       | —                        | 49,614                    |
| <b>OPERATING EXPENSES</b>  |                              |  |                             |                          |                           |
| Property operating expenses  | 13,277                       | 2,103  | 1,304                       | —                        | 16,684                    |
| General and administrative expenses  | 4,335                        | 380  | 224                         | (23) (H)                 | 4,916                     |
| Depreciation and amortization  | 10,892                       | (759)  | —                           | 1,053 (I)                | 11,186                    |
| Total operating expenses   | 28,504                       | 1,724  | 1,528                       | 1,030                    | 32,786                    |
| Income from operations   | 11,145                       | 4,594  | 2,119                       | (1,030)                  | 16,828                    |
| <b>OTHER INCOME (EXPENSE)</b>  |                              |  |                             |                          |                           |
| Interest expense   | (4,941)                      | (955)  | —                           | (782) (J)                | (6,678)                   |
| Acquisition costs  | (1,288)                      | 1,288  | —                           | —                        | —                         |
| Non-operating expense  | (114)                        | —  | —                           | —                        | (114)                     |
| Other income (expense)   | (6,343)                      | 333  | —                           | (782)                    | (6,792)                   |
| <b>Net income (loss)</b>   | 4,802                        | 4,927  | 2,119                       | (1,812)                  | 10,036                    |
| Net income attributable to noncontrolling interests                        | (2,592)                      | (2,896)                                      | —                           | (307) (K)                | (5,795)                   |
| <b>Net income (loss) attributable to National Storage Affiliates Trust</b> | <b>\$ 2,210</b>              | <b>\$ 2,031</b>                              | <b>\$ 2,119</b>             | <b>\$ (2,119)</b>        | <b>\$ 4,241</b>           |
| <b>Earnings (loss) per share - basic</b>                                   | <b>\$ 0.10</b>               |  |                             |                          | <b>(L) \$ 0.18</b>        |
| <b>Earnings (loss) per share - diluted</b>                                 | <b>\$ 0.07</b>               |  |                             |                          | <b>(L) \$ 0.14</b>        |
| <b>Weighted average shares outstanding - basic</b>                         | <b>23,005</b>                | <b>—</b>                                     | <b>—</b>                    | <b>—</b>                 | <b>23,005</b>             |
| <b>Weighted average shares outstanding - diluted</b>                       | <b>67,994</b>                | <b>5,594</b>                                 | <b>—</b>                    | <b>—</b>                 | <b>73,588</b>             |

See notes to pro forma condensed consolidated financial statements.

**NATIONAL STORAGE AFFILIATES TRUST**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2015**  
(in thousands, except per share amounts)

|  | Pro Forma Adjustments |  |                         |                      |                       |
|--|-----------------------|--|-------------------------|----------------------|-----------------------|
|  | NSA (M)               | Previously<br>Disclosed<br>Acquisitions<br>and IPO (N) | CPA 17<br>Portfolio (O) | Other<br>Adjustments | Pro Forma<br>Combined |
| <b>REVENUE</b>   |                       |  |                         |                      |                       |
| Rental revenue   | \$ 129,869            | \$ 43,039  | \$ 13,461               | \$ —                 | \$ 186,369            |
| Other property-related revenue   | 4,050                 | 994  | 79                      | —                    | 5,123                 |
| Total revenue  | 133,919               | 44,033   | 13,540                  | —                    | 191,492               |
| <b>OPERATING EXPENSES</b>  |                       |  |                         |                      |                       |
| Property operating expenses  | 45,412                | 16,089   | 5,136                   | —                    | 66,637                |
| General and administrative expenses  | 16,265                | 3,183  | 849                     | (104) (H)            | 20,193                |
| Depreciation and amortization  | 40,651                | 21,978   | —                       | 8,556 (I)            | 71,185                |
| Total operating expenses   | 102,328               | 41,250   | 5,985                   | 8,452                | 158,015               |
| Income from operations   | 31,591                | 2,783  | 7,555                   | (8,452)              | 33,477                |
| <b>OTHER INCOME (EXPENSE)</b>  |                       |  |                         |                      |                       |
| Interest expense   | (20,779)              | (3,094)  | —                       | (3,128) (J)          | (27,001)              |
| Loss on early extinguishment of debt                                       | (914)                 | (684)  | —                       | —                    | (1,598)               |
| Acquisition costs  | (4,765)               | 4,765  | —                       | —                    | —                     |
| Organizational and offering expenses                                       | (58)                  | 58   | —                       | —                    | —                     |
| Non-operating expense  | (279)                 | —  | —                       | —                    | (279)                 |
| Other income (expense)   | (26,795)              | 1,045  | —                       | (3,128)              | (28,878)              |
| <b>Net income (loss)</b>   | 4,796                 | 3,828  | 7,555                   | (11,580)             | 4,599                 |
| Net loss attributable to noncontrolling interests                          | 7,644                 | 599  | —                       | 4,025 (K)            | 12,268                |
| <b>Net income (loss) attributable to National Storage Affiliates Trust</b> | <b>\$ 12,440</b>      | <b>\$ 4,427</b>  | <b>\$ 7,555</b>         | <b>\$ (7,555)</b>    | <b>\$ 16,867</b>      |
| <b>Earnings (loss) per share - basic</b>                                   | <b>\$ 0.80</b>        |  |                         |                      | <b>(L) \$ 0.73</b>    |
| <b>Earnings (loss) per share - diluted</b>                                 | <b>\$ 0.17</b>        |  |                         |                      | <b>(L) \$ 0.06</b>    |
| <b>Weighted average shares outstanding - basic</b>                         |                       |  |                         |                      |                       |
|  | 15,463                | 7,537  | —                       | —                    | 23,000                |
| <b>Weighted average shares outstanding - diluted</b>                       |                       |  |                         |                      |                       |
|  | 45,409                | 25,908   | —                       | —                    | 71,317                |

See notes to pro forma condensed consolidated financial statements.

**NATIONAL STORAGE AFFILIATES TRUST**  
**NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1. BASIS OF PRESENTATION**

Our consolidated financial statements include the accounts of the Company, the operating partnership and their controlled subsidiaries. The equity interests of limited partners in the operating partnership and its subsidiaries that are held by owners other than the Company are referred to as noncontrolling interests. All significant intercompany balances and transactions have been eliminated in the consolidation and combination of entities.

**2. ADJUSTMENTS TO UNAUDITED PRO FORMA BALANCE SHEET**

**(A) Historical Balance Sheet.** Represents the historical condensed consolidated balance sheet of the Company as of March 31, 2016.

**(B) Previously Disclosed Acquisitions.** Represents the pro forma adjustments related to the Previously Disclosed Acquisitions in Exhibit 99.2 to the Form 8-K/A. The Previously Disclosed Acquisitions include one Probable Acquisition that closed on June 1, 2016.

**(C) CPA 17 Portfolio.** Reflects the acquisition of the CPA 17 Portfolio. The allocation of purchase price shown in the table below is based on the Company's estimates and is subject to change based on the final determination of the fair value of assets acquired and liabilities incurred. Presented below is a summary that reflects an estimate of the purchase price allocation to the assets acquired and liabilities incurred (dollars in thousands):

|                                     |                   |
|-------------------------------------|-------------------|
| <b>Assets Acquired</b>              |                   |
| Self storage properties             |                   |
| Land                                | \$ 37,539         |
| Buildings and improvements          | 112,094           |
| Total self storage properties       | <u>149,633</u>    |
| Other assets, net                   |                   |
| Customer in-place leases            | 4,342             |
| Total assets acquired               | <u>\$ 153,975</u> |
| <b>Liabilities Incurred</b>         |                   |
| Debt financing                      |                   |
| Credit facility borrowings          | \$ 153,322        |
| Working capital liabilities assumed | 653               |
| Total liabilities incurred          | <u>\$ 153,975</u> |

**(D) Acquisition Costs.** The Company expects to incur aggregate acquisition costs of approximately \$1.1 million in connection with the acquisition of the CPA 17 Portfolio. Acquisition costs are primarily comprised of consulting fees incurred to identify, qualify and close acquisitions. These acquisition costs will be paid with proceeds from borrowings under the Company's Revolver and result in an increase in outstanding indebtedness in the unaudited pro forma condensed consolidated balance sheet as of March 31, 2016. Additionally, as discussed further in Note K, the Company allocates U.S. generally accepted accounting principles ("GAAP") income (loss) utilizing the hypothetical liquidation at book value ("HLBV") method, in which the Company allocates income or loss based on the change in each unitholders' claim on the net assets of its operating partnership at period end after adjusting for any distributions or contributions made during such period. Accordingly, the transaction costs to which the Company gives pro forma effect are allocated to the previously existing unitholders and resulted in pro forma charges to retained (deficit) earnings and noncontrolling interests of \$0.5 million and \$0.6 million, respectively.

**3. ADJUSTMENTS TO UNAUDITED PRO FORMA STATEMENTS OF OPERATIONS**

**(E) Historical Statement of Operations for the Three Months Ended March 31, 2016.** Reflects the historical condensed consolidated statement of operations of the Company for the three months ended March 31, 2016.

**(F) Impact of the Previously Disclosed Acquisitions.** Represents the pro forma adjustments related to the Previously Disclosed Acquisitions in Exhibit 99.2 to the Form 8-K/A. The Previously Disclosed Acquisitions include one Probable Acquisition that closed on June 1, 2016.

**(G) Impact of the CPA 17 Portfolio.** The table below reflects the revenue and certain expenses for the three months ended March 31, 2016 for the CPA 17 Portfolio (dollars in thousands):

|   | <b>CPA 17 Portfolio<sup>(1)</sup></b> |
|---|---------------------------------------|
| Number of Properties                                    | 22                                    |
| <b>Revenue</b>  |                                       |
| Rental revenue  | \$ 3,629                              |
| Other property-related revenue                          | 18                                    |
| Total revenue   | 3,647                                 |
| <b>Direct Operating Expenses</b>                        |                                       |
| Property operating expenses                             | 1,304                                 |
| Supervisory and administrative fees <sup>(2)</sup>      | 224                                   |
| Total Operating Expenses                                | 1,528                                 |
| <b>Excess of Revenue over Direct Operating Expenses</b> | <b>\$ 2,119</b>                       |

(1) This information is derived from the respective statements of revenue and certain expenses prepared for the purposes of complying with Rule 3-14 of Regulation S-X promulgated under the Securities Act.

(2) Balance reflects historical supervisory and administrative fees incurred prior to acquisition by the Company. The Company has entered into agreements with affiliates of the PROs to provide supervisory and administrative services related to the self storage properties under NSA ownership following their acquisition by the Company. Under the asset management agreements, the Company pays a fee ranging from 5% to 6% of gross revenue for the related self storage properties. These supervisory and administrative fees are included in general and administrative expenses in the Company's financial statements. See Note H for the pro forma adjustment that gives effect to the asset management agreements as if such agreements had been entered into on January 1, 2015.

The direct operating expenses shown in the table above excludes depreciation of self storage properties, amortization of customer in-place leases and interest expense on borrowings required to finance the CPA 17 Portfolio. Accordingly, the pro forma adjustments discussed under Notes I and J give effect to these excluded expenses.

**(H) Incremental General and Administrative Expenses.** The Company has entered into agreements with affiliates of the PROs to provide supervisory and administrative services related to the self storage properties under NSA ownership. Under the asset management agreements, the Company pays a fee ranging from 5% to 6% of gross revenue for the related self storage properties. These supervisory and administrative fees are included in general and administrative expenses in the Company's historical financial statements. A pro forma adjustment has been reflected for the contractual fees under such asset management agreements as if such asset management agreements had been entered into on January 1, 2015 and the contractual rates thereunder had been applied to the gross revenue of the CPA 17 Portfolio. For the three months ended March 31, 2016 and the year ended December 31, 2015, pro forma adjustments of less than \$0.1 million and \$0.1 million, respectively, are reflected for incremental supervisory and administrative fees as if the contractual rates had been applied to the gross revenue of the CPA 17 Portfolio for the respective periods presented.

**(I) Incremental Depreciation and Amortization.** For the three months ended March 31, 2016 and the year ended December 31, 2015, pro forma adjustments of \$1.1 million and \$8.6 million, respectively, are reflected for incremental depreciation and amortization of the CPA 17 Portfolio.

**(J) Interest Expense.** Pro forma adjustments for interest expense are required to reflect the pro forma debt structure as if the CPA 17 Portfolio had been owned for the entirety of the applicable periods. The Company assumed borrowings under the Company's credit facility for the purchase price of the CPA 17 Portfolio with interest computed based on the effective interest rate of 2.04% as of March 31, 2016.

**(K) Net (Income) Loss Attributable to Noncontrolling Interests.** The distribution rights and priorities set forth in the operating partnership's Agreement of Limited Partnership differ from what is reflected by the underlying percentage ownership interests of the unitholders. Accordingly, the Company allocates GAAP income (loss) utilizing the HLBV method, in which the Company allocates income or loss based on the change in each unitholders' claim on the net assets of its operating partnership at

period end after adjusting for any distributions or contributions made during such period. The HLBV method is a balance sheet-focused approach. A calculation is prepared at each balance sheet date to determine the amount that unitholders would receive if the operating partnership were to liquidate all of its assets (at GAAP net book value) and distribute the resulting proceeds to its creditors and unitholders based on the contractually defined liquidation priorities. The difference between the calculated liquidation distribution amounts at the beginning and the end of the reporting period, after adjusting for capital contributions and distributions, is used to derive each unitholder's share of the income (loss) for the period. After giving pro forma effect to the acquisition of the CPA 17 Portfolio, the application of the HLBV method resulted in an adjustment to increase the noncontrolling interests' share of net income by \$0.3 million for the three months March 31, 2016 and the noncontrolling interests' share of net losses by \$4.0 million for the year ended December 31, 2015. The Company's application of the HLBV method for pro forma purposes does not include assumptions regarding distributions that might have been paid on the common shares of the Company and limited partner interests in its operating partnership resulting from the self storage property acquisitions that are included in the pro forma financial information but excluded from the historical financial information, as such assumptions would require projections and estimates of management's intentions that are not factually supportable.

**(L) Earnings Per Share.** The following is a summary of the elements used in calculating pro forma basic and diluted earnings (loss) per common share for the three months ended March 31, 2016 and the year ended December 31, 2015 (dollars in thousands, except per share amounts):

|  | <b>Three Months<br/>Ended<br/>March 31,<br/>2016</b> | <b>Year Ended<br/>December 31,<br/>2015</b> |
|--|--|---|
| <b>Earnings (loss) per common share - basic and diluted</b>  |  |   |
| <b>Numerator</b>   |  |   |
| Pro forma net income (loss)  | \$ 10,036  | \$ 4,599                                    |
| Pro forma net (income) loss attributable to noncontrolling interests   | (5,795)  | 12,268                                      |
| Pro forma net income (loss) attributable to National Storage Affiliates Trust                                    | 4,241  | 16,867                                      |
| Distributed and undistributed earnings allocated to participating securities                                     | (4)  | (9)   |
| Pro forma net income (loss) attributable to common shareholders - basic  | 4,237  | 16,858                                      |
| Pro forma effect of assumed conversion of dilutive securities  | 5,755  | (12,295)                                    |
| Pro forma net income (loss) attributable to common shareholders - diluted  | \$ 9,992   | \$ 4,563                                    |
| <b>Denominator</b>   |  |   |
| Pro forma weighted average shares outstanding - basic  | 23,005   | 23,000                                      |
| Effect of dilutive securities:   |  |   |
| Pro forma weighted average OP units outstanding  | 24,877   | 24,780                                      |
| Pro forma weighted average DownREIT OP unit equivalents outstanding  | 1,835  | 1,835                                       |
| Pro forma weighted average LTIP units outstanding  | 2,151  | 1,970                                       |
| Pro forma weighted average subordinated performance units and DownREIT subordinated performance unit equivalents | 21,720   | 19,732                                      |
| Pro forma weighted average shares outstanding - diluted  | 73,588   | 71,317                                      |
| Pro forma earnings (loss) per share - basic  | \$ 0.18  | \$ 0.73                                     |
| Pro forma earnings (loss) per share - diluted  | \$ 0.14  | \$ 0.06                                     |

**(M) Historical Statement of Operations for the Year Ended December 31, 2015.** Reflects the historical condensed consolidated statement of operations of the Company for the year ended December 31, 2015.

**(N) Impact of the Previously Disclosed Acquisitions and IPO.** Represents the pro forma adjustments related to the Previously Disclosed Acquisitions and the Company's IPO in Exhibit 99.2 to the Form 8-K/A. The Previously Disclosed Acquisitions include one Probable Acquisition that closed on June 1, 2016.

**(O) Impact of the CPA 17 Portfolio.** The table below reflects the revenue and certain expenses for the year ended December 31, 2015 for the CPA 17 Portfolio (dollars in thousands):

|   | <b>CPA 17 Portfolio<sup>(1)</sup></b> |
|---|---------------------------------------|
| Number of Properties                                    | 22                                    |
| <b>Revenue</b>  |                                       |
| Rental revenue  | \$ 13,461                             |
| Other property-related revenue                          | 79                                    |
| Total revenue   | 13,540                                |
| <b>Direct Operating Expenses</b>                        |                                       |
| Property operating expenses                             | 5,136                                 |
| Supervisory and administrative fees <sup>(2)</sup>      | 849                                   |
| Total Operating Expenses                                | 5,985                                 |
| <b>Excess of Revenue over Direct Operating Expenses</b> | <b>\$ 7,555</b>                       |

(1) This information is derived from the respective statements of revenue and certain expenses prepared for the purposes of complying with Rule 3-14 of Regulation S-X promulgated under the Securities Act.

(2) Balance reflects historical supervisory and administrative fees incurred prior to acquisition by the Company. The Company has entered into agreements with affiliates of the PROs to provide supervisory and administrative services related to the self storage properties under NSA ownership following their acquisition by the Company. Under the asset management agreements, the Company pays a fee ranging from 5% to 6% of gross revenue for the related self storage properties. These supervisory and administrative fees are included in general and administrative expenses in the Company's financial statements. See Note H for the pro forma adjustment that gives effect to the asset management agreements as if such agreements had been entered into on January 1, 2015.