

Providence Investments

Case Study - LockTite Storage Portfolio

The LockTite storage portfolio was assembled between 2011 and 2018 with parts sold between 2016 and 2019. It is a good example of the benefit of a multi-property portfolio focused upon value creation and increasing cash flow dividends throughout the holding period. Note in the chart below that one of the common techniques was to increase the number of units over the period of ownership. Excluding the two new construction projects, the overall portfolio increased 22% through expansions. Since much of the operating expense base amount is fixed, the net impact of expansions upon bottom line cash flow is substantial.

LockTite Storage Portfolio								
Project	City	State	Strategy	Acquired		Sold		Buyer
				Year	Units	Year	Units	
LockTite - Seguin	Seguin	TX	Acquisition: Value Add & Expansion	2011	191	2019	410	National Storage Affiliates
LockTite - Lakeline	Cedar Park	TX	Acquisition: Value Add	2012	351	2016	351	Public Storage
LockTite - Dripping Springs	Dripping Springs	TX	Acquisition: Value Add & Expansion	2012	644	2019	1,068	National Storage Affiliates
LockTite - Missouri City	Missouri City	TX	New Construction Value Creation	2013	434	2018	434	Developer
LockTite - Deer Park	Deer Park	TX	Acquisition: Value Add & Expansion	2014	491	2019	571	National Storage Affiliates
LockTite - Burke Rd.	Pasadena	TX	Acquisition: Value Add	2014	264	2019	264	National Storage Affiliates
LockTite - Wimberley	Wimberley	TX	Acquisition: Value Add & Expansion	2014	462	2019	552	National Storage Affiliates
LockTite - Conroe	Conroe	TX	Acquisition: Value Add	2016	792	2019	792	National Storage Affiliates
LockTite - Wallisville	Channelview	TX	Acquisition: Value Add & Expansion	2016	677	2019	709	National Storage Affiliates
LockTite - Pearland	Manvel	TX	New Construction Value Creation	2017	<u>99</u>	2019	<u>98</u>	National Storage Affiliates
TOTAL					4,405		5,249	

Additional information regarding the portfolio is available. Please call George McCause, 512-828-8156.

