NEWS RELEASE

W. P. Carey Inc. and Extra Space Storage Inc. Announce Self-Storage Net Lease Transaction

2019-06-03

NEW YORK, June 3, 2019 /PRNewswire/ -- W. P. Carey Inc. (NYSE: WPC), a leading net lease REIT specializing in corporate sale-leasebacks, build-to-suits and the acquisition of single-tenant net lease properties, and Extra Space Storage Inc. (NYSE: EXR), a leading owner and operator of self-storage facilities in the U.S. and a member of the S&P 500, today jointly announced that they have entered into net lease agreements for 36 self-storage properties owned by W. P. Carey.

The properties will be triple-net leased by Extra Space Storage for a period of 25 years. The leases include termination rights for both companies on the 10- and 20-year anniversaries, based on certain performance metrics. Commencing on the three-year anniversary, W. P. Carey also has the right to terminate the leases in the event of a sale, with Extra Space Storage retaining the right of first offer to acquire the properties.

Rent generally commences by August 2019 and increases annually by a fixed percentage plus a percentage of revenue growth. The transaction includes a large majority of the self-storage properties that W. P. Carey acquired in its merger with CPA:17, representing approximately 90 percent of its total operating self-storage net operating income.

Jason Fox, Chief Executive Officer of W. P. Carey, commented: "We are delighted with today's announcement, which represents an innovative win-win for both companies. By creatively converting these operating assets to long-term triple-net leases, they now align well with our core investment thesis of diversification, best-in-class organic growth and minimal exposure to capital expenditures. The structure allows us to maintain our exposure to self-storage, an asset class we have invested in for over 15 years and know well. It also underscores self-storage as a potential source of additional net lease investment opportunities.

"We have great respect for Extra Space Storage, which we expect to rank among our top 10 tenants, and look

forward to continuing our long-standing relationship with them."

Joe Margolis, Chief Executive Officer of Extra Space Storage, commented: "Extra Space is pleased to announce this creative and mutually beneficial net lease transaction, and to deepen and expand our long-standing relationship with W. P. Carey. The transaction allows us to expand our capital-light growth model on 31 assets we already managed, and to add five more assets to our platform in the boroughs of New York City."

About W. P. Carey Inc.

W. P. Carey Inc. ranks among the largest net lease REITs with an enterprise value of approximately $19 billion and a diversified portfolio of operationally-critical commercial real estate that includes 1,168 net lease properties covering approximately 134 million square feet. For over four decades, the company has invested in high-quality single-tenant industrial, warehouse, office and retail properties subject to long-term leases with built-in rent escalators. Its portfolio is located primarily in the U.S. and Northern and Western Europe and is well-diversified by tenant, property type, geographic location and tenant industry.
www.wpcarey.com

About Extra Space Storage Inc.

Extra Space Storage Inc., headquartered in Salt Lake City, Utah, is a self-administered and self-managed REIT and a member of the S&P 500. As of March 31, 2019, the company owned and/or operated 1,696 self-storage stores in 40 states, Washington, D.C. and Puerto Rico. The company's stores comprise approximately 1.2 million units and approximately 130 million square feet of rentable space. The company offers customers a wide selection of conveniently located and secure storage units across the country, including boat storage, RV storage and business storage. The company is the second largest owner and/or operator of self-storage stores in the United States and is the largest self-storage management company in the United States.
www.extraspace.com.

Cautionary Statement Concerning Forward-Looking Statements

This press release contains forward-looking statements within the meaning of U.S. Federal securities laws. Forward-looking statements include, among others, statements regarding the timing and benefits associated with the net lease transaction, as well as the comments of Mr. Fox and Mr. Margolis. A number of factors could cause W. P. Carey's actual results, performance or achievement to differ materially from those anticipated. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for commercial properties; interest rate levels; and other risks associated with the acquisition and ownership of properties, including risks that the tenants will not pay rent, or that costs may be greater than anticipated. For further information on factors that

could impact W. P. Carey, reference is made to its filings with the U.S. Securities and Exchange Commission. Further, there are a number of risks and uncertainties that could cause Extra Space Storage's 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 Extra Space Storage's 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 Extra Space Storage operates; the effect of competition from new and existing stores or other storage alternatives, which could cause rents and occupancy rates to decline; increases in interest rates; and reductions in asset valuations and related impairment charges. All forward-looking statements apply only as of the date made. The companies 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.

W. P. Carey Contacts:

Investors

Peter Sands
W. P. Carey Inc.
212-492-1110
institutionalir@wpcarey.com

Media

Anna McGrath
W. P. Carey Inc.
212-492-1166
amcgrath@wpcarey.com

Extra Space Storage Contacts:

Investors

Jeff Norman
Extra Space Storage Inc.
801-365-1759
info@extraspace.com

Media

McKall Morris

Extra Space Storage Inc.
435-619-1673
mmorris@extraspace.com

View original content to download multimedia:**http://www.prnewswire.com/news-releases/w-p-carey-inc-and-extra-space-storage-inc-announce-self-storage-net-lease-transaction-300860667.html**

SOURCE W. P. Carey Inc.; Extra Space Storage Inc.