



FOR IMMEDIATE RELEASE

Storage Star Purchases First Self-Storage Facility in Hawaii from Merit Hill Capital

(February 14, 2020 – Sacramento, CA) – On February 13th, Storage Star completed the purchase of its 24th self-storage facility and its first in the State of Hawaii: Storage Star – Hilo. The Seller was Merit Hill Capital based in New York City.

Storage Star – Hilo is fee simple self-storage facility with 707 units and 60,118 of rentable storage space located in the W.H. Shipman Business Park in Keaau, Hawaii. The facility is located on the 'Big Island' of Hawaii near the border of the Puna and Hilo Districts, the two fastest growing regions of the State.

Storage Star's business plan is to rebrand the facility as 'Storage Star' and invest substantial capital to enhance its appearance, access and product offering. The goal of this further investment is to create a local presence that embodies the Aloha Spirit so alive within the local community. Storage Star also intends to support the local community and build long-term partnerships with local residents and businesses. First Hawaiian Bank, Hawaii's oldest and largest bank, is Storage Star's lender on this transaction.

Matt Garibaldi, Storage Star President, said "We are fortunate to make our first Hawaiian investment in the vibrant and growing Puna District, which will allow us to serve both the Puna and Hilo markets with a quality self-storage offering. We look forward to working closely with the local community to offer clean, safe and secure storage to local residents and businesses. Additionally, Merit Hill Capital was an excellent seller. We look forward to years of friendship and many more transactions with their wonderful team in the future."

"We were pleased to be able to both buy and sell our Keaau property with two of our favorite California self-storage operators, making it a great deal for us from start to finish," adds Liz Raun Schlesinger, Merit Hill Capital Founder and CEO. "We have been transacting with A-American, our property manager, for almost a decade and had the good fortune to not only buy this asset from them, but to also witness their truly exceptional property management capabilities. They managed the property so well for us that they worked themselves out of a job, given we were able to outperform our projections in a much shorter period of time than anticipated. We were thrilled to work directly with FolletUSA on this transaction, as they have proved to be a trustworthy, strong and solid counterparty in the past. Given our history, when FolletUSA approached us to potentially purchase the site we did not feel the need to pursue other buyers as they were reasonable and fair in their offer, as they have been with us on prior transactions. Their efficient and straightforward handling of this transaction further strengthened our friendship with FolletUSA and we hope to do more business in the future with both FolletUSA and A-American."

Daniel Higuera, Storage Star Chief Operating Officer, stated “The Storage Star operations team is well positioned to partner with local residents and businesses to manage this facility into the future through best-in-class revenue management, expense control, and institutional caliber online marketing and operations. We have assembled a great local team who will work hand-in-hand with our current and future customers to ensure their storage needs are met with a smile and world class customer service. We are excited to welcome this facility to the Storage Star family.”

For more information about Storage Star or FollettUSA contact contact@follettusa.com.
For more information about Merit Hill Capital contact info@merithillcapital.com.

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About Storage Star

Storage Star is a leading owner and operator of self-storage assets in the Western U.S., Rocky Mountain Region, Hawaii and Texas currently operating 24 self-storage properties with more than 15,000 units and 2.1 million rentable square feet. Storage Star is a vibrant, growing company with ambitions to be one of the leading self-storage operators in the United States. For more information please visit our website: www.storagestar.com.

About FollettUSA

FollettUSA is a California-based boutique real estate firm investing in high quality income-producing properties with the goal of generating tax-efficient income, long-term equity capital appreciation, wealth preservation, and estate planning efficiency. Since its founding in 1989, high net worth families and institutional investors have entrusted FollettUSA to develop, acquire, manage and maintain institutional quality residential communities, self-storage facilities, and opportunistic investment properties for their private portfolios. For more information please visit FollettUSA’s website: www.follettusa.com

About Merit Hill Capital

Merit Hill Capital is a Brooklyn, NY based real estate investment firm focused on acquiring, developing and managing a portfolio of self-storage facilities across the United States. The firm was founded in 2016 by Liz Raun Schlesinger with an initial \$300 million equity commitment and recently received an additional \$200 million equity commitment from a private investment firm. Merit Hill currently owns 116 self-storage facilities in twenty-five states and has sixteen employees who have been working together as a team and in the self-storage industry since 2011 and 2001, respectively. The team previously worked together to build the eighth largest self-storage portfolio in the country and is focused primarily on acquiring one-off and small portfolios with value-add or turnaround components in markets that have compelling supply and demand fundamentals and at least 25,000 residents with population growth. Merit Hill engages third party property managers to operate its properties.