

Public Storage
Form 10-K
February 26, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2012.

or

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from to .

Commission File Number: 001-33519

PUBLIC STORAGE

(Exact name of Registrant as specified in its charter)

Maryland

95-3551121

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

701 Western Avenue, Glendale, California 91201-2349

(Address of principal executive offices) (Zip Code)

(818) 244-8080

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Depository Shares Each Representing 1/1,000 of a 6.875% Cumulative Preferred Share, Series O \$.01 par value	New York Stock Exchange

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Depository Shares Each Representing 1/1,000 of a 6.500% Cumulative Preferred Share, Series P \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 6.500% Cumulative Preferred Share, Series Q \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 6.350% Cumulative Preferred Share, Series R \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 5.900% Cumulative Preferred Share, Series S \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 5.750% Cumulative Preferred Share, Series T \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 5.625% Cumulative Preferred Share, Series U \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 5.375% Cumulative Preferred Share, Series V \$.01 par value	New York Stock Exchange
Depository Shares Each Representing 1/1,000 of a 5.200% Cumulative Preferred Share, Series W \$.01 par value	New York Stock Exchange
Common Shares, \$.10 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None (Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Yes ☐ No ☒

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer
☐ Non-accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The aggregate market value of the voting and non-voting common shares held by non-affiliates of the Registrant as of June 30, 2012:

Common Shares, \$0.10 Par Value – \$20,712,158,000 (computed on the basis of \$144.41 per share which was the reported closing sale price of the Company's Common Shares on the New York Stock Exchange on June 30, 2012).

As of February 22, 2013, there were 171,728,085 outstanding Common Shares, \$.10 par value.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement to be filed in connection with the Annual Meeting of Shareholders to be held in 2013 are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent described therein.

PART I

ITEM 1.

Business

Forward Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this document, other than statements of historical fact, are forward-looking statements which may be identified by the use of the words "expects," "believes," "anticipates," "plans," "would," "should," "may," "estimates" and similar expressions.

These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which may cause our actual results and performance to be materially different from those expressed or implied in the forward-looking statements. Factors and risks that may impact our future results and performance include, but are not limited to, those described in Item 1A, "Risk Factors" and in our other filings with the Securities and Exchange Commission ("SEC") including:

- general risks associated with the ownership and operation of real estate, including changes in demand, risks related to development of self-storage facilities, potential liability for environmental contamination, natural disasters and adverse changes in laws and regulations governing property tax, real estate and zoning;
 - risks associated with downturns in the national and local economies in the markets in which we operate, including risks related to current economic conditions and the economic health of our tenants;
- the impact of competition from new and existing self-storage and commercial facilities and other storage alternatives;
- difficulties in our ability to successfully evaluate, finance, integrate into our existing operations, and manage acquired and developed properties;
- risks associated with international operations including, but not limited to, unfavorable foreign currency rate fluctuations, refinancing risk of affiliate loans from us, and local and global economic uncertainty that could adversely affect our earnings and cash flows;
 - risks related to our participation in joint ventures;
- the impact of the regulatory environment as well as national, state, and local laws and regulations including, without limitation, those governing environmental, taxes and tenant insurance matters and real estate investment trusts ("REITs"), and risks related to the impact of new laws and regulations;
- risk of increased tax expense associated either with a possible failure by us to qualify as a REIT, or with challenges to intercompany transactions with our taxable REIT subsidiaries;
- disruptions or shutdowns of our automated processes, systems and the Internet or breaches of our data security;
- risks associated with the self-insurance of certain business risks, including property and casualty insurance, employee health insurance and workers compensation liabilities;

- risks related to the concentration of approximately 20% of our facilities in California;

- difficulties in raising capital at a reasonable cost; and
- economic uncertainty due to the impact of terrorism or war.

These forward looking statements speak only as of the date of this report or as of the dates indicated in the statements. All of our forward-looking statements, including those in this report, are qualified in their entirety by this statement. We expressly disclaim any obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, new estimates, or other factors, events or circumstances after the date of these forward looking statements, except as required by law. Given these risks and uncertainties, you should not rely on any forward-looking statements in this report, or which management may make orally or in writing from time to time, as predictions of future events nor guarantees of future performance.

General

Public Storage was organized in 1980. Effective June 1, 2007, we reorganized Public Storage, Inc. into Public Storage (referred to herein as “the Company”, “the Trust”, “we”, “us”, or “our”), a Maryland real estate investment trust (“REIT”).

At December 31, 2012, our principal business activities are as follows:

- Domestic Self-Storage:** We acquire, develop, own, and operate self-storage facilities which offer storage spaces for lease, generally on a month-to-month basis, for personal and business use. We are the largest owner and operator of self-storage facilities in the United States (“U.S.”). We have direct and indirect equity interests in 2,078 self-storage facilities (132 million net rentable square feet of space) located in 38 states within the U.S. operating under the “Public Storage” brand name.
- European Self-Storage:** We have a 49% equity interest in Shurgard Europe, with an institutional investor owning the remaining 51% interest. Shurgard Europe owns 188 self-storage facilities (10 million net rentable square feet of space) located in seven countries in Western Europe which operate under the “Shurgard” brand name, and manages one facility located in the United Kingdom that we wholly own. We believe Shurgard Europe is the largest owner and operator of self-storage facilities in Western Europe.
- Commercial:** We have a 41% equity interest in PS Business Parks, Inc. (“PSB”), a publicly held REIT which owns and operates 28.3 million net rentable square feet of commercial space. We also wholly-own 1.4 million net rentable square feet of commercial space, substantially all of which is managed by PSB.

We conduct certain other activities that are not reported as separate segments including (i) the reinsurance of policies against losses to goods stored by tenants in our self-storage facilities, (ii) the sale of merchandise at our self-storage facilities and (iii) management of self-storage facilities owned by third-party owners and entities that we have an ownership interest in but are not consolidated.

For all periods presented herein, we have elected to be treated as a REIT, as defined in the Internal Revenue Code. As a REIT, we do not incur federal income tax on our REIT taxable income (generally, net rents and gains from real property, dividends, and interest) that is fully distributed each year (for this purpose, certain distributions paid in a subsequent year may be considered), and if we meet certain organizational and operational rules. We believe we have met these requirements in all periods presented herein, and we expect to continue to elect and qualify as a REIT.

We report annually to the SEC on Form 10-K, which includes financial statements certified by our independent registered public accountants. We have also reported quarterly to the SEC on Form 10-Q, which includes unaudited

financial statements with such filings. We expect to continue such reporting.

On our website, www.publicstorage.com, we make available, free of charge, our Annual Reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after the reports and amendments are electronically filed with or furnished to the SEC.

Competition

We believe that storage customers generally store their goods within a five mile radius of their home or business, and most of our facilities compete with other nearby self-storage facilities for these customers. Our competitors attract customers using the same marketing channels we use, including Internet advertising, yellow pages, signage, and banners. We believe customers usually have many choices among local operators, each who can meet their storage needs, and as a result, competition is significant and affects the occupancy levels, rental rates, rental income and operating expenses of our facilities.

While competition is significant, the self-storage industry remains fragmented in the U.S. We believe that we own approximately 5% of the aggregate self-storage square footage in the U.S., and that collectively the five largest self-storage operators in the U.S. own approximately 11%, with the remaining 89% owned by numerous private regional and local operators. This market fragmentation enhances the advantage of our economies of scale and brand name recognition. Our economies of scale are driven primarily by our concentration in major metropolitan markets; approximately 71% of our same-store revenues for 2012 were in the 20 Metropolitan Statistical Areas (“MSA’s”, as defined by the U.S. Census Bureau) with the highest population levels.

The fragmentation in the self-storage market also provides opportunities for us to acquire additional facilities; however, we compete for these acquisition opportunities with a wide variety of institutions and other investors who also view self-storage facilities as attractive investments. The amount of capital available for real estate investments greatly influences the competition for ownership interests in facilities and, by extension, the yields that we can achieve on newly acquired investments.

Business Attributes

We believe that we possess several primary business attributes that permit us to compete effectively:

Centralized information networks: Our centralized reporting and information network enables us to identify changing market conditions and operating trends as well as analyze customer data, and quickly change each of our individual properties’ pricing and promotional discounting on an automated basis.

Convenient shopping experience: Customers can conveniently shop the space available at our facilities, reviewing attributes such as facility location, size, amenities such as climate-control, as well as pricing, and learn about ancillary businesses through the following marketing channels:

- **Our Website:** The online marketing channel continues to grow in prominence, with approximately 47% of our move-ins in 2012 sourced through our website, as compared to 36% in 2010. In addition, we believe that many of our customers who directly call our call center, or who move-in to a facility on a walk-in basis, have often already reviewed our pricing and space availability through our website. We invest extensively in advertising on the Internet to attract potential customers, primarily through the use of search engines, and we regularly update and improve our website to enhance its productivity.
- **Our Call Center:** Our call center is staffed by sales specialists who are trained in phone selling skills. Customers reach our call center by calling i) our advertised toll-free telephone referral number, (800) 44-STORE, ii) an

individual storage location's telephone number advertised on each sign of our storage facilities, or iii) telephone numbers provided on our website. We believe giving customers the option to interact with a call center agent, despite the higher marginal cost relative to an internet reservation, enhances our ability to close sales with potential storage customers.

- **Walk-In:** Customers can also shop at any one of our facilities. Property managers access the same information that is available on our website and to our call center agents, and can inform the customer of storage alternatives at that site or our other nearby storage facilities. Property managers are extensively trained to maximize the conversion of such “walk in” shoppers into customers.

Economies of scale: We are the largest provider of self-storage space in the U.S. As of December 31, 2012, we operated 2,078 self-storage facilities in which we had an interest with over one million self-storage spaces rented. These facilities are generally located in major markets within 38 states in the U.S. The size and scope of our operations have enabled us to achieve high operating margins and a low level of administrative costs relative to revenues through the centralization of many functions, such as facility maintenance, employee compensation and benefits programs, revenue management, as well as the development and documentation of standardized operating procedures. We also believe that our major market concentration provides managerial efficiencies stemming from having a large number of facilities in close proximity to each other.

Our market share and concentration in major metropolitan centers makes various promotional and media programs more cost-beneficial for us than for our competitors. As noted above, approximately 71% of our same-store revenues for 2012 were in the 20 MSA’s with the highest population levels. Our large market share and well-recognized brand name increases the likelihood that our facilities will appear prominently in unpaid search results for “self-storage” in Google and other search engines, and enhances the efficiency of our bidding for paid multiple-keyword advertising. We can use television advertising in many markets, while most of our competitors cannot do so cost-effectively.

Brand name recognition: We believe that the “Public Storage” brand name is the most recognized and established name in the self-storage industry in the U.S, due to our national reach in major markets in 38 states, and our highly visible facilities, with their distinct orange colored doors and signage, that are located principally in heavily populated areas. We believe the “Public Storage” name is one of the most frequently used search terms used by customers using Internet search engines for self-storage. We believe that the “Shurgard” brand, used by Shurgard Europe, is a similarly established and valuable brand in Europe. We believe that the awareness of our brand name results in a high percentage of potential storage customers considering our facilities, relative to other operators.

Growth and Investment Strategies

Our growth strategies consist of: (i) improving the operating performance of our existing self-storage facilities, (ii) acquiring more facilities, (iii) developing new self-storage space, (iv) participating in the growth of commercial facilities, primarily through our investment in PSB, and (v) participating in the growth of Shurgard Europe. While our long-term strategy includes each of these elements, in the short run the level of growth in our asset base in any period is dependent upon the cost and availability of capital, as well as the relative attractiveness of investment alternatives.

Improve the operating performance of existing facilities: We seek to increase the net cash flow generated by our existing self-storage facilities by a) regularly analyzing our call volume, reservation activity, move-in/move-out rates and other market supply and demand factors and responding by adjusting our marketing activities and rental rates, b) attempting to maximize revenues through evaluating the appropriate balance between occupancy, rental rates, and promotional discounting and c) controlling operating costs. We believe that our property management personnel, systems, our convenient shopping options for the customer, and our media advertising programs will continue to enhance our ability to meet these goals.

Acquire properties owned or operated by others in the U.S.: We seek to capitalize on the fragmentation of the self-storage business through acquiring attractively priced, well-located existing self-storage facilities. We believe our presence in and knowledge of substantially all of the major markets in the U.S. enhances our ability to identify attractive acquisition opportunities. Data on the rental rates and occupancy levels of our existing facilities provide us an advantage in evaluating the potential of acquisition opportunities. Over the past three years, we have acquired 77 facilities from third parties (5.5 million net rentable square feet) for approximately \$546 million, including 24 facilities (1.9 million net rentable square feet) for approximately \$226 million in 2012. The level of third-party acquisition opportunities available depends upon many factors, such as the motivation of potential sellers to liquidate their investments as well as the financing available to self-storage owners. We decide whether to pursue any such acquisition opportunities based upon many factors including our opinion as to the potential for future growth, the quality of construction and location, and our yield expectations. We will continue to seek to acquire properties in 2013.

Develop new self-storage space: The development of new self-storage locations and the expansion of existing self-storage facilities has been, from time to time, an important source of growth. Over the past three years our development activities were minimal. We have recently expanded our development efforts due in part to the significant increase in prices being paid for existing facilities, in many cases well above the cost of developing new facilities. At December 31, 2012, we had a development pipeline of projects to expand existing self-storage facilities and develop new self-storage facilities, which will add approximately 1.3 million net rentable square feet of self-storage space. The aggregate cost of these projects is estimated at \$169 million, of which \$36 million had been incurred at December 31, 2012, and the remaining costs will be incurred principally in 2013. Some of these projects are subject to significant contingencies such as entitlement approval. We expect to continue to seek additional development projects and have hired additional personnel; however, due to the difficulty in finding projects that meet our risk-adjusted yield expectations, as well as the difficulty in obtaining building permits for self-storage activities in certain municipalities, it is uncertain as to how much additional development we will undertake in the future.

Participate in the growth of commercial facilities primarily through our ownership in PS Business Parks, Inc.: Our investment in PSB provides us diversification into another asset type, and we have no plans of disposing of our investment in PSB. During 2010 and 2011, the challenging economic trends in commercial real estate resulted in year over year decreases in rental income for PSB's "Same Park" facilities. During 2012, economic trends have improved, and PSB's "Same Park" facilities had growth in rental income. It is uncertain what impact these trends will have on PSB's future occupancy levels and rental income.

Over the past three years, PSB has been able to grow its portfolio through acquisitions. In 2010 and 2011, PSB acquired an aggregate total of 7.9 million net rentable square feet of commercial space for an aggregate purchase price of approximately \$855.2 million, and in 2012, PSB acquired 1.2 million net rentable square feet for an aggregate purchase price of \$52.5 million. PSB is a stand-alone public company traded on the New York Stock Exchange. As of December 31, 2012, PSB owned and operated approximately 28.3 million net rentable square feet of commercial space, and had an enterprise value of approximately \$3.4 billion (based upon the trading price of PSB's common stock combined with the liquidation value of its debt and preferred stock as of December 31, 2012).

Participate in the growth of European self-storage through ownership in Shurgard Europe: Shurgard Europe is the largest self-storage company in Western Europe, and owns and operates 188 facilities with approximately 10 million net rentable square feet in seven countries: France (principally Paris), Sweden (principally Stockholm), the United Kingdom (principally London), the Netherlands, Denmark (principally Copenhagen), Belgium and Germany. We own 49% of Shurgard Europe, with the other 51% owned by a large U.S. institutional investor.

Customer awareness and availability of self-storage is significantly lower in Shurgard Europe's markets than in the U.S. With more awareness and product supply, we believe there is potential for increased demand for storage space in Europe. In the long run, we believe Shurgard Europe could capitalize on potential increased demand through the development of new facilities or, to a lesser extent, acquiring existing facilities.

Shurgard Europe has a term loan from a bank (the "Bank Loan") with a balance of approximately €159.5 million (\$210.8 million) at December 31, 2012, which matures in November 2014. Shurgard Europe also has a loan due to us totaling €311.0 million (\$411.0 million) at December 31, 2012, which matures in February 2015. The Bank Loan requires Shurgard Europe to utilize a significant amount of its operating cash flow to reduce the outstanding principal. As a result, and in the absence of additional capital contributions by either us or our joint venture partner, Shurgard Europe's ability to finance new investments will be constrained until its debt is refinanced.

Financing of the Company's Growth Strategies

Overview of financing strategy: We have historically financed our investment activities with permanent capital, predominantly retained cash flow, the net proceeds from the issuance of preferred securities and common shares. Since we rarely dispose of our investments, we believe that financing with substantially permanent capital properly matches our long-lived real estate assets and avoids future refinancing risk. Further, we have elected to use preferred securities as a form of leverage despite the fact that the dividend rates of our preferred securities exceed the prevailing market interest rates on conventional debt, because of certain benefits described in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources." Our present intention is to continue to finance substantially all our growth with internally generated cash flows and permanent capital. We believe that we are not dependent upon raising capital to fund our ongoing operations or meet our obligations. However, in order to grow our asset base, access to capital is important.

Issuance of preferred and common securities: When seeking capital, we generally select the lowest-cost form of permanent capital which is dependent on market conditions. During periods of favorable market conditions, we have generally been able to raise capital from preferred securities at an attractive cost of capital relative to the issuance of our common shares. During the years ended December 31, 2012 and 2011, we issued approximately \$1.7 billion and \$862.5 million, respectively, of preferred securities, and on January 16, 2013, we issued another \$500.0 million of preferred securities. In December 2012, we raised approximately \$101 million from the sale of Public Storage common shares owned by a wholly-owned subsidiary, which will enable that subsidiary to efficiently liquidate.

Borrowing on Line of Credit: We have in the past used our \$300 million revolving line of credit as temporary "bridge" financing, and repaid borrowings with permanent capital. Most recently, on December 27, 2012, we borrowed \$133.0 million on our line of credit to fund a portion of cash redemption costs for preferred securities, and on January 16, 2013 all outstanding amounts were repaid following the issuance of preferred securities.

Borrowing through mortgage loans or senior debt: While it is not our present intention to issue additional debt as a long-term financing strategy, we have broad powers to borrow in furtherance of our objectives without a vote of our shareholders. These powers are subject to a limitation on unsecured borrowings in our Bylaws described in "Limitations on Debt" below.

Our senior debt has an "A" credit rating by Standard and Poor's. Notwithstanding our desire to continue to meet our capital needs with permanent capital, this high rating, combined with our low level of debt, could allow us to issue a significant amount of unsecured debt at lower interest rates than the coupon on preferred securities if we were to choose to do so.

Assumption of Debt: When we have assumed debt in the past, we have generally prepaid such amounts except in cases where the nature of the loan terms did not allow such prepayment, or where a prepayment penalty made it economically disadvantageous to prepay. Substantially all of our debt outstanding was assumed in connection with real estate acquisitions.

Issuance of securities in exchange for property: We have issued both our common and preferred securities in exchange for real estate and other investments in the past. Future issuances will be dependent upon our financing needs and capital market conditions at the time, including the market prices of our equity securities.

Joint Venture financing: In the past, we have formed joint ventures, and in the future we may form additional joint ventures to facilitate the funding of future developments or acquisitions. However, we can generally issue preferred securities on more favorable terms than joint venture financing.

Disposition of properties: Generally, we have disposed of self-storage facilities only when compelled to do so through condemnation proceedings. We do not presently intend to sell any significant number of self-storage facilities in the future, though there can be no assurance that we will not.

Investments in Real Estate and Unconsolidated Real Estate Entities

Investment Policies and Practices with respect to our investments: Following are our investment practices and policies which, though we do not anticipate any significant alteration, can be changed by our Board of Trustees without a shareholder vote:

- Our investments primarily consist of direct ownership of self-storage facilities (the nature of our self-storage facilities is described in Item 2, “Properties”), as well as partial interests in entities that own self-storage facilities.
- Our partial ownership interests primarily reflect general and limited partnership interests in entities that own self-storage facilities that are managed by us under the “Public Storage” brand name in the U.S., as well as storage facilities managed in Europe under the “Shurgard” brand name which are owned by Shurgard Europe.
- Additional acquired interests in real estate (other than the acquisition of properties from third parties) will include common equity interests in entities in which we already have an interest.
- To a lesser extent, we have interests in existing commercial properties (described in Item 2, “Properties”), containing commercial and industrial rental space, primarily through our investment in PSB.

Facilities Owned by Subsidiaries

In addition to our direct ownership of 2,049 self-storage facilities in the U.S. and one self-storage facility in London, England at December 31, 2012, we have controlling indirect interests in entities that own 15 self-storage facilities in the U.S. with approximately one million net rentable square feet. Due to our controlling interest in each of these entities, we consolidate the assets, liabilities, and results of operations of these entities in our financial statements.

Facilities Owned by Unconsolidated Real Estate Entities

At December 31, 2012, we had ownership interests in entities that we do not control or consolidate, comprised of PSB, Shurgard Europe (discussed above), and various limited partnerships that own an aggregate of 14 self-storage facilities with approximately 0.8 million net rentable square feet of storage space. These entities are referred to collectively as the “Unconsolidated Real Estate Entities.”

PSB, which files financial statements with the SEC, and Shurgard Europe, have debt and other obligations that we do not consolidate in our financial statements. None of the other Unconsolidated Real Estate Entities have significant amounts of debt or other obligations. See Note 4 to our December 31, 2012 financial statements for further disclosure regarding the assets, liabilities and operating results of the Unconsolidated Real Estate Entities.

Limitations on Debt

Without the consent of holders of the various series of Senior Preferred Shares, we may not take any action that would result in our “Debt Ratio” exceeding 50%. “Debt Ratio”, as defined in the related governing documents, represents generally the ratio of debt to total assets before accumulated depreciation and amortization on our balance sheet, in accordance with U.S. generally accepted accounting principles. As of December 31, 2012, the Debt Ratio was approximately 4%.

Our bank and senior unsecured debt agreements contain various customary financial covenants, including limitations on the level of indebtedness and the prohibition of the payment of dividends upon the occurrence of defined events of default. We believe we have met each of these covenants as of December 31, 2012.

Employees

We have approximately 5,000 employees in the U.S. at December 31, 2012 who render services on behalf of the Company, primarily personnel engaged in property operations.

Seasonality

We experience minor seasonal fluctuations in the occupancy levels of self-storage facilities with occupancies generally higher in the summer months than in the winter months. We believe that these fluctuations result in part from increased moving activity during the summer months.

Insurance

We have historically carried customary property, earthquake, general liability, medical insurance provided to our employees, and workers compensation coverage through internationally recognized insurance carriers, subject to customary levels of deductibles. The aggregate limits on these policies of approximately \$75 million for property losses and \$102 million for general liability losses are higher than estimates of maximum probable loss that could occur from individual catastrophic events determined in recent engineering and actuarial studies; however, in case of multiple catastrophic events, these limits could be exhausted.

Our tenant insurance program reinsures a program that provides insurance to certificate holders against claims for property losses due to specific named perils (earthquakes are not covered by these policies) to goods stored by tenants at our self-storage facilities for individual limits up to a maximum of \$5,000. We have third-party insurance coverage for claims paid exceeding \$5.0 million resulting from any one individual event, to a limit of \$15.0 million. At December 31, 2012, there were approximately 700,000 certificate holders held by our self-storage tenants participating in this program, representing aggregate coverage of approximately \$1.5 billion. We rely on a third-party insurance company to provide the insurance and are subject to licensing requirements and regulations in several states.

ITEM 1A. Risk Factors

In addition to the other information in our Annual Report on Form 10-K, you should consider the risks described below that we believe may be material to investors in evaluating the Company. This section contains forward-looking statements, and in considering these statements, you should refer to the qualifications and limitations on our forward-looking statements that are described in Forward Looking Statements at the beginning of Item 1.

We have significant exposure to real estate risk.

Since our business consists primarily of acquiring and operating real estate, we are subject to the risks related to the ownership and operation of real estate that can adversely impact our business and financial condition. These risks include the following:

Natural disasters or terrorist attacks could cause damage to our facilities, resulting in increased costs and reduced revenues. Natural disasters, such as earthquakes, hurricanes and floods, or terrorist attacks could cause significant damage and require significant repair costs, and make facilities temporarily uninhabitable, reducing our revenues. Damage and business interruption losses could exceed the aggregate limits of our insurance coverage. In addition, because we self-insure a portion of our risks, losses below a certain level may not be covered by insurance. See Note 13 to our December 31, 2012 financial statements for a description of the risks of losses that are not covered by third-party insurance contracts. We may not have sufficient insurance coverage for losses caused by a terrorist attack, or such insurance may not be maintained, available or cost-effective. In addition, significant natural disasters, terrorist attacks, threats of future terrorist attacks, or resulting wider armed conflicts could have negative impacts on the U.S. economy, reducing storage demand and impairing our operating results.

Operating costs could increase. We could be subject to increases in insurance premiums, increased or new property tax assessments or other taxes, repair and maintenance costs, payroll, utility costs, workers compensation, and other operating expenses due to various factors such as inflation, labor shortages, commodity and energy price increases.

The acquisition of existing properties is subject to risks that may adversely affect our growth and financial results. We have acquired material amounts of self-storage facilities from third parties in the past, and we expect to continue to do so in the future. We face significant competition for suitable acquisition properties from other real estate investors. As a result, we may be unable to acquire additional properties we desire or the purchase price for desirable properties may be significantly increased. Failures or unexpected circumstances in integrating newly acquired properties into our operations or circumstances we did not detect during due diligence, such as environmental matters, needed repairs or deferred maintenance, or the effects of increased property tax following reassessment of a newly-acquired property, as well as the general risks of real estate investment, could jeopardize realization of the anticipated earnings from an acquisition.

Development of self-storage facilities can subject us to risks. At December 31, 2012, we have a pipeline of development projects totaling \$169 million (subject to contingencies), and we expect to continue to seek additional development projects. There are significant risks involved in developing self-storage facilities, such as delays or cost increases due to changes in or failure to meet government or regulatory requirements, weather issues, unforeseen site conditions, or personnel problems. Self-storage space is generally not pre-leased, and rent-up of newly developed space can be delayed or ongoing cash flow yields can be reduced due to competition, reductions in storage demand, or other factors.

There is significant competition among self-storage facilities and from other storage alternatives. Most of our properties are self-storage facilities, which generated most of our revenue for the year ended December 31,

2012. Competition in the local market areas in which many of our properties are located is significant and has affected our occupancy levels, rental rates and operating expenses. If development of self-storage facilities by other operators were to increase, due to increases in availability of funds for investment or other reasons, competition with our facilities could intensify.

We may incur significant liabilities from hazardous wastes or moisture infiltration. Existing or future laws impose or may impose liability on us to clean up environmental contamination on or around properties that we currently or previously owned or operated, even if we weren't responsible for or aware of the environmental contamination or even if such environmental contamination occurred prior to our involvement with the property. We have conducted preliminary environmental assessments on most of our properties, which have not identified material liabilities. These assessments, commonly referred to as "Phase 1 Environmental Assessments," include an investigation (excluding soil or groundwater sampling or analysis) and a review of publicly available information regarding the site and other nearby properties.

We are also subject to potential liability relating to moisture infiltration, which can result in mold or other damage to our or our tenants' property, as well as potential health concerns. When we receive a complaint or otherwise become aware that an air quality concern exists, we implement corrective measures and seek to work proactively with our tenants to resolve issues, subject to our contractual limitations on liability for such claims.

We are not aware of any hazardous waste or moisture infiltration related liabilities that could be material to our overall business, financial condition, or results of operation. However, we may not have detected all material liabilities, we could acquire properties with material undetected liabilities, or new conditions could arise or develop in the future. Settling any such liabilities could negatively impact our earnings and cash available for distribution to shareholders, and could also adversely affect our ability to sell, lease, operate, or encumber affected facilities.

We incur liability from tenant and employment-related claims. From time to time we have to make monetary settlements or defend actions or arbitration (including class actions) to resolve tenant or employment-related claims and disputes.

Economic conditions can adversely affect our business, financial condition, growth and access to capital.

Our revenues and operating cash flow can be negatively impacted by reductions in employment and population levels, household and disposable income, and other general economic factors that lead to a reduction in demand for rental space in each of the markets in which we operate our properties.

Our ability to issue preferred shares or access other sources of capital, such as borrowing, has been in the past, and may in the future be, adversely affected by challenging credit market conditions. The issuance of perpetual preferred securities historically has been a significant source of capital to grow our business. We believe that we have sufficient working capital and capacity under our credit facilities and our retained cash flow from operations to continue to operate our business as usual and meet our current obligations. However, if we were unable to issue preferred shares or borrow at reasonable rates, prospective earnings growth through expanding our asset base would be limited.

We have exposure to European operations through our ownership in Shurgard Europe.

As a result of our ownership of 49% of the equity in Shurgard Europe with a book value of \$411.1 million at December 31, 2012, and our loan to Shurgard Europe totaling \$411.0 million at December 31, 2012, we are exposed to additional risks related to the ownership and operation of international businesses that may adversely impact our business and financial results, including the following:

- Currency risks: Currency fluctuations can impact the fair value of our investment in, and loan to Shurgard Europe, as well as the related income we receive.
-

Legislative, tax, and regulatory risks: We are subject to complex foreign laws and regulations related to permitting and land use, the environment, labor, and other areas, as well as income, property, sales, value added and employment tax laws. These laws can be difficult to apply or interpret and can vary in each country or locality, and are subject to unexpected changes in their form and application due to regional, national, or local political uncertainty and other factors. Such changes, or Shurgard's failure to comply with these laws, could subject it to penalties or other sanctions, adverse changes in business processes, as well as potentially adverse income tax, property tax, or other tax burdens.

- Impediments to capital repatriation could negatively impact the realization of our investment in Shurgard Europe: Laws in Europe and the U.S. may create, impede or increase the cost to Public Storage of, repatriation of funds we have invested in Shurgard Europe or our share of Shurgard Europe's earnings.
- Risks of collective bargaining and intellectual property: Collective bargaining, which is prevalent in certain areas in Europe, could negatively impact Shurgard Europe's labor costs or operations.
- Potential operating and individual country risks: Economic slowdowns or extraordinary political or social change in the countries in which it operates could pose challenges or result in future reductions of Shurgard Europe's same-store revenues.
- Impediments of Shurgard Europe's joint venture structure: Shurgard Europe's significant decisions, involving activities such as borrowing money, capital contributions, raising capital from third parties, as well as selling or acquiring significant assets, require the consent of our joint venture partner. As a result, Shurgard Europe may be precluded from taking advantage of opportunities that we would find attractive. In addition, we could be unable to separately pursue such opportunities due to certain market exclusivity provisions of the Shurgard Europe joint venture agreement, and our 49% equity investment may not be easily sold or readily accepted as collateral by potential lenders to Public Storage due to the joint venture structure.
- Refinancing risks: Shurgard Europe has a loan due to a bank (the "Bank Loan"), maturing in November 2014, totaling \$210.8 million (€159.5 million), and a loan due to us, maturing in February 2015, totaling \$411.0 million at December 31, 2012. As a condition of the Bank Loan, Shurgard Europe must use most of its available cash flow to make principal payments on the Bank Loan. As a result, the Bank Loan will be paid down and mature before ours, increasing the risk of nonpayment or default on our loan. In addition, if Shurgard Europe cannot refinance its debt upon maturity due to a constrained credit market, negative operating trends, or other factors, it may not be able to pay either the Bank Loan or our loan when due and the value of our equity investment could be negatively impacted. We may also be forced to pursue less advantageous options, such as an additional equity contribution or loan, extending the maturity date of our loan, or exercising our lender rights.

The Hughes Family could control us and take actions adverse to other shareholders.

At December 31, 2012, B. Wayne Hughes, our former Chairman, and his family, which includes two members of the board of trustees (the "Hughes Family") owned approximately 15.9% of our aggregate outstanding common shares. Our declaration of trust permits the Hughes Family to own up to 35.66% of our outstanding common shares while it generally restricts the ownership by other persons and entities to 3% of our outstanding common shares. Consequently, the Hughes Family may significantly influence matters submitted to a vote of our shareholders, including electing trustees, amending our organizational documents, dissolving and approving other extraordinary transactions, such as a takeover attempt, resulting in an outcome that may not be favorable to other shareholders.

Takeover attempts or changes in control could be thwarted, even if beneficial to shareholders.

In certain circumstances, shareholders might desire a change of control or acquisition of us, in order to realize a premium over the then-prevailing market price of our shares or for other reasons. However, the following could prevent, deter, or delay such a transaction:

- Provisions of Maryland law may impose limitations that may make it more difficult for a third party to negotiate or effect a business combination transaction or control share acquisition with Public Storage. Currently, the Board has opted not to subject the Company to these provisions of Maryland law, but it could choose to do so in the future without shareholder approval.
- To protect against the loss of our REIT status due to concentration of ownership levels, our declaration of trust generally limits the ability of a person, other than the Hughes Family or “designated investment entities” (each as defined in our declaration of trust), to own, actually or constructively, more than 3% of our outstanding common shares or 9.9% of the outstanding shares of any class or series of preferred or equity shares, in either case unless a specific exemption is granted by our board of trustees. These limits could discourage, delay or prevent a transaction involving a change in control of our company not approved by our board of trustees.
- Similarly, current provisions of our declaration of trust and powers of our Board of Trustees could have the same effect, including (1) limitations on removal of trustees in our declaration of trust, (2) restrictions on the acquisition of our shares of beneficial interest, (3) the power to issue additional common shares, preferred shares or equity shares on terms approved by the Board without obtaining shareholder approval, (4) the advance notice provisions of our bylaws and (5) the Board’s ability under Maryland law, without obtaining shareholder approval, to implement takeover defenses that we may not yet have and to take, or refrain from taking, other actions that could have the effect of delaying, deterring or preventing a transaction or a change in control.

If we failed to qualify as a REIT, we would have to pay substantial income taxes.

REITs are subject to a range of complex organizational and operational requirements. A qualifying REIT does not generally incur federal income tax on its net income that is distributed to its shareholders. Our REIT status is also dependent upon the ongoing REIT qualification of our affiliate, PSB, as a REIT, as a result of our substantial ownership interest in that company. We believe that we are organized and have operated as a REIT and we intend to continue to operate to maintain our REIT status.

There can be no assurance that we qualify or will continue to qualify as a REIT. The highly technical nature of the REIT rules, the ongoing importance of factual determinations, the possibility of unidentified issues in prior periods or changes in our circumstances, all could adversely affect our ability to comply. For any taxable year that we fail to qualify as a REIT and statutory relief provisions did not apply, we would be taxed at the regular federal corporate rates on all of our taxable income and we also could be subject to penalties and interest. We would generally not be eligible to seek REIT status again until the fifth taxable year after the first year of failure to qualify. Any taxes, interest and penalties incurred would reduce the amount of cash available for distribution to our shareholders or for reinvestment and would adversely affect our earnings, which could have a material adverse effect.

We may pay some taxes, reducing cash available for shareholders.

Even if we qualify as a REIT for federal income tax purposes, we may be subject to some federal, foreign, state and local taxes on our income and property. Since January 1, 2001, certain corporate subsidiaries of the Company have elected to be treated as “taxable REIT subsidiaries” for federal income tax purposes, and are taxable as regular

corporations and subject to certain limitations on intercompany transactions. If tax authorities determine that amounts paid by our taxable REIT subsidiaries to us are greater than what would be paid under similar arrangements among unrelated parties, we could be subject to a 100% penalty tax on the excess payments, and ongoing intercompany arrangements could have to change, resulting in higher ongoing tax payments. To the extent the Company is required to pay federal, foreign, state or local taxes or federal penalty taxes, we will have less cash available for distribution to shareholders.

We are heavily dependent on computer systems, telecommunications and the Internet to process transactions, summarize results and manage our business and security breaches or a failure of such networks, systems or technology could adversely impact our business and customer relationships.

We are heavily dependent upon automated information technology and Internet commerce, with approximately half of our new tenants coming from the telephone or over the Internet, and the nature of our business involves the receipt and retention of personal information about our customers. We centrally manage significant components of our operations with our computer systems, including our financial information, and we also rely extensively on third-party vendors to retain data, process transactions and provide other systems services. These systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer worms, viruses and other destructive or disruptive security breaches and catastrophic events.

As a result, our operations could be severely impacted by a natural disaster, terrorist attack or other circumstance that resulted in a significant outage at our systems or those of our third party providers, despite our use of back up and redundancy measures. Further, viruses and other related risks could negatively impact our information technology processes. We could also be subject to a “cyber-attack” or other data security breach which would penetrate our network security, resulting in misappropriation of our confidential information, including customer personal information. System disruptions and shutdowns could also result in additional costs to repair or replace such networks or information systems and possible legal liability, including government enforcement actions and private litigation. In addition, our customers could lose confidence in our ability to protect their personal information, which could cause them to discontinue leasing our self-storage facilities. Such events could lead to lost future sales and adversely affect our results of operations.

We have no ownership interest in Canadian self-storage facilities owned or operated by the Hughes Family.

At December 31, 2012, the Hughes Family had ownership interests in, and operated, 53 self-storage facilities in Canada (the “Canadian Self-Storage Facilities”). These facilities are operated under the “Public Storage” tradename, which we license to the Hughes Family for use in Canada on a royalty-free, non-exclusive basis. We have a right of first refusal, subject to limitations, to acquire the stock or assets of the corporation engaged in the operation of the Canadian Self-Storage Facilities if the Hughes Family or the corporation agrees to sell them. However, we do not benefit from profits or potential appreciation in value of the Canadian Self-Storage Facilities because we have no ownership interest in these facilities. We do not operate in the Canadian self-storage market, and have no plans to do so. However, if we choose to do so without acquiring the Hughes Family interests in the Canadian Self-Storage Facilities, we may have to share the use of the “Public Storage” name in Canada with the Hughes Family, unless we are able to terminate the license agreement.

Through our subsidiaries, we reinsure risks relating to loss of goods stored by tenants in the Canadian Self-Storage Facilities. During each of the three years ended December 31, 2012, we received \$0.6 million in reinsurance premiums attributable to the Canadian Self-Storage Facilities. Because our right to earn these premiums may be qualified, there is no assurance that these premiums will continue.

We are subject to laws and governmental regulations and actions that require us to incur compliance costs affecting our operating results and financial condition.

Our business is subject to regulation under a wide variety of U.S. federal, state and local laws, regulations and policies including those imposed by the SEC, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act and New York Stock Exchange, as well as applicable labor laws. Although we have policies and procedures designed to comply with applicable laws and regulations, failure to comply with the various laws and

regulations may result in civil and criminal liability, fines and penalties, increased costs of compliance, restatement of our financial statements and could also affect the marketability of our real estate facilities.

The Patient Protection and Affordable Care Act as well as other healthcare reform legislation recently passed or being considered by Congress and state legislatures (collectively, the “Healthcare Legislation”) are expected to impact our business beginning in 2014. Based on its current form, we believe that the Healthcare Legislation will at least moderately increase our costs; however, there could be a significant further negative impact to our costs and business depending upon how the various governmental agencies design and implement the specific regulations to implement the Patient Protection and Affordable Care Act, the nature of further legislation that may be passed at the national and local level, and other factors.

In response to current economic conditions or the current political environment or otherwise, laws and regulations could be implemented or changed in ways that adversely affect our operating results and financial condition, such as legislation that could facilitate union activity or that would otherwise increase operating costs.

All our properties must comply with the Americans with Disabilities Act and with related regulations and similar state law requirements, as well as various real estate and zoning laws and regulations, which are subject to change and could become more costly to comply with in the future. Compliance with these requirements can require us to incur significant expenditures, which would reduce cash otherwise available for distribution to shareholders. A failure to comply with these laws could lead to fines or possible awards of damages to individuals affected by the non-compliance. Failure to comply with these requirements could also affect the marketability of our real estate facilities.

Our tenant insurance business is subject to governmental regulation which could reduce our profitability or limit our growth.

We hold Limited Lines Self-Service Storage Insurance Agent licenses from a number of individual state Departments of Insurance and are subject to state governmental regulation and supervision. Our continued ability to maintain these Limited Lines Self-Service Storage Insurance Agent licenses in the jurisdictions in which we are licensed depends on our compliance with related rules and regulations. The regulatory authorities in each jurisdiction generally have broad discretion to grant, renew and revoke licenses and approvals, to promulgate, interpret, and implement regulations, and to evaluate compliance with regulations through periodic examinations, audits and investigations of the affairs of insurance agents. As a result of regulatory or private action in any jurisdiction, we may be temporarily or permanently suspended from continuing some or all of our reinsurance activities, or otherwise fined or penalized or suffer an adverse judgment. For the year ended December 31, 2012, we recorded a total of \$63.5 million in net income from our tenant reinsurance activities.

Developments in California may have an adverse impact on our business and financial results.

Approximately one fifth of our U.S. properties, and our corporate headquarters, are located in California. California is facing budgetary problems and deficits. Actions that may be taken in response to these problems, such as increases in property taxes, changes to sales taxes, adoption of a proposed “Business Net Receipts Tax” or other governmental efforts to raise revenues, could adversely impact our business and results of operations. There has been legislative discussion regarding the repeal of certain components of “Proposition 13,” which, if so repealed, could result in a substantial increase in our property tax expense.

ITEM 1B. Unresolved Staff Comments

None.

17

ITEM 2. Properties

At December 31, 2012, we had direct and indirect ownership interests in 2,078 self-storage facilities located in 38 states within the U.S. and 189 storage facilities located in seven Western European nations:

	At December 31, 2012	
	Number of Storage Facilities (a)	Net Rentable Square Feet (in thousands)
U.S.:		
California:		
Southern	241	16,904
Northern	173	10,198
Texas	237	15,687
Florida	199	13,128
Illinois	126	7,904
Georgia	95	6,196
Washington	91	6,028
North Carolina	68	4,704
Virginia	78	4,471
New York	65	4,318
Colorado	59	3,713
New Jersey	56	3,549
Maryland	57	3,404
Minnesota	43	2,931
Michigan	43	2,755
Arizona	38	2,314
South Carolina	40	2,155
Missouri	37	2,136
Oregon	39	2,006
Pennsylvania	29	1,993
Indiana	31	1,926
Ohio	31	1,922
Nevada	27	1,818
Tennessee	27	1,528
Kansas	22	1,310
Massachusetts	20	1,249
Wisconsin	15	968
Other states (12 states)	91	5,154
Total – U.S.	2,078	132,369
Europe (b):		
France	56	2,949
Netherlands	40	2,182
Sweden	30	1,629
Belgium	21	1,265
United Kingdom	21	1,026

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Denmark	10	562
Germany	11	553
Total - Europe	189	10,166
Grand Total	2,267	142,535

(a) See Schedule III: Real Estate and Accumulated Depreciation in the Company's 2012 financials, for a complete list of properties consolidated by the Company.

(b) The facilities located in Europe include one facility in the United Kingdom that we wholly own, as well as the facilities owned by Shurgard Europe.

We seek to maximize our facilities' cash flow through the regular review and adjustment of rents charged to our existing and new incoming tenants, and controlling expenses. For the year ended December 31, 2012, the weighted average occupancy level and the average realized rent per occupied square foot for our self-storage facilities were approximately 91.5% and \$13.54, respectively, in the U.S. and 80.7% and \$26.23, respectively, in Europe.

At December 31, 2012, 64 of our U.S. facilities were encumbered by an aggregate of \$149 million in secured notes payable. These facilities had a net book value of \$344 million at December 31, 2012.

We have no specific policy as to the maximum size of any one particular self-storage facility. However, none of our facilities involves, or is expected to involve, 1% or more of our total assets, gross revenues or net income.

Description of Self-Storage Facilities: Self-storage facilities, which comprise the majority of our investments, are designed to offer accessible storage space for personal and business use at a relatively low cost. A user rents a fully enclosed space, securing the space with their lock, which is for the user's exclusive use and to which only the user has access on an unrestricted basis during business hours. On-site operation is the responsibility of property managers who are supervised by district managers. Some self-storage facilities also include rentable uncovered parking areas for vehicle storage. Storage spaces are rented on a month-to-month basis. Rental rates vary according to the location of the property, the size of the storage space, and other characteristics that affect the relative attractiveness of each particular space, such as whether the space has "drive-up" access or its proximity to elevators. All of our self-storage facilities in the U.S. are operated under the "Public Storage" brand name, while our facilities in Europe are operated under the "Shurgard" brand name.

Users include individuals from virtually all demographic groups, as well as businesses. Individuals usually obtain this space for storage of furniture, household appliances, personal belongings, motor vehicles, boats, campers, motorcycles and other household goods. Businesses normally employ this space for storage of excess inventory, business records, seasonal goods, equipment and fixtures.

Our self-storage facilities generally consist of between 350 to 750 storage spaces, most of which have between 25 and 400 square feet and an interior height of approximately eight to 12 feet.

We experience minor seasonal fluctuations in the occupancy levels of self-storage facilities with occupancies generally higher in the summer months than in the winter months. We believe that these fluctuations result in part from increased moving activity during the summer months and incremental demand from college students.

Our self-storage facilities are geographically diversified and are located primarily in or near major metropolitan markets in 38 states in the U.S. Generally our self-storage facilities are located in heavily populated areas and close to concentrations of apartment complexes, single family residences and commercial developments.

Competition from other self-storage facilities is significant and impacts the occupancy levels and rental rates for many of our properties.

We believe that self-storage facilities, upon achieving stabilized occupancy levels of approximately 90%, have attractive characteristics consisting of high profit margins, a broad tenant base and low levels of capital expenditures to maintain their condition and appearance. Historically, upon stabilization after an initial fill-up period, our U.S. self-storage facilities have generally shown a high degree of stability in generating cash flows.

Description of Commercial Properties: We have an interest in PSB, which, as of December 31, 2012, owns and operates approximately 28.3 million net rentable square feet of commercial space in eight states. At December 31,

2012, the \$316 million book value and \$852 million market value, respectively, of our investment in PSB represents approximately 4% and 10%, respectively of our total assets. We also directly own 1.4 million net rentable square feet of commercial space managed primarily by PSB, primarily representing individual retail locations at our existing self-storage locations.

The commercial properties owned by PSB consist primarily of flex, multi-tenant office and industrial space. Flex space is defined as buildings that are configured with a combination of office and warehouse space and can be designed to fit a wide variety of uses (including office, assembly, showroom, laboratory, light manufacturing and warehouse space).

Environmental Matters: We accrue environmental assessments and estimated remediation cost when it is probable that such efforts will be required and the related costs can be reasonably estimated. Our current practice is to conduct environmental investigations in connection with property acquisitions. Although there can be no assurance, we are not aware of any environmental contamination of any of our facilities, which individually or in the aggregate would be material to our overall business, financial condition, or results of operations.

ITEM 3. Legal Proceedings

We are a party to various other legal proceedings and subject to various claims and complaints that have arisen in the normal course of business. We believe that the likelihood of these pending legal matters and other contingencies resulting in a material loss to the Company, either individually or in the aggregate, is remote.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

a. Market Information of the Registrant's Common Equity:

Our Common Shares (NYSE: PSA) have been listed on the New York Stock Exchange since October 19, 1984. The following table sets forth the high and low sales prices of our Common Shares on the New York Stock Exchange composite tapes for the applicable periods.

Year	Quarter	Range	
		High	Low
2011	1st	\$113.36	\$99.96
	2nd	120.00	107.21
	3rd	124.81	101.77
	4th	136.67	103.42
2012	1st	141.48	129.04
	2nd	146.49	129.77
	3rd	152.68	137.86
	4th	148.17	135.07

As of February 15, 2013, there were approximately 16,971 holders of record of our Common Shares. Because many of our shares of common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

b. Dividends

We have paid quarterly distributions to our shareholders since 1981, our first full year of operations. During 2012 we paid distributions to our common shareholders of \$1.10 per common share for each of the quarters ended March 31, June 30, September 30 and December 31, representing an aggregate of \$751.2 million or \$4.40 per share. During 2011 we paid distributions to our common shareholders of \$0.80 per common share for the quarter ended March 31 and \$0.95 per common share for each of the quarters ended June 30, September 30 and December 31, representing an aggregate of \$619.7 million or \$3.65 per share. During 2010 we paid distributions to our common shareholders of \$0.65 per common share for the quarter ended March 31 and \$0.80 per common share for each of the quarters ended June 30, September 30 and December 31, representing an aggregate of \$515.3 million or \$3.05 per share.

Holders of common shares are entitled to receive distributions when and if declared by our Board of Trustees out of any funds legally available for that purpose. As a REIT, we do not incur federal income tax on our REIT taxable income (generally, net rents and gains from real property, dividends, and interest) that is fully distributed each year (for this purpose, certain distributions paid in a subsequent year may be considered), and if we meet certain organizational and operational rules. We believe we have met these requirements in all periods presented herein, and we expect to continue to elect and qualify as a REIT.

For Federal income tax purposes, distributions to shareholders are treated as ordinary income, capital gains, return of capital or a combination thereof. For 2012, the dividends paid on common shares (\$4.40 per share) and on all the various classes of preferred shares were classified as follows:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Ordinary Income	100.0000 %	100.0000 %	100.0000 %	100.0000 %
Long-term Capital Gain	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Total	100.0000 %	100.0000 %	100.0000 %	100.0000 %

For 2011, the dividends paid on common shares (\$3.65 per share) and on all the various classes of preferred shares were classified as follows:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Ordinary Income	99.9406 %	100.0000 %	100.0000 %	96.6553 %
Long-term Capital Gain	0.0594 %	0.0000 %	0.0000 %	3.3447 %
Total	100.0000 %	100.0000 %	100.0000 %	100.0000 %

c. Equity Shares

We are authorized to issue 100,000,000 equity shares from time to time in one or more series and our Board of Trustees has broad authority to fix the dividend and distribution rights, conversion and voting rights, redemption provisions and liquidation rights of each series of equity shares.

At December 31, 2009, we had 8,377,193 Equity Shares, Series A outstanding, and on April 15, 2010 we redeemed all these shares at \$24.50 per share for an aggregate redemption amount of \$205.4 million. During the three months ended March 31, 2010, we paid quarterly distributions to the holders of the Equity Shares, Series A totaling \$5.1 million (\$0.6125 per share). No further distributions on Equity Shares, Series A were paid after their April 15, 2010 retirement.

At December 31, 2009, we had 4,289,544 Equity Shares, Series AAA (“Equity AAA Shares”) outstanding with a carrying value of \$100,000,000, all of which were held by a wholly-owned subsidiary and eliminated in consolidation, and we retired all of these shares on August 31, 2010. For each of the quarters ended March 31, 2010 and June 30, 2010, we paid aggregate distributions to the holder of the Equity AAA Shares totaling \$2.3 million or \$0.5391 per share. No further distributions were paid on the Equity AAA Shares after their August 31, 2010 retirement.

d. Common Share Repurchases

Our Board of Trustees has authorized the repurchase from time to time (with no expiration date) of up to 35,000,000 of our common shares on the open market or in privately negotiated transactions. From the inception of the repurchase program through February 25, 2013, we have repurchased a total of 23,721,916 common shares (all purchased prior to 2010) at an aggregate cost of approximately \$679.1 million, and 11,278,084 common shares remain available to purchase under the authorization. Future levels of common share repurchases will be dependent upon our available capital, investment alternatives, and the trading price of our common shares.

e. Preferred Share Redemptions

In addition to the redemption price of \$25.00 per share for all Cumulative Preferred Shares that we redeemed during 2012, we also paid accrued and unpaid dividends for such shares up to their respective redemption dates. The following table presents monthly information related to our redemptions of our Preferred Shares during the year ended December 31, 2012:

Period Covered	Total Number of Shares Repurchased	Average Price Paid per Share
January 1, 2012 – January 31, 2012	-	-
February 1, 2012 – February 28, 2012		
Preferred Shares – Series L	8,266,600	\$25.00
Preferred Shares – Series E	5,650,000	\$25.00
March 1, 2012 – March 31, 2012		
Preferred Shares – Series Y	350,900	\$25.00
April 1, 2012 – April 30, 2012		
Preferred Shares – Series M	19,065,353	\$25.00
May 1, 2012 – May 31, 2012	-	-
June 1, 2012 – June 30, 2012	-	-
July 1, 2012 – July 31, 2012		
Preferred Shares – Series N	6,900,000	\$25.00
Preferred Shares – Series C	4,425,000	\$25.00
August 1, 2012 – August 31, 2012		
Preferred Shares - Series W	5,300,000	\$25.00
September 1, 2012 – September 30, 2012	-	-
October 1, 2012 – October 31, 2012		
Preferred Shares - Series F	9,893,000	\$25.00
Preferred Shares - Series X	4,800,000	\$25.00
November 1, 2012 – November 30, 2012	-	-
December 1, 2012 – December 31, 2012		
Preferred Shares - Series Z	4,500,000	\$25.00
Preferred Shares - Series A	4,600,000	\$25.00
Preferred Shares - Series D	5,400,000	\$25.00
Total	79,150,853	\$25.00

ITEM 6. Selected Financial Data

	For the year ended December 31,				
	2012	2011	2010	2009 (1)	2008
	(Amounts in thousands, except per share data)				
Operating Revenues	\$1,826,729	\$1,717,613	\$1,613,777	\$1,590,929	\$1,680,198
Operating Expenses:					
Cost of operations	540,129	542,234	528,404	520,089	552,667
Depreciation and amortization	357,781	357,969	353,245	339,003	407,422
General and administrative	56,837	52,410	38,487	35,735	62,809
Asset impairment charges	-	2,186	994	-	525
	954,747	954,799	921,130	894,827	1,023,423
Operating income	871,982	762,814	692,647	696,102	656,775
Interest and other income	22,074	32,333	29,017	29,813	36,155
Interest expense	(19,813)	(24,222)	(30,225)	(29,916)	(43,944)
Equity in earnings of unconsolidated real estate entities	45,586	58,704	38,352	53,244	20,391
Foreign currency exchange gain (loss)	8,876	(7,287)	(42,264)	9,662	(25,362)
Gain on real estate sales and debt retirement	1,456	10,801	827	37,540	336,545
Income from continuing operations	930,161	833,143	688,354	796,445	980,560
Discontinued operations	12,874	3,316	7,760	(5,989)	(6,688)
Net income	943,035	836,459	696,114	790,456	973,872
Net income allocated (to) from noncontrolling equity interests	(3,777)	(12,617)	(24,076)	44,165	(38,696)
Net income allocable to Public Storage shareholders	\$939,258	\$823,842	\$672,038	\$834,621	\$935,176
Per Common Share:					
Distributions	\$4.40	\$3.65	\$3.05	\$2.20	\$2.80
Net income – Basic	\$3.93	\$3.31	\$2.36	\$3.48	\$4.19
Net income – Diluted	\$3.90	\$3.29	\$2.35	\$3.47	\$4.18
Weighted average common shares – Basic	170,562	169,657	168,877	168,358	168,250
Weighted average common shares – Diluted	171,664	170,750	169,772	168,768	168,675
Balance Sheet Data:					
Total assets	\$8,793,403	\$8,932,562	\$9,495,333	\$9,805,645	\$9,936,045
Total debt	\$468,828	\$398,314	\$568,417	\$518,889	\$643,811
Public Storage shareholders' equity	\$8,093,756	\$8,288,209	\$8,676,598	\$8,928,407	\$8,708,995
Permanent noncontrolling interests' equity	\$29,108	\$22,718	\$32,336	\$132,974	\$358,109
Net cash flow:					
Provided by operating activities	\$1,285,659	\$1,203,452	\$1,093,221	\$1,112,857	\$1,076,971
Provided by (used in) investing activities	\$(290,465)	\$(81,355)	\$(266,605)	\$(91,409)	\$340,018
Used in financing activities	\$(1,117,305)	\$(1,438,546)	\$(1,132,709)	\$(938,401)	\$(984,076)

(1)

The 2009 decreases in our revenues, cost of operations, and depreciation and amortization, and our increase in equity in earnings of unconsolidated real estate entities, are due primarily to our disposition of a 51% interest in Shurgard Europe on March 31, 2008.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our financial statements and notes thereto.

Critical Accounting Policies

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") discusses our financial statements, which have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP"). The amounts reported in our financial statements, notes to financial statements and MD&A are affected by judgments, assumptions and estimates that we make. The notes to our December 31, 2012 financial statements, primarily Note 2, summarize our significant accounting policies.

We believe the following are our critical accounting policies, because they have a material impact on the portrayal of our financial condition and results, and they require us to make judgments and estimates about matters that are inherently uncertain.

Income Tax Expense: We have elected to be treated as a real estate investment trust ("REIT"), as defined in the Internal Revenue Code. As a REIT, we do not incur federal income tax on our REIT taxable income (generally, net rents and gains from real property, dividends, and interest) that is fully distributed each year (for this purpose, certain distributions paid in a subsequent year may be considered), and if we meet certain organizational and operational rules. We believe we have met these REIT requirements for all periods presented herein. Accordingly, we have recorded no federal income tax expense related to our REIT taxable income.

Our evaluation that we have met the REIT requirements could be incorrect, because compliance with the tax rules requires factual determinations, and circumstances we have not identified could result in noncompliance with the tax requirements in current or prior years. For any taxable year that we fail to qualify as a REIT and for which applicable statutory relief provisions did not apply, we would be taxed at the regular corporate rates on all of our taxable income for at least that year and the ensuing four years, we could be subject to penalties and interest, and our net income would be materially different from the amounts estimated in our financial statements.

In addition, our taxable REIT subsidiaries are taxable as regular corporations. To the extent that amounts paid to us by our taxable REIT subsidiaries are determined by the taxing authorities to be in excess of amounts that would be paid under similar arrangements among unrelated parties, we could be subject to a 100% penalty tax on the excess payments. Such a penalty tax could have a material adverse impact on our net income.

Impairment of Long-Lived Assets: The analysis of impairment of our long-lived assets involves identification of indicators of impairment, projections of future operating cash flows, and determination of fair values, all of which require significant judgment and subjectivity. Others could come to materially different conclusions, and we may not have identified all current facts and circumstances that may affect impairment. Any unidentified impairment loss, or change in conclusions, could have a material adverse impact on our net income.

Accruals for Operating Expenses: Certain of our expenses are estimated based upon assumptions regarding past and future trends, such as losses for workers compensation, employee health plans, and estimated claims for our tenant reinsurance program. In certain jurisdictions we do not receive property tax bills for the current fiscal year until after our earnings are finalized, and as a result, we must estimate property tax expense based upon anticipated implementation of regulations and trends. If our related estimates and assumptions are incorrect, our expenses could be misstated.

Accruals for Contingencies: We are subject to business and legal liability risks due to events that have occurred, which could result in future payments. We have not accrued certain of these payments, either because they are not probable or not estimable, or because we are not aware of them. We may have to accrue additional amounts for these payments due to the results of further investigation, the litigation process, or otherwise. Such accruals could have a material adverse impact on our net income.

Recording the fair value of acquired real estate facilities: In recording the acquisition of real estate facilities, we estimate the fair value of the land, buildings and intangible assets acquired. Such estimates are based upon many assumptions and judgments, including expected rates of return, land and building replacement costs, as well as future cash flows from the property and the existing tenant base. Others could come to materially different conclusions as to the estimated fair values, which would result in different depreciation and amortization expense, gains and losses on sale of real estate assets, and real estate and intangible assets.

Overview of Management's Discussion and Analysis of Operations

Our domestic self-storage facilities generated 93% of our revenues for the year ended December 31, 2012, and also generated most of our net income and cash flow from operations. A large portion of management time is devoted to maximizing cash flows from our existing self-storage facilities, as well as seeking to acquire and develop additional investments in self-storage facilities.

Most of our facilities compete with other well-managed and well-located competitors, and we are subject to general economic conditions, particularly those that affect the spending habits of consumers and moving trends. We believe that our centralized information networks, national telephone and online reservation system, the brand name "Public Storage," and our economies of scale enable us to effectively meet such challenges.

In 2010, 2011, and 2012, we acquired an aggregate of 77 self-storage facilities from third parties for approximately \$546 million, we acquired noncontrolling interests in subsidiaries owning self-storage facilities for approximately \$197 million, and we invested \$117 million in Shurgard Europe which it used to acquire interests in self-storage facilities. We will continue to seek to acquire additional self-storage facilities from third parties in 2013. There is significant competition to acquire existing facilities and there can be no assurance that we will be able to acquire additional facilities.

Over the past three years our development activities have been minimal. We have recently expanded our development efforts due in part to the significant increase in prices being paid for existing facilities, in many cases well above the cost of developing new facilities. At December 31, 2012, we had a development pipeline of projects to expand existing self-storage facilities and develop new self-storage facilities, which will add approximately 1.3 million net rentable square feet of self-storage space. The aggregate cost of these projects is estimated at \$169 million, of which \$36 million had been incurred at December 31, 2012, and the remaining costs will be incurred principally in 2013. Some of these projects are subject to significant contingencies such as entitlement approval. We expect to continue to seek additional development projects and have hired additional personnel; however, due to the difficulty in finding projects that meet our risk-adjusted yield expectations, as well as the difficulty in obtaining building permits for self-storage activities in certain municipalities, it is uncertain as to how much additional development we will undertake in the future.

We also have equity investments in Shurgard Europe, interests in commercial operations primarily through our investment in PS Business Parks, Inc. ("PSB"), and ancillary operations such as tenant reinsurance and sales of merchandise. We have no current plans to change our equity investments in Shurgard Europe or PSB; however, it is possible that we may make additional investments in these entities in the future.

We believe that we are not dependent upon raising capital to fund our ongoing operations or meet our obligations. However, access to capital is important to growing our asset base. During the years ended December 31, 2012 and 2011, we issued approximately \$1.7 billion and \$863 million, respectively, of preferred securities. During December 2012, we raised \$101 million from the sale of our common shares owned by a wholly-owned subsidiary. We have no current plans to issue additional common shares. On January 16, 2013, we issued another

\$500 million of preferred securities.

At December 31, 2012, cash and cash equivalents totaled \$17.2 million and we had \$133.0 million in borrowings on our line of credit. On January 16, 2013, we raised \$485 million in net proceeds from the issuance of our 5.2% Series W Preferred Shares and repaid the outstanding borrowings on our line of credit. We have \$255 million in scheduled principal repayments in 2013, including \$186 million for our senior notes which mature on March 15, 2013. At December 31, 2012, we have a pipeline of development projects with approximately \$133 million in remaining spending. We have no other significant commitments in 2013.

Results of Operations

Operating results for 2012 as compared to 2011: For the year ended December 31, 2012, net income allocable to our common shareholders was \$669.7 million or \$3.90 per diluted common share, compared to \$561.7 million or \$3.29 per diluted common share for the same period in 2011, representing an increase of \$108.0 million or \$0.61 per diluted common share. This increase is due to (i) improved property operations, (ii) a \$19.6 million reduction in distributions to preferred shareholders due primarily to lower average coupon rates, and (iii) a \$16.2 million increase resulting from foreign currency exchange gains and losses in translating our Euro-denominated loan receivable from Shurgard Europe into U.S. Dollars, offset partially by (iv) a \$36.3 million decrease due to the application of EITF D-42 to our, and our equity share of PSB's, redemptions of preferred securities.

Operating results for 2011 as compared to 2010: For the year ended December 31, 2011, net income allocable to our common shareholders was \$561.7 million or \$3.29 per diluted common share, compared to \$399.2 million or \$2.35 per diluted common share for the same period in 2010, representing an increase of \$162.5 million or \$0.94 per diluted common share. This increase is due to (i) improved property operations, (ii), a \$35.0 million increase due to foreign currency exchange gains and losses in translating our Euro-denominated loan receivable from Shurgard Europe into U.S. Dollars, (iii) increased equity in earnings and interest and other income from Shurgard Europe, due primarily to Shurgard Europe's acquisition of its joint venture partner's interests on March 2, 2011 and (iv) reduced income allocations to our Equity Shares, Series A.

Funds from Operations

Funds from Operations ("FFO") is a term defined by the National Association of Real Estate Investment Trusts, and generally represents net income before depreciation, gains and losses, and impairment charges with respect to real estate assets. We present FFO and FFO per share because we consider FFO to be an important measure of the performance of real estate companies, as do many analysts in evaluating our Company. We believe that FFO is a helpful measure of a REIT's performance since FFO excludes depreciation, which is included in computing net income and assumes the value of real estate diminishes predictably over time. We believe that real estate values fluctuate due to market conditions and in response to inflation. FFO computations do not consider scheduled principal payments on debt, capital improvements, distributions and other obligations of the Company. FFO and FFO per share is not a substitute for our cash flow or net income per share as a measure of our liquidity or operating performance or our ability to pay dividends. Because other REITs may not compute FFO in the same manner; FFO may not be comparable among REITs. The following table reconciles from net income to FFO allocable to common shares and computes FFO per common share. Amounts previously presented for 2010 have been adjusted to eliminate impairment charges with respect to real estate assets.

	Year Ended December 31,		
	2012	2011	2010
	(Amounts in thousands, except per share data)		
Computation of FFO allocable to Common Shares:			
Net income	\$943,035	\$836,459	\$696,114
Add back – depreciation and amortization, including amounts classified as discontinued operations	358,103	358,525	354,386
Add back – depreciation from unconsolidated real estate investments	75,648	64,677	61,110
Eliminate – gains on sale and impairment charges related to real estate investments, including discontinued operations and our equity share of unconsolidated real estate investments	(14,778)	(12,797)	(7,573)
FFO allocable to equity holders	1,362,008	1,246,864	1,104,037
Less allocation of FFO to:			
Noncontrolling equity interests	(6,828)	(15,539)	(25,915)
Preferred shareholders	(266,937)	(260,462)	(240,634)
Equity Shares, Series A	-	-	(30,877)
Restricted share unitholders	(4,247)	(2,817)	(2,645)
FFO allocable to Common Shares	\$1,083,996	\$968,046	\$803,966
Diluted weighted average common shares outstanding	171,664	170,750	169,772
FFO per share	\$6.31	\$5.67	\$4.74

In discussions with the investment community, we often discuss “Core FFO” per share, which represents FFO per share, adjusted to exclude the impact of i) foreign currency gains and losses, representing a gain of \$8.9 million in 2012, and losses totaling \$7.3 million and \$42.3 million in 2011 and 2010, respectively, ii) EITF D-42 income allocations, including our equity share of PSB, representing a reduction of FFO totaling \$68.9 million, \$32.6 million and \$35.8 million in 2012, 2011 and 2010, respectively, and ii) the aggregate net impact of impairment charges with respect to non-real estate assets, contingency accruals, our equity share of PSB’s lease termination benefits, and costs associated with the acquisition of real estate facilities, representing an aggregate net reduction in FFO per share of \$0.02, \$0.03 and \$0.02 in 2012, 2011 and 2010, respectively.

We present Core FFO per share because we believe it is a helpful measure in understanding our results of operations, as we believe that the items noted above that are included in FFO per share, but excluded from Core FFO per share, are not indicative of our ongoing earnings. We also believe that the analyst community, likewise, reviews our Core FFO (or similar measures using different terminology) when evaluating our Company. Core FFO is not a substitute for net income, earnings per share or cash flow from operations. Because other REITs may not compute Core FFO in the same manner as we do, may not use the same terminology, or may not present such a measure, Core FFO may not be comparable among REITs.

The following table reconciles from FFO per share to Core FFO per share:

Year Ended December 31,

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	2012	2011	Percentage Change		2011	2010	Percentage Change	
FFO per share	\$6.31	\$5.67	11.3	%	\$5.67	\$4.74	19.6	%
Eliminate the per share impact of items excluded from Core FFO:								
Foreign currency exchange (gain) loss	(0.05) 0.04			0.04	0.25		
Application of EITF D-42	0.40	0.19			0.19	0.21		
Other items, net	0.02	0.03			0.03	0.02		
Core FFO per share	\$6.68	\$5.93	12.6	%	\$5.93	\$5.22	13.6	%

Real Estate Operations

Self-Storage Operations: Our self-storage operations represent 93% of our revenues for the year ended December 31, 2012. Our self-storage operations are analyzed in two groups: (i) the Same Store Facilities, representing the facilities that we have owned and operated on a stabilized basis since January 1, 2010, and (ii) all other facilities, which are newly acquired, newly developed, or recently expanded facilities (the “Non Same Store Facilities”).

Self-Storage Operations Summary	Year Ended December 31,			Year Ended December 31,		
	2012	2011	Percentage Change	2011	2010	Percentage Change
(Dollar amounts in thousands)						
Revenues:						
Same Store Facilities	\$1,596,320	\$1,522,055	4.9 %	\$1,522,055	\$1,454,633	4.6 %
Non Same Store Facilities	106,770	81,469	31.1 %	81,469	54,763	48.8 %
Total rental income	1,703,090	1,603,524	6.2 %	1,603,524	1,509,396	6.2 %
Cost of operations:						
Same Store Facilities	468,752	477,041	(1.7)%	477,041	474,831	0.5 %
Non Same Store Facilities	33,114	27,797	19.1 %	27,797	19,884	39.8 %
Total cost of operations	501,866	504,838	(0.6)%	504,838	494,715	2.0 %
Net operating income (a):						
Same Store Facilities	1,127,568	1,045,014	7.9 %	1,045,014	979,802	6.7 %
Non Same Store Facilities	73,656	53,672	37.2 %	53,672	34,879	53.9 %
Total net operating income	1,201,224	1,098,686	9.3 %	1,098,686	1,014,681	8.3 %
Total depreciation and amortization expense:						
Same Store Facilities	(313,173)	(319,033)	(1.8)%	(319,033)	(316,199)	0.9 %
Non Same Store Facilities	(41,798)	(36,282)	15.2 %	(36,282)	(34,426)	5.4 %
Total depreciation and amortization expense	(354,971)	(355,315)	(0.1)%	(355,315)	(350,625)	1.3 %
Total net income	\$846,253	\$743,371	13.8 %	\$743,371	\$664,056	11.9 %
Number of facilities at period end:						
Same Store Facilities	1,941	1,941	-	1,941	1,941	-
Non Same Store Facilities	124	97	27.8 %	97	83	16.9 %
Net rentable square footage at period end (in thousands):						
Same Store Facilities	122,464	122,464	-	122,464	122,464	-
Non Same Store Facilities	9,173	6,997	31.1 %	6,997	5,684	23.1 %

(a) See “Net Operating Income below for further information regarding this non-GAAP measure.

Same Store Facilities

The Same Store Facilities represent those 1,941 facilities (122,464,000 net rentable square feet) that have been owned and operated on a stabilized basis since January 1, 2010, and therefore provide meaningful comparisons for 2010, 2011 and 2012. The following table summarizes the historical operating results of these facilities:

SAME STORE FACILITIES	Year Ended December 31,			Year Ended December 31,		
	2012	2011	Percentage Change	2011	2010	Percentage Change
(Dollar amounts in thousands, except weighted average amounts)						
Revenues:						
Rental income	\$1,516,152	\$1,442,684	5.1 %	\$1,442,684	\$1,383,232	4.3 %
Late charges and administrative fees	80,168	79,371	1.0 %	79,371	71,401	11.2 %
Total revenues (a)	1,596,320	1,522,055	4.9 %	1,522,055	1,454,633	4.6 %
Cost of operations:						
Property taxes	151,605	147,259	3.0 %	147,259	144,502	1.9 %
On-site property manager payroll	97,942	101,034	(3.1)%	101,034	99,928	1.1 %
Repairs and maintenance	39,998	45,237	(11.6)%	45,237	46,201	(2.1)%
Utilities	36,255	37,732	(3.9)%	37,732	36,299	3.9 %
Media advertising	6,326	10,542	(40.0)%	10,542	15,178	(30.5)%
Other advertising and selling expense	32,423	32,133	0.9 %	32,133	31,991	0.4 %
Other direct property costs	35,257	35,937	(1.9)%	35,937	36,810	(2.4)%
Supervisory payroll	33,144	32,038	3.5 %	32,038	29,828	7.4 %
Allocated overhead	35,802	35,129	1.9 %	35,129	34,094	3.0 %
Total cost of operations (a)	468,752	477,041	(1.7)%	477,041	474,831	0.5 %
Net operating income (b)	1,127,568	1,045,014	7.9 %	1,045,014	979,802	6.7 %
Depreciation and amortization expense	(313,173)	(319,033)	(1.8)%	(319,033)	(316,199)	0.9 %
Net income	\$814,395	\$725,981	12.2 %	\$725,981	\$663,603	9.4 %
Gross margin (before depreciation and amortization expense)	70.6 %	68.7 %	2.8 %	68.7 %	67.4 %	1.9 %
Weighted average for the period:						
Square foot occupancy (c)	91.8 %	91.2 %	0.7 %	91.2 %	89.8 %	1.6 %
Realized annual rent, prior to late charges and administrative fees, per:						
Occupied square foot (d)(e)	\$13.49	\$12.92	4.4 %	\$12.92	\$12.58	2.7 %
Available square foot ("REVPAF") (e)(f)	\$12.38	\$11.78	5.1 %	\$11.78	\$11.30	4.2 %
Weighted average at December 31:						
Square foot occupancy	91.4 %	89.6 %	2.0 %	89.6 %	88.7 %	1.0 %
In place annual rent per occupied square foot (g)	\$14.42	\$14.02	2.9 %	\$14.02	\$13.65	2.7 %

a) Revenues and cost of operations do not include tenant reinsurance and retail operations, which are included on our income statement under "ancillary revenues" and "ancillary operating expenses."

- b) See “Net Operating Income” below for a reconciliation of this non-GAAP measure to our net income in our statements of income for the years ended December 31, 2012, 2011 and 2010.
- c) Square foot occupancies represent weighted average occupancy levels over the entire period.
- d) Realized annual rent per occupied square foot is computed by dividing annualized rental income, before late charges and administrative fees, by the weighted average occupied square feet for the period.
- e) These measures exclude late charges and administrative fees in order to provide a better measure of our ongoing level of revenue. Late charges are dependent upon the level of delinquency and administrative fees are dependent upon the level of move-ins. In addition, the rates charged for late charges and administrative fees can vary independently from rental rates. These measures take into consideration promotional discounts, which reduce rental income.

- f) Realized annual rent per available square foot (“REVPAF”) is computed by dividing annualized rental income, before late charges and administrative fees, by the total available net rentable square feet for the period.
- g) In place annual rent per occupied square foot represents annualized contractual rents per occupied square foot before any reductions for promotional discounts, and excludes late charges and administrative fees.

Analysis of Revenue

Revenues generated by our Same Store Facilities increased by 4.9% in 2012 as compared to 2011 due primarily to increased average rental rates charged to our tenants. This increase was due primarily to annual rent increases for tenants that have been renting longer than one year combined with a reduction in promotional discounts given to new tenants from \$96.5 million in 2011 to \$87.8 million in 2012.

Revenues generated by our Same Store Facilities increased by 4.6% in 2011 as compared to 2010. The increase was due primarily to a 1.6% increase in weighted average square foot occupancy and a 2.7% increase in realized rent per occupied square foot, as well as an 11.2% increase in late charges and administrative fees due primarily to increases in the fee levels charged for late payments. The increase in realized annual rent per occupied square foot includes the impact of more aggressive increases in rents charged to existing tenants in the last two quarters of 2011.

Our future rental growth will be dependent upon many factors including the level of new supply of self-storage space in the markets in which we operate, demand for self-storage space, our ability to increase rental rates, the level of promotional activities, and our ability to maintain or improve our occupancy levels.

We seek to maintain an average occupancy level of at least 90% throughout the year, which we believe maximizes the realized rent per available foot. We maintain occupancy by regularly adjusting rental rates and promotions offered, in order to generate sufficient move-ins to replace tenants that vacate. Demand fluctuates due to various local and regional factors, including the overall economy. Demand is higher in the summer months than in the winter months and, as a result, rental rates charged to new tenants are typically higher in the summer months than in the winter months.

Our Same Store average occupancy levels increased 0.7% in 2012 as compared to 2011, due primarily to a 1.8% increase in average occupancy in the fourth quarter of 2012 as compared to the same period in 2011. This increase was driven by (i) increased move-in volumes, primarily due to more aggressive pricing in the seasonally slow fourth quarter of 2012 combined with (ii) reduced levels of tenants moving out, as compared to the same period in 2011. We expect to continue to implement aggressive pricing strategies during the first quarter of 2013 to increase occupancy levels as compared to the same period in 2012. However, we expect occupancy levels in the second, third and fourth quarters of 2013 to be flat as compared to the same periods in 2012 due to more difficult year-over-year comparisons.

Increasing rental rates to tenants having a tenancy longer than one year is a key part of our rental growth. At each of December 31, 2012, 2011 and 2010, approximately 55% of our tenants had a tenancy of a year or longer. For these tenants, in place rent per occupied square foot at December 31, 2012 increased 4.1% as compared to December 31, 2011 and 4.3% at December 30, 2011 as compared to December 31, 2010. These increases were due to rate increases passed to these tenants. We expect to pass similar rate increases to long-term tenants in 2013 as we did in 2012.

Based upon current trends, we expect positive year-over-year growth in rental income to continue throughout 2013, due to improved occupancy and realized rents during the first quarter of the year and primarily from increases in

realized rents during the remainder of 2013.

Analysis of Cost of Operations

Cost of operations (excluding depreciation and amortization) decreased 1.7% in 2012 as compared to 2011. The decrease was due primarily to reductions in on-site property manager payroll, repairs and maintenance, and media advertising, offset partially by a 3.0% increase in property tax expense. Cost of operations (excluding depreciation and amortization) increased by 0.5% in 2011 as compared to 2010. The increase was due to higher property taxes, supervisory payroll, and utilities, partially offset by reduced media advertising.

Property tax expense increased 3.0% in 2012 as compared to 2011, due primarily to higher assessed values. Property tax expense increased 1.9% in 2011 as compared to 2010, due primarily to higher tax rates. We expect property tax expense growth of approximately 4.0% in 2013, due primarily to higher assessed values.

On-site property manager payroll expense decreased approximately 3.1% in 2012 as compared to 2011, and increased 1.1% in 2011 as compared to 2010. The decrease in 2012 was due primarily to lower incentive compensation, and the increase in 2011 was due primarily to higher incentive compensation and wage rates. We expect payroll expense to increase at a rate less than inflation in 2013.

Repairs and maintenance expenditures decreased 11.6% in 2012 as compared to the same period in 2011, and decreased 2.1% in 2011 as compared to the same period in 2010. Repairs and maintenance expenditures are dependent upon several factors, such as weather, the timing of repair and maintenance needs, inflation in material and labor costs, and random events. Included in our repairs and maintenance expenditures in 2012, 2011 and 2010 was approximately \$2.7 million, \$4.3 million and \$6.1 million, respectively, in snow removal costs. We expect repairs and maintenance, prior to snow removal costs, to decline modestly in 2013. Snow removal costs are expected to be higher in the first quarter of 2013 as compared to the same period in 2012, due to more severe winter weather through February 25, 2013. Snow removal costs after the first quarter of 2013 are not determinable at this time.

Utility expenses decreased 3.9% in 2012 as compared to 2011, and increased 3.9% in 2011 as compared to 2010. Utility cost levels are dependent upon changes in usage driven primarily by weather and temperature, as well as energy prices. The decrease in 2012 was driven by reduced usage caused by milder weather. The increase in 2011 was caused by higher usage from extreme temperatures, as well as higher energy prices. It is difficult to estimate future utility cost levels, because weather, temperature, and fuel prices are volatile and not predictable.

Media advertising decreased 40.0% in 2012 as compared to the same period in 2011, and decreased 30.5% in 2011 as compared to 2010. Media advertising can increase or decrease significantly in the short-term in response to demand, occupancy levels, and other factors. Media advertising expenditures have declined due to higher square foot occupancies, which increased from 87.0% on December 31, 2009 to 91.4% at December 31, 2012. We expect lower media advertising in 2013 due to current high occupancies.

Other advertising and selling expense is comprised principally of yellow page, internet advertising, and the operating costs of our telephone reservation center. These costs in aggregate have remained flat in 2010, 2011 and 2012. We have phased out our yellow page advertising program as of December 31, 2012, and expect that this cost reduction will be offset by increased Internet advertising. We expect other advertising and selling expense to be flat in 2013.

Other direct property costs include administrative expenses incurred at the self-storage facilities, such as property insurance, business license costs, bank charges related to processing the properties' cash receipts, and the cost of operating each property's rental office including supplies and telephone data communication lines. Due to cost-saving measures in certain expense categories, offset by inflationary increases, we expect other direct property expenses to be flat in 2013.

Supervisory payroll expense, which represents compensation paid to the management personnel who directly and indirectly supervise the on-site property managers, increased 3.5% in 2012 as compared to 2011, and increased 7.4% in 2011 as compared to 2010. The increase in 2012 was due principally to increased headcount. This increase in 2011 was due primarily to higher incentives and wage rates paid to supervisory personnel. We expect growth in supervisory payroll in excess of inflation, due to higher wage rates, incentives and increased headcount.

Allocated overhead represents administrative expenses for shared general corporate functions, which are allocated to self-storage property operations to the extent their efforts are devoted to self-storage operations. Such functions include data processing, human resources, operational accounting and finance, marketing, and costs of senior executives (other than the Chief Executive Officer and Chief Financial Officer, which are included in general and administrative expense). The increases in 2012 and 2011 are due principally to increased headcount. We expect inflationary growth in allocated overhead in 2013.

The following table summarizes selected quarterly financial data with respect to the Same Store Facilities:

	For the Quarter Ended				
	March 31	June 30	September 30	December 31	Entire Year
	(Amounts in thousands, except for per square foot amount)				
Total revenues:					
2012	\$383,928	\$394,700	\$412,641	\$405,051	\$1,596,320
2011	\$366,497	\$375,543	\$393,819	\$386,196	\$1,522,055
2010	\$353,976	\$360,915	\$372,125	\$367,617	\$1,454,633
Total cost of operations:					
2012	\$130,682	\$121,043	\$118,566	\$98,461	\$468,752
2011	\$128,295	\$122,776	\$121,338	\$104,632	\$477,041
2010	\$128,363	\$122,954	\$121,127	\$102,387	\$474,831
Property taxes:					
2012	\$43,058	\$41,925	\$40,580	\$26,042	\$151,605
2011	\$41,382	\$40,264	\$39,550	\$26,063	\$147,259
2010	\$40,420	\$39,246	\$39,187	\$25,649	\$144,502
Repairs and maintenance:					
2012	\$12,025	\$10,585	\$8,487	\$8,901	\$39,998
2011	\$10,765	\$10,993	\$10,960	\$12,519	\$45,237
2010	\$13,089	\$10,693	\$10,829	\$11,590	\$46,201
Media advertising:					
2012	\$3,145	\$1,891	\$1,239	\$51	\$6,326
2011	\$4,046	\$3,360	\$2,144	\$992	\$10,542
2010	\$5,456	\$6,603	\$3,119	\$-	\$15,178
REVPAF:					
2012	\$11.89	\$12.25	\$12.79	\$12.59	\$12.38
2011	\$11.36	\$11.64	\$12.16	\$11.96	\$11.78
2010	\$11.01	\$11.22	\$11.54	\$11.41	\$11.30
Weighted average realized annual rent per occupied square foot:					
2012	\$13.17	\$13.23	\$13.79	\$13.72	\$13.49
2011	\$12.65	\$12.61	\$13.19	\$13.26	\$12.92
2010	\$12.47	\$12.34	\$12.68	\$12.82	\$12.58

Weighted average occupancy levels for the period:

2012	90.3	%	92.6	%	92.7	%	91.8	%	91.8	%
2011	89.8	%	92.3	%	92.2	%	90.2	%	91.2	%
2010	88.3	%	90.9	%	91.0	%	89.0	%	89.8	%

Analysis of Market Trends

The following table sets forth selected market trends in our Same Store Facilities:

	Year Ended December 31,				Year Ended December 31,		
	2012	2011	Change		2011	2010	Change
	(Amounts in thousands, except for weighted average data)						
Same Store Facilities Operating Trends by Market							
Revenues:							
Los Angeles (168 facilities)	\$210,653	\$201,945	4.3	%	\$201,945	\$197,432	2.3
San Francisco (125 facilities)	134,109	126,852	5.7	%	126,852	121,242	4.6
New York (79 facilities)	105,421	100,256	5.2	%	100,256	94,342	6.3
Chicago (124 facilities)	99,699	95,346	4.6	%	95,346	92,431	3.2
Washington DC (72 facilities)	78,606	75,898	3.6	%	75,898	71,321	6.4
Seattle-Tacoma (85 facilities)	76,506	73,263	4.4	%	73,263	70,380	4.1
Miami (60 facilities)	67,468	63,568	6.1	%	63,568	60,930	4.3
Dallas-Ft. Worth (98 facilities)	62,346	59,062	5.6	%	59,062	55,257	6.9
Houston (80 facilities)	57,054	53,943	5.8	%	53,943	52,437	2.9
Atlanta (89 facilities)	56,878	54,426	4.5	%	54,426	51,786	5.1
Philadelphia (55 facilities)	43,128	41,725	3.4	%	41,725	39,389	5.9
Denver (47 facilities)	36,596	33,749	8.4	%	33,749	32,098	5.1
Minneapolis-St. Paul (41 facilities)	31,073	29,467	5.5	%	29,467	27,783	6.1
Portland (42 facilities)	28,817	27,451	5.0	%	27,451	26,235	4.6
Orlando-Daytona (45 facilities)	27,805	26,711	4.1	%	26,711	25,545	4.6
All other markets (731 facilities)	480,161	458,393	4.7	%	458,393	436,025	5.1
Total revenues	\$1,596,320	\$1,522,055	4.9	%	\$1,522,055	\$1,454,633	4.6
Net operating income:							
Los Angeles	\$166,158	\$156,408	6.2	%	\$156,408	\$152,334	2.7
San Francisco	103,480	96,330	7.4	%	96,330	90,692	6.2
New York	71,470	67,304	6.2	%	67,304	59,352	13.4
Chicago	59,511	52,494	13.4	%	52,494	52,134	0.7
Washington DC	59,901	56,862	5.3	%	56,862	52,038	9.3
Seattle-Tacoma	57,092	54,244	5.3	%	54,244	51,758	4.8
Miami	49,508	45,729	8.3	%	45,729	42,238	8.3
Dallas-Ft. Worth	41,072	36,879	11.4	%	36,879	33,108	11.4
Houston	37,367	34,734	7.6	%	34,734	33,216	4.6
Atlanta	39,055	36,009	8.5	%	36,009	33,731	6.8
Philadelphia	28,775	26,732	7.6	%	26,732	24,209	10.4
Denver	25,769	22,521	14.4	%	22,521	21,032	7.1
Minneapolis-St. Paul	19,920	18,309	8.8	%	18,309	16,427	11.5

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Portland	21,028	19,301	8.9 %	19,301	18,463	4.5 %
Orlando-Daytona	18,980	17,455	8.7 %	17,455	16,429	6.2 %
All other markets	328,482	303,703	8.2 %	303,703	282,641	7.5 %
Total net operating income	\$1,127,568	\$1,045,014	7.9 %	\$1,045,014	\$979,802	6.7 %

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Same Store Facilities Operating Trends by Region (Continued)	Year Ended December 31, 2012			Year Ended December 31, 2011			Year Ended December 31, 2010		
	Change			Change			Change		
	(Amounts in thousands, except for weighted average data)								
Weighted average occupancy:									
Los Angeles	92.6 %	92.1 %	0.5 %	92.1 %	91.3 %	0.9 %			
San Francisco	93.2 %	93.0 %	0.2 %	93.0 %	91.5 %	1.6 %			
New York	92.9 %	92.5 %	0.4 %	92.5 %	91.7 %	0.9 %			
Chicago	92.1 %	91.0 %	1.2 %	91.0 %	89.3 %	1.9 %			
Washington DC	91.9 %	92.3 %	-0.4 %	92.3 %	91.3 %	1.1 %			
Seattle-Tacoma	91.0 %	90.7 %	0.3 %	90.7 %	90.0 %	0.8 %			
Miami	92.6 %	92.0 %	0.7 %	92.0 %	91.0 %	1.1 %			
Dallas-Ft. Worth	91.7 %	91.5 %	0.2 %	91.5 %	89.4 %	2.3 %			
Houston	91.8 %	89.8 %	2.2 %	89.8 %	88.9 %	1.0 %			
Atlanta	90.4 %	90.3 %	0.1 %	90.3 %	88.4 %	2.1 %			
Philadelphia	91.3 %	91.7 %	-0.4 %	91.7 %	90.3 %	1.6 %			
Denver	94.0 %	91.8 %	2.4 %	91.8 %	90.5 %	1.4 %			
Minneapolis-St. Paul	91.6 %	90.5 %	1.2 %	90.5 %	88.4 %	2.4 %			
Portland	92.7 %	91.4 %	1.4 %	91.4 %	89.8 %	1.8 %			
Orlando-Daytona	91.9 %	90.1 %	2.0 %	90.1 %	88.5 %	1.8 %			
All other markets	91.4 %	90.6 %	0.9 %	90.6 %	89.2 %	1.6 %			
Total weighted average occupancy	91.8 %	91.2 %	0.7 %	91.2 %	89.8 %	1.6 %			
Realized annual rent per occupied square foot:									
Los Angeles	\$19.19	\$18.48	3.8 %	\$18.48	\$18.18	1.7 %			
San Francisco	18.97	17.94	5.7 %	17.94	17.43	2.9 %			
New York	20.75	19.73	5.2 %	19.73	18.82	4.8 %			
Chicago	13.14	12.71	3.4 %	12.71	12.62	0.7 %			
Washington DC	19.76	18.96	4.2 %	18.96	18.07	4.9 %			
Seattle-Tacoma	14.40	13.77	4.6 %	13.77	13.37	3.0 %			
Miami	16.00	15.12	5.8 %	15.12	14.73	2.6 %			
Dallas-Ft. Worth	10.38	9.82	5.7 %	9.82	9.48	3.6 %			
Houston	10.67	10.29	3.7 %	10.29	10.16	1.3 %			
Atlanta	10.02	9.56	4.8 %	9.56	9.35	2.2 %			
Philadelphia	13.11	12.60	4.0 %	12.60	12.16	3.6 %			
Denver	12.23	11.53	6.1 %	11.53	11.16	3.3 %			
Minneapolis-St. Paul	11.41	10.92	4.5 %	10.92	10.61	2.9 %			
Portland	13.56	13.09	3.6 %	13.09	12.78	2.4 %			
Orlando-Daytona	10.53	10.29	2.3 %	10.29	10.09	2.0 %			
All other markets	11.00	10.57	4.0 %	10.57	10.26	3.0 %			
Total realized rent per square foot	\$13.49	\$12.92	4.4 %	\$12.92	\$12.58	2.7 %			
REVPAF:									
Los Angeles	\$17.77	\$17.01	4.5 %	\$17.01	\$16.60	2.5 %			
San Francisco	17.68	16.69	5.9 %	16.69	15.95	4.6 %			

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New York	19.27	18.24	5.6 %	18.24	17.26	5.7 %
Chicago	12.10	11.56	4.7 %	11.56	11.27	2.6 %
Washington DC	18.15	17.50	3.7 %	17.50	16.49	6.1 %
Seattle-Tacoma	13.10	12.49	4.9 %	12.49	12.03	3.8 %
Miami	14.82	13.91	6.5 %	13.91	13.40	3.8 %
Dallas-Ft. Worth	9.52	8.99	5.9 %	8.99	8.47	6.1 %
Houston	9.79	9.24	6.0 %	9.24	9.03	2.3 %
Atlanta	9.06	8.63	5.0 %	8.63	8.26	4.5 %
Philadelphia	11.97	11.55	3.6 %	11.55	10.98	5.2 %
Denver	11.50	10.58	8.7 %	10.58	10.09	4.9 %
Minneapolis-St. Paul	10.46	9.89	5.8 %	9.89	9.37	5.5 %
Portland	12.57	11.97	5.0 %	11.97	11.48	4.3 %
Orlando-Daytona	9.67	9.28	4.2 %	9.28	8.93	3.9 %
All other markets	10.05	9.58	4.9 %	9.58	9.15	4.7 %
Total REVPAF	\$12.38	\$11.78	5.1 %	\$11.78	\$11.30	4.2 %

We believe that our geographic diversification and scale provide some insulation from localized economic effects and add to the stability of our cash flows. It is difficult to predict localized trends in short-term self-storage demand and operating results. Over the long run, we believe that markets that experience population growth, high employment, and otherwise exhibit economic strength and consistency will outperform markets that do not exhibit these characteristics.

Non Same Store Facilities

The Non Same Store Facilities at December 31, 2012 represent 124 facilities that were not stabilized with respect to occupancies or rental rates since January 1, 2010, or were acquired since January 1, 2010. As a result of the stabilization process and timing of when the facilities were placed into service, year-over-year changes can be significant. In the following table, “Facilities placed into service in 2012” includes 24 facilities acquired from third parties and three facilities that we obtained control of and began consolidating in 2012. “Facilities placed into service in 2011” includes 11 facilities acquired from third parties, one facility that was newly developed, and two facilities that we obtained control of and began consolidating in 2011. “Other facilities” includes 42 facilities we acquired from third parties in 2010 and 41 other facilities that we have owned since January 1, 2010 that are not stabilized due to the addition of more net rentable square feet or due to casualty damage.

The following table summarizes operating data with respect to these facilities:

NON SAME STORE FACILITIES

Year Ended December 31, Year Ended December 31,
2012 2011 Change 2011 2010 Change
(Dollar amounts in thousands, except square foot amounts)

Rental income:

Facilities placed into service in 2012	\$8,715	\$-	\$8,715	\$-	\$-	\$-
Facilities placed into service in 2011	13,302	5,914	7,388	5,914	-	5,914
Other facilities	84,753	75,555	9,198	75,555	54,763	20,792
Total rental income	106,770	81,469	25,301	81,469	54,763	26,706

Cost of operations before depreciation and amortization expense:

Facilities placed into service in 2012	\$3,446	\$-	\$3,446	\$-	\$-	\$-
Facilities placed into service in 2011	4,040	2,174	1,866	2,174	-	2,174
Other facilities	25,628	25,623	5	25,623	19,884	5,739
Total cost of operations	33,114	27,797	5,317	27,797	19,884	7,913

Net operating income before depreciation and amortization expense (a):

Facilities placed into service in 2012	\$5,269	\$-	\$5,269	\$-	\$-	\$-
Facilities placed into service in 2011	9,262	3,740	5,522	3,740	-	3,740
Other facilities	59,125	49,932	9,193	49,932	34,879	15,053
Total net operating income (a)	73,656	53,672	19,984	53,672	34,879	18,793
Depreciation and amortization expense	(41,798)	(36,282)	(5,516)	(36,282)	(34,426)	(1,856)
Net income	\$31,858	\$17,390	\$14,468	\$17,390	\$453	\$16,937

At December 31:

Square foot occupancy:

Facilities placed into service in 2012	76.5	%	-	%	-	%	-	%	-	%	-	%
Facilities placed into service in 2011	83.4	%	75.2	%	10.9	%	75.2	%	-	%	-	%
Other facilities	90.0	%	86.1	%	4.5	%	86.1	%	78.2	%	10.1	%
	86.1	%	84.3	%	2.1	%	84.3	%	78.2	%	10.7	%

In place annual rent per occupied square foot:

Facilities placed into service in 2012	\$13.31	\$-	-	\$-	\$-	-
Facilities placed into service in 2011	15.07	14.29	5.5	%	14.29	-
Other facilities	16.31	15.61	4.5	%	15.61	15.77
	\$15.55	\$15.41	0.9	%	\$15.41	\$15.77
						(1.0)%
						(2.3)%

Number of Facilities:

Facilities placed into service in 2012	27	-	27	-	-	-
Facilities placed into service in 2011	14	14	-	14	-	14
Other facilities	83	83	-	83	83	-
	124	97	27	97	83	14

Net rentable square feet (in thousands):

Facilities placed into service in 2012	2,091	-	2,091	-	-	-
Facilities placed into service in 2011	1,166	1,166	-	1,166	-	1,166
Other facilities	5,916	5,831	85	5,831	5,684	147
	9,173	6,997	2,176	6,997	5,684	1,313

- (a) See “Net Operating Income” below for a reconciliation of this non-GAAP measure to our net income in our statements of income for the years ended December 31, 2012, 2011 and 2010.

In 2010, 2011, and 2012, we acquired an aggregate of 77 facilities from third parties. The following table sets forth selected information with respect to these acquired properties:

			For the Year Ended December 31, 2012			
	Number of Properties	Acquisition Cost (Dollar amounts in thousands)	Average Occupancy	Capitalization Rate (a)		
Properties acquired from third parties during:						
Last three months of 2012	10	\$ 81,400	(b)	(b)		
First nine months of 2012	14	144,100	78	%	5.3	%
2011	11	80,400	83	%	8.4	%
2010	42	239,600	89	%	10.2	%
	77	\$ 545,500				

(a) Weighted average capitalization rate represents the net operating income earned in 2012 divided by the acquisition cost. With respect to properties acquired in the first nine months of 2012, the capitalization rate is based upon annualizing the net operating income for the period we owned the properties.

(b) Capitalization rate and average occupancy for these properties is not meaningful due to our limited ownership period.

In 2012 and 2011, we commenced consolidating three and two facilities, respectively that were owned by entities that we had previously accounted for on the equity method of accounting. See Note 3 to our December 31, 2012 financial statements for further information.

At December 31, 2012, we had a development pipeline of projects to expand existing self-storage facilities and develop new self-storage facilities, which will add approximately 1.3 million net rentable square feet of self-storage space. The aggregate cost of these projects is estimated at \$169 million, of which \$36 million had been incurred at December 31, 2012, and the remaining costs will be incurred principally in 2013. Some of these projects are subject to significant contingencies such as entitlement approval. We expect to continue to seek additional development projects and have hired additional personnel; however, due to the difficulty in finding projects that meet our risk-adjusted yield expectations, as well as the difficulty in obtaining building permits for self-storage activities in certain municipalities, it is uncertain as to how much additional development we will undertake in the future.

We believe that our management and operating infrastructure will result in newly acquired facilities stabilizing at a higher level of net operating income than was achieved by the previous owners. However, it can take 24 or more months for these newly acquired facilities to reach stabilization, and the ultimate levels of rent to be achieved can be affected by changes in general economic conditions. As a result, there can be no assurance that our expectations with respect to these facilities will be achieved. However, we expect the Non Same Store Facilities to continue to provide earnings growth during 2013 as these facilities approach stabilized occupancy levels, and the earnings of the 2012 acquisitions are reflected in our operations for a longer period in 2013 as compared to 2012.

Equity in earnings of unconsolidated real estate entities

At December 31, 2012, we have equity investments in PSB, Shurgard Europe and various limited partnerships. We account for such investments using the equity method.

Equity in earnings of unconsolidated real estate entities for 2012, 2011 and 2010 consists of our pro-rata share of the net income of these unconsolidated real estate entities for each period. The following table sets forth the significant components of equity in earnings of unconsolidated real estate entities.

Historical summary:	Year Ended December 31,			Year Ended December 31,		
	2012	2011	Change	2011	2010	Change
	(Amounts in thousands)					
Equity in earnings:						
PSB	\$10,638	\$27,781	\$(17,143)	\$27,781	\$20,719	\$7,062
Shurgard						
Europe	33,223	29,152	4,071	29,152	15,872	13,280
Other						
Investments	1,725	1,771	(46)	1,771	1,761	10
Total equity in earnings	\$45,586	\$58,704	\$(13,118)	\$58,704	\$38,352	\$20,352

Investment in PSB: At December 31, 2012, we have an approximate 41% common equity interest in PSB, comprised of our ownership of 5,801,606 shares of PSB's common stock and 7,305,355 limited partnership units in PSB's underlying operating partnership. The limited partnership units are convertible at our option, subject to certain conditions, on a one-for-one basis into PSB common stock.

At December 31, 2012, PSB owned and operated 28.3 million rentable square feet of commercial space located in eight states. PSB also manages commercial space that we own pursuant to property management agreements.

Equity in earnings from PSB decreased to \$10.6 million in 2012, as compared to \$27.8 million in 2011. This decrease was principally due to (i) the impact of PSB's redemptions of preferred securities in 2011 and 2012, which reduced income allocated to the common equity holders in 2012, and increased income allocable to the common equity holders in 2011, (ii) increased depreciation and interest expense as a result of the properties PSB acquired in 2011 and 2012, partially offset by (iii) incremental income generated by the properties PSB acquired in 2011 and 2012. See Note 4 to our December 31, 2012 financial statements for selected financial information on PSB, as well as PSB's filings and selected financial information that can be accessed through the SEC, and on PSB's website, www.psbusinessparks.com.

Equity in earnings from PSB increased to \$27.8 million in 2011 as compared to \$20.7 million in 2010. This increase was principally due to (i) incremental income generated by properties that PSB acquired in 2010 and 2011, (ii) reduced income allocations to PSB's preferred securities, due to redemptions, partially offset by (iii) increased depreciation and interest expense, as a result of 2010 and 2011 property acquisitions.

Our investment in PSB, which we plan on holding for the long-term, provides us with some diversification.

Investment in Shurgard Europe: Equity in earnings of Shurgard Europe represents our 49% equity share of Shurgard Europe's net income. At December 31, 2011 and 2012, Shurgard Europe's operations are comprised of 188 wholly-owned facilities with 10.1 million net rentable square feet. Selected financial data for Shurgard Europe for 2012, 2011 and 2010 is included in Note 4 to our December 31, 2012 financial statements. As described in more detail in Note 4, we receive interest income and trademark license fees from Shurgard Europe, of which 49% is classified as equity in earnings and the remaining 51% as interest and other income.

Equity in earnings from Shurgard Europe increased to \$33.2 million for the year ended December 31, 2012 from \$29.2 million for the same period in 2011, representing an increase of \$4.1 million. The increase is due to our equity share of (i) improved property operations, (ii) reduced interest expense due to a reduction in interest rate as a result of refinancing completed in 2011 combined with reduced average principal outstanding due to repayments during 2012,

(iii) the impact of Shurgard Europe's March 2, 2011 acquisition of the remaining 80% interest it did not own in two joint ventures that owned 72 self-storage facilities, partially offset by (iv) a reduction in foreign currency exchange rates when converting Euros into U.S. Dollars for reporting purposes.

Equity in earnings from Shurgard Europe for the year ended December 31, 2011 was \$29.2 million as compared to \$15.9 million for the same period in 2010, representing an increase of \$13.3 million. This increase was due to our equity share of (i) improved property operations, (ii) the acquisition on March 2, 2011, of the remaining 80% interests it did not own in two joint ventures that owned 72 self-storage facilities, resulting in reduced allocations of income to permanent noncontrolling equity interests (and an increased allocation to Shurgard Europe), and (iii) improved foreign currency exchange rates. These items were partially offset by increased interest and general and administrative expenses.

Shurgard Europe has a nominal development pipeline. Accordingly, at least in the short-term, our future earnings from Shurgard Europe will be affected primarily by the operating results of its existing facilities, as well as the exchange rate between the U.S. Dollar and currencies in the countries Shurgard Europe conducts its business, principally the Euro.

European Same Store Facilities: The Shurgard Europe Same Store Pool represents the 162 facilities (8.6 million net rentable square feet, representing 86% of the aggregate net rentable square feet of Shurgard Europe's self-storage portfolio) that have been consolidated and operated by Shurgard Europe on a stabilized basis since January 1, 2010 and therefore provide meaningful comparisons for 2010, 2011 and 2012. We evaluate the performance of these facilities because Shurgard Europe's ability to effectively manage stabilized facilities represents an important measure of its ability to grow its earnings over the long-term.

The following table reflects 100% of the operating results of those 162 facilities, and we restate the exchange rates used in prior year's presentation to the actual exchange rates for 2012. However, only our pro rata share of the operating results for these facilities, based upon the actual exchange rates for each period, is included in "equity in earnings of unconsolidated real estate entities" on our statements of income.

In Note 4 to our December 31, 2012 financial statements, we disclose Shurgard Europe's consolidated operating results for the years ended December 31, 2012, 2011 and 2010. Shurgard Europe's consolidated operating results include 26 additional facilities that are not Same Store Facilities, and are based upon historical exchange rates rather than constant exchange rates for each of the respective periods.

Selected Operating Data for the Shurgard
Europe Same Store Pool (162 facilities):

	Year Ended December 31,			Year Ended September 31,		
	2012	2011	Percentage Change	2011	2010	Percentage Change
(Dollar amounts in thousands, except weighted average data, utilizing constant exchange rates) (a)						
Revenues (including late charges and administrative fees)	\$188,115	\$190,141	(1.1)%	\$190,141	\$186,805	1.8 %
Less: Cost of operations (excluding depreciation and amortization expenses)	78,615	82,105	(4.3)%	82,105	80,546	1.9 %
Net operating income (b)	\$109,500	\$108,036	1.4 %	\$108,036	\$106,259	1.7 %
Gross margin	58.2 %	56.8 %	2.5 %	56.8 %	56.9 %	(0.2)%
Weighted average for the period:						
Square foot occupancy (c)	83.1 %	85.2 %	(2.5)%	85.2 %	84.8 %	0.5 %
Realized annual rent, prior to late charges and administrative fees, per:						
Occupied square foot (d)(e)	\$25.80	\$25.40	1.6 %	\$25.40	\$25.09	1.2 %
Available square foot ("REVPAF") (e)(f)	\$21.44	\$21.64	(0.9)%	\$21.64	\$21.27	1.7 %
Weighted average at December 31:						
Square foot occupancy	80.9 %	83.6 %	(3.2)%	83.6 %	84.8 %	(1.4)%
In place annual rent per occupied square foot (g)	\$29.42	\$28.65	2.7 %	\$28.65	\$28.03	2.2 %
Total net rentable square feet (in thousands)	8,627	8,627	-	8,627	8,627	-
Average Euro to the U.S. Dollar for the period (a):						
Constant exchange rates used herein	1.285	1.285	-	1.285	1.285	-
Actual historical exchange rates	1.285	1.392	(7.7)%	1.392	1.326	5.0 %

(a) In order to isolate changes in the underlying operations from the impact of exchange rates, the amounts in this table are presented on a constant exchange rate basis. The amounts for the years ended December 31, 2011 and 2010 have been restated using the actual exchange rate for the year ended December 31, 2012.

(b) We present net operating income "NOI" of the European Same Store Facilities, which is a non-GAAP (generally accepted accounting principles) financial measure that excludes the impact of depreciation and amortization expense. We believe that NOI is a meaningful measure of operating performance, because we utilize NOI in making decisions with respect to capital allocations, in determining current property values, in evaluating property performance and in comparing period-to-period and market-to-market property operating results. In addition, we believe the investment community utilizes NOI in determining operating performance and real estate values, and does not consider depreciation expense because it is based upon historical cost. NOI is not a substitute for

net income, net operating cash flow, or other related GAAP financial measures, in evaluating the operating results of the European Same Store Facilities.

- (c) Square foot occupancies represent weighted average occupancy levels over the entire period.
- (d) Realized annual rent per occupied square foot is computed by dividing annualized rental income, before late charges and administrative fees, by the weighted average occupied square feet for the period.
- (e) These measures exclude late charges and administrative fees in order to provide a better measure of our ongoing level of revenue. Late charges are dependent upon the level of delinquency and administrative fees are dependent upon the level of move-ins. In addition, the rates charged for late charges and administrative fees can vary independently from rental rates. Realized annual rent takes into consideration promotional discounts, which reduce rental income.
- (f) Realized annual rent per available foot or “REVPAF” is computed by dividing rental income, before late charges and administrative fees, by the total available net rentable square feet for the period.
- (g) In place annual rent per occupied square foot represents annualized contractual rents per occupied square foot without reductions for promotional discounts and excludes late charges and administrative fees.

Net operating income increased 1.4% for the year ended December 31, 2012, as compared to the same period in 2011, due to decreases in expenses offset by lower revenues. Net operating income increased 1.7% for the year ended December 31, 2011, as compared to the same period in 2010, due principally to modest growth in revenue and expenses. Based upon current operating trends and metrics, we expect Shurgard Europe's Same Store Facilities to experience a year over year reduction in revenues at least during the first quarter of 2013.

See "Liquidity and Capital Resources – Shurgard Europe" for additional information on Shurgard Europe's liquidity.

Other Investments: The "Other Investments" at December 31, 2012 are comprised primarily of our equity in earnings from various limited partnerships that own an aggregate of 14 self-storage facilities (792,000 net rentable square feet). Our future earnings with respect to the Other Investments will be dependent upon the operating results of the facilities these entities own. See Note 4 to our December 31, 2012 financial statements under the "Other Investments" for the operating results of these entities.

Ancillary Operations

Ancillary revenues and expenses include amounts associated with (i) the reinsurance of policies against losses to goods stored by tenants in our self-storage facilities in the U.S., (ii) merchandise sales, (iii) commercial property operations and (iv) management of approximately 30 facilities owned by third parties and the 14 facilities owned by the limited partnerships mentioned above.

Commercial property operations are included in our commercial segment and all other ancillary revenues and costs of operations are not allocated to any segment. See Note 11 to our December 31, 2012 financial statements for further information regarding our segments and for a reconciliation of these ancillary revenues and cost of operations to our net income.

The following table sets forth our ancillary operations as presented on our statements of income.

	Year Ended December 31			Year Ended December 31,		
	2012	2011	Change	2011	2010	Change
	(Amounts in thousands)					
Ancillary Revenues:						
Tenant reinsurance premiums	\$77,977	\$71,348	\$6,629	\$71,348	\$65,484	\$5,864
Commercial	14,071	14,592	(521)	14,592	14,261	331
Merchandise and other	31,591	28,149	3,442	28,149	24,636	3,513
Total revenues	123,639	114,089	9,550	114,089	104,381	9,708
Ancillary Cost of Operations:						
Tenant reinsurance	14,429	13,407	1,022	13,407	10,552	2,855
Commercial	4,908	5,505	(597)	5,505	5,748	(243)
Merchandise and other	18,926	18,484	442	18,484	17,389	1,095
Total cost of operations	38,263	37,396	867	37,396	33,689	3,707
Commercial depreciation	2,810	2,654	156	2,654	2,620	34
Ancillary net income:						

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Tenant						
reinsurance	63,548	57,941	5,607	57,941	54,932	3,009
Commercial	6,353	6,433	(80)	6,433	5,893	540
Merchandise and other	12,665	9,665	3,000	9,665	7,247	2,418
Total ancillary net income	\$82,566	\$74,039	\$8,527	\$74,039	\$68,072	\$5,967

Tenant reinsurance operations: We reinsure policies offered through a non-affiliated insurance company against losses to goods stored by tenants in the domestic self-storage facilities we operate. The level of tenant reinsurance revenues is largely dependent upon the level of premiums charged for such insurance and the number of tenants that participate in the insurance program. Cost of operations primarily includes claims paid that are not covered by our outside third-party insurers, as well as claims adjustment expenses. These costs are dependent primarily upon the level of losses incurred, including the level of catastrophic events, such as hurricanes, that occur and affect our properties thereby increasing tenant insurance claims.

The increase in tenant insurance revenues in 2012 as compared to 2011, and 2011 as compared to 2010, was due primarily to (i) an increase in the number of tenants participating in the insurance program, due to a larger tenant base combined with a higher participation level, and (ii) an increase in average premium rates. On average, approximately 63%, 61%, and 58% of our tenants had such policies during 2012, 2011 and 2010, respectively. We expect less growth in the percentage of tenants with insurance policies, and approximately flat premium rates, in 2013 as compared to the growth experienced in 2012.

Commercial operations: We also operate commercial facilities, primarily the leasing of small retail storefronts and office space located on or near our existing self-storage facilities. We do not expect any significant changes in revenues or profitability from our commercial operations.

Merchandise sales and other: We sell locks, boxes, and packing supplies at our self-storage facilities, and the level of sales of these items is primarily impacted by the level of move-ins and other customer traffic at our self-storage facilities. Over the past two years our merchandise sales and margins improved primarily as a result of higher retail prices for our locks. To a much lesser extent, we manage a total of 44 self-storage facilities in the U.S. for third party owners and various unconsolidated affiliated limited partnerships for a fee.

Other Income and Expense Items

Interest and other income: Interest and other income was \$22.1 million in 2012, \$32.3 million in 2011 and \$29.0 million in 2010, respectively. Interest and other income primarily includes interest income on loans receivable from Shurgard Europe, as well as trademark license fees received from Shurgard Europe for the use of the “Shurgard” trade name. We record 51% of the aggregate interest income and trademark license fees as interest and other income, while the remaining 49% is presented as additional equity in earnings on our statements of income.

Interest and other income received from Shurgard Europe decreased from \$26.7 million in 2011 to \$20.0 million in 2012, due primarily to (i) interest income on a bridge loan to Shurgard Europe of approximately \$2.5 million during 2011 (none in 2012), (ii) reduced interest income on our currently outstanding loan receivable from Shurgard Europe, due to lower average outstanding balance in 2012 versus 2011 and a decrease in the average exchange rate of the U.S. Dollar to the Euro from 1.392 for 2011 to 1.285 for 2012 when converting euro denominated interest on the loan into U.S. Dollars.

Interest and other income from Shurgard Europe increased from \$25.1 million in 2010 to \$26.7 million in 2011, due primarily to (i) \$2.5 million in interest earned during 2011 on the aforementioned bridge loan to Shurgard Europe, and (ii) an increase in the average exchange rate of the U.S. Dollar to the Euro from 1.326 for 2010 as to 1.392 in 2011.

In 2011, we also received \$1.5 million in interest and other income from our joint venture partner for funding its 51% pro rata share of Shurgard Europe’s cost of the Acquired JV Interests for the period from March 2, 2011 until June 15, 2011.

The loan receivable from Shurgard Europe is denominated in Euros, has a balance of €311.0 million (\$411.0 million) as of December 31, 2012, and matures in February 2015. Future interest income recorded in connection with this loan will be dependent upon the average outstanding balance as well as the exchange rate of the Euro versus the U.S. Dollar. All such interest has been paid currently when due and we expect the interest to continue to be paid when due with Shurgard Europe’s operating cash flow. The terms of a loan payable by Shurgard Europe to a bank, with a principal amount of €160 million at December 31, 2012, requires significant principal repayments through the maturity date in November 2014. As a result, in 2012, there were no principal repayments on our loan, and future principal repayments on our loan will be limited until the bank loan is repaid.

Shurgard Europe is currently considering refinancing its debt during 2013, including amounts owed to us. Depending on if, and when, any such refinancing is consummated it would result in reduced interest income due to the repayment of our loan.

During 2011 and 2010, Shurgard Europe repaid €62.7 million (\$85.8 million) and €18.2 million (\$24.5 million), respectively, on our loan.

The remainder of our interest and other income is comprised primarily of interest earned on cash balances as well as sundry other income items that are received from time to time in varying amounts. Interest income on cash balances has been minimal, because rates have been at historic lows of 0.1% or less, and we expect this trend to continue in the foreseeable future. Future earnings from sundry other income items are not predictable.

Depreciation and amortization: Depreciation and amortization expense was approximately stable at \$357.8 million, \$358.0 million and \$353.2 million for the years ended December 31, 2012, 2011 and 2010, respectively. The level of future depreciation and amortization will primarily depend upon the level of acquisitions of facilities and the level of capital expenditures we incur on our facilities.

General and administrative expense: General and administrative expense for 2012, 2011, and 2010 is set forth in the following table:

	Year Ended December 31, 2012 2011 Change (Amounts in thousands)			Year Ended December 31, 2011 2010 Change		
Share-based compensation expense	\$24,312	\$23,709	\$603	\$23,709	\$11,444	\$12,265
Costs of senior executives	4,736	3,332	1,404	3,332	3,332	-
Development and acquisition overhead	6,355	4,129	2,226	4,129	5,860	(1,731)
Tax compliance costs and taxes paid	4,775	5,546	(771)	5,546	3,684	1,862
Legal costs	3,653	3,601	52	3,601	2,678	923
Public company costs	2,937	2,919	18	2,919	3,133	(214)
Other costs	10,069	9,174	895	9,174	8,356	818
Total	\$56.837	\$52.410	\$4.427	\$52.410	\$38.487	\$13.923

Share-based compensation expense includes the amortization of restricted share units (“RSUs”) and stock options granted to employees, as well as employer taxes incurred upon vesting of RSUs and upon exercise of employee stock options. The level of share-based compensation expense varies based upon the level of grants and forfeitures. Share-based compensation cost increased in 2011 as compared to 2010 due primarily to an increase of \$11.3 million related to a performance-based plan established in 2011 (the “2011 Plan”), with expense recognized on an accelerated basis over five years. Share-based compensation costs increased \$0.6 million in 2012 as compared to 2011, due to additional share-based grants, offset partially by a reduction of \$5.5 million with respect to the 2011 Plan. We expect share-based compensation expense to remain flat in 2013 as compared to 2012. See Note 10 to our December 31, 2012 financial statements for further information on our share-based compensation.

Costs of senior executives represents the cash compensation paid to our chief executive officer and chief financial officer, and has increased due to an increase in incentive compensation paid in 2012 as compared to 2011.

Development and acquisition overhead represents the internal and external expenses of identifying, evaluating, and implementing our acquisition and development activities and varies primarily based upon the level of development and acquisition activities undertaken. Approximately \$1.8 million, \$0.8 million, and \$2.6 million in incremental legal, transfer tax, and other related costs were incurred in connection with the acquisition of real estate facilities in 2012, 2011 and 2010, respectively. The level of such costs to be incurred in 2013 will depend upon the level of acquisition activities, which is not determinable. We have hired additional personnel in late 2012 in connection with an expansion in our development activity, as a result we expect an increase in costs associated with development personnel.

Tax compliance costs and taxes paid include taxes paid to various state and local authorities, the internal and external costs of filing tax returns, costs associated with complying with federal and state tax laws, and maintaining our compliance with Internal Revenue Service REIT rules. Such costs vary primarily based upon the tax rates of the various states in which we do business.

Legal costs include internal personnel as well as fees paid to legal firms and other third parties with respect to general corporate legal matters and risk management, and varies based upon the level of litigation.

Public company costs represent the incremental costs of operating as a publicly-traded company, such as internal and external investor relations expenses, stock listing and transfer agent fees, board of directors' costs, and costs associated with maintaining compliance with applicable laws and regulations, including the Sarbanes-Oxley Act.

Our future general and administrative expenses are difficult to estimate, due to their dependence upon many factors, including those noted above.

Interest expense: Interest expense was \$19.8 million, \$24.2 million and \$30.2 million for 2012, 2011 and 2010, respectively. Interest capitalized into real estate was nominal for all periods due to our minimal real estate development activities.

The decreases in 2012 as compared to 2011, and 2011 as compared to 2010, are due primarily to principal repayments on our mortgage debt and, with respect to the 2011 decrease, repayments on our senior unsecured notes. See Note 6 to our December 31, 2012 financial statements for a schedule of our notes payable balances, principal repayment requirements, and average interest rates.

Foreign Exchange Gain (Loss): We recorded a foreign currency translation gain of \$8.9 million in 2012 and losses of \$7.3 million and \$42.3 million in 2011, and 2010, respectively, representing the change in the U.S. Dollar equivalent of our Euro-based loan receivable from Shurgard Europe due to fluctuations in exchange rates. We have not entered into any agreements to mitigate the impact of currency exchange fluctuations between the U.S. Dollar and the Euro, therefore the amount of U.S. Dollars we will receive on repayment will depend upon the currency exchange rates at that time. We record the exchange gains or losses into net income each period because of our continued expectation of repayment of the loan in the foreseeable future. The U.S. Dollar exchange rate relative to the Euro was approximately 1.322, 1.295 and 1.325 at December 31, 2012, December 31, 2011 and December 31, 2010, respectively.

Future foreign exchange gains or losses will be dependent primarily upon the movement of the Euro relative to the U.S. Dollar, the amount owed from Shurgard Europe and our continued expectation of collecting the principal on the loan in the foreseeable future.

Discontinued Operations: In addition to the revenues and cost of operations of disposed self-storage facilities, discontinued operations includes \$12.1 million, \$2.7 million and \$7.8 million in gains on disposition of real estate facilities in 2012, 2011 and 2010, respectively, and a \$1.9 million impairment charge on real estate and intangible assets incurred in 2010.

Net Income Allocable to Noncontrolling Interests: Net income allocable to noncontrolling interests decreased during 2012 as compared to the 2011, and in 2011 as compared to 2010, due primarily to our acquisition of noncontrolling interests during 2012 and 2011.

Net Income Allocable to Preferred Shareholders: Allocations of net income to our preferred shareholders generally consists of allocations (i) based on distributions and (ii) in applying EITF D-42 when we redeem preferred stock. During 2012, 2011 and 2010, we have redeemed certain existing series of preferred shares and issued additional preferred shares at lower coupon rates. Net income allocable to preferred shareholders in applying EITF D-42 increased in 2012 as compared to 2011, and in 2011 as compared to 2010, due to increases in preferred share redemption activities. Net income allocable to preferred shareholders associated with distributions decreased during 2012 as compared to 2011, and 2011 as compared to 2010, due primarily to lower average dividend rates on our outstanding preferred securities. Based upon our preferred shares outstanding at December 31, 2012, and including the Series W Preferred Shares which were issued on January 16, 2013, our quarterly distribution to our preferred shareholders is expected to be approximately \$49.0 million.

Net Operating Income

In our discussions above, we refer to net operating income or “NOI,” which is a non-GAAP (generally accepted accounting principles) financial measure that excludes the impact of depreciation and amortization expense. We believe that NOI is a meaningful measure of operating performance, because we utilize NOI in making decisions with respect to capital allocations, in determining current property values, in evaluating property performance and in comparing period-to-period and market-to-market property operating results. In addition, we believe the investment community utilizes NOI in determining operating performance and real estate values, and does not consider depreciation expense because it is based upon historical cost. NOI is not a substitute for net income, net operating cash flow, or other related GAAP financial measures, in evaluating our operating results. The following table reconciles NOI generated by our self-storage facilities to our net income:

	Year Ended December 31,		
	2012	2011	2010
	(Amounts in thousands)		
Self-storage net operating income:			
Same Store			
Facilities	\$1,127,568	\$1,045,014	\$979,802
Non Same Store			
Facilities	73,656	53,672	34,879
	1,201,224	1,098,686	1,014,681
Self-storage depreciation expense:			
Same Store			
Facilities	(313,173)	(319,033)	(316,199)
Non Same Store			
Facilities	(41,798)	(36,282)	(34,426)
	(354,971)	(355,315)	(350,625)
Self-storage net income:			
Same Store			
Facilities	814,395	725,981	663,603
Non Same Store			
Facilities	31,858	17,390	453
Total net income from self-storage	846,253	743,371	664,056
Ancillary operating revenue	123,639	114,089	104,381
Ancillary cost of operations	(38,263)	(37,396)	(33,689)
Commercial depreciation and amortization	(2,810)	(2,654)	(2,620)
General and administrative expense	(56,837)	(52,410)	(38,487)
Asset impairment charges	-	(2,186)	(994)
Interest and other income	22,074	32,333	29,017
Interest expense	(19,813)	(24,222)	(30,225)
Equity in earnings of unconsolidated real estate entities	45,586	58,704	38,352
Foreign currency exchange gain (loss)	8,876	(7,287)	(42,264)

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Gain on real estate sales and debt retirement	1,456	10,801	827
Discontinued operations	12,874	3,316	7,760
Net income	\$943,035	\$836,459	\$696,114

Liquidity and Capital Resources

We believe that our cash balances and net cash provided by our operating activities will continue to be sufficient to enable us to meet our operating expenses, debt service, capital improvements and distribution requirements to our shareholders for the foreseeable future.

Operating as a REIT, our ability to retain cash flow for reinvestment is restricted. In order for us to maintain our REIT status, a substantial portion of our operating cash flow must be distributed to our shareholders (see “Requirement to Pay Distributions” below). Despite the significant distribution requirements, we have been able to retain a significant amount of our operating cash flow. The following table summarizes our ability to fund capital improvements to maintain our facilities, distributions to the noncontrolling interests, and distributions to our shareholders through the use of cash provided by operating activities. The remaining cash flow generated is available to make both scheduled and optional principal payments on debt and for reinvestment.

	For the Year Ended December 31,		
	2012	2011	2010
	(Amount in thousands)		
Net cash provided by operating activities (a)	\$1,285,659	\$1,203,452	\$1,093,221
Capital improvements to real estate facilities	(67,737)	(69,777)	(77,500)
Remaining operating cash flow available for distributions to equity holders	1,217,922	1,133,675	1,015,721
Distributions paid to:			
Noncontrolling interests	(5,945)	(14,314)	(24,542)
Common shareholders and restricted share unitholders (\$4.40 per share for 2012, \$3.65 per share for 2011 and \$3.05 per share for 2010)	(753,913)	(621,369)	(516,894)
Preferred and Equity Shares, Series A shareholders	(205,241)	(224,877)	(237,876)
Cash from operations available for principal payments on debt and reinvestment (b)	\$252,823	\$273,115	\$236,409

(a) Represents net cash provided by operating activities for each respective year as presented in our December 31, 2012 statements of cash flows.

(b) We present cash from operations available for principal payments on debt and reinvestment because we believe it is an important measure to evaluate our ongoing liquidity. This measure is not a substitute for cash flows from operations or net cash flows in evaluating our liquidity, ability to repay our debt, or to meet our distribution requirements.

Our financial profile is characterized by a low level of debt-to-total-capitalization. We expect to fund our long-term growth strategies and debt obligations with (i) retained operating cash flows, (ii) depending upon market conditions, proceeds from the issuance of common or preferred equity, and (iii) in the case of acquisitions of facilities, the assumption of existing debt. In general, our strategy is to continue to finance our growth with permanent capital, either retained operating cash flow or capital raised through the issuance of common or preferred equity to the extent that market conditions are favorable.

We have elected to use predominantly preferred securities in our capital structure as a form of leverage despite the fact that the dividend rates of our preferred securities exceed the prevailing market interest rates on conventional debt. We have chosen this method of financing for the following reasons: (i) under the REIT structure, a significant amount of operating cash flow needs to be distributed to our shareholders, making it difficult to repay debt with operating cash flow alone, (ii) our perpetual preferred shares have no sinking fund requirement or maturity date and do not require redemption, all of which eliminate future refinancing risks, (iii) after the end of a non-call period, we have the option to redeem the preferred shares at any time, which enables us to refinance higher coupon preferred shares with new preferred shares at lower rates if appropriate, (iv) preferred shares do not contain covenants, thus allowing us to maintain significant financial flexibility, and (v) dividends on the preferred shares can be applied to satisfy our REIT distribution requirements.

Our credit ratings on each of our series of preferred shares are “A3” by Moody’s, “BBB+” by Standard & Poor’s and “A-” by Fitch Ratings. In recent years, we have been one of the largest and most frequent issuers of preferred stock in the U.S.

Summary of Current Cash Balances and Short-term Capital Commitments: At December 31, 2012, cash and cash equivalents totaled \$17.2 million and we had \$133.0 million in borrowings on our line of credit. On January 16, 2013, we raised \$485 million in net proceeds from the issuance of our 5.2% Series W Preferred Shares and repaid the outstanding borrowings on our line of credit. We have \$255 million in scheduled principal repayments in 2013, including \$186 million for our senior notes which mature on March 15, 2013. As noted below, we have a pipeline of development projects with approximately \$133 million in remaining spending. We have no other significant commitments in 2013.

Access to Additional Capital: We have a revolving line of credit for borrowings up to \$300 million which expires March 21, 2017, with no outstanding borrowings at February 25, 2013. We seldom borrow on the line of credit and generally view borrowings on the line as a means to bridge capital needs until we are able to refinance them with permanent capital. When seeking capital, we select the lowest-cost form of permanent capital. For at least the last ten years, we have raised cash proceeds for growth and other corporate purposes primarily through the issuance of preferred securities, while we have issued common shares only in connection with mergers and acquisitions of interests in real estate entities, with one exception. In December 2012, we raised \$101 million from the sale of common shares owned by a wholly-owned subsidiary, which was done to efficiently liquidate that subsidiary. We have no current plans to issue common shares for cash proceeds.

During periods of favorable market conditions, we have generally been able to raise capital from the issuance of preferred securities at an attractive cost of capital. During the years ended December 31, 2012 and 2011, we issued approximately \$1.7 billion and \$862.5 million, respectively, of preferred securities and on January 16, 2013, we issued another \$500.0 million of preferred securities. The net proceeds from these issuances were generally used to fund the redemptions of higher rate preferred securities and thus lower our cost of capital with respect to our overall outstanding preferred securities. During 2013, due to the favorable market conditions, we expect to continue to issue preferred securities with the likelihood that we will build our cash reserves for future investments.

Debt Service Requirements: As of December 31, 2012, our outstanding debt totaled approximately \$468.8 million, including \$133 million outstanding on our line of credit. On January 16, 2013, we repaid the remaining outstanding balance on our line of credit. Approximate principal maturities of our other unsecured and secured debt are as follows (amounts in thousands):

	Unsecured debt	Secured debt	Total
2013	\$ 186,460	\$68,116	\$254,576
2014	-	35,127	35,127
2015	-	30,009	30,009
2016	-	10,065	10,065
2017	-	1,003	1,003
Thereafter	-	5,048	5,048
	\$ 186,460	\$149,368	\$335,828

The unsecured debt of \$186.5 million is due on March 15, 2013. Our remaining debt maturities are nominal compared to our annual cash from operations available for debt repayment. We intend to repay the debt at maturity and not seek to refinance it with additional debt.

Our portfolio of real estate facilities is substantially unencumbered. At December 31, 2012, we have 2,001 self-storage facilities with an aggregate net book value of approximately \$7.0 billion that are unencumbered.

Capital Improvement Requirements: Capital improvements include major repairs or replacements to elements of our facilities, which keep the facilities in good operating condition and maintain their visual appeal to the customer. Capital improvements do not include costs relating to the development of new facilities or the expansion of net rentable square footage of existing facilities. We incurred capital improvements totaling \$67.7 million during 2012. During 2013, we expect to incur approximately \$72 million for capital improvements and expect to fund such improvements with operating cash flow. For the last three years, our capital expenditures have ranged between approximately \$0.55 and \$0.60 per net rentable square foot per year.

Requirement to Pay Distributions: For all periods presented herein, we have elected to be treated as a REIT, as defined in the Internal Revenue Code. As a REIT, we do not incur federal income tax on our REIT taxable income (generally, net rents and gains from real property, dividends, and interest) that is fully distributed each year (for this purpose, certain distributions paid in a subsequent year may be considered), and if we meet certain organizational and operational rules. We believe we have met these requirements in all periods presented herein, and we expect to continue to elect and qualify as a REIT.

Aggregate REIT qualifying distributions paid during 2012 totaled \$959.2 million, consisting of \$205.2 million to preferred shareholders and \$753.9 million to common shareholders and restricted share unitholders.

We estimate the annual distribution requirements with respect to our Preferred Shares outstanding at December 31, 2012, including the Series W Preferred Shares issued on January 16, 2013, to be approximately \$196 million per year.

On February 21, 2013, our Board of Trustees declared a regular common quarterly dividend of \$1.25 per common share, representing an increase of 13.6% from the previous regular common dividend of \$1.10 per common share. Our consistent, long-term dividend policy has been to distribute only our taxable income. Future quarterly distributions with respect to the common shares will continue to be determined based upon our REIT distribution requirements after taking into consideration distributions to the preferred shareholders and will be funded with operating cash flow.

We are obligated to pay distributions to noncontrolling interests in our consolidated subsidiaries based upon the available operating cash flows of the respective subsidiary. We estimate annual distributions of approximately \$6.3 million with respect to such non-controlling interests outstanding at December 31, 2012.

Acquisition Activities: During 2013, we will continue to seek to acquire self-storage facilities from third parties; however, it is difficult to estimate the amount of third party acquisitions we will undertake.

Development Activities: At December 31, 2012, we had a development pipeline of projects to expand existing self-storage facilities and develop new self-storage facilities, which will add approximately 1.3 million net rentable square feet of self-storage space. The aggregate cost of these projects is estimated at \$169 million, of which \$36 million had been incurred at December 31, 2012, and the remaining costs will be incurred principally in 2013. Some of these projects are subject to significant contingencies such as entitlement approval. We expect to continue to seek additional development projects and have hired additional personnel; however, due to the difficulty in finding projects that meet our risk-adjusted yield expectations, as well as the difficulty in obtaining building permits for self-storage activities in certain municipalities, it is uncertain as to how much additional development we will undertake in the future.

Shurgard Europe: We have a 49% interest in Shurgard Europe and our institutional partner owns the remaining 51% interest. As of December 31, 2012, Shurgard Europe had two loans outstanding; (i) €159.5 million due to a bank and (ii) €311.0 million due to Public Storage. The loan due to Public Storage (totaling \$411.0 million U.S. Dollars) bears

interest at a fixed rate of 9.0% per annum and matures February 15, 2015. The loan can be prepaid in part or in full at any time without penalty. This loan is denominated in Euros and is translated to U.S. Dollars for financial statement purposes.

The bank loan requires significant principal reduction through the maturity date in November 2014. As a result, in 2012, there were no principal repayments on our loan, and future principal repayments on our loan will be limited until the bank loan is repaid. Further, consistent with prior years, we do not expect to receive cash distributions from Shurgard Europe with respect to our 49% equity interest for the foreseeable future.

Redemption of Preferred Securities: We have no other series of preferred shares that are redeemable before April 2015 and none of our preferred securities are redeemable at the option of the holders.

Repurchases of Company's Common Shares: Our Board of Trustees has authorized management to repurchase up to 35,000,000 of our common shares on the open market or in privately negotiated transactions. During 2012, we did not repurchase any of our common shares. From the inception of the repurchase program through February 25, 2013, we have repurchased a total of 23,721,916 common shares at an aggregate cost of approximately \$679.1 million. We have no current plans to repurchase shares; however, future levels of common share repurchases will be dependent upon our available capital, investment alternatives and the trading price of our common shares.

Contractual Obligations

Our significant contractual obligations at December 31, 2012 and their impact on our cash flows and liquidity are summarized below for the years ending December 31 (amounts in thousands):

	Total	2013	2014	2015	2016	2017	Thereafter
Long-term debt (1)	\$351,925	\$264,023	\$38,533	\$31,358	\$10,851	\$1,324	\$5,836
Line of credit (2)	133,064	133,064	-	-	-	-	-
Operating leases (3)	74,681	4,731	4,615	3,661	3,567	2,722	55,385
Construction and purchase commitments	14,828	12,392	2,436	-	-	-	-
Total	\$574,498	\$414,210	\$45,584	\$35,019	\$14,418	\$4,046	\$61,221

(1) Amounts include principal and interest payments (all of which are fixed-rate) on our notes payable based on their contractual terms. See Note 6 to our December 31, 2012 financial statements for additional information on our notes payable.

(2) Amounts represent borrowings under our \$300 million revolving line of credit, which were repaid in January 2013. See Note 6 to our December 31, 2012 financial statements for additional information on our line of credit.

(3) We lease land, equipment and office space under various operating leases. Certain leases are cancelable; however, significant penalties would be incurred upon cancellation. Amounts reflected above consider continuance of the lease without

cancellation.

We estimate the annual distribution requirements with respect to our Preferred Shares outstanding at December 31, 2012, including the Series W Preferred Shares issued on January 16, 2013, to be approximately \$196 million per year. Dividends are paid when and if declared by our Board of Trustees and accumulate if not paid. We have no other series of preferred shares that are redeemable before April 2015 and none of our preferred securities are redeemable at the option of the holders.

Off-Balance Sheet Arrangements: At December 31, 2012, we had no material off-balance sheet arrangements as defined under Regulation S-K 303(a)(4) and the instructions thereto.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

To limit our exposure to market risk, we are capitalized primarily with preferred and common equity. Our preferred shares are redeemable at our option generally five years after issuance, but the holder has no redemption option. Our debt is our only market-risk sensitive portion of our capital structure, which totals \$468.8 million and represents 5.8% of the book value of our equity at December 31, 2012.

We have foreign currency exposures related to our investment in Shurgard Europe, which has a book value of \$411.1 million at December 31, 2012. We also have a loan receivable from Shurgard Europe, which is denominated in Euros, totaling €311.0 million (\$411.0 million) at December 31, 2012.

The table below summarizes annual debt maturities and weighted-average interest rates on our outstanding debt at the end of each year and fair values required to evaluate our expected cash-flows under debt agreements and our sensitivity to interest rate changes at December 31, 2012 (dollar amounts in thousands).

	2013	2014	2015	2016	2017	Thereafter	Total	Fair Value
Fixed rate debt	\$254,576	\$35,127	\$30,009	\$10,065	\$1,003	\$5,048	\$335,828	\$339,634
Average interest rate	5.87 %	5.35 %	5.45 %	5.57 %	5.78 %	5.69 %		
Variable rate debt (1)	\$133,000	\$-	\$-	\$-	\$-	\$-	\$133,000	\$133,000
Average interest rate	1.16 %							

(1) Amounts represent borrowings under our line of credit which expires in March 2017, which had a variable interest rate at December 31, 2012 of 1.16%. These borrowings were repaid in January 2013.

ITEM 8. Financial Statements and Supplementary Data

The financial statements of the Company at December 31, 2012 and December 31, 2011 and for each of the three years in the period ended December 31, 2012 and the report of Ernst & Young LLP, Independent Registered Public Accounting Firm, thereon and the related financial statement schedule, are included elsewhere herein. Reference is made to the Index to Financial Statements and Schedules in Item 15.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports we file and submit under the Securities Exchange Act of 1934, as amended, ("Exchange Act") is recorded, processed, summarized and reported within the time periods specified in accordance with SEC guidelines and that such information is communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure based on the definition of "disclosure controls and procedures" in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures in reaching that level of reasonable assurance. We also have investments in certain unconsolidated real estate entities and because we do not control these entities, our disclosure controls and procedures with respect to such entities are substantially more limited than those we maintain with respect to our consolidated subsidiaries.

As of December 31, 2012, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2012, at a reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control-Integrated Framework issued by the Committee on Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in Internal Control-Integrated Framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2012.

The effectiveness of internal control over financial reporting as of December 31, 2012, has been audited by Ernst & Young LLP, independent registered public accounting firm. Ernst & Young LLP's report on our internal control over financial reporting appears below.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of 2011 to which this report relates that have materially affected, or are reasonable likely to materially affect, our internal control over financial reporting.

ITEM 9B. Other Information

None.

Report of Independent Registered Public Accounting Firm

The Board of Trustees and Shareholders of
Public Storage

We have audited Public Storage's internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Public Storage's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and trustees of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Public Storage maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Public Storage as of December 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2012 and our report dated February 25, 2013 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Los Angeles, California
February 25, 2013

PART III

ITEM 10. Trustees, Executive Officers and Corporate Governance

The information required by this item with respect to trustees will be included under the captions titled “Election of Trustees” in the Company’s definitive proxy statement for the 2013 Annual Meeting to be filed with the SEC within 120 days of the fiscal year ended December 31, 2012 (the “2013 Proxy Statement”) and is incorporated herein by reference.

The information required by this item with respect to the nominating process, the audit committee and the audit committee financial expert will be included under the captions “Corporate Governance and Board Matters—Audit Committee”, “Corporate Governance and Board Matters—Consideration of Candidates for Trustee” in the 2013 Proxy Statement and is incorporated herein by reference.

The information required by this item with respect to Section 16(a) compliance will be included under the caption “Section 16(a) Beneficial Ownership Reporting Compliance” in the 2013 Proxy Statement and is incorporated herein by reference.

The information required by this item with respect to a code of ethics will be included under the caption “Corporate Governance and Board Matters” in the 2013 Proxy Statement and is incorporated herein by reference. Any amendments to or waivers of the code of ethics granted to the Company’s executive officers or the controller will be published promptly on our website or by other appropriate means in accordance with SEC rules and regulations.

The following is a biographical summary of the current executive officers of the Company:

Ronald L. Havner, Jr., age 55, is Chairman of the Board, President and Chief Executive Officer. He was named Chairman in 2011 and has served as the company’s Chief Executive Officer and a member of the Board of Public Storage since November 2002. Mr. Havner has been Chairman of the Board of Public Storage’s affiliate, PS Business Parks, Inc. (PSB), since March 1998. Within the last five years, Mr. Havner served on the boards of Union BanCal Corporation and its subsidiary, Union Bank of California, and General Finance Corporation.

John Reyes, age 52, has served as Senior Vice President and Chief Financial Officer of Public Storage since 1996.

Shawn Weidmann, 49, joined Public Storage as Senior Vice President and Chief Operating Officer in August 2011. Prior to joining Public Storage, Mr. Weidmann was employed at Teleflora LLC, the world’s leading floral wire service, where he served as President since 2006.

David F. Doll, age 54, became Senior Vice President and President, Real Estate Group, in February 2005, with responsibility for the real estate activities of Public Storage, including property acquisitions, developments, repackagings, and capital improvements.

Steven M. Glick, age 56, became Senior Vice President and Chief Legal Officer of Public Storage in February 2010. From April 2005 until joining Public Storage, Mr. Glick was Senior Vice President and General Counsel, Americas for Technicolor (NYSE:TCH), a services, systems and technology company.

Candace N. Krol, age 51, has served as Senior Vice President of Human Resources since September 2005.

ITEM 11. Executive Compensation

The information required by this item will be included under the captions titled “Corporate Governance and Board Matters,” “Executive Compensation,” “Corporate Governance and Board Matters--Compensation Committee Interlocks and Insider Participation,” and “Report of the Compensation Committee” in the 2013 Proxy Statement and is incorporated herein by reference.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information required by this item is hereby incorporated by reference to the material appearing in the Proxy Statement under the captions “Stock Ownership of Certain Beneficial Owners and Management.”

The following table sets forth information as of December 31, 2012 on the Company’s equity compensation plans:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders (a)	2,896,157 (b)	\$ 59.24	1,535,487
Equity compensation plans not approved by security holders (c)	-	-	595,002

- a) The Company’s stock option and stock incentive plans are described more fully in Note 10 to the December 31, 2012 financial statements. All plans, other than the 2000 and 2001 Non-Executive/Non-Director Plans, were approved by the Company’s shareholders.
- b) Includes 642,647 restricted share units that, if and when vested, will be settled in common shares of the Company on a one for one basis.
- c) The outstanding options granted under plans not approved by the Company’s shareholders were granted under the Company’s 2000 and 2001 Non-Executive/Non-Director Plan, which does not allow participation by the Company’s executive officers and trustees. The principal terms of these plans are as follows: (1) 2,500,000 common shares were authorized for grant, (2) this plan is administered by the Equity Awards Committee, except that grants in excess of 100,000 shares to any one person requires approval by the Executive Equity Awards Committee, (3) options are granted at fair market value on the date of grant, (4) options have a ten year term and (5) options vest over three years in equal installments, or as indicated by the applicable grant agreement.

ITEM 13. Certain Relationships and Related Transactions and Trustee Independence

The information required by this item will be included under the captions titled “Corporate Governance and Board Matters—Trustee Independence” and “Certain Relationships and Related Transactions and Legal Proceedings” in the 2013 Proxy Statement and is incorporated herein by reference.

ITEM 14. Principal Accountant Fees and Services

The information required by this item will be included under the caption titled “Ratification of Auditors—Fees Billed to the Company by Ernst & Young LLP for 2012 and 2011” in the 2013 Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

a. 1. Financial Statements

The financial statements listed in the accompanying Index to Financial Statements and Schedules hereof are filed as part of this report.

2. Financial Statement Schedules

The financial statements schedules listed in the accompanying Index to Financial Statements and Schedules are filed as part of this report.

3. Exhibits

See Index to Exhibits contained herein.

b. Exhibits:

See Index to Exhibits contained herein.

c. Financial Statement Schedules

Not applicable.

PUBLIC STORAGE

INDEX TO EXHIBITS (1)

(Items 15(a)(3) and 15(c))

- 3.1 Articles of Amendment and Restatement of Declaration of Trust of Public Storage, a Maryland real estate investment trust. Filed with the Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 and incorporated by reference herein.
- 3.2 Bylaws of Public Storage, a Maryland real estate investment trust. Filed with the Registrant's Current Report on Form 8-K dated May 11, 2010 and incorporated by reference herein.
- 3.3 Articles Supplementary for Public Storage 6.875% Cumulative Preferred Shares, Series O. Filed with the Registrant's Current Report on Form 8-K dated April 8, 2010 and incorporated by reference herein.
- 3.4 Articles Supplementary for Public Storage 6.500% Cumulative Preferred Shares, Series P. Filed with the Registrant's Current Report on Form 8-K dated October 6, 2010 and incorporated by reference herein.
- 3.5 Articles Supplementary for Public Storage 6.5% Cumulative Preferred Shares, Series Q. Filed with the Registrant's Current Report on Form 8-K dated May 2, 2011 and incorporated by reference herein.
- 3.6 Articles Supplementary for Public Storage 6.35% Cumulative Preferred Shares, Series R. Filed with the Registrant's Current Report on Form 8-K dated July 20, 2011 and incorporated by reference herein.
- 3.7 Articles Supplementary for Public Storage 5.900% Cumulative Preferred Shares, Series S. Filed with the Registrant's Current Report on Form 8-K dated January 9, 2012 and incorporated by reference herein.
- 3.8 Articles Supplementary for Public Storage 5.750% Cumulative Preferred Shares, Series T. Filed with the Registrant's Current Report on Form 8-K dated March 7, 2012 and incorporated by reference herein.
- 3.9 Articles Supplementary for Public Storage 5.625% Cumulative Preferred Shares, Series U. Filed with the Registrant's Current Report on Form 8-K dated June 6, 2012 and incorporated by reference herein.
- 3.10 Articles Supplementary for Public Storage 5.375% Cumulative Preferred Shares, Series V. Filed with the Registrant's Current Report on Form 8-K dated September 11, 2012 and incorporated by reference herein.

- 3.11 Articles Supplementary for Public Storage 5.20% Cumulative Preferred Shares, Series W. Filed with the Registrant's Current Report on Form 8-K dated January 8, 2013 and incorporated by reference herein.
- 4.1 Master Deposit Agreement, dated as of May 31, 2007. Filed with the Registrant's Current Report on Form 8-K dated June 6, 2007 and incorporated by reference herein.
- 10.1 Amended Management Agreement between Registrant and Public Storage Commercial Properties Group, Inc. dated as of February 21, 1995. Filed with Public Storage Inc.'s ("PSI") Annual Report on Form 10-K for the year ended December 31, 1994 (SEC File No. 001-0839) and incorporated herein by reference.

- 10.2 Second Amended and Restated Management Agreement by and among Registrant and the entities listed therein dated as of November 16, 1995. Filed with PS Partners, Ltd.'s Annual Report on Form 10-K for the year ended December 31, 1996 (SEC File No. 001-11186) and incorporated herein by reference.
- 10.3 Agreement of Limited Partnership of PS Business Parks, L.P. Filed with PS Business Parks, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1998 (SEC File No. 001-10709) and incorporated herein by reference.
- 10.4 Amended and Restated Agreement of Limited Partnership of Storage Trust Properties, L.P. (March 12, 1999). Filed with PSI's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1999 (SEC File No. 001-0839) and incorporated herein by reference.
- 10.5 Amended and Restated Credit Agreement by and among Registrant, Wells Fargo Securities, LLC and Merrill Lynch, Pierce Fenner & Smith Incorporated as joint lead arrangers, Wells Fargo Bank, National Association, as administrative agent, and the other financial institutions party thereto, dated as of March 21, 2012. Filed with PSI's Current Report on Form 8-K on March 27, 2012 (SEC File No. 001-0839) and incorporated herein by reference.
- 10.6* Post-Retirement Agreement between Registrant and B. Wayne Hughes dated as of March 11, 2004. Filed with Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 and incorporated herein by reference.
- 10.7* Shurgard Storage Centers, Inc. 2004 Long Term Incentive Compensation Plan. Filed as Appendix A of Definitive Proxy Statement dated June 7, 2004 filed by Shurgard (SEC File No. 001-11455) and incorporated herein by reference.
- 10.8* Public Storage, Inc. 2001 Stock Option and Incentive Plan ("2001 Plan"). Filed with PSI's Registration Statement on Form S-8 (SEC File No. 333-59218) and incorporated herein by reference.
- 10.9* Form of 2001 Plan Non-qualified Stock Option Agreement. Filed with PSI's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004 (SEC File No. 001-0839) and incorporated herein by reference.
- 10.10* Form of 2001 Plan Restricted Share Unit Agreement. Filed with PSI's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004 (SEC File No. 001-0839) and incorporated herein by reference.
- 10.11* Form of 2001 Plan Non-Qualified Outside Director Stock Option Agreement. Filed with PSI's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004 (SEC File No. 001-0839) and incorporated

herein by reference.

- 10.12* Public Storage 2007 Equity and Performance-Based Incentive Compensation Plan. Filed as Exhibit 4.1 to Registrant's Registration Statement on Form S-8 (SEC File No. 333-144907) and incorporated herein by reference.
- 10.13* Form of 2007 Plan Restricted Stock Unit Agreement. Filed with Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 and incorporated herein by reference.
- 10.14* Form of 2007 Plan Stock Option Agreement. Filed with Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 and incorporated herein by reference.
- 10.15* Form of Indemnity Agreement. Filed with Registrant's Amendment No. 1 to Registration Statement on Form S-4 (SEC File No. 333-141448) and incorporated herein by reference.

- 10.16* Amendment to Form of Trustee Stock Option Agreement. Filed as Exhibit 10.30 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 and incorporated herein by reference.
- 10.17* Revised Form of Trustee Stock Option Agreement. Filed as Exhibit 10.31 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 and incorporated herein by reference.
- 12 Statement Re: Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends. Filed herewith.
- 21 Listing of Subsidiaries. Filed herewith.
- 23 Consent of Ernst & Young LLP. Filed herewith.
- 31.1 Rule 13a – 14(a) Certification. Filed herewith.
- 31.2 Rule 13a – 14(a) Certification. Filed herewith.
- 32 Section 1350 Certifications. Filed herewith.

101 .INS**XBRL Instance Document

1 0 1XBRL Taxonomy Extension Schema
 .SCH**
 1 0 1XBRL Taxonomy Extension Calculation Linkbase
 .CAL**
 1 0 1XBRL Taxonomy Extension Definition Linkbase
 .DEF**
 1 0 1XBRL Taxonomy Extension Label Linkbase
 .LAB**
 1 0 1XBRL Taxonomy Extension Presentation Link
 .PRE**

_(1)SEC tFile No. 001-33519 unless otherwise indicated.

* Denotes management compensatory plan agreement or arrangement.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PUBLIC STORAGE

Date: February 25, 2013

By: /s/ Ronald L. Havner,
Jr.
Ronald L. Havner, Jr., Chairman,
Chief Executive Officer and President

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Ronald L. Havner, Jr. Ronald L. Havner, Jr.	Chairman, Chief Executive Officer, President and Trustee (principal executive officer)	February 25, 2013
/s/ John Reyes John Reyes	Senior Vice President and Chief Financial Officer (principal financial officer and principal accounting officer)	February 25, 2013
/s/ Tamara Hughes Gustavson Tamara Hughes Gustavson	Trustee	February 25, 2013
/s/ Uri P. Harkham Uri P. Harkham	Trustee	February 25, 2013
/s/ B. Wayne Hughes, Jr. B. Wayne Hughes, Jr.	Trustee	February 25, 2013
/s/ Avedick B. Poladian Avedick B. Poladian	Trustee	February 25, 2013
/s/ Gary E. Pruitt Gary E. Pruitt	Trustee	February 25, 2013
/s/ Ronald P. Spogli Ronald P. Spogli	Trustee	February 25, 2013
/s/ Daniel C. Staton Daniel C. Staton	Trustee	February 25, 2013

PUBLIC STORAGE
INDEX TO FINANCIAL STATEMENTS
AND SCHEDULES

(Item 15 (a))

	Page References
Report of Independent Registered Public Accounting Firm	F-1
Balance sheets as of December 31, 2012 and 2011	F-2
For the years ended December 31, 2012, 2011 and 2010:	
Statements of income	F-3
Statements of comprehensive income	F-4
Statements of equity	F-5 – F-6
Statements of cash flows	F-7 – F-8
Notes to financial statements	F-9 – F-34
Schedule:	
III – Real estate and accumulated depreciation	F-35– F-98

All other schedules have been omitted since the required information is not present or not present in amounts sufficient to require submission of the schedule, or because the information required is included in the financial statements or notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Trustees and Shareholders of
Public Storage

We have audited the accompanying consolidated balance sheets of Public Storage as of December 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2012. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Public Storage at December 31, 2012 and 2011, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2012, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Public Storage's internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2013 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Los Angeles, California
February 25, 2013

PUBLIC STORAGE
BALANCE SHEETS
(Amounts in thousands, except share data)

	December 31, 2012	December 31, 2011
ASSETS		
Cash and cash equivalents	\$ 17,239	\$ 139,008
Real estate facilities, at cost:		
Land	2,868,925	2,811,515
Buildings	8,201,137	7,966,061
	11,070,062	10,777,576
Accumulated depreciation	(3,738,130)	(3,398,379)
	7,331,932	7,379,197
Investments in unconsolidated real estate entities	735,323	714,627
Goodwill and other intangible assets, net	209,374	209,833
Loan receivable from unconsolidated real estate entity	410,995	402,693
Other assets	88,540	87,204
Total assets	\$ 8,793,403	\$ 8,932,562
LIABILITIES AND EQUITY		
Borrowings on bank credit facility	\$ 133,000	\$ -
Notes payable	335,828	398,314
Accrued and other liabilities	201,711	210,966
Total liabilities	670,539	609,280
Redeemable noncontrolling interests	-	12,355
Commitments and contingencies (Note 13)		
Equity:		
Public Storage shareholders' equity:		
Preferred Shares, \$0.01 par value, 100,000,000 shares authorized, 113,500 shares issued (in series) and outstanding, (475,000 at December 31, 2011), at liquidation preference	2,837,500	3,111,271
Common Shares, \$0.10 par value, 650,000,000 shares authorized, 171,388,286 shares issued and outstanding (170,238,805 shares at	17,139	17,024

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December 31, 2011)

Paid-in capital	5,519,596	5,442,506
Accumulated deficit	(279,474)	(259,578)
Accumulated other comprehensive loss	(1,005)	(23,014)
Total Public Storage shareholders' equity	8,093,756	8,288,209
Permanent noncontrolling interests	29,108	22,718
Total equity	8,122,864	8,310,927
Total liabilities and equity	\$8,793,403	\$8,932,562

See accompanying notes.

F-2

PUBLIC STORAGE
STATEMENTS OF INCOME
(Amounts in thousands, except per share amounts)

	For the Years Ended December 31,		
	2012	2011	2010
Revenues:			
Self-storage facilities	\$ 1,703,090	\$ 1,603,524	\$ 1,509,396
Ancillary operations	123,639	114,089	104,381
	1,826,729	1,717,613	1,613,777
Expenses:			
Self-storage cost of operations	501,866	504,838	494,715
Ancillary cost of operations	38,263	37,396	33,689
Depreciation and amortization	357,781	357,969	353,245
General and administrative	56,837	52,410	38,487
Asset impairment charges	-	2,186	994
	954,747	954,799	921,130
Operating income	871,982	762,814	692,647
Interest and other income	22,074	32,333	29,017
Interest expense	(19,813)	(24,222)	(30,225)
Equity in earnings of unconsolidated real estate entities	45,586	58,704	38,352
Foreign currency exchange gain (loss)	8,876	(7,287)	(42,264)
Gain on real estate sales and debt retirement	1,456	10,801	827
Income from continuing operations	930,161	833,143	688,354
Discontinued operations	12,874	3,316	7,760
Net income	943,035	836,459	696,114
Allocation to noncontrolling interests	(3,777)	(12,617)	(24,076)
Net income allocable to Public Storage shareholders	939,258	823,842	672,038
Allocation of net income to:			
Preferred shareholders - distributions	(205,241)	(224,877)	(232,745)
Preferred shareholders - redemptions	(61,696)	(35,585)	(7,889)
Equity Shares, Series A - distributions	-	-	(5,131)
Equity Shares, Series A - redemptions	-	-	(25,746)
Restricted share units	(2,627)	(1,633)	(1,349)
Net income allocable to common shareholders	\$ 669,694	\$ 561,747	\$ 399,178
Net income per common share – basic			
Continuing operations	\$ 3.85	\$ 3.29	\$ 2.31
Discontinued operations	0.08	0.02	0.05
	\$ 3.93	\$ 3.31	\$ 2.36
Net income per common share – diluted			
Continuing operations	\$ 3.83	\$ 3.27	\$ 2.30

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Discontinued operations	0.07	0.02	0.05
	\$ 3.90	\$ 3.29	\$ 2.35
Basic weighted average common shares outstanding	170,562	169,657	168,877
Diluted weighted average common shares outstanding	171,664	170,750	169,772
Cash dividends declared per common share	\$ 4.40	\$ 3.65	\$ 3.05

See accompanying notes.

F-3

PUBLIC STORAGE
STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in thousands)

	For the Years Ended December 31,		
	2012	2011	2010
Net income	\$ 943,035	\$ 836,459	\$ 696,114
Other comprehensive (loss) income:			
Aggregate foreign currency exchange gain (loss)	30,885	(14,528)	(43,035)
Adjust for foreign currency exchange (gain) loss included in net income	(8,876)	7,287	42,264
Other comprehensive income (loss)	22,009	(7,241)	(771)
Total comprehensive income	965,044	829,218	695,343
Allocation to noncontrolling interests	(3,777)	(12,617)	(24,076)
Comprehensive income allocated to Public Storage shareholders	\$ 961,267	\$ 816,601	\$ 671,267

See accompanying notes.

F-4

PUBLIC STORAGE
STATEMENTS OF EQUITY
(Amounts in thousands, except share and per share amounts)

	Cumulative Preferred Shares	Common Shares	Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Public Storage Shareholders' Equity	Permanent Noncontrolling Interests	Total Equity
Balances at December 31, 2009	\$3,399,777	\$16,842	\$5,680,549	\$(153,759)	\$(15,002)	\$8,928,407	\$132,974	\$9,061,381
Redemption of 10,950,000 preferred shares (Note 8)	(273,750)	-	800	-	-	(272,950)	-	(272,950)
Issuance of 10,800,000 preferred shares (Note 8)	270,000	-	(8,897)	-	-	261,103	-	261,103
Redemption of preferred partnership units (Note 7)	-	-	(400)	-	-	(400)	(100,000)	(100,400)
Redemption of Equity Shares, Series A (8,377.193 shares) (Note 8)	-	-	(205,366)	-	-	(205,366)	-	(205,366)
Issuance of common shares in connection with share-based compensation (847,280 shares) (Note 10)	-	85	41,223	-	-	41,308	-	41,308
Share-based compensation expense, net of cash paid in lieu of common shares (Note 10)	-	-	7,918	-	-	7,918	-	7,918
Adjustments of redeemable noncontrolling interests to	-	-	-	(319)	-	(319)	-	(319)

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liquidation value (Note 7)								
Net income	-	-	-	696,114	-	696,114	-	696,114
Net income allocated to (Note 7):								
Redeemable noncontrolling interests	-	-	-	(933)	-	(933)	-	(933)
Permanent noncontrolling interests	-	-	-	(22,743)	-	(22,743)	22,743	-
Distributions to equity holders:								
Preferred shares (Note 8)	-	-	-	(232,745)	-	(232,745)	-	(232,745)
Permanent noncontrolling interests	-	-	-	-	-	-	(23,381)	(23,381)
Equity Shares, Series A (\$0.6125 per depositary share)	-	-	-	(5,131)	-	(5,131)	-	(5,131)
Common shares and restricted share units (\$3.05 per share)	-	-	-	(516,894)	-	(516,894)	-	(516,894)
Other comprehensive loss (Note 2)	-	-	-	-	(771)	(771)	-	(771)
Balances at December 31, 2010	3,396,027	16,927	5,515,827	(236,410)	(15,773)	8,676,598	32,336	8,708,934
Redemption of 45,890,000 preferred shares (Note 8)	(1,147,256)	-	-	-	-	(1,147,256)	-	(1,147,256)
Issuance of 34,500,000 preferred shares (Note 8)	862,500	-	(26,873)	-	-	835,627	-	835,627
Issuance of common shares in connection with share-based compensation (508,058 shares) (Note 10)	-	49	26,367	-	-	26,416	-	26,416

Issuance of common shares in connection with acquisition of noncontrolling interests (477,928 shares) (Note 7)	-	48	57,060	-	-	57,108	-	57,108
Share-based compensation expense, net of cash paid in lieu of common shares (Note 10)	-	-	19,445	-	-	19,445	-	19,445
Adjustments of redeemable noncontrolling interests to liquidation value (Note 7)	-	-	-	(764)	-	(764)	-	(764)
Increase (decrease) in permanent noncontrolling interests in connection with:								
Consolidation of partially-owned entities (Note 4)	-	-	-	-	-	-	17,663	17,663
Acquisition of interests in Subsidiaries (Note 7)	-	-	(149,320)	-	-	(149,320)	(26,206)	(175,526)
Net income	-	-	-	836,459	-	836,459	-	836,459

See accompanying notes.

F-5

PUBLIC STORAGE
STATEMENTS OF EQUITY
(Amounts in thousands, except share and per share amounts)
(Continued)

	Cumulative Preferred Shares	Common Shares	Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Public Storage Shareholders' Equity	Permanent Noncontrolling Interests	Total Equity
Net income allocated to (Note 7):								
Redeemable noncontrolling interests	-	-	-	(938)	-	(938)	-	(938)
Permanent noncontrolling interests	-	-	-	(11,679)	-	(11,679)	11,679	-
Distributions to equity holders:								
Preferred shares (Note 8)	-	-	-	(224,877)	-	(224,877)	-	(224,877)
Permanent noncontrolling interests	-	-	-	-	-	-	(12,754)	(12,754)
Common shares and restricted share units (\$3.65 per share)	-	-	-	(621,369)	-	(621,369)	-	(621,369)
Other comprehensive loss (Note 2)	-	-	-	-	(7,241)	(7,241)	-	(7,241)
Balances at December 31, 2011	3,111,271	17,024	5,442,506	(259,578)	(23,014)	8,288,209	22,718	8,310,927
Redemption of 79,150,833 preferred shares (Note 8)	(1,978,771)	-	-	-	-	(1,978,771)	-	(1,978,771)
Issuance of 68,200,000 preferred shares (Note 8)	1,705,000	-	(53,544)	-	-	1,651,456	-	1,651,456
Issuance of common shares (1,149,481	-	115	124,332	-	-	124,447	-	124,447

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shares) (Note 8)								
Share-based compensation expense, net of cash paid in lieu of common shares (Note 10)	-	-	15,606	-	-	15,606	-	15,606
Acquisition of redeemable noncontrolling interests (Note 7)	-	-	(7,954)	-	-	(7,954)	-	(7,954)
Increase (decrease) in permanent noncontrolling interests in connection with:								
Consolidation of partially-owned entities (Note 4)	-	-	-	-	-	-	8,224	8,224
Acquisition of interests in Subsidiaries (Note 7)	-	-	(1,350)	-	-	(1,350)	(75)	(1,425)
Net income	-	-	-	943,035	-	943,035	-	943,035
Net income allocated to (Note 7):								
Redeemable noncontrolling interests	-	-	-	(236)	-	(236)	-	(236)
Permanent noncontrolling interests	-	-	-	(3,541)	-	(3,541)	3,541	-
Distributions to equity holders:								
Preferred shares (Note 8)	-	-	-	(205,241)	-	(205,241)	-	(205,241)
Permanent noncontrolling interests	-	-	-	-	-	-	(5,300)	(5,300)
Common shares and restricted share units (\$4.40 per share)	-	-	-	(753,913)	-	(753,913)	-	(753,913)
Other comprehensive	-	-	-	-	22,009	22,009	-	22,009

income (Note 2)

Balances at

December 31,

2012	\$2,837,500	\$17,139	\$5,519,596	\$(279,474)	\$(1,005)	\$8,093,756	\$29,108	\$8,122,864
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See accompanying notes.

F-6

PUBLIC STORAGE
STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	For the Years Ended December 31,		
	2012	2011	2010
Cash flows from operating activities:			
Net income	\$ 943,035	\$ 836,459	\$ 696,114
Adjustments to reconcile net income to net cash provided by operating activities:			
Gain on real estate sales and debt retirement, including amounts in discontinued operations	(13,591)	(13,538)	(8,621)
Asset impairment charges, including amounts in discontinued operations	-	2,186	2,927
Depreciation and amortization, including amounts in discontinued operations	358,103	358,525	354,386
Distributions received from unconsolidated real estate entities (less than) in excess of equity in earnings	(904)	(5,197)	11,536
Foreign currency exchange (gain) loss	(8,876)	7,287	42,264
Other	7,892	17,730	(5,385)
Total adjustments	342,624	366,993	397,107
Net cash provided by operating activities	1,285,659	1,203,452	1,093,221
Cash flows from investing activities:			
Capital improvements to real estate facilities	(67,737)	(69,777)	(77,500)
Construction in process	(10,168)	(19,164)	(16,759)
Acquisition of real estate facilities and intangibles (Note 3)	(226,035)	(77,228)	(107,945)
Proceeds from sales of other real estate investments	20,021	13,435	15,210
Loans to unconsolidated real estate entities (Note 5)	-	(358,877)	-
Repayments of loans receivable from unconsolidated real estate entities	-	206,770	24,539
Disposition of loans receivable from unconsolidated real estate entities (Note 5)	-	121,317	-
Acquisition of investments in unconsolidated real estate entities	-	(1,274)	-
Maturities (purchases) of marketable securities	-	102,279	(104,828)
Other	(6,546)	1,164	678
Net cash used in investing activities	(290,465)	(81,355)	(266,605)
Cash flows from financing activities:			
Borrowings on bank credit facility	133,000	-	-

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Principal payments on notes payable	(61,013)	(174,355)	(77,092)
Issuance of common shares	124,447	26,416	41,308
Issuance of preferred shares	1,651,456	835,627	261,103
Redemption of preferred shares	(1,978,771)	(1,147,256)	(272,950)
Redemption of Equity Shares, Series A	-	-	(205,366)
Acquisition of redeemable noncontrolling interests	(19,900)	-	-
Acquisition of permanent noncontrolling interests	(1,425)	(118,418)	(100,400)
Distributions paid to Public Storage shareholders	(959,154)	(846,246)	(754,770)
Distributions paid to noncontrolling interests	(5,945)	(14,314)	(24,542)
Net cash used in financing activities	(1,117,305)	(1,438,546)	(1,132,709)
Net decrease in cash and cash equivalents	(122,111)	(316,449)	(306,093)
Net effect of foreign exchange translation on cash and cash equivalents	342	(795)	(1,444)
Cash and cash equivalents at the beginning of the year	139,008	456,252	763,789
Cash and cash equivalents at the end of the year	\$ 17,239	\$ 139,008	\$ 456,252

See accompanying notes.

F-7

PUBLIC STORAGE
STATEMENTS OF CASH FLOWS
(Amounts in thousands)

(Continued)

	For the Years Ended December 31,		
	2012	2011	2010
Supplemental schedule of non-cash investing and financing activities:			
Foreign currency translation adjustment:			
Real estate facilities, net of accumulated depreciation	\$ (646)	\$ (18)	\$ 445
Investment in unconsolidated real estate entities	(21,600)	6,985	(789)
Intangible assets	5	-	-
Loan receivable from unconsolidated real estate entity	(8,302)	6,766	41,935
Accumulated other comprehensive income (loss)	30,885	(14,528)	(43,035)
Consolidation of entities previously accounted for under the equity method of accounting (Note 4):			
Real estate facilities	(10,403)	(19,427)	-
Investments in unconsolidated real estate entities	3,072	6,126	-
Intangible assets	(949)	(3,985)	-
Permanent noncontrolling interests	8,224	17,663	-
Noncontrolling interests in subsidiaries acquired in exchange for the issuance of common shares (Note 7):			
Additional paid in capital (noncontrolling interests acquired)	-	(57,108)	-
Common shares	-	48	-
Additional paid in capital (common shares issued)	-	57,060	-
Adjustments of redeemable noncontrolling interests to fair values:			
Accumulated deficit	-	(764)	(319)
Redeemable noncontrolling interests	-	764	319
Exchange of loan receivable from Shurgard Europe for investment (Note 4):			
Loans receivable from unconsolidated real estate entities	-	116,560	-

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Investment in unconsolidated real estate entities	-	(116,560)	-
Real estate acquired in connection with elimination of intangible assets	-	(4,738)	-
Intangible assets eliminated in connection with acquisition of real estate	-	4,738	-
Real estate acquired in exchange for assumption of note payable	-	(9,679)	(131,698)
Note payable assumed in connection with acquisition of real estate	-	9,679	131,698

See accompanying notes.

F-8

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

1. Description of the Business

Public Storage (referred to herein as “the Company”, “we”, “us”, or “our”), a Maryland real estate investment trust, was organized in 1980. Our principal business activities include the acquisition, development, ownership and operation of self-storage facilities which offer storage spaces for lease, generally on a month-to-month basis, for personal and business use.

At December 31, 2012, we had direct and indirect equity interests in 2,078 self-storage facilities (with approximately 132 million net rentable square feet) located in 38 states in the United States (“U.S.”) operating under the “Public Storage” name. In Europe, we own one self-storage facility in London, England and we have a 49% interest in Shurgard Europe, which owns 188 self-storage facilities (with approximately 10.1 million net rentable square feet) located in seven Western European countries, all operating under the “Shurgard” name. We also have direct and indirect equity interests in approximately 29.8 million net rentable square feet of commercial space located in 11 states in the U.S. primarily owned and operated by PS Business Parks, Inc. (“PSB”) under the “PS Business Parks” name. At December 31, 2012, we have an approximate 41% interest in PSB.

Disclosures of the number and square footage of properties, as well as the number and coverage of tenant reinsurance policies are unaudited and outside the scope of our independent registered public accounting firm’s audit of our financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States).

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements are presented on an accrual basis in accordance with U.S. generally accepted accounting principles (“GAAP”) as defined in the Financial Accounting Standards Board Accounting Standards Codification (the “Codification”). Certain amounts previously reported in our December 31, 2011 and 2010 financial statements have been reclassified to conform to the December 31, 2012 presentation, as a result of discontinued operations.

Consolidation and Equity Method of Accounting

We consider entities to be Variable Interest Entities (“VIE’s”) when they have insufficient equity to finance their activities without additional subordinated financial support provided by other parties, or where the equity holders as a group do not have a controlling financial interest. We have determined that we have no investments in any VIEs.

We consolidate all entities that we control (these entities, for the period in which the reference applies, are referred to collectively as the “Subsidiaries”), and we eliminate intercompany transactions and balances. We account for our investments in entities that we have significant influence over, but do not control, using the equity method of accounting (these entities, for the periods in which the reference applies, are referred to collectively as the “Unconsolidated Real Estate Entities”). When we obtain control of an Unconsolidated Real Estate Entity, we commence consolidating the entity and record a gain representing the differential between the book value and fair value of our preexisting equity interest. All changes in consolidation status are reflected prospectively.

When we are general partner, we control the partnership unless the third-party limited partners can dissolve the partnership or otherwise remove us as general partner without cause, or if the limited partners have the right to

participate in substantive decisions of the partnership.

F-9

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Collectively, at December 31, 2012, the Company and the Subsidiaries own 2,064 self-storage facilities in the U.S., one self-storage facility in London, England and six commercial facilities in the U.S. At December 31, 2012, the Unconsolidated Real Estate Entities are comprised of PSB, Shurgard Europe, as well as limited partnerships that own an aggregate of 14 self-storage facilities in the U.S. with 0.8 million net rentable square feet (these limited partnerships, for the periods in which the reference applies, are referred to as the "Other Investments").

Use of Estimates

The financial statements and accompanying notes reflect our estimates and assumptions. Actual results could differ from those estimates.

Income Taxes

We have elected to be treated as a real estate investment trust ("REIT"), as defined in the Internal Revenue Code. As a REIT, we do not incur federal income tax if we distribute 100% of our REIT taxable income (generally, net rents and gains from real property, dividends, and interest) each year, and if we meet certain organizational and operational rules. We believe we will meet these REIT requirements in 2012, and that we have met them for all other periods presented herein. Accordingly, we have recorded no federal income tax expense related to our REIT taxable income.

Our merchandise and tenant reinsurance operations are subject to corporate income tax, and such taxes are included in ancillary cost of operations. We also incur income and other taxes in certain states, which are included in general and administrative expense.

We recognize tax benefits of uncertain income tax positions that are subject to audit only if we believe it is more likely than not that the position would be sustained (including the impact of appeals, as applicable), assuming the relevant taxing authorities had full knowledge of the relevant facts and circumstances of our positions. As of December 31, 2012, we had no tax benefits that were not recognized.

Real Estate Facilities

Real estate facilities are recorded at cost. We capitalize all costs incurred to develop, construct, renovate and improve properties, including interest and property taxes incurred during the construction period. We expense internal and external transaction costs associated with acquisitions or dispositions of real estate, as well as repairs and maintenance costs, as incurred. We depreciate buildings and improvements on a straight-line basis over estimated useful lives ranging generally between 5 to 25 years.

We allocate the net acquisition cost of acquired operating self-storage facilities (consisting of the cash paid to third parties for their interests, the fair value of our existing investment, and the fair value of any liabilities assumed) to the underlying land, buildings, identified intangible assets, and remaining noncontrolling interests based upon their respective individual estimated fair values. Any difference between the net acquisition cost and the estimated fair value of the net tangible and intangible assets acquired is recorded as goodwill.

Other Assets

Other assets primarily consist of prepaid expenses, accounts receivable, land held for sale and restricted cash. During the years ended December 31, 2011 and 2010, we recorded asset impairment charges with respect to other assets

totaling \$1.9 million and \$1.0 million, respectively.

F-10

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Accrued and Other Liabilities

Accrued and other liabilities consist primarily of trade payables, property tax accruals, tenant prepayments of rents, accrued interest payable, accrued payroll, accrued tenant reinsurance losses, casualty losses, and contingent loss accruals which are accrued when probable and estimable. We disclose the nature of significant unaccrued losses that are reasonably possible of occurring and, if estimable, a range of exposure.

Cash Equivalents and Marketable Securities

Cash equivalents represent highly liquid financial instruments such as money market funds with daily liquidity or short-term commercial paper or treasury securities maturing within three months of acquisition. Cash and cash equivalents which are restricted from general corporate use are included in other assets. Commercial paper not maturing within three months of acquisition, which we intend and have the capacity to hold until maturity, are included in marketable securities and accounted for using the effective interest method.

Fair Value Accounting

As used herein, the term “fair value” is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. We prioritize the inputs used in measuring fair value based upon a three-tier fair value hierarchy described in Codification Section 820-10-35.

We believe that, during all periods presented, the carrying values approximate the fair values of our cash and cash equivalents, marketable securities, other assets, and accrued and other liabilities, based upon our evaluation of the underlying characteristics, market data, and short maturity of these financial instruments, which involved considerable judgment. The estimated fair values are not necessarily indicative of the amounts that could be realized in current market exchanges. The characteristics of these financial instruments, market data, and other comparative metrics utilized in determining these fair values are “Level 2” inputs as the term is defined in Codification Section 820-10-35-47.

We use significant judgment to estimate fair values in recording our business combinations, to evaluate real estate, goodwill, and other intangible assets for impairment, and to determine the fair values of our notes payable and receivable. In estimating fair values, we consider significant unobservable inputs such as market prices of land, capitalization rates for real estate facilities, earnings multiples, projected levels of earnings, costs of construction, functional depreciation, and estimated market interest rates for debt securities with a similar time to maturity and credit quality, which are “Level 3” inputs as the term is defined in Codification Section 820-10-35-52.

Currency and Credit Risk

Financial assets that are exposed to credit risk consist primarily of cash and cash equivalents, accounts receivable, loans receivable, and restricted cash. Cash equivalents and marketable securities we invest in are either money market funds with a rating of at least AAA by Standard and Poor’s, commercial paper that is rated A1 by Standard and Poor’s or deposits with highly rated commercial banks.

At December 31, 2012, due primarily to our investment in and loan receivable from Shurgard Europe, our operating results and financial position are affected by fluctuations in currency exchange rates between the Euro, and to a lesser extent, other European currencies, against the U.S. Dollar.

Goodwill and Other Intangible Assets

Intangible assets are comprised of goodwill, acquired tenants in place, leasehold interests in land, and the “Shurgard” trade name.

Goodwill totaled \$174.6 million at December 31, 2012 and 2011. Goodwill has an indeterminate life and is not amortized.

F-11

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Acquired tenants in place and leasehold interests in land are finite-lived and are amortized relative to the benefit of the tenants in place or the land lease expense to each period. At December 31, 2012, these intangibles have a net book value of \$15.9 million (\$16.4 million at December 31, 2011). Accumulated amortization totaled \$24.8 million at December 31, 2012 (\$24.1 million at December 31, 2011), and amortization expense of \$10.5 million, \$11.9 million and \$13.3 million was recorded in 2012, 2011 and 2010, respectively. During 2012 and 2011, intangibles were increased \$9.1 million and \$1.0 million, respectively, in connection with the acquisition of self-storage facilities and leasehold interests (Note 3), and \$0.9 million and \$4.0 million, respectively, in connection with the consolidation of facilities previously accounted for under the equity method (Note 4). During 2010, we recorded an impairment charge on intangibles totaling \$0.2 million.

The “Shurgard” trade name, which is used by Shurgard Europe pursuant to a licensing agreement, has a book value of \$18.8 million at December 31, 2012 and 2011. This asset has an indefinite life and, accordingly, is not amortized.

Evaluation of Asset Impairment

No impairment of goodwill or the Shurgard trade name was identified in our annual evaluation of goodwill by reporting unit at December 31, 2012. We evaluate our real estate and property related intangibles for impairment on a quarterly basis. If any indicators of impairment are noted, we estimate future undiscounted cash flows to be received from the use of the asset and, if such future undiscounted cash flows are less than carrying value, an impairment charge is recorded for the excess of carrying value over the assets’ estimated fair value. Long-lived assets which we expect to sell or otherwise dispose of prior to the end of their estimated useful lives are stated at the lower of their net realizable value (estimated fair value less cost to sell) or their carrying value.

Revenue and Expense Recognition

Rental income, which is generally earned pursuant to month-to-month leases for storage space, as well as late charges and administrative fees, are recognized as earned. Promotional discounts reduce rental income over the promotional period. Ancillary revenues and interest and other income are recognized when earned. Equity in earnings of unconsolidated real estate entities represents our pro-rata share of the earnings of the Unconsolidated Real Estate Entities.

We accrue for property tax expense based upon actual amounts billed and, in some circumstances, estimates and historical trends when bills or assessments have not been received from the taxing authorities or such bills and assessments are in dispute. If these estimates are incorrect, the timing and amount of expense recognition could be incorrect. Cost of operations, general and administrative expense, interest expense, as well as television, yellow page, and other advertising expenditures are expensed as incurred.

Foreign Currency Exchange Translation

The local currency (primarily the Euro) is the functional currency for our interests in foreign operations. The related amounts on our balance sheets are translated into U.S. Dollars at the exchange rates at the respective financial statement date, while amounts on our statements of income are translated at the average exchange rates during the respective period. The Euro was translated at exchange rates of approximately 1.322 U.S. Dollars per Euro at December 31, 2012 (1.295 at December 31, 2011), and average exchange rates of 1.285, 1.392 and 1.326 for the years ended December 31, 2012, 2011 and 2010, respectively. Cumulative translation adjustments, to the extent not included in cumulative net income, are included in equity as a component of accumulated other comprehensive

income (loss).

F-12

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Comprehensive Income (Loss)

Total comprehensive income for a period represents net income, adjusted for changes in other comprehensive income (loss) for the applicable period, as set forth on our statements of comprehensive income. The aggregate foreign currency exchange gains and losses reflected on our statements of comprehensive income are comprised primarily of foreign currency exchange gains and losses on our investment in, and loan receivable from, Shurgard Europe.

Discontinued Operations

Discontinued operations includes the operating results for those facilities or other businesses that were either disposed during the three years ended December 31, 2012 or for which we plan to dispose within the next year. In addition, discontinued operations include \$12.1 million, \$2.7 million and \$7.8 million in gains on disposition of real estate facilities in 2012, 2011 and 2010, respectively, and a \$1.9 million impairment charge on real estate and intangible assets incurred in 2010.

Net Income per Common Share

Net income is first allocated to each of our noncontrolling interests based upon their respective share of the net income of the Subsidiaries.

When our equity securities are called for redemption, additional income is allocated to the security to the extent the redemption cost is greater than the related original net issuance proceeds. These allocations are referred to hereinafter as "EITF D-42 allocations." The remaining net income is allocated to each of our equity securities based upon the dividends declared or accumulated during the period, combined with participation rights in undistributed earnings.

Basic net income per share, basic net income from discontinued operations per share, and basic net income from continuing operations per share are computed using the weighted average common shares outstanding. Diluted net income per share, diluted net income from discontinued operations per share, and diluted net income from continuing operations per share are computed using the weighted average common shares outstanding, adjusted for the impact, if dilutive, of stock options outstanding (Note 10).

The following table reflects the components of the calculations of our basic and diluted net income per share, basic and diluted net income from discontinued operations per share, and basic and diluted net income from continuing operations per share which are not already otherwise set forth on the face of our statements of income:

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

For the Year Ended December 31,
2012 2011 2010
(Amounts in thousands)

Net income allocable to common
shareholders from continuing operations and
discontinued operations:

Net income allocable to common shareholders	\$ 669,694	\$ 561,747	\$ 399,178
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Eliminate: Discontinued operations allocable to common shareholders	(12,874)	(3,316)	(7,760)
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Net income from continuing operations allocable to common shareholders	\$ 656,820	\$ 558,431	\$ 391,418
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Weighted average common shares and
equivalents outstanding:

Basic weighted average common shares outstanding	170,562	169,657	168,877
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Net effect of dilutive stock options - based on treasury stock method	1,102	1,093	895
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Diluted weighted average common shares outstanding	171,664	170,750	169,772
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3. Real Estate Facilities

Activity in real estate facilities during 2012, 2011 and 2010 is as follows:

2012 2011 2010
(Amounts in thousands)

Operating facilities, at cost:

Beginning balance	\$10,777,576	\$10,594,275	\$10,296,482
Capital improvements	67,737	69,777	77,500
Acquisitions	227,336	105,360	222,580
Dispositions	(13,792)	(10,528)	(16,665)
Impairment	-	(453)	(1,735)
Current development	10,168	19,164	16,759
Impact of foreign exchange rate changes	1,037	(19)	(646)
	11,070,062	10,777,576	10,594,275

Ending balance			
Accumulated depreciation:			
Beginning balance	(3,398,379)	(3,061,459)	(2,734,449)
Depreciation expense	(345,459)	(342,758)	(336,856)
Dispositions	6,099	5,645	9,645
Impairment	-	156	-
Impact of foreign exchange rate changes	(391)	37	201
Ending balance	(3,738,130)	(3,398,379)	(3,061,459)
Total real estate facilities at December 31,	\$7,331,932	\$7,379,197	\$7,532,816

During 2012, we acquired 24 operating self-storage facilities from third parties (1,908,000 net rentable square feet of storage space and additional space that we intend to convert to 220,000 net rentable square feet of storage space) for \$226.0 million in cash, with \$216.9 million allocated to real estate facilities and \$9.1 million allocated to intangible assets. In addition, we consolidated a limited partnership that we had previously accounted for using the equity method (see Note 4). The three self-storage facilities (183,000 net rentable square feet) owned by this entity, having an aggregate fair market value of \$10.4 million, have been added to our operating facilities. We also completed various expansion activities to our existing facilities for an aggregate cost of approximately \$10.2 million.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

During 2012, we also disposed of four operating self-storage facilities and portions of other facilities in connection with eminent domain proceedings. We received aggregate proceeds totaling \$20.0 million and recorded gains totaling of \$12.3 million, of which \$12.1 million was included in discontinued operations and \$0.2 million was included in gain on real estate sales and debt retirement in our statement of income for the year ended December 31, 2012.

During 2011, we acquired eleven operating self-storage facilities from third parties (896,000 net rentable square feet) and the leasehold interest in the land of one of our existing self-storage facilities for an aggregate cost of \$91.6 million, consisting of \$77.2 million of cash, assumed mortgage debt with a fair value of \$9.7 million and the elimination of the \$4.7 million book value of an intangible asset related to the acquired leasehold interest. The aggregate cost was allocated \$85.9 million to real estate facilities and \$5.7 million to intangible assets. In addition, we consolidated two limited partnerships that we had previously accounted for using the equity method (see Note 4). The two self-storage facilities (143,000 net rentable square feet) owned by these limited partnerships have an aggregate fair market value of \$19.4 million and have been added to our operating facilities. We also completed various expansion activities to our existing facilities for an aggregate cost of approximately \$21.8 million.

During 2011, we disposed of two operating self-storage facilities and portions of other facilities in connection with eminent domain proceedings. We received aggregate proceeds totaling \$13.4 million and recorded an aggregate gain of \$8.5 million, of which \$2.7 million was included in discontinued operations and \$5.8 million was included in gain on real estate sales and debt retirement on our statement of income for the year ended December 31, 2011. Our facilities incurred hurricane damage in 2011, resulting in a \$0.3 million impairment charge.

During 2010, we acquired 42 operating self-storage facilities from third parties (2,660,000 net rentable square feet) for \$239.6 million consisting of assumed mortgage debt of \$131.7 million and \$107.9 million of cash. The aggregate cost was allocated \$222.6 million to real estate facilities, \$17.3 million to intangibles and \$0.3 million to other liabilities. We also completed expansion projects to existing facilities for an aggregate cost of approximately \$13.4 million.

During 2010, we disposed of four operating self-storage facilities and portions of other facilities in connection with eminent domain proceedings. We received aggregate proceeds totaling \$15.2 million and we recorded an aggregate gain of \$8.2 million, of which \$7.8 million was included in discontinued operations and \$0.4 million was included in gain on real estate sales and debt retirement on our statement of income for the year ended December 31, 2010. In 2010, we also recorded asset impairment charges totaling \$1.7 million related to real estate facilities.

At December 31, 2012, the adjusted basis of real estate facilities for federal tax purposes was approximately \$7.4 billion (unaudited).

4. Investments in Unconsolidated Real Estate Entities

The following table sets forth our investments in the Unconsolidated Real Estate Entities at December 31, 2012 and 2011, and our equity in earnings of the Unconsolidated Real Estate Entities for each of the three years ended December 31, 2012 (amounts in thousands):

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	Investments in Unconsolidated Real Estate Entities at December 31,		Equity in Earnings of Unconsolidated Real Estate Entities for the Year Ended December 31,		
	2012	2011	2012	2011	2010
PSB	\$ 316,078	\$ 328,508	\$ 10,638	\$ 27,781	\$ 20,719
Shurgard Europe	411,107	375,467	33,223	29,152	15,872
Other Investments	8,138	10,652	1,725	1,771	1,761
Total	\$ 735,323	\$ 714,627	\$ 45,586	\$ 58,704	\$ 38,352

During 2012, 2011 and 2010, we received cash distributions from our investments in the Unconsolidated Real Estate Entities totaling \$44.7 million, \$53.5 million and \$49.9 million, respectively.

Investment in PSB

PSB is a REIT traded on the New York Stock Exchange. We have an approximate 41% common equity interest in PSB as of December 31, 2012 (42% at December 31, 2011), comprised of our ownership of 5,801,606 shares of PSB's common stock and 7,305,355 limited partnership units in an operating partnership controlled by PSB. The limited partnership units are convertible at our option, subject to certain conditions, on a one-for-one basis into PSB common stock. Based upon the closing price at December 31, 2012 (\$64.98 per share of PSB common stock), the shares and units we owned had a market value of approximately \$851.7 million.

The following table sets forth selected financial information of PSB; the amounts represent all of PSB's balances and not our pro-rata share.

	2012	2011	2010
	(Amounts in thousands)		
For the year ended December 31,			
Total revenue	\$ 347,197	\$ 298,141	\$ 276,948
Costs of operations	(114,108)	(99,917)	(89,348)
Depreciation and amortization	(109,398)	(84,391)	(78,354)
General and administrative	(8,919)	(9,036)	(9,651)
Other items	(19,400)	(2,157)	2,427
Net income	95,372	102,640	102,022
Net income allocated to preferred unitholders, preferred shareholders and restricted stock unitholders (a)	(69,597)	(34,935)	(51,469)
Net income allocated to common shareholders and common unitholders	\$ 25,775	\$ 67,705	\$ 50,553
As of December 31,			
Total assets (primarily real estate)	\$ 2,151,817	\$ 2,138,619	
Debt	468,102	717,084	
Other liabilities	69,454	60,940	
Equity:			
Preferred stock and units	885,000	604,129	

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Common equity and units	729,261	756,466
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- (a) Includes EITF D-42 allocations to preferred equity holders of \$17.3 million and \$4.1 million during 2012 and 2010, respectively, and an allocation from preferred equity holders of \$7.4 million during 2011, related to PSB's redemption of preferred securities.

F-16

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Investment in Shurgard Europe

For all periods presented, we had a 49% equity investment in Shurgard Europe. On March 2, 2011, Shurgard Europe acquired the 80% interests it did not own in two joint ventures. These joint ventures owned 72 self-storage facilities located in Europe and operated by Shurgard Europe under the “Shurgard” name. We and our joint venture partner provided the funding for this acquisition (see Note 5).

Changes in foreign currency exchange rates caused our investment in Shurgard Europe to increase approximately \$21.6 million in 2012, decrease approximately \$7.0 million in 2011 and increase approximately \$0.8 million during 2010.

We classify 49% of interest income and trademark license fees received from Shurgard Europe as equity in earnings of unconsolidated real estate entities and the remaining 51% as interest and other income, as set forth in the following table:

	2012	2011	2010
	(Amounts in thousands)		
For the year ended December 31,			
Our 49% equity share of:			
Shurgard Europe’s net income (loss)	\$ 14,040	\$ 3,473	\$ (8,262)
Interest income and trademark license fee	19,183	25,679	24,134
 Total equity in earnings of Shurgard Europe	 \$ 33,223	 \$ 29,152	 \$ 15,872

The following table sets forth selected consolidated financial information of Shurgard Europe. These amounts are based upon all of Shurgard Europe’s balances for all periods (including the consolidated operations of 72 self-storage facilities formerly owned by the two joint ventures), rather than our pro rata share, and are based upon our historical acquired book basis.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	2012	2011	2010
	(Amounts in thousands)		
For the year ended December 31,			
Self-storage and ancillary revenues	\$ 243,687	\$ 259,618	\$ 235,623
Self-storage and ancillary cost of operations	(96,341)	(107,056)	(98,690)
Trademark license fee payable to Public Storage	(2,439)	(2,481)	(1,670)
Depreciation and amortization	(60,404)	(61,244)	(64,064)
General and administrative	(13,327)	(12,458)	(8,725)
Interest expense on third party debt	(7,689)	(16,299)	(12,353)
Interest expense on debt due to Public Storage	(36,710)	(49,925)	(47,583)
Gain on disposition of real estate, real estate impairment charge and other	1,876	(234)	(715)
Net income	\$ 28,653	\$ 9,921	\$ 1,823
Allocation to noncontrolling equity interests	-	(2,834)	(18,684)
Net income (loss) allocated to Shurgard Europe	\$ 28,653	\$ 7,087	\$ (16,861)
Average exchange rates Euro to the U.S. Dollar	1.285	1.392	1.326
As of December 31,			
Total assets (primarily self-storage facilities)	\$ 1,427,037	\$ 1,430,307	
Total debt to third parties	216,594	280,065	
Total debt to Public Storage	410,995	402,693	
Other liabilities	70,076	85,917	
Equity	729,372	661,632	
Exchange rate of Euro to U.S. Dollar	1.322	1.295	

Other Investments

At December 31, 2012, the “Other Investments” include an aggregate common equity ownership of approximately 26% in various limited partnerships that collectively own 14 self-storage facilities.

During 2012, we began to consolidate a limited partnership that we gained control of, and as a result, we recorded a gain of \$1.3 million representing the difference between the aggregate fair value of our existing investment (\$3.1 million) and the book value (\$1.8 million). The fair value of our existing investment was allocated to real estate facilities (\$10.4 million), intangible assets (\$0.9 million) and permanent noncontrolling interests (\$8.2 million).

During 2011, we began to consolidate two limited partnerships that we gained control of, and as a result, we recorded a gain of \$3.1 million representing the difference between the aggregate fair values of the investments (\$6.1 million) and the aggregate book values (\$3.0 million). The fair value of our existing investment was allocated to cash

(\$0.4 million), real estate facilities (\$19.4 million), intangible assets (\$4.0 million) and permanent noncontrolling interests (\$17.7 million).

The following table sets forth certain condensed combined financial information (representing all of these entities' balances and not our pro-rata share) with respect to the Other Investments:

F-18

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	2012	2011	2010
	(Amounts in thousands)		
For the year ended December 31,			
Total revenue	\$ 13,590	\$ 13,143	\$ 12,629
Cost of operations and other expenses	(4,300)	(4,989)	(4,853)
Depreciation and amortization	(2,140)	(2,252)	(2,197)
Net income	\$ 7,150	\$ 5,902	\$ 5,579
As of December 31,			
Total assets (primarily self-storage facilities)	\$ 27,710	\$ 29,510	
Total accrued and other liabilities	1,291	1,396	
Total Partners' equity	26,419	28,114	

5. Loan Receivable from Unconsolidated Real Estate Entity

As of December 31, 2012 and 2011, we had a Euro-denominated loan receivable from Shurgard Europe with a balance of €311.0 million at both periods (\$411.0 million at December 31, 2012 and \$402.7 million at December 31, 2011), which bears interest at a fixed rate of 9.0% per annum and matures February 15, 2015. We believe that the interest rate on the loan to Shurgard Europe approximates the market rate for loans with similar credit characteristics and tenor, and that the fair value of the loan approximates book value. In our evaluation, we considered that Shurgard Europe has sufficient operating cash flow, liquidity and collateral, and we have sufficient creditor rights such that credit risk is mitigated.

Because we expect repayment of this loan in the foreseeable future, foreign exchange rate gains or losses due to changes in exchange rates between the Euro and the U.S. Dollar are recognized in income, under "foreign currency gain (loss)." For 2012, 2011 and 2010, we recorded interest income with respect to this loan (representing 51% of the aggregate interest received; see Note 4) of approximately \$18.7 million, \$23.0 million and \$24.3 million, respectively. We have received a total of €80.9 million in principal repayments on this loan since its inception on March 31, 2008.

On February 9, 2011, we loaned PSB \$121.0 million. The loan had a six-month term and bore interest at a rate of three-month LIBOR plus 0.85% (1.13% per annum for the term of the loan). For 2011, we recorded interest income of approximately \$0.7 million related to the loan. The loan was repaid in 2011.

In March 2011, we provided bridge financing to Shurgard Europe totaling \$237.9 million, bearing interest at a fixed rate of 7.0% per annum and denominated in U.S. Dollars, which it used to acquire its partner's 80% interests in two joint ventures. In June 2011, our joint venture partner in Shurgard Europe effectively purchased 51% of the loan from us for \$121.3 million and the entire loan balance was exchanged for an equity interest in Shurgard Europe. In addition to interest on the bridge financing, during 2011, we received \$1.5 million in other income from our joint venture partner for our interim funding of its 51% pro rata share of Shurgard Europe's cost to acquire the interests.

6. Line of Credit and Notes Payable

We have a \$300 million revolving line of credit (the "Credit Facility") that expires on March 21, 2017. Amounts drawn on the Credit Facility bear annual interest at rates ranging from LIBOR plus 0.925% to LIBOR plus 1.850%

depending on our credit ratings (LIBOR plus 0.950% at December 31, 2012). In addition, we are required to pay a quarterly facility fee ranging from 0.125% per annum to 0.400% per annum depending on our credit ratings (0.125% per annum at December 31, 2012). At December 31, 2012, outstanding borrowings under this Credit Facility totaled \$133.0 million. We had no outstanding borrowings on our Credit Facility at February 22, 2013. We had undrawn standby letters of credit, which reduce our borrowing capacity, totaling \$15.3 million at December 31, 2012 (\$18.4 million at December 31, 2011).

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

The carrying amounts of our notes payable at December 31, 2012 and 2011 consist of the following (dollar amounts in thousands):

	December 31, 2012		December 31, 2011	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Unsecured Note Payable:				
5.9% effective and stated note rate, interest only and payable semi-annually, matures in March 2013	\$ 186,460	\$ 187,141	\$ 186,460	\$ 188,859
Secured Notes Payable:				
5.0% average effective rate, secured by 64 real estate facilities with a net book value of approximately \$344.3 million at December 31, 2012 and stated note rates between 4.95% and 7.43%, maturing at varying dates between March 2013 and September 2028 (carrying amount includes \$1,192 of unamortized premium at December 31, 2012 and \$2,665 at December 31, 2011)	149,368	152,493	211,854	215,943
Total notes payable	\$ 335,828	\$ 339,634	\$ 398,314	\$ 404,802

Substantially all of our debt was assumed in connection with the acquisition of real estate. An initial premium or discount is established for any difference between the stated note balance and estimated fair value of the debt assumed. This initial premium or discount is amortized over the remaining term of the debt using the effective interest method.

During 2011 and 2010, we assumed mortgage debt in connection with the acquisition of real estate facilities. The debt was recorded at its estimated fair value of approximately \$9.7 million and \$131.7 million in 2011 and 2010, respectively, with assumed note balances of \$8.8 million and \$126.1 million, respectively, estimated market rates of approximately 2.9% and 3.4%, respectively, average contractual rates of 5.5% and 5.0%, respectively, and we

recorded premiums of \$0.9 million and \$5.6 million, respectively.

During 2011 and 2010, we prepaid mortgage debt for cash totaling \$26.0 million and \$51.2 million, respectively, and recorded gains on prepayment of \$1.8 million and \$0.1 million, respectively, representing the difference between the cash paid and the book value of the notes prepaid.

The notes payable and Credit Facility have various customary restrictive covenants, all of which we were in compliance with at December 31, 2012.

At December 31, 2012, approximate principal maturities of our notes payable are as follows (amounts in thousands):

F-20

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	Unsecured Notes Payable	Secured Notes Payable	Total
2013	\$ 186,460	\$ 68,116	\$ 254,576
2014	-	35,127	35,127
2015	-	30,009	30,009
2016	-	10,065	10,065
2017	-	1,003	1,003
Thereafter	-	5,048	5,048
	\$ 186,460	\$ 149,368	\$ 335,828
Weighted average effective rate	5.9 %	5.0 %	5.5 %

Cash paid for interest totaled \$21.7 million, \$27.6 million and \$35.3 million for 2012, 2011 and 2010, respectively. Interest capitalized as real estate totaled \$0.4 million in each of the years ended December 31, 2012, 2011 and 2010.

7. Noncontrolling Interests

Third party interests in the net assets of the Subsidiaries that can require us to redeem their interests, other than pursuant to a liquidation, are presented at estimated fair value as “Redeemable Noncontrolling Interests,” with changes in the fair value of these interests recorded against retained earnings. We estimate fair value by applying the liquidation provisions of the governing documents to our estimate of the fair value of the underlying net assets (principally real estate assets). All other noncontrolling interests are presented as a component of equity, “Equity of Permanent Noncontrolling Interests.”

Redeemable Noncontrolling Interests

At December 31, 2011, the Redeemable Noncontrolling Interests represented ownership interests in Subsidiaries that owned 14 self-storage facilities. During 2012, we acquired all the outstanding Redeemable Noncontrolling Interests for \$19.9 million in cash, of which \$11.9 million was recorded as a reduction to Redeemable Noncontrolling Interests and \$8.0 million was recorded as a reduction to paid-in capital. During 2012, 2011 and 2010, we allocated a total of \$0.2 million, \$0.9 million and \$0.9 million, respectively, of income to these interests and paid distributions to these interests totaling \$0.6 million, \$1.6 million and \$1.2 million, respectively. During 2010, we acquired Redeemable Noncontrolling Interests for \$1.0 million in cash.

Permanent Noncontrolling Interests

At December 31, 2012, the Permanent Noncontrolling Interests have ownership interests in Subsidiaries that owned 15 self-storage facilities and 231,978 partnership units (the “Convertible Partnership Units”) in a subsidiary that are convertible on a one-for-one basis (subject to certain limitations) into common shares of the Company at the option of the unitholder. During 2012, 2011 and 2010, we allocated a total of \$3.5 million, \$11.7 million and \$16.8 million, respectively, in income to these interests; and we paid \$5.3 million, \$12.8 million and \$17.5 million, respectively, in distributions to these interests.

As described more fully in Note 4, we increased Permanent Noncontrolling Interests during 2012 and 2011 by \$8.2 million and \$17.7 million, respectively, in connection with consolidating partnerships.

During 2012, we acquired Permanent Noncontrolling Interests for \$1.4 million in cash, of which \$0.1 million was recorded as a reduction to permanent noncontrolling interests and the remainder as a reduction to paid-in capital.

During 2011, we acquired Permanent Noncontrolling Interests for an aggregate of \$175.5 million in cash and our common shares. Permanent Noncontrolling Interests were reduced by \$26.2 million, with the excess cost over the underlying book value (\$149.3 million) recorded as a reduction to paid-in capital.

F-21

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Preferred Partnership Interests

At December 31, 2012 and 2011, we had no preferred partnership interests outstanding. During 2010, we redeemed 4.0 million units of our 7.250% Series J preferred units (\$100.0 million carrying value) for an aggregate of \$100.4 million, plus accrued and unpaid dividends.

During 2010, we allocated a total of \$5.9 million in income to these interests based upon distributions paid and \$0.4 million with respect to the application of EITF D-42.

8. Shareholders' Equity

Preferred Shares

At December 31, 2012 and 2011, we had the following series of Cumulative Preferred Shares ("Preferred Shares") outstanding:

Series	Earliest Redemption Date	Dividend Rate	At December 31, 2012		At December 31, 2011	
			Shares	Liquidation	Shares	Liquidation
			Outstanding	Preference	Outstanding	Preference
(Dollar amounts in thousands)						
Series W	10/6/08	6.500 %	-	\$ -	5,300	\$ 132,500
Series X	11/13/08	6.450 %	-	-	4,800	120,000
Series Y	1/2/09	6.850 %	-	-	350,900	8,772
Series Z	3/5/09	6.250 %	-	-	4,500	112,500
Series A	3/31/09	6.125 %	-	-	4,600	115,000
Series C	9/13/09	6.600 %	-	-	4,425	110,625
Series D	2/28/10	6.180 %	-	-	5,400	135,000
Series E	4/27/10	6.750 %	-	-	5,650	141,250
Series F	8/23/10	6.450 %	-	-	9,893	247,325
Series L	10/20/11	6.750 %	-	-	8,267	206,665
Series M	1/9/12	6.625 %	-	-	19,065	476,634
Series N	7/2/12	7.000 %	-	-	6,900	172,500
Series O	4/15/15	6.875 %	5,800	145,000	5,800	145,000
Series P	10/7/15	6.500 %	5,000	125,000	5,000	125,000
Series Q	4/14/16	6.500 %	15,000	375,000	15,000	375,000
Series R	7/26/16	6.350 %	19,500	487,500	19,500	487,500
Series S	1/12/17	5.900 %	18,400	460,000	-	-
Series T	3/13/17	5.750 %	18,500	462,500	-	-
Series U	6/15/17	5.625 %	11,500	287,500	-	-
Series V	9/20/17	5.375 %	19,800	495,000	-	-
Total Preferred Shares			113,500	\$ 2,837,500	475,000	\$ 3,111,271

The holders of our Preferred Shares have general preference rights with respect to liquidation, quarterly distributions and any accumulated unpaid distributions. Except under certain conditions and as noted below, holders of the Preferred Shares will not be entitled to vote on most matters. In the event of a cumulative arrearage equal to six

quarterly dividends, holders of all outstanding series of preferred shares (voting as a single class without regard to series) will have the right to elect two additional members to serve on our Board of Trustees until the arrearage has been cured. At December 31, 2012, there were no dividends in arrears.

F-22

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Except under certain conditions relating to the Company's qualification as a REIT, the Preferred Shares are not redeemable prior to the dates indicated on the table above. On or after the respective dates, each of the series of Cumulative Preferred Shares are redeemable at our option, in whole or in part, at \$25.00 per depositary share, plus accrued and unpaid dividends. Holders of the Cumulative Preferred Shares do not have the right to require the Company to redeem such shares.

Upon issuance of our Preferred Shares, we classify the liquidation value as preferred equity on our balance sheet with any issuance costs recorded as a reduction to paid-in capital.

During 2012, we issued an aggregate 68.2 million depositary shares, each representing 1/1,000 of a share of our Series S, Series T, Series U, and Series V Preferred Shares, at an issuance price of \$25.00 per depositary share, for a total of \$1.7 billion in gross proceeds, and we incurred an aggregate of \$53.5 million in issuance costs.

In 2012, we redeemed our Series A, Series C, Series D, Series E, Series F, Series L, Series M, Series N, Series W, Series X, Series Y and Series Z Preferred Shares, at par. The aggregate redemption amount, before payment of accrued dividends, was \$2.0 billion.

During 2011, we issued an aggregate 34.5 million depositary shares, each representing 1/1,000 of a share of our Series Q and Series R Preferred Shares, at an issuance price of \$25.00 per depositary share, for a total of \$862.5 million in gross proceeds, and we incurred an aggregate of \$26.9 million in issuance costs.

In 2011, we redeemed our Series G, Series I and Series K Preferred Shares, at par. The aggregate redemption amount, before payment of accrued dividends, was \$1.1 billion.

During 2010, we issued an aggregate 10.8 million depositary shares, each representing 1/1,000 of a share of our Series O and Series P Preferred Shares, at an issuance price of \$25.00 per depositary share, for a total of \$270.0 million in gross proceeds, and we incurred an aggregate of \$8.9 million in issuance costs.

In 2010, we redeemed our Series B and Series V Preferred Shares, at par. The aggregate redemption amount, before payment of accrued dividends, was \$263.8 million. Also in 2010, we repurchased 0.4 million shares of our 6.850% Preferred Shares Series Y for an aggregate of \$9.2 million.

We recorded \$61.7 million, \$35.6 million and a \$7.9 million in EITF D-42 allocations of income from our common shareholders to the holders of our Preferred Shares in 2012, 2011 and 2010, respectively.

Equity Shares, Series A

On April 15, 2010, we redeemed all of our outstanding Equity Shares, Series A at \$24.50 per share for an aggregate redemption amount of \$205.4 million. Prior to the redemption, we allocated income and paid distributions to the holders of the Equity Shares, Series A of \$0.6125 per share per quarter based on 8.4 million weighted average depositary shares outstanding. We recorded a \$25.7 million EITF D-42 allocation of income from our common shareholders to the holders of our Equity Shares, Series A in the year ended December 31, 2010 in connection with this redemption.

Equity Shares, Series AAA

On August 31, 2010, we retired all of outstanding Equity Shares, Series AAA (“Equity AAA Shares”) outstanding. At December 31, 2009, we had 4,289,544 Equity AAA Shares outstanding with a carrying value of \$100,000,000. During the six months ended June 30, 2010, we paid quarterly distributions to the holder of the Equity AAA Shares of \$0.5391 per share. For all periods presented, the Equity AAA Shares and related dividends are eliminated in consolidation as the shares were held by one of our wholly-owned subsidiaries.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Common Shares

During 2012, 2011 and 2010, activity with respect to the issuance or repurchase of our common shares was as follows:

	2012		2011		2010	
	Shares	Amount	Shares	Amount	Shares	Amount
	(Dollar amounts in thousands)					
Employee stock-based compensation and exercise of stock options (Note 10)	437,081	\$ 23,185	508,058	\$ 26,416	847,280	\$ 41,308
Issuance of common shares in connection with acquisition of Permanent Noncontrolling Interests (Note 7)	-	-	477,928	57,108	-	-
Issuance of common shares for cash	712,400	101,262	-	-	-	-
	1,149,481	\$ 124,447	985,986	\$ 83,524	847,280	\$ 41,308

Our Board of Trustees previously authorized the repurchase from time to time of up to 35.0 million of our common shares on the open market or in privately negotiated transactions. Through December 31, 2012, we repurchased approximately 23.7 million shares pursuant to this authorization; none of which were repurchased during the three years ended December 31, 2012.

In December 2012, we sold 712,400 of our common shares for aggregate proceeds of approximately \$101.3 million in cash.

At December 31, 2012 and 2011, we had 2,896,157 and 3,292,565, respectively, of common shares reserved in connection with our share-based incentive plans (see Note 10), and 231,978 shares reserved for the conversion of Convertible Partnership Units.

Dividends

The unaudited characterization of dividends for Federal income tax purposes is made based upon earnings and profits of the Company, as defined by the Internal Revenue Code. Common share dividends including amounts paid to our restricted share unitholders totaled \$753.9 million (\$4.40 per share), \$621.4 million (\$3.65 per share) and \$516.9 million (\$3.05 per share), for the years ended December 31, 2012, 2011 and 2010, respectively. Equity Shares, Series A dividends totaled \$5.1 million (\$0.6125 per share) for the year ended December 31, 2010. Preferred share dividends totaled \$205.2 million, \$224.9 million and \$232.7 million for the years ended December 31, 2012, 2011 and 2010, respectively.

For the tax year ended December 31, 2012, distributions for the common shares and all the various series of preferred shares were classified as follows:

F-24

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	2012 (unaudited)			
	1st	2nd	3rd	4th
	Quarter	Quarter	Quarter	Quarter
Ordinary Income	100.00 %	100.00 %	100.00 %	100.00 %
Long-Term Capital Gain	0.00 %	0.00 %	0.00 %	0.00 %
Total	100.00 %	100.00 %	100.00 %	100.00 %

The ordinary income dividends distributed for the tax year ended December 31, 2012 do not constitute qualified dividend income.

9. Related Party Transactions

The Hughes Family owns approximately 15.9% of our common shares outstanding at December 31, 2012.

The Hughes Family has ownership interests in, and operates, approximately 53 self-storage facilities in Canada (“PS Canada”) using the “Public Storage” brand name pursuant to a non-exclusive, royalty-free trademark license agreement with the Company. We currently do not own any interests in these facilities. We have a right of first refusal, subject to limitations, to acquire these 53 facilities if the Hughes Family or the underlying corporation agrees to sell them. We reinsure risks relating to loss of goods stored by tenants in these facilities. During each of the years ended December 31, 2012, 2011 and 2010, we received \$0.6 million in reinsurance premiums attributed to these facilities. There is no assurance that these premiums will continue, as our rights to reinsure these risks may be qualified.

In 2011, we acquired interests from the Hughes Family in various partnerships for an aggregate cost of \$68.1 million. All amounts paid were based upon independent property appraisals and the liquidation terms of the partnerships. Mr. Hughes, a former trustee of the Company, is indemnified by the Company for any litigation arising from these transactions. Mr. Hughes was also a co-general partner, along with us, in certain of these partnerships and has since withdrawn as general partner from each entity.

PS Canada holds approximately a 2.2% interest in Stor-RE, a consolidated entity that provides liability and casualty insurance for PS Canada, the Company, and certain affiliates of the Company for occurrences prior to April 1, 2004.

10. Share-Based Compensation

Under various share-based compensation plans and under terms established by a committee of our Board of Trustees, the Company grants non-qualified options to purchase the Company’s common shares, as well as restricted share units (“RSUs”), to trustees, officers, service providers and key employees.

Stock options and RSUs are considered “granted” and “outstanding” as the terms are used herein, when i) the Company and the recipient reach a mutual understanding of the key terms of the award, ii) the award has been authorized in accordance with the Company’s share grant approval procedures, iii) the recipient begins to benefit from or be adversely affected by changes in the market price of our stock, and iv) it is probable that any performance and service conditions will be met.

We amortize the grant-date fair value of awards (net of anticipated forfeitures) as compensation expense over the service period. The service period generally begins on the grant date and ends on the earlier of the vesting date or the date when the recipient would not forfeit unvested grants upon termination. We have elected to use the straight-line attribution method with respect to awards that are earned solely based upon the passage of time and continued employment. Awards with performance conditions are amortized using the accelerated attribution method, with each vesting amortized separately over the individual vesting period. The employer portion of taxes is expensed as incurred.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Stock Options

Stock option exercise prices are equal to the closing trading price of our common shares on the date they are legally granted. Stock options vest over a three to five-year period, and generally expire ten years after the grant date. Employees do not have an option to require the Company to settle their shares in cash. We use the Black-Scholes option valuation model to estimate the fair value of our stock options.

Outstanding stock option grants are included on a one-for-one basis in our diluted weighted average shares, to the extent dilutive, after applying the treasury stock method (based upon the average common share price during the period) to assumed exercise proceeds and measured but unrecognized compensation.

The stock options outstanding at December 31, 2012 have an aggregate intrinsic value (the excess, if any, of each option's market value over the exercise price) of approximately \$153.2 million and remaining average contractual lives of approximately six years. Other than stock options granted in 2012, all stock options outstanding at December 31, 2012 have exercise prices of \$123 or less. The aggregate intrinsic value of exercisable stock options at December 31, 2012 amounted to approximately \$96.3 million.

Additional information with respect to stock options during 2012, 2011 and 2010 is as follows:

	2012		2011		2010	
	Number of	Weighted Average Exercise Price	Number of	Weighted Average Exercise Price	Number of	Weighted Average Exercise Price
	Options	Per Share	Options	Per Share	Options	Per Share
Options outstanding January 1	2,591,066	\$ 74.30	2,950,892	\$ 69.43	3,695,668	\$ 64.96
Granted	35,000	144.97	135,000	120.77	180,000	87.59
Exercised	(341,156)	68.26	(448,826)	58.86	(782,151)	52.81
Cancelled	(31,400)	55.54	(46,000)	48.95	(142,625)	67.65
Options outstanding December 31	2,253,510	\$ 76.14	2,591,066	\$ 74.30	2,950,892	\$ 69.43
Options exercisable at December 31	1,401,883	\$ 76.23	1,200,356	\$ 76.94	1,063,283	\$ 74.27

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	2012	2011	2010
Stock option expense for the year (in 000's)	\$ 3,036	\$ 3,445	\$ 3,164
Aggregate exercise date intrinsic value of options exercised during the year (in 000's)	\$ 23,948	\$ 23,703	\$ 34,171
Average assumptions used in valuing options with the Black-Scholes method:			
Expected life of options in years, based upon historical experience	5	5	5
Risk-free interest rate	0.8 %	1.2 %	2.3 %
Expected volatility, based upon historical volatility	24.5 %	18.8 %	14.5 %
Expected dividend yield	3.1 %	3.3 %	3.9 %
Average estimated value of options granted during the year	\$ 20.71	\$ 13.01	\$ 7.16

Restricted Share Units

RSUs generally vest ratably over a three to eight-year period from the grant date. The grantee receives additional compensation for each outstanding RSU, classified as dividends paid, equal to the per-share dividends received by common shareholders. We expense any dividends previously paid on forfeited RSUs. Upon vesting, the grantee receives common shares equal to the number of vested RSUs, less common shares withheld in exchange for tax deposits made by the Company to satisfy the grantee's statutory tax liabilities arising from the vesting.

The fair value of our RSUs is determined based upon the applicable closing trading price of our common shares.

The fair value of our RSUs outstanding at December 31, 2012 was approximately \$93.2 million. Remaining compensation expense related to RSUs outstanding at December 31, 2012 totals approximately \$41.1 million (which is net of expected forfeitures) and is expected to be recognized as compensation expense over the next two years on average. The following tables set forth relevant information with respect to restricted shares (dollar amounts in thousands):

	2012		2011		2010	
	Number Of Restricted Share Units	Grant Date Aggregate Fair Value	Number Of Restricted Share Units	Grant Date Aggregate Fair Value	Number Of Restricted Share Units	Grant Date Aggregate Fair Value
Restricted share units outstanding January 1	701,499	\$66,514	484,395	\$39,896	548,354	\$44,312
Granted	159,133	21,721	381,025	40,570	130,114	10,824

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Vested	(151,775)	(14,507)	(92,039)	(7,655)	(103,797)	(7,973)
Forfeited	(66,210)	(6,255)	(71,882)	(6,297)	(90,276)	(7,267)
Restricted share units outstanding						
December 31	642,647	\$67,473	701,499	\$66,514	484,395	\$39,896

F-27

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

	2012	2011	2010
Amounts for the year (in 000's, except number of shares):			
Fair value of vested shares on vesting date	\$ 20,783	\$ 10,224	\$ 8,799
Cash paid upon vesting in lieu of common shares issued	\$ 7,657	\$ 3,736	\$ 3,121
Common shares issued upon vesting	95,925	59,232	65,129
Restricted share unit expense	\$ 20,227	\$ 19,736	\$ 7,875

See also “net income per common share” in Note 2 for further discussion regarding the impact of RSUs and stock options on our net income per common share and income allocated to common shareholders.

11. Segment Information

Our reportable segments reflect the significant components of our operations that are evaluated separately by our chief operating decision maker and have discrete financial information available. We organize our segments based primarily upon the nature of the underlying products and services, and whether the operation is located in the U.S. or outside the U.S. In making resource allocation decisions, our chief operating decision maker considers the net income from continuing operations of each reportable segment included in the tables below, excluding the impact of depreciation and amortization, gains or losses on disposition of real estate facilities, and real estate impairment charges. The amounts for each reportable segment included in the tables below are in conformity with GAAP and our significant accounting policies as denoted in Note 2. Ancillary revenues and expenses, interest income (other than from Loans Receivable from Unconsolidated Real Estate Entities), interest expense, general and administrative expense and gains and losses on the early repayment of debt are not allocable to any of our reportable segments. Our chief operating decision maker does not consider the book value of assets in making resource allocation decisions.

Following is the description of and basis for presentation for each of our segments.

Domestic Self-Storage Segment

The Domestic Self-Storage Segment includes the operations of the 2,065 self-storage facilities owned by the Company and the Subsidiaries, as well as our equity share of the Other Investments. For all periods presented, substantially all of our real estate facilities, goodwill and other intangible assets, other assets, and accrued and other liabilities are associated with the Domestic Self-Storage Segment.

European Self-Storage Segment

The European Self-Storage segment comprises our interest in Shurgard Europe, which has a separate management team reporting directly to our chief operating decision maker and our joint venture partner. The European Self-Storage segment includes our equity share of Shurgard Europe's operations, the interest and other income received from Shurgard Europe, and foreign currency exchange gains and losses that are attributable to Shurgard Europe. Our balance sheet includes an investment in Shurgard Europe (Note 4) and a loan receivable from Shurgard Europe (Note 5).

Commercial Segment

The Commercial segment comprises our investment in PSB, a self-managed REIT with a separate management team that makes its financing, capital allocation and other significant decisions. The Commercial segment also includes our direct interest in certain commercial facilities, substantially all of which are managed by PSB. The Commercial segment presentation includes our equity earnings and interest income from PSB, as well as the revenues and expenses of our commercial facilities. At December 31, 2012, the assets of the Commercial segment are comprised principally of our investment in PSB (Note 4).

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

Presentation of Segment Information

The following tables reconcile the performance of each segment, in terms of segment income, to our net income (amounts in thousands):

For the year ended December 31, 2012

	Domestic Self-Storage	European Self-Storage	Commercial	Other Items Not Allocated to Segments	Total
(Amounts in thousands)					
Revenues:					
Self-storage facilities	\$ 1,703,090	\$ -	\$ -	\$ -	\$ 1,703,090
Ancillary operations	-	-	14,071	109,568	123,639
	1,703,090	-	14,071	109,568	1,826,729
Expenses:					
Self-storage cost of operations	501,866	-	-	-	501,866
Ancillary cost of operations	-	-	4,908	33,355	38,263
Depreciation and amortization	354,971	-	2,810	-	357,781
General and administrative	-	-	-	56,837	56,837
	856,837	-	7,718	90,192	954,747
Operating income	846,253	-	6,353	19,376	871,982
Interest and other income	-	19,966	-	2,108	22,074
Interest expense	-	-	-	(19,813)	(19,813)
Equity in earnings of unconsolidated real estate entities	1,725	33,223	10,638	-	45,586
Foreign currency exchange gain	-	8,876	-	-	8,876
Gain on real estate sales	1,456	-	-	-	1,456
Income from continuing operations	849,434	62,065	16,991	1,671	930,161
Discontinued operations	12,874	-	-	-	12,874

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Net income	\$ 862,308	\$ 62,065	\$ 16,991	\$ 1,671	\$ 943,035
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F-29

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

For the year ended December 31, 2011

	Domestic Self-Storage	European Self-Storage	Commercial	Other Items Not Allocated to Segments	Total
(Amounts in thousands)					
Revenues:					
Self-storage facilities	\$ 1,603,524	\$ -	\$ -	\$ -	\$ 1,603,524
Ancillary operations	-	-	14,592	99,497	114,089
	1,603,524	-	14,592	99,497	1,717,613
Expenses:					
Self-storage cost of operations	504,838	-	-	-	504,838
Ancillary cost of operations	-	-	5,505	31,891	37,396
Depreciation and amortization	355,315	-	2,654	-	357,969
General and administrative	-	-	-	52,410	52,410
Asset impairment charges	297	-	-	1,889	2,186
	860,450	-	8,159	86,190	954,799
Operating income	743,074	-	6,433	13,307	762,814
Interest and other income	-	28,190	664	3,479	32,333
Interest expense	-	-	-	(24,222)	(24,222)
Equity in earnings of unconsolidated real estate entities	1,771	29,152	27,781	-	58,704
Foreign currency exchange loss	-	(7,287)	-	-	(7,287)
Gain on real estate sales and debt retirement, net	8,953	-	-	1,848	10,801
Income (loss) from continuing operations	753,798	50,055	34,878	(5,588)	833,143
Discontinued operations	3,696	-	-	(380)	3,316
Net income (loss)	\$ 757,494	\$ 50,055	\$ 34,878	\$ (5,968)	\$ 836,459

F-30

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

For the year ended December 31, 2010

	Domestic Self-Storage	European Self-Storage	Commercial	Other Items Not Allocated to Segments	Total
(Amounts in thousands)					
Revenues:					
Self-storage facilities	\$ 1,509,396	\$ -	\$ -	\$ -	\$ 1,509,396
Ancillary operations	-	-	14,261	90,120	104,381
	1,509,396	-	14,261	90,120	1,613,777
Expenses:					
Self-storage cost of operations	494,715	-	-	-	494,715
Ancillary cost of operations	-	-	5,748	27,941	33,689
Depreciation and amortization	350,625	-	2,620	-	353,245
General and administrative	-	-	-	38,487	38,487
Asset impairment charges	-	-	-	994	994
	845,340	-	8,368	67,422	921,130
Operating income	664,056	-	5,893	22,698	692,647
Interest and other income	-	25,121	-	3,896	29,017
Interest expense	-	-	-	(30,225)	(30,225)
Equity in earnings of unconsolidated real estate entities	1,761	15,872	20,719	-	38,352
Foreign currency exchange loss	-	(42,264)	-	-	(42,264)
Gain on real estate sales and debt retirement, net	396	-	-	431	827
Income (loss) from continuing operations	666,213	(1,271)	26,612	(3,200)	688,354
Discontinued operations	5,146	-	-	2,614	7,760
Net income (loss)	\$ 671,359	\$ (1,271)	\$ 26,612	\$ (586)	\$ 696,114

F-31

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

12. Recent Accounting Pronouncements and Guidance

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2011-04, which clarifies existing fair value measurements principals, and expands certain disclosure requirements. In September 2011, the FASB issued ASU No. 2011-08, "Testing Goodwill for Impairment" which allows the consideration of qualitative factors in evaluating impairment to reduce (in certain circumstances) the required complexity of supporting computations. We adopted both of these updates on January 1, 2012, which did not have a material impact on our results of operations, financial condition or disclosures.

In July 2012, the FASB issued Accounting Standards Update No. 2012-02, "Testing Indefinite-Lived Intangible Assets for Impairment," ("ASU No. 2012-02"). The guidance gives companies the option to first perform a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired. If the qualitative assessment supports that it is more likely than not the fair value of the asset exceeds its carrying amount, the company would not be required to perform a quantitative impairment test. If the qualitative assessment does not support the fair value of the asset, then a quantitative assessment is performed. ASU No. 2012-02 is effective for public entities for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. The adoption of ASU No. 2012-02 will not have a material impact our results of operations or financial condition.

13. Commitments and Contingencies

Contingent Losses

We are a party to various legal proceedings and subject to various claims and complaints that have arisen in the normal course of business. We believe that the likelihood of these pending legal matters and other contingencies resulting in a material loss to the Company, either individually or in the aggregate, is remote.

Insurance and Loss Exposure

We have historically carried customary property, earthquake, general liability, medical insurance provided to our employees, and workers compensation coverage through internationally recognized insurance carriers, subject to customary levels of deductibles. The aggregate limits on these policies of approximately \$75 million for property losses and \$102 million for general liability losses are higher than estimates of maximum probable loss that could occur from individual catastrophic events determined in recent engineering and actuarial studies; however, in case of multiple catastrophic events, these limits could be exhausted.

Our tenant insurance program reinsures a program that provides insurance to certificate holders against claims for property losses due to specific named perils (earthquakes are not covered by these policies) to goods stored by tenants at our self-storage facilities for individual limits up to a maximum of \$5,000. We have third-party insurance coverage for claims paid exceeding \$5.0 million resulting from any one individual event, to a limit of \$15.0 million. At December 31, 2012, there were approximately 700,000 certificate holders held by our self-storage tenants participating in this program, representing aggregate coverage of approximately \$1.5 billion. We rely on a third-party insurance company to provide the insurance and are subject to licensing requirements and regulations in several states.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

14. Supplementary Quarterly Financial Data (unaudited)

	Three Months Ended			
	March 31,	June 30,	September 30,	December 31,
	2012	2012	2012	2012
	(Amounts in thousands, except per share data)			
Self-storage and ancillary revenues (a)	\$ 436,408	\$ 451,939	\$ 472,931	\$ 465,451
Self-storage and ancillary cost of operations (a)	\$ 148,283	\$ 139,030	\$ 137,224	\$ 115,592
Depreciation and amortization (a)	\$ 86,824	\$ 88,474	\$ 89,897	\$ 92,586
Income from continuing operations (a)	\$ 206,489	\$ 198,696	\$ 252,884	\$ 272,092
Net income	\$ 206,722	\$ 198,931	\$ 264,819	\$ 272,563
Per Common Share (Note 2):				
Net income				
- Basic	\$ 0.74	\$ 0.78	\$ 1.19	\$ 1.23
Net income				
- Diluted	\$ 0.73	\$ 0.77	\$ 1.18	\$ 1.22

	Three Months Ended			
	March 31,	June 30,	September 30,	December 31,
	2011	2011	2011	2011
	(Amounts in thousands, except per share data)			
Self-storage and ancillary revenues (a)	\$ 411,399	\$ 423,608	\$ 445,563	\$ 437,043
Self-storage and ancillary cost of operations (a)	\$ 144,049	\$ 139,121	\$ 138,580	\$ 120,484
Depreciation and amortization (a)	\$ 88,390	\$ 89,043	\$ 90,821	\$ 89,715
Income from continuing operations	\$ 210,669	\$ 210,695	\$ 192,872	\$ 218,907
Net income	\$ 210,568	\$ 210,941	\$ 194,513	\$ 220,437
Per Common Share (Note 2):				
Net income				
- Basic	\$ 0.87	\$ 0.78	\$ 0.69	\$ 0.97
Net income				
- Diluted	\$ 0.87	\$ 0.77	\$ 0.69	\$ 0.96

(a) Self-storage and ancillary revenues and cost of operations, as well as depreciation expense and income from continuing operations as presented in this table differ from those amounts as presented in our quarterly reports on Form 10-Q due to the impact of discontinued operations as described in Note 2.

PUBLIC STORAGE
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

15. Subsequent Events

On January 16, 2013, we issued 20.0 million depositary shares each representing 1/1,000 of our 5.20% Preferred Shares, Series W for gross proceeds of \$500.0 million, and we incurred \$16.0 million in issuance costs. As of January 16, 2013, we had repaid all amounts outstanding under our Credit Facility from the net proceeds of the issuance of the Series W Preferred Shares.

F-34

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2013 Land	Buildings
Self-storage Facilities - United States							
01/01/81	Newport News / Jefferson Avenue	-	108	1,071	806	108	1,877
01/01/81	Virginia Beach / Diamond Springs	-	186	1,094	983	186	2,077
08/01/81	San Jose / Snell	-	312	1,815	516	312	2,331
10/01/81	Tampa / Lazy Lane	-	282	1,899	997	282	2,896
06/01/82	San Jose / Tully	-	645	1,579	11,226	2,972	10,478
06/01/82	San Carlos / Storage	-	780	1,387	868	780	2,255
06/01/82	Mountain View	-	1,180	1,182	2,543	1,046	3,859
06/01/82	Cupertino / Storage	-	572	1,270	589	572	1,859
10/01/82	Sorrento Valley	-	1,002	1,343	(696)	651	998
10/01/82	Northwood	-	1,034	1,522	6,823	1,034	8,345
12/01/82	Port/Halsey	-	357	1,150	39	357	1,189
12/01/82	Sacto/Folsom	-	396	329	1,107	396	1,436
01/01/83	Platte	-	409	953	1,132	409	2,085
01/01/83	Semoran	-	442	1,882	9,195	442	11,077
01/01/83	Raleigh/Yonkers	-	-	1,117	1,108	-	2,225
03/01/83	Blackwood	-	213	1,559	1,145	213	2,704
04/01/83	Vailsgate	-	103	990	1,526	103	2,516
05/01/83	Delta Drive	-	67	481	755	68	1,235
06/01/83	Ventura	-	658	1,734	1,008	658	2,742
09/01/83	Southington	-	124	1,233	838	123	2,072
09/01/83	Southhampton	-	331	1,738	1,770	331	3,508
09/01/83	Webster/Keystone	-	449	1,688	2,062	434	3,765
09/01/83	Dover	-	107	1,462	1,567	107	3,029
09/01/83	Newcastle	-	227	2,163	1,555	227	3,718
09/01/83	Newark	-	208	2,031	1,374	208	3,405
09/01/83	Langhorne	-	263	3,549	2,677	263	6,226
09/01/83	Hobart	-	215	1,491	2,373	215	3,864
09/01/83	Ft. Wayne/W. Coliseum	-	160	1,395	1,184	160	2,579
09/01/83	Ft. Wayne/Bluffton	-	88	675	634	88	1,309
10/01/83		-	383	1,512	1,230	383	2,742

Orlando J. Y.						
Parkway						
11/01/83 Aurora	-	505	758	948	505	1,706

F-35

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amo At December 31, 20	Land	Buildings
11/01/83	Campbell	-	1,379	1,849	224	1,379		2,073
11/01/83	Col Springs/Ed	-	471	1,640	1,150	470		2,791
11/01/83	Col Springs/Mv	-	320	1,036	1,017	320		2,053
11/01/83	Thorton	-	418	1,400	970	418		2,370
11/01/83	Oklahoma City	-	454	1,030	1,896	454		2,926
11/01/83	Tucson	-	343	778	1,614	343		2,392
11/01/83	Webster/Nasa	-	1,570	2,457	3,595	1,570		6,052
12/01/83	Charlotte	-	165	1,274	1,145	165		2,419
12/01/83	Greensboro/Market	-	214	1,653	2,135	214		3,788
12/01/83	Greensboro/Electra	-	112	869	905	112		1,774
12/01/83	Columbia	-	171	1,318	1,147	171		2,465
12/01/83	Richmond	-	176	1,360	1,294	176		2,654
12/01/83	Augusta	-	97	747	925	97		1,672
12/01/83	Tacoma	-	553	1,173	1,057	553		2,230
01/01/84	Fremont/Albrae	-	636	1,659	1,173	636		2,832
01/01/84	Belton	-	175	858	1,698	175		2,556
01/01/84	Gladstone	-	275	1,799	1,557	274		3,357
01/01/84	Hickman/112	-	257	1,848	330	158		2,277
01/01/84	Holmes	-	289	1,333	1,113	289		2,446
01/01/84	Independence	-	221	1,848	1,467	221		3,315
01/01/84	Merriam	-	255	1,469	1,387	255		2,856
01/01/84	Olathe	-	107	992	941	107		1,933
01/01/84	Shawnee	-	205	1,420	1,611	205		3,031
01/01/84	Topeka	-	75	1,049	1,006	75		2,055
03/01/84	Marrietta/Cobb	-	73	542	894	73		1,436
03/01/84	Manassas	-	320	1,556	1,164	320		2,720
03/01/84	Pico Rivera	-	743	807	729	743		1,536
04/01/84	Providence	-	92	1,087	1,089	92		2,176
04/01/84	Milwaukie/Oregon	-	289	584	845	289		1,429
05/01/84	Raleigh/Departure	-	302	2,484	2,083	302		4,567
05/01/84	Virginia Beach	-	509	2,121	2,193	499		4,324
05/01/84	Philadelphia/Grant	-	1,041	3,262	2,197	1,040		5,460
05/01/84	Garland	-	356	844	903	356		1,747

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
06/01/84	Lorton	-	435	2,040	1,999	435	4,039
06/01/84	Baltimore	-	382	1,793	1,919	382	3,712
06/01/84	Laurel	-	501	2,349	2,092	500	4,442
06/01/84	Delran	-	279	1,472	1,202	279	2,674
06/01/84	Orange Blossom	-	226	924	764	226	1,688
06/01/84	Cincinnati	-	402	1,573	1,927	402	3,500
06/01/84	Florence	-	185	740	1,319	185	2,059
07/01/84	Trevose/Old Lincoln	-	421	1,749	1,424	421	3,173
08/01/84	Medley	-	584	1,016	1,657	520	2,737
08/01/84	Oklahoma City	-	340	1,310	1,597	340	2,907
08/01/84	Newport News	-	356	2,395	2,081	356	4,476
08/01/84	Kaplan/Walnut Hill	-	971	2,359	2,380	971	4,739
08/01/84	Kaplan/Irving	-	677	1,592	5,604	673	7,200
09/01/84	Cockrell Hill	-	380	913	2,217	380	3,130
11/01/84	Omaha	-	109	806	1,162	109	1,968
11/01/84	Hialeah	-	886	1,784	1,524	886	3,308
12/01/84	Austin/Lamar	-	643	947	1,294	642	2,242
12/01/84	Pompano	-	399	1,386	2,053	399	3,439
12/01/84	Fort Worth	-	122	928	463	122	1,391
12/01/84	Montgomeryville	-	215	2,085	1,475	215	3,560
01/01/85	Cranston	-	175	722	791	175	1,513
01/01/85	Bossier City	-	184	1,542	1,618	184	3,160
02/01/85	Simi Valley	-	737	1,389	988	737	2,377
02/01/85	Hurst	-	231	1,220	903	231	2,123
03/01/85	Chattanooga	-	202	1,573	1,856	202	3,429
03/01/85	Portland	-	285	941	984	285	1,925
03/01/85	Fern Park	-	144	1,107	822	144	1,929
03/01/85	Fairfield	-	338	1,187	1,528	338	2,715
03/01/85	Houston / Westheimer	-	850	1,179	1,102	850	2,281
04/01/85	Austin/ S. First	-	778	1,282	1,331	778	2,613
04/01/85	Cincinnati/ E. Kemper	-	232	1,573	1,359	232	2,932
04/01/85	Cincinnati/ Colerain	-	253	1,717	1,876	253	3,593
04/01/85	Florence/ Tanner Lane	-	218	1,477	1,714	218	3,191

F-37

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amou At December 31, 201	Land	Buildings
04/01/85	Laguna Hills	-	1,224	3,303	1,797	1,223		5,101
05/01/85	Tacoma/ Phillips Rd.	-	396	1,204	1,151	396		2,355
05/01/85	Milwaukie/ McCloughlin	-	458	742	1,321	458		2,063
05/01/85	Manchester/ S. Willow	-	371	2,129	1,111	371		3,240
05/01/85	Longwood	-	355	1,645	1,346	355		2,991
05/01/85	Columbus/Busch Blvd.	-	202	1,559	1,639	202		3,198
05/01/85	Columbus/Kinnear Rd.	-	241	1,865	1,730	241		3,595
05/01/85	Worthington	-	221	1,824	1,604	221		3,428
05/01/85	Arlington	-	201	1,497	1,598	201		3,095
06/01/85	N. Hollywood/ Raymer	-	967	848	6,408	968		7,255
06/01/85	Grove City/ Marlane Drive	-	150	1,157	1,119	150		2,276
06/01/85	Reynoldsburg	-	204	1,568	1,646	204		3,214
07/01/85	San Diego/ Kearny Mesa Rd	-	783	1,750	1,541	783		3,291
07/01/85	Scottsdale/ 70th St	-	632	1,368	1,331	632		2,699
07/01/85	Concord/ Hwy 29	-	150	750	1,310	150		2,060
07/01/85	Columbus/Morse Rd.	-	195	1,510	1,424	195		2,934
07/01/85	Columbus/Kenney Rd.	-	199	1,531	1,470	199		3,001
07/01/85	Westerville	-	199	1,517	1,664	305		3,075
07/01/85	Springfield	-	90	699	1,006	90		1,705
07/01/85	Dayton/Needmore Road	-	144	1,108	1,206	144		2,314
07/01/85	Dayton/Executive Blvd.	-	160	1,207	1,453	159		2,661
07/01/85	Lilburn	-	331	969	819	330		1,789
09/01/85	Columbus/ Sinclair	-	307	893	1,191	307		2,084
09/01/85	Philadelphia/ Tacony St	-	118	1,782	1,424	118		3,206
10/01/85	N. Hollywood/ Whitsett	-	1,524	2,576	1,810	1,524		4,386
10/01/85		-	354	496	819	354		1,315

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Portland/ SE 82nd St						
10/01/85 Columbus/ Ambleside	-	124	1,526	1,029	124	2,555
10/01/85 Indianapolis/ Pike Place	-	229	1,531	1,537	229	3,068
10/01/85 Indianapolis/ Beach Grove	-	198	1,342	1,336	198	2,678
10/01/85 Hartford/ Roberts	-	219	1,481	6,958	409	8,249
10/01/85 Wichita/ S. Rock Rd.	-	501	1,478	1,318	642	2,655
10/01/85 Wichita/ E. Harry	-	313	1,050	879	285	1,957
10/01/85 Wichita/ S. Woodlawn	-	263	905	955	263	1,860

F-38

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land Buildings
10/01/85	Wichita/ E. Kellogg	-	185	658	401	185 1,059
10/01/85	Wichita/ S. Tyler	-	294	1,004	818	294 1,822
10/01/85	Wichita/ W. Maple	-	234	805	477	234 1,282
10/01/85	Wichita/ Carey Lane	-	192	674	482	192 1,156
10/01/85	Wichita/ E. Macarthur	-	220	775	363	220 1,138
10/01/85	Joplin/ S. Range Line	-	264	904	758	264 1,662
10/01/85	San Antonio/ Wetmore Rd.	-	306	1,079	1,379	306 2,458
10/01/85	San Antonio/ Callaghan	-	288	1,016	1,153	288 2,169
10/01/85	San Antonio/ Zarzamora	-	364	1,281	1,548	364 2,829
10/01/85	San Antonio/ Hackberry	-	388	1,367	3,843	388 5,210
10/01/85	San Antonio/ Fredericksburg	-	287	1,009	1,538	287 2,547
10/01/85	Dallas/ S. Westmoreland	-	474	1,670	1,311	474 2,981
10/01/85	Dallas/ Alvin St.	-	359	1,266	1,197	359 2,463
10/01/85	Fort Worth/ W. Beach St.	-	356	1,252	905	356 2,157
10/01/85	Fort Worth/ E. Seminary	-	382	1,346	948	382 2,294
10/01/85	Fort Worth/ Cockrell St.	-	323	1,136	844	323 1,980
11/01/85	Everett/ Evergreen	-	706	2,294	1,801	705 4,096
11/01/85	Seattle/ Empire Way	-	1,652	5,348	2,967	1,651 8,316
12/01/85	Milpitas	-	1,623	1,577	1,416	1,623 2,993
12/01/85	Pleasanton/ Santa Rita	-	1,226	2,078	1,732	1,225 3,811
12/01/85	Amherst/ Niagra Falls	-	132	701	901	132 1,602

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12/01/85 West Sams Blvd.	-	164	1,159	204	164	1,363
12/01/85 MacArthur Rd.	-	204	1,628	953	204	2,581
12/01/85 Brockton/ Main	-	153	2,020	725	153	2,745
12/01/85 Eatontown/ Hwy 35	-	308	4,067	2,991	308	7,058
12/01/85 Denver/ Leetsdale	-	603	847	812	603	1,659
01/01/86 Mapleshade/ Rudderow	-	362	1,811	1,579	362	3,390
01/01/86 Bordentown/ Groveville	-	196	981	818	196	1,799
01/01/86 Sun Valley/ Sheldon	-	544	1,836	1,306	544	3,142
02/01/86 Costa Mesa/ Pomona	-	1,405	1,520	1,450	1,404	2,971
02/01/86 Brea/ Imperial Hwy	-	1,069	2,165	1,596	1,069	3,761
02/01/86 Skokie/ McCormick	-	638	1,912	1,403	638	3,315
02/01/86 Colorado Springs/ Sinton	-	535	1,115	1,374	535	2,489

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carryi At December Land	Buildi
02/01/86	Oklahoma City/ Penn	-	146	829	712	146	
02/01/86	Oklahoma City/ 39th	-	238	812	967	238	
03/01/86	Jacksonville/ Wiley	-	140	510	720	140	
03/01/86	St. Louis/ Forder	-	517	1,133	1,105	516	
03/03/86	Tampa / 56th	-	450	1,360	789	450	
04/01/86	Reno/ Telegraph	-	649	1,051	1,738	649	
04/01/86	St. Louis/Kirkham	-	199	1,001	851	199	
04/01/86	St. Louis/Reavis	-	192	958	694	192	
04/01/86	Fort Worth/East Loop	-	196	804	826	196	
05/01/86	Westlake Village	-	1,205	995	5,817	1,256	
05/01/86	Sacramento/Franklin Blvd.	-	872	978	4,130	1,139	
06/01/86	Richland Hills	-	543	857	999	543	
06/01/86	West Valley/So. 3600	-	208	1,552	1,176	208	
07/01/86	Colorado Springs/ Hollow Tree	-	574	726	939	574	
07/01/86	West LA/Purdue Ave.	-	2,415	3,585	1,657	2,416	
07/01/86	Capital Heights/Central Ave.	-	649	3,851	7,695	649	
07/01/86	Pontiac/Dixie Hwy.	-	259	2,091	1,187	259	
08/01/86	Laurel/Ft. Meade Rd.	-	475	1,475	1,235	475	
08/01/86	Hammond / Calumet	-	97	751	1,291	97	
09/01/86	Kansas City/S. 44th.	-	509	1,906	1,932	508	
09/01/86	Lakewood / Wadsworth - 6th	-	1,070	3,155	1,965	1,070	
10/01/86	Peralta/Fremont	-	851	1,074	795	851	
10/01/86	Birmingham/Highland	-	89	786	788	149	
10/01/86	Birmingham/Riverchase	-	262	1,338	1,321	278	
10/01/86	Birmingham/Eastwood	-	166	1,184	1,260	232	
10/01/86	Birmingham/Forestdale	-	152	948	962	190	
10/01/86	Birmingham/Centerpoint	-	265	1,305	1,169	273	
10/01/86	Birmingham/Roebuck Plaza	-	101	399	947	340	
10/01/86	Birmingham/Greensprings	-	347	1,173	859	16	
10/01/86	Birmingham/Hoover-Lorna	-	372	1,128	995	266	
10/01/86	Midfield/Bessemer	-	170	355	708	95	
10/01/86	Huntsville/Leeman Ferry Rd.	-	158	992	1,089	198	
10/01/86	Huntsville/Drake	-	253	1,172	1,078	248	

F-40

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carry At Decemb Land	Build
10/01/86	Anniston/Whiteside	-	59	566	584	107	
10/01/86	Houston/Glenvista	-	595	1,043	1,677	594	
10/01/86	Houston/I-45	-	704	1,146	2,366	703	
10/01/86	Houston/Rogerdale	-	1,631	2,792	2,603	1,631	
10/01/86	Houston/Gessner	-	1,032	1,693	2,314	1,032	
10/01/86	Houston/Richmond-Fairdale	-	1,502	2,506	3,008	1,501	
10/01/86	Houston/Gulfton	-	1,732	3,036	2,958	1,732	
10/01/86	Houston/Westpark	-	503	854	1,057	502	
10/01/86	Jonesboro	-	157	718	776	156	
10/01/86	Houston / South Loop West	-	1,299	3,491	3,359	1,298	
10/01/86	Houston / Plainfield Road	-	904	2,319	2,691	903	
10/01/86	Houston / North Freeway	-	-	2,706	1,596	-	
10/01/86	Houston / Old Katy Road	-	1,365	3,431	2,560	1,163	
10/01/86	Houston / Long Point	-	451	1,187	1,587	451	
10/01/86	Austin / Research Blvd.	-	1,390	1,710	1,622	1,390	
11/01/86	Arleta / Osborne Street	-	987	663	779	986	
12/01/86	Lynnwood / 196th Street	-	1,063	1,602	8,117	1,405	
12/01/86	N. Auburn / Auburn Way N.	-	606	1,144	1,096	606	
12/01/86	Gresham / Burnside & 202nd	-	351	1,056	1,103	351	
12/01/86	Denver / Sheridan Boulevard	-	1,033	2,792	2,648	1,033	
12/01/86	Marietta / Cobb Parkway	-	536	2,764	2,280	535	
12/01/86	Hillsboro / T.V. Highway	-	461	574	1,292	981	
12/01/86	San Antonio / West Sunset Road	-	1,206	1,594	1,564	1,207	
12/31/86	Monrovia / Myrtle Avenue	-	1,149	2,446	273	1,149	
12/31/86	Chatsworth / Topanga	-	1,447	1,243	3,867	1,448	
12/31/86	Houston / Larkwood	-	247	602	683	246	
12/31/86	Northridge	-	3,624	1,922	7,335	3,642	
12/31/86	Santa Clara / Duane	-	1,950	1,004	759	1,950	
12/31/86	Oyster Point	-	1,569	1,490	675	1,569	
12/31/86	Walnut	-	767	613	5,621	769	
03/01/87	Annandale / Ravensworth	-	679	1,621	1,038	679	
04/01/87	City Of Industry / Amar	-	748	2,052	1,487	748	
05/01/87	Oklahoma City / W. Hefner	-	459	941	977	459	

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31 Land	Buildings
07/01/87	Oakbrook Terrace	-	912	2,688	2,250	1,580	4,2
08/01/87	San Antonio/Austin Hwy.	-	400	850	322	400	1,1
10/01/87	Plantation/S. State Rd.	-	924	1,801	259	924	2,0
10/01/87	Rockville/Fredrick Rd.	-	1,695	3,305	9,906	1,702	13,2
02/01/88	Anaheim/Lakeview	-	995	1,505	385	995	1,8
06/07/88	Mesquite / Sorrento Drive	-	928	1,011	7,091	1,045	7,9
07/01/88	Fort Wayne	-	101	1,524	950	101	2,4
01/01/92	Costa Mesa	-	533	980	860	535	1,8
03/01/92	Dallas / Walnut St.	-	537	1,008	498	537	1,5
05/01/92	Camp Creek	-	576	1,075	723	575	1,7
09/01/92	Orlando/W. Colonial	-	368	713	408	367	1,1
09/01/92	Jacksonville/Arlington	-	554	1,065	488	554	1,5
10/01/92	Stockton/Mariners	-	381	730	282	380	1,0
11/18/92	Virginia Beach/General Booth Blvd	-	599	1,119	791	599	1,9
01/01/93	Redwood City/Storage	-	907	1,684	374	907	2,0
01/01/93	City Of Industry	-	1,611	2,991	1,117	1,610	4,1
01/01/93	San Jose/Felipe	-	1,124	2,088	1,363	1,124	3,4
01/01/93	Baldwin Park/Garvey Ave	-	840	1,561	1,123	771	2,7
03/19/93	Westminister / W. 80th	-	840	1,586	537	840	2,1
04/26/93	Costa Mesa / Newport	728	2,141	3,989	5,738	3,732	8,1
05/13/93	Austin /N. Lamar	-	919	1,695	8,798	1,421	9,9
05/28/93	Tampa/Nebraska Avenue	-	550	1,043	556	550	1,5
06/09/93	Calabasas / Ventura Blvd.	-	1,762	3,269	384	1,761	3,6
06/09/93	Carmichael / Fair Oaks	-	573	1,052	386	573	1,4
06/09/93	Santa Clara / Duane	-	454	834	279	453	1,1
06/10/93	Citrus Heights / Sylvan Road	-	438	822	449	437	1,2
06/25/93	Trenton / Allen Road	-	623	1,166	646	623	1,8
06/30/93	Los Angeles/W.Jefferson Blvd	-	1,085	2,017	338	1,085	2,3

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07/16/93 Austin / So. Congress Ave	-	777	1,445	519	777	1,9
08/01/93 Gaithersburg / E. Diamond	-	602	1,139	315	602	1,4
08/11/93 Atlanta / Northside	-	1,150	2,149	644	1,150	2,7
08/11/93 Smyrna/ Rosswill Rd	-	446	842	368	446	1,2
08/13/93 So. Brunswick/Highway	-	1,076	2,033	693	1,076	2,7

F-42

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
10/01/93	Denver / Federal Blvd	-	875	1,633	440	875	2,073
10/01/93	Citrus Heights	-	527	987	333	527	1,320
10/01/93	Lakewood / 6th Ave	-	798	1,489	166	685	1,768
10/27/93	Houston / S Shaver St	-	481	896	413	481	1,309
11/03/93	Upland/S. Euclid Ave.	-	431	807	674	508	1,404
11/16/93	Norcross / Jimmy Carter	-	627	1,167	327	626	1,495
11/16/93	Seattle / 13th	-	1,085	2,015	910	1,085	2,925
12/09/93	Salt Lake City	-	765	1,422	102	633	1,656
12/16/93	West Valley City	-	683	1,276	502	682	1,779
12/21/93	Pinellas Park / 34th St. W	-	607	1,134	372	607	1,506
12/28/93	New Orleans / S. Carrollton Ave	-	1,575	2,941	714	1,575	3,655
12/29/93	Orange / Main	-	1,238	2,317	1,793	1,593	3,755
12/29/93	Sunnyvale / Wedell	-	554	1,037	830	725	1,696
12/29/93	El Cajon / Magnolia	-	421	791	874	541	1,545
12/29/93	Orlando / S. Semoran Blvd.	-	462	872	849	601	1,582
12/29/93	Tampa / W. Hillsborough Ave	-	352	665	645	436	1,226
12/29/93	Irving / West Loop 12	-	341	643	335	354	965
12/29/93	Fullerton / W. Commonwealth	-	904	1,687	1,531	1,159	2,963
12/29/93	N. Lauderdale / McNab Rd	-	628	1,182	885	798	1,897
12/29/93	Los Alimitos / Cerritos	-	695	1,299	880	874	2,000
12/29/93	Frederick / Prospect Blvd.	-	573	1,082	711	692	1,674
12/29/93		-	403	775	884	505	1,557

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Indianapolis / E. Washington						
12/29/93 Gardena / Western Ave.	-	552	1,035	789	695	1,681
12/29/93 Palm Bay / Bobcock Street	-	409	775	634	525	1,293
01/10/94 Hialeah / W. 20Th Ave.	-	1,855	3,497	192	1,590	3,954
01/12/94 Sunnyvale / N. Fair Oaks Ave	-	689	1,285	409	657	1,726
01/12/94 Honolulu / Iwaena	-	-	3,382	1,234	-	4,616
01/12/94 Miami / Golden Glades	-	579	1,081	765	557	1,868
01/21/94 Herndon / Centreville Road	-	1,584	2,981	617	1,358	3,824
02/28/94 Arlington/Old Jefferson	-	735	1,399	1,658	630	3,162
03/08/94 Beaverton / Sw Barnes Road	-	942	1,810	349	807	2,294
03/21/94 Austin / Arboretum	-	473	897	2,997	1,553	2,814
03/25/94 Tinton Falls / Shrewsbury Ave	-	1,074	2,033	565	921	2,751

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2012 Land	Buildings
03/25/94	East Brunswick / Milltown Road	-	1,282	2,411	549	1,099	3,142
03/25/94	Mercerville / Quakerbridge Road	-	1,109	2,111	766	950	3,036
03/31/94	Hypoluxo	-	735	1,404	3,323	630	4,832
04/26/94	No. Highlands / Roseville Road	-	980	1,835	556	840	2,531
05/12/94	Fort Pierce/Okeechobee Road	-	438	842	322	375	1,227
05/24/94	Hempstead/Peninsula Blvd.	-	2,053	3,832	681	1,762	4,804
05/24/94	La/Huntington	-	483	905	382	414	1,350
06/09/94	Chattanooga / Brainerd Road	-	613	1,170	573	525	1,831
06/09/94	Chattanooga / Ringgold Road	-	761	1,433	873	652	2,413
06/18/94	Las Vegas / S. Valley View Blvd	-	837	1,571	448	718	2,138
06/23/94	Las Vegas / Tropicana	-	750	1,408	637	643	2,152
06/23/94	Henderson / Green Valley Pkwy	-	1,047	1,960	421	897	2,531
06/24/94	Las Vegas / N. Lamb Blvd.	-	869	1,629	268	669	2,097
06/30/94	Birmingham / W. Oxmoor Road	-	532	1,004	752	456	1,832
07/20/94	Milpitas / Dempsey Road	-	1,260	2,358	350	1,080	2,888
08/17/94	Beaverton / S.W. Denny Road	-	663	1,245	211	568	1,551
08/17/94	Irwindale / Central Ave.	-	674	1,263	278	578	1,637
08/17/94	Suitland / St. Barnabas Rd	-	1,530	2,913	708	1,312	3,839
08/17/94	North Brunswick / How Lane	-	1,238	2,323	362	1,061	2,862
08/17/94	Lombard / 64th	-	847	1,583	449	726	2,153
08/17/94	Alsip / 27th	-	406	765	235	348	1,058
09/15/94	Huntsville / Old Monrovia Rd	-	613	1,157	428	525	1,673

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09/27/94 West Haven / Bull Hill Lane	-	455	873	5,554	1,963	4,919
09/30/94 San Francisco / Marin St.	-	1,227	2,339	1,397	1,371	3,592
09/30/94 Baltimore / Hillen Street	-	580	1,095	681	497	1,855
09/30/94 San Francisco /10th & Howard	-	1,423	2,668	541	1,221	3,411
09/30/94 Montebello / E. Whittier	-	383	732	299	329	1,083
09/30/94 Arlington / Collins	-	228	435	511	195	979
09/30/94 Miami / S.W. 119th Ave	-	656	1,221	175	562	1,490
09/30/94 Blackwood / Erial Road	-	774	1,437	236	663	1,784
09/30/94 Concord / Monument	-	1,092	2,027	590	936	2,773
09/30/94 Rochester / Lee Road	-	469	871	452	402	1,390
09/30/94 Houston / Bellaire	-	623	1,157	532	534	1,778

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying A At December 31	
			Land	Buildings & Improvements		Land	Buildings
09/30/94	Austin / Lamar Blvd	-	781	1,452	361	669	1,9
09/30/94	Milwaukee / Lovers Lane Rd	-	469	871	372	402	1,3
09/30/94	Monterey / Del Rey Oaks	-	1,093	1,897	163	903	2,2
09/30/94	St. Petersburg / 66Th St.	-	427	793	429	366	1,2
09/30/94	Dayton Bch / N. Nova Road	-	396	735	291	339	1,0
09/30/94	Maple Shade / Route 38	-	994	1,846	481	852	2,4
09/30/94	Marlton / Route 73 N.	-	938	1,742	(809)	557	1,3
09/30/94	Naperville / E. Ogden Ave	-	683	1,268	378	585	1,7
09/30/94	Long Beach / South Street	-	1,778	3,307	775	1,524	4,3
09/30/94	Aloha / S.W. Shaw	-	805	1,495	227	690	1,8
09/30/94	Alexandria / S. Pickett	-	1,550	2,879	420	1,329	3,5
09/30/94	Houston / Highway 6 North	-	1,120	2,083	494	960	2,7
09/30/94	San Antonio/Nacogdoches Rd	-	571	1,060	436	489	1,5
09/30/94	San Ramon/San Ramon Valley	-	1,530	2,840	947	1,311	4,0
09/30/94	San Rafael / Merrydale Rd	-	1,705	3,165	327	1,461	3,7
09/30/94	San Antonio / Austin Hwy	-	592	1,098	426	507	1,6
09/30/94	Sharonville / E. Kemper	-	574	1,070	630	492	1,7
10/13/94	Davie / State Road 84	-	744	1,467	1,046	637	2,6
10/13/94	Carrollton / Marsh Lane	-	770	1,437	1,644	1,022	2,8
10/31/94	Sherman Oaks / Van Nuys Blvd	-	1,278	2,461	1,493	1,423	3,8
12/19/94	Salt Lake City/West North Temple	-	490	917	47	385	1,0
12/28/94	Milpitas / Watson	-	1,575	2,925	523	1,350	3,6
12/28/94	Las Vegas / Jones Blvd	-	1,208	2,243	344	1,035	2,7

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12/28/94 Venice / Guthrie	-	578	1,073	217	495	1,3
12/30/94 Apple Valley / Foliage Ave	-	910	1,695	634	780	2,4
01/04/95 Chula Vista / Main Street	-	735	1,802	534	735	2,3
01/05/95 Pantego / West Park	-	315	735	289	315	1,0
01/12/95 Roswell / Alpharetta	-	423	993	456	423	1,4
01/23/95 San Leandro / Hesperian	-	734	1,726	216	733	1,9
01/24/95 Nashville / Elm Hill	-	338	791	577	337	1,3
02/03/95 Reno / S. McCarron Blvd	-	1,080	2,537	433	1,080	2,9
02/15/95 Schiller Park	-	1,688	3,939	2,855	1,688	6,7
02/15/95 Lansing	-	1,514	3,534	733	1,514	4,2

F-45

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	Land	Buildings
02/15/95	Pleasanton	-	1,257	2,932	187		1,256	3,120
02/15/95	LA/Sepulveda	-	1,453	3,390	224		1,453	3,614
02/28/95	Decatur / Flat Shoal	-	970	2,288	934		970	3,222
02/28/95	Smyrna / S. Cobb	-	663	1,559	709		663	2,268
02/28/95	Downey / Bellflower	-	916	2,158	344		916	2,502
02/28/95	Vallejo / Lincoln	-	445	1,052	470		445	1,522
02/28/95	Lynnwood / 180th St	-	516	1,205	316		516	1,521
02/28/95	Kent / Pacific Hwy	-	728	1,711	221		728	1,932
02/28/95	Kirkland	-	1,254	2,932	545		1,253	3,478
02/28/95	Federal Way/Pacific	-	785	1,832	384		785	2,216
02/28/95	Tampa / S. Dale	-	791	1,852	418		791	2,270
02/28/95	Burlingame/Adrian Rd	-	2,280	5,349	1,064		2,280	6,413
02/28/95	Miami / Cloverleaf	-	606	1,426	447		606	1,873
02/28/95	Pinole / San Pablo	-	639	1,502	477		639	1,979
02/28/95	South Gate / Firesto	-	1,442	3,449	544		1,442	3,993
02/28/95	San Jose / Mabury	-	892	2,088	319		892	2,407
02/28/95	La Puente / Valley Blvd	-	591	1,390	314		591	1,704
02/28/95	San Jose / Capitol E	-	1,215	2,852	410		1,215	3,262
02/28/95	Milwaukie / 40th Street	-	576	1,388	299		579	1,684
02/28/95	Portland / N. Lombard	-	812	1,900	409		812	2,309
02/28/95	Miami / Biscayne	-	1,313	3,076	646		1,313	3,722
02/28/95	Chicago / Clark Street	-	442	1,031	799		442	1,830
02/28/95	Palatine / Dundee	-	698	1,643	729		698	2,372
02/28/95	Williamsville/Transit	-	284	670	412		284	1,082
02/28/95	Amherst / Sheridan	-	484	1,151	356		483	1,508
03/02/95	Everett / Highway 99	-	859	2,022	317		858	2,340
03/02/95	Burien / 1St Ave South	-	763	1,783	611		763	2,394
03/02/95	Kent / South 238th Street	-	763	1,783	382		763	2,165
03/31/95	Cheverly / Central Ave	-	911	2,164	600		910	2,765
05/01/95	Sandy / S. State Street	-	1,043	2,442	32		923	2,594
05/03/95	Largo / Ulmerton Roa	-	263	654	258		262	913

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05/08/95 Fairfield/Western Street	-	439	1,030	179	439	1,209
05/08/95 Dallas / W. Mockingbird	-	1,440	3,371	440	1,440	3,811

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amo At December 31, 20 Land	Buildings
05/08/95	East Point / Lakewood	-	884	2,071	539	884	2,610
05/25/95	Falls Church / Gallows Rd	-	350	835	9,396	3,560	7,021
06/12/95	Baltimore / Old Waterloo	-	769	1,850	297	769	2,147
06/12/95	Pleasant Hill / Hookston	-	766	1,848	410	742	2,282
06/12/95	Mountain View/Old Middlefield	-	2,095	4,913	229	2,094	5,143
06/30/95	San Jose / Blossom Hill	-	1,467	3,444	485	1,467	3,929
06/30/95	Fairfield / Kings Highway	-	1,811	4,273	869	1,810	5,143
06/30/95	Pacoima / Paxton Street	-	840	1,976	322	840	2,298
06/30/95	Portland / Prescott	-	647	1,509	294	647	1,803
06/30/95	St. Petersburg	-	352	827	392	352	1,219
06/30/95	Dallas / Audelia Road	-	1,166	2,725	5,093	1,166	7,818
06/30/95	Miami Gardens	-	823	1,929	655	823	2,584
06/30/95	Grand Prairie / 19th	-	566	1,329	314	566	1,643
06/30/95	Joliet / Jefferson Street	-	501	1,181	345	501	1,526
06/30/95	Bridgeton / Pennridge	-	283	661	292	283	953
06/30/95	Portland / S.E.92nd	-	638	1,497	276	638	1,773
06/30/95	Houston / S.W. Freeway	-	537	1,254	7,258	1,140	7,909
06/30/95	Milwaukee / Brown	-	358	849	444	358	1,293
06/30/95	Orlando / W. Oak Ridge	-	698	1,642	584	697	2,227
06/30/95	Lauderhill / State Road	-	644	1,508	415	644	1,923
06/30/95	Orange Park /Blanding Blvd	-	394	918	422	394	1,340
06/30/95		-	704	1,642	459	703	2,102

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St. Petersburg /Joe'S Creek						
06/30/95 St. Louis / Page Service Drive	-	531	1,241	320	531	1,561
06/30/95 Independence /E. 42nd	-	438	1,023	362	438	1,385
06/30/95 Cherry Hill / Dobbs Lane	-	716	1,676	427	715	2,104
06/30/95 Edgewater Park / Route 130	-	683	1,593	277	683	1,870
06/30/95 Beaverton / S.W. 110	-	572	1,342	324	572	1,666
06/30/95 Markham / W. 159Th Place	-	230	539	375	229	915
06/30/95 Houston / N.W. Freeway	-	447	1,066	337	447	1,403
06/30/95 Portland / Gantenbein	-	537	1,262	310	537	1,572
06/30/95 Upper Chichester/Market St.	-	569	1,329	340	569	1,669
06/30/95 Fort Worth / Hwy 80	-	379	891	364	379	1,255
06/30/95 Greenfield/ S. 108th	-	728	1,707	612	727	2,320

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
06/30/95	Altamonte Springs	-	566	1,326	391	566	1,717
06/30/95	Seattle / Delridge Way	-	760	1,779	323	760	2,102
06/30/95	Elmhurst / Lake Frontage Rd	-	748	1,758	496	748	2,254
06/30/95	Los Angeles / Beverly Blvd	-	787	1,886	2,181	787	4,067
06/30/95	Lawrenceville / Brunswick	-	841	1,961	270	840	2,232
06/30/95	Richmond / Carlson	-	865	2,025	521	864	2,547
06/30/95	Liverpool / Oswego Road	-	545	1,279	520	545	1,799
06/30/95	Rochester / East Ave	-	578	1,375	711	578	2,086
06/30/95	Pasadena / E. Beltway	-	757	1,767	480	757	2,247
07/13/95	Tarzana / Burbank Blvd	-	2,895	6,823	738	2,894	7,562
07/31/95	Orlando / Lakehurst	-	450	1,063	351	450	1,414
07/31/95	Livermore / Portola	-	921	2,157	396	921	2,553
07/31/95	San Jose / Tully	-	912	2,137	588	912	2,725
07/31/95	Mission Bay	-	1,617	3,785	885	1,617	4,670
07/31/95	Las Vegas / Decatur	-	1,147	2,697	608	1,147	3,305
07/31/95	Pleasanton / Stanley	-	1,624	3,811	548	1,624	4,359
07/31/95	Castro Valley / Grove	-	757	1,772	173	756	1,946
07/31/95	Honolulu / Kaneohe	-	1,215	2,846	2,423	2,133	4,351
07/31/95	Chicago / Wabash Ave	-	645	1,535	4,239	645	5,774
07/31/95	Springfield / Parker	-	765	1,834	438	765	2,272
07/31/95		-	765	1,808	301	765	2,109

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Huntington Bch/Gotham						
07/31/95 Tucker / Lawrenceville	-	630	1,480	363	630	1,843
07/31/95 Marietta / Canton Road	-	600	1,423	483	600	1,906
07/31/95 Wheeling / Hintz	-	450	1,054	291	450	1,345
08/01/95 Gresham / Division	-	607	1,428	293	607	1,721
08/01/95 Tucker / Lawrenceville	-	600	1,405	507	600	1,912
08/01/95 Decatur / Covington	-	720	1,694	550	720	2,244
08/11/95 Studio City/Ventura	-	1,285	3,015	441	1,285	3,456
08/12/95 Smyrna / Hargrove Road	-	1,020	3,038	661	1,020	3,699
09/01/95 Hayward / Mission Blvd	-	1,020	2,383	383	1,020	2,766
09/01/95 Park City / Belvider	-	600	1,405	247	600	1,652
09/01/95 New Castle/Dupont Parkway	-	990	2,369	2,124	990	4,493
09/01/95 Las Vegas / Rainbow	-	1,050	2,459	242	1,050	2,701

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2012 Land	Buildings
09/01/95	Mountain View / Reng	-	945	2,216	223	945	2,439
09/01/95	Venice / Cadillac	-	930	2,182	557	930	2,739
09/01/95	Simi Valley /Los Angeles	-	1,590	3,724	570	1,590	4,294
09/01/95	Spring Valley/Foreman	-	1,095	2,572	597	1,095	3,169
09/06/95	Darien / Frontage Road	-	975	2,321	337	975	2,658
09/30/95	Whittier	-	215	384	1,100	215	1,484
09/30/95	Van Nuys/Balboa	-	295	657	1,449	295	2,106
09/30/95	Huntington Beach	-	176	321	1,049	176	1,370
09/30/95	Monterey Park	-	124	346	1,045	124	1,391
09/30/95	Downey	-	191	317	1,148	191	1,465
09/30/95	Del Amo	-	474	742	1,645	474	2,387
09/30/95	Carson	-	375	735	950	375	1,685
09/30/95	Van Nuys/Balboa Blvd	-	1,920	4,504	841	1,920	5,345
10/31/95	San Lorenzo /Hesperian	-	1,590	3,716	559	1,590	4,275
10/31/95	Chicago / W. 47th Street	-	300	708	669	300	1,377
10/31/95	Los Angeles / Eastern	-	455	1,070	264	454	1,335
11/15/95	Costa Mesa	-	522	1,218	177	522	1,395
11/15/95	Plano / E. 14th	-	705	1,646	302	705	1,948
11/15/95	Citrus Heights/Sunrise	-	520	1,213	320	520	1,533
11/15/95	Modesto/Briggsmore Ave	-	470	1,097	222	470	1,319
11/15/95	So San Francisco/Spruce	-	1,905	4,444	873	1,904	5,318
11/15/95	Pacheco/Buchanan Circle	-	1,681	3,951	903	1,681	4,854
11/16/95	Palm Beach Gardens	-	657	1,540	311	657	1,851
11/16/95	Delray Beach	-	600	1,407	286	600	1,693
01/01/96	Bensenville/York Rd	-	667	1,602	1,374	667	2,976
01/01/96	Louisville/Preston	-	211	1,060	867	211	1,927
01/01/96	San Jose/Aborn Road	-	615	1,342	928	615	2,270
01/01/96	Englewood/Federal	-	481	1,395	955	481	2,350

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01/01/96 W. Hollywood/Santa Monica	-	3,415	4,577	3,161	3,414	7,739
01/01/96 Orland Hills/W. 159th	-	917	2,392	1,897	917	4,289
01/01/96 Merrionette Park	-	818	2,020	1,534	818	3,554
01/01/96 Denver/S Quebec	-	1,849	1,941	1,716	1,849	3,657
01/01/96 Tigard/S.W. Pacific	-	633	1,206	1,042	633	2,248

F-49

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying A At December 31	
			Land	Buildings & Improvements		Land	Buildings
01/01/96	Coram/Middle Count	-	507	1,421	1,058	507	2,4
01/01/96	Houston/FM 1960	-	635	1,294	1,239	635	2,5
01/01/96	Kent/Military Trail	-	409	1,670	1,331	409	3,0
01/01/96	Turnersville/Black	-	165	1,360	1,095	165	2,4
01/01/96	Sewell/Rts. 553	-	323	1,138	903	323	2,0
01/01/96	Maple	-	331	1,421	1,049	331	2,4
	Shade/Fellowship						
01/01/96	Hyattsville/Kenilworth	-	509	1,757	1,321	508	3,0
01/01/96	Waterbury/Captain	-	434	2,089	1,746	434	3,8
01/01/96	Bedford Hts/Miles	-	835	1,577	1,540	835	3,1
01/01/96	Livonia/Newburgh	-	635	1,407	1,063	635	2,4
01/01/96	Sunland/Sunland Blvd.	-	631	1,965	1,278	631	3,2
01/01/96	Des Moines	-	448	1,350	938	447	2,2
01/01/96	Oxonhill/Indianhead	-	772	2,017	1,773	772	3,7
01/01/96	Sacramento/N. 16th	-	582	2,610	1,874	582	4,4
01/01/96	Houston/Westheimer	-	1,508	2,274	1,898	1,508	4,1
01/01/96	San Pablo/San Pablo	-	565	1,232	1,000	565	2,2
01/01/96	Bowie/Woodcliff	-	718	2,336	1,609	718	3,9
01/01/96	Milwaukee/S. 84th	-	444	1,868	1,541	444	3,4
01/01/96	Clinton/Malcolm Road	-	593	2,123	1,505	592	3,6
01/03/96	San Gabriel	-	1,005	2,345	466	1,005	2,8
01/05/96	San Francisco, Second St.	-	2,880	6,814	333	2,879	7,1
01/12/96	San Antonio, TX	-	912	2,170	259	912	2,4
02/29/96	Naples, FL/Old US 41	-	849	2,016	371	849	2,3
02/29/96	Lake Worth, FL/S. Military Tr.	-	1,782	4,723	335	1,781	5,0
02/29/96	Brandon, FL/W Brandon Blvd.	-	1,928	4,523	1,110	1,928	5,6
02/29/96	Coral Springs FL/W Sample Rd.	-	3,480	8,148	392	3,479	8,5
02/29/96	Delray Beach FL/S Military Tr.	-	941	2,222	348	940	2,5
02/29/96	Jupiter FL/Military Trail	-	2,280	5,347	461	2,280	5,8
02/29/96	Lakeworth FL/Lake Worth Rd	-	737	1,742	330	736	2,0
02/29/96	New Port Richey/State Rd 54	-	857	2,025	463	856	2,4
02/29/96	Sanford FL/S Orlando Dr	-	734	1,749	2,264	974	3,7

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03/08/96 Atlanta/Roswell	-	898	3,649	233	898	3,8
03/31/96 Oakland	-	1,065	2,764	632	1,065	3,3

F-50

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	Land	Buildings
03/31/96	Saratoga	-	2,339	6,081	863		2,339	6,944
03/31/96	Randallstown	-	1,359	3,527	799		1,359	4,326
03/31/96	Plano	-	650	1,682	224		649	1,907
03/31/96	Houston	-	543	1,402	347		543	1,749
03/31/96	Irvine	-	1,920	4,975	1,690		1,920	6,665
03/31/96	Milwaukee	-	542	1,402	278		542	1,680
03/31/96	Carrollton	-	578	1,495	255		578	1,750
03/31/96	Torrance	-	1,415	3,675	266		1,415	3,941
03/31/96	Jacksonville	-	713	1,845	391		712	2,237
03/31/96	Dallas	-	315	810	1,910		315	2,720
03/31/96	Houston	-	669	1,724	2,492		669	4,216
03/31/96	Baltimore	-	842	2,180	521		842	2,701
03/31/96	New Haven	-	740	1,907	75		667	2,055
04/01/96	Chicago/Pulaski	-	764	1,869	595		763	2,465
04/01/96	Las Vegas/Desert Inn	-	1,115	2,729	281		1,115	3,010
04/01/96	Torrance/Crenshaw	-	916	2,243	289		916	2,532
04/01/96	Weymouth	-	485	1,187	989		485	2,176
04/01/96	St. Louis/Barrett Station Road	-	630	1,542	665		630	2,207
04/01/96	Rockville/Randolph	-	1,153	2,823	358		1,153	3,181
04/01/96	Simi Valley/East Street	-	970	2,374	170		970	2,544
04/01/96	Houston/Westheimer	-	1,390	3,402	6,498		1,390	9,900
04/03/96	Naples	-	1,187	2,809	637		1,186	3,447
06/26/96	Boca Raton	-	3,180	7,468	1,335		3,179	8,804
06/28/96	Venice	-	669	1,575	274		669	1,849
06/30/96	Las Vegas	-	921	2,155	493		921	2,648
06/30/96	Bedford Park	-	606	1,419	412		606	1,831
06/30/96	Los Angeles	-	692	1,616	216		691	1,833
06/30/96	Silver Spring	-	1,513	3,535	667		1,513	4,202
06/30/96	Newark	-	1,051	2,458	211		1,051	2,669
06/30/96	Brooklyn	-	783	1,830	3,017		783	4,847
07/02/96	Glen Burnie/Furnace Br Rd	-	1,755	4,150	830		1,755	4,980
07/22/96	Lakewood/W Hampton	-	717	2,092	152		716	2,245
08/13/96	Norcross/Holcomb Bridge Rd	-	955	3,117	352		954	3,470

F-51

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2 Land	Buildings
09/05/96	Spring Valley/S Pascack rd	-	1,260	2,966	1,133	1,260	4,099
09/16/96	Dallas/Royal Lane	-	1,008	2,426	447	1,007	2,874
09/16/96	Colorado Springs/Tomah Drive	-	731	1,759	286	730	2,046
09/16/96	Lewisville/S. Stemmons	-	603	1,451	260	603	1,711
09/16/96	Las Vegas/Boulder Hwy.	-	947	2,279	602	946	2,882
09/16/96	Sarasota/S. Tamiami Trail	-	584	1,407	1,530	584	2,937
09/16/96	Willow Grove/Maryland Road	-	673	1,620	288	673	1,908
09/16/96	Houston/W. Montgomery Rd.	-	524	1,261	399	523	1,661
09/16/96	Denver/W. Hampden	-	1,084	2,609	315	1,083	2,925
09/16/96	Littleton/Southpark Way	-	922	2,221	565	922	2,786
09/16/96	Petaluma/Baywood Drive	-	861	2,074	393	861	2,467
09/16/96	Canoga Park/Sherman Way	-	1,543	3,716	5,218	1,543	8,934
09/16/96	Jacksonville/South Lane Ave.	-	554	1,334	407	554	1,741
09/16/96	Newport News/Warwick Blvd.	-	575	1,385	288	575	1,673
09/16/96	Greenbrook/Route 22	-	1,227	2,954	804	1,226	3,759
09/16/96	Monsey/Route 59	-	1,068	2,572	505	1,068	3,077
09/16/96	Santa Rosa/Santa Rosa Ave.	-	575	1,385	216	575	1,601
09/16/96	Fort Worth/Brentwood	-	823	2,016	382	823	2,398
09/16/96	Glendale/San Fernando Road	-	2,500	6,124	431	2,500	6,555
09/16/96	Houston/Harwin	-	549	1,344	423	549	1,767
09/16/96	Irvine/Cowan Street	-	1,890	4,631	639	1,890	5,270

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09/16/96 Fairfield/Dixie Highway	-	427	1,046	234	427	1,280
09/16/96 Mesa/Country Club Drive	-	701	1,718	706	701	2,424
09/16/96 San Francisco/Geary Blvd.	-	2,957	7,244	1,618	2,957	8,862
09/16/96 Houston/Gulf Freeway	-	701	1,718	5,395	701	7,113
09/16/96 Las Vegas/S. Decatur Blvd.	-	1,037	2,539	372	1,036	2,912
09/16/96 Tempe/McKellips Road	-	823	1,972	513	823	2,485
09/16/96 Richland Hills/Airport Fwy.	-	473	1,158	310	472	1,469
10/11/96 Hampton/Pembroke Road	-	1,080	2,346	30	914	2,542
10/11/96 Norfolk/Widgeon Road	-	1,110	2,405	15	908	2,622
10/11/96 Richmond/Bloom Lane	-	1,188	2,512	-	994	2,706
10/11/96 Virginia Beach/Southern Blvd	-	282	610	340	282	950
10/11/96 Chesapeake/Military Hwy	-	-	2,886	718	-	3,604

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, Land Buildings
10/11/96	Richmond/Midlothian Park	-	762	1,588	738	762 2,32
10/11/96	Roanoke/Peters Creek Road	-	819	1,776	474	819 2,25
10/11/96	Orlando/E Oakridge Rd	-	927	2,020	733	927 2,75
10/11/96	Orlando/South Hwy 17-92	-	1,170	2,549	589	1,170 3,13
10/25/96	Austin/Renelli	-	1,710	3,990	597	1,710 4,58
10/25/96	Austin/Santiago	-	900	2,100	454	900 2,55
10/25/96	Dallas/East N.W. Highway	-	698	1,628	961	697 2,59
10/25/96	Dallas/Denton Drive	-	900	2,100	995	900 3,09
10/25/96	Houston/Hempstead	-	518	1,207	565	517 1,77
10/25/96	Pasadena/So. Shaver	-	420	980	682	420 1,66
10/31/96	Houston/Joel Wheaton Rd	-	465	1,085	1,432	465 2,51
10/31/96	Mt Holly/541 Bypass	-	360	840	635	360 1,47
11/13/96	Town East/Mesquite	-	330	770	398	330 1,16
11/14/96	Bossier City LA	-	633	1,488	41	557 1,60
12/05/96	Lake Forest/Bake Parkway	-	971	2,173	4,968	972 7,14
12/16/96	Cherry Hill/Old Cuthbert	-	645	1,505	1,016	645 2,52
12/16/96	Oklahoma City/SW 74th	-	375	875	529	375 1,40
12/16/96	Oklahoma City/S Santa Fe	-	360	840	256	360 1,09
12/16/96	Oklahoma City/S. May	-	360	840	241	360 1,08
12/16/96	Arlington/S. Watson Rd.	-	930	2,170	945	930 3,11
12/16/96	Richardson/E. Arapaho	-	1,290	3,010	754	1,290 3,76
12/23/96	Eagle Rock/Colorado	-	330	813	462	444 1,16
12/23/96	Upper Darby/Lansdowne	-	899	2,272	461	899 2,73
12/23/96	Plymouth Meeting /Chemical	-	1,109	2,802	387	1,109 3,18
12/23/96	Philadelphia/Byberry	-	1,019	2,575	702	1,019 3,27
12/23/96		-	1,199	3,030	542	1,199 3,57

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Ft. Lauderdale/State Road						
12/23/96 Englewood/Costilla	-	1,739	4,393	400	1,738	4,79
12/23/96 Lilburn/Beaver Ruin Road	-	600	1,515	306	599	1,82
12/23/96 Carmichael/Fair Oaks	-	809	2,045	438	809	2,48
12/23/96 Portland/Division Street	-	989	2,499	362	989	2,86
12/23/96 Napa/Industrial	-	660	1,666	252	659	1,91
12/23/96 Las Vegas/Charleston	-	1,049	2,651	345	1,049	2,99
12/23/96 Las Vegas/South Arvill	-	929	2,348	444	929	2,79

F-53

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31	Land	Buildings
12/23/96	Los Angeles/Santa Monica	-	3,328	8,407	740	3,327	9,1	
12/23/96	Warren/Schoenherr Rd.	-	749	1,894	468	749	2,3	
12/23/96	Portland/N.E. 71st Avenue	-	869	2,196	353	869	2,5	
12/23/96	Broadview/S. 25th Avenue	-	1,289	3,257	1,234	1,289	4,4	
12/23/96	Winter Springs/W. St. Rte 434	-	689	1,742	254	689	1,9	
12/23/96	Tampa/15th Street	-	420	1,060	458	420	1,5	
12/23/96	Pompano Beach/S. Dixie Hwy.	-	930	2,292	795	930	3,0	
12/23/96	Overland Park/Mastin	-	990	2,440	3,395	1,306	5,5	
12/23/96	Auburn/R Street	-	690	1,700	312	690	2,0	
12/23/96	Federal Heights/W. 48th Ave.	-	720	1,774	372	720	2,1	
12/23/96	Decatur/Covington	-	930	2,292	419	930	2,7	
12/23/96	Forest Park/Jonesboro Rd.	-	540	1,331	377	540	1,7	
12/23/96	Mangonia Park/Australian Ave.	-	840	2,070	263	840	2,3	
12/23/96	Whittier/Colima	-	540	1,331	183	540	1,5	
12/23/96	Kent/Pacific Hwy South	-	930	2,292	257	930	2,5	
12/23/96	Topeka/8th Street	-	150	370	547	150	9	
12/23/96	Denver East Evans	-	1,740	4,288	452	1,740	4,7	
12/23/96	Pittsburgh/California Ave.	-	630	1,552	155	630	1,7	
12/23/96	Ft. Lauderdale/Powerline	-	-	2,286	527	-	2,8	
12/23/96	Philadelphia/Oxford	-	900	2,218	494	900	2,7	
12/23/96	Dallas/Lemmon Ave.	-	1,710	4,214	397	1,710	4,6	
12/23/96	Alsip/115th Street	-	750	1,848	4,799	750	6,6	
12/23/96	Green Acres/Jog Road	-	600	1,479	252	600	1,7	
12/23/96	Pompano Beach/Sample Road	-	1,320	3,253	308	1,320	3,5	
12/23/96	Wyndmoor/Ivy Hill	-	2,160	5,323	603	2,160	5,9	
12/23/96	W. Palm Beach/Belvedere	-	960	2,366	427	960	2,7	
12/23/96	Renton 174th St.	-	960	2,366	534	960	2,9	

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12/23/96 Sacramento/Northgate	-	1,021	2,647	266	1,021	2,9
12/23/96 Phoenix/19th Avenue	-	991	2,569	726	991	3,2
12/23/96 Bedford Park/Cicero	-	1,321	3,426	(1,093)	777	2,8
12/23/96 Lake Worth/Lk Worth	-	1,111	2,880	503	1,111	3,3
12/23/96 Arlington/Algonquin	-	991	2,569	1,015	991	3,5
12/23/96 Seattle/15th Avenue	-	781	2,024	331	781	2,3

F-54

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
12/23/96	Southington/Spring	-	811	2,102	585	811	2,687
12/23/96	Nashville/Dickerson Pike	-	990	2,440	328	990	2,768
12/23/96	Madison/Gallatin Road	-	780	1,922	606	780	2,528
12/30/96	Concorde/Treat	-	1,396	3,258	371	1,396	3,629
12/30/96	Virginia Beach	-	535	1,248	318	535	1,566
12/30/96	San Mateo	-	2,408	5,619	358	2,408	5,977
01/22/97	Austin, 1033 E. 41 Street	-	257	3,633	374	257	4,007
04/12/97	Annandale / Backlick	-	955	2,229	474	955	2,703
04/12/97	Ft. Worth / West Freeway	-	667	1,556	439	667	1,995
04/12/97	Campbell / S. Curtner	-	2,550	5,950	918	2,549	6,869
04/12/97	Aurora / S. Idalia	-	1,002	2,338	1,011	1,002	3,349
04/12/97	Santa Cruz / Capitola	-	1,037	2,420	408	1,037	2,828
04/12/97	Indianapolis / Lafayette Road	-	682	1,590	705	681	2,296
04/12/97	Indianapolis / Route 31	-	619	1,444	693	619	2,137
04/12/97	Farmingdale / Broad Hollow Rd.	-	1,568	3,658	1,244	1,567	4,903
04/12/97	Tyson's Corner / Springhill Rd.	-	3,861	9,010	1,532	3,781	10,622
04/12/97	Fountain Valley / Newhope	-	1,137	2,653	517	1,137	3,170
04/12/97	Dallas / Winsted	-	1,375	3,209	660	1,375	3,869
04/12/97	Columbia / Broad River Rd.	-	121	282	197	121	479
04/12/97	Livermore / S. Front Road	-	876	2,044	284	876	2,328
04/12/97	Garland / Plano	-	889	2,073	359	888	2,433
04/12/97	San Jose / Story Road	-	1,352	3,156	859	1,352	4,015
04/12/97	Aurora / Abilene	-	1,406	3,280	766	1,405	4,047
04/12/97	Antioch / Sunset Drive	-	1,035	2,416	343	1,035	2,759
04/12/97		-	1,048	2,445	507	1,048	2,952

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Rancho Cordova / Sunrise						
04/12/97 Berlin / Wilbur Cross	-	756	1,764	520	756	2,284
04/12/97 Whittier / Whittier Blvd.	-	648	1,513	272	648	1,785
04/12/97 Peabody / Newbury Street	-	1,159	2,704	1,343	1,159	4,047
04/12/97 Denver / Blake	-	602	1,405	605	602	2,010
04/12/97 Evansville / Green River Road	-	470	1,096	364	470	1,460
04/12/97 Burien / First Ave. So.	-	792	1,847	353	791	2,201
04/12/97 Rancho Cordova / Mather Field	-	494	1,153	449	494	1,602
04/12/97 Sugar Land / Eldridge	-	705	1,644	409	705	2,053

F-55

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land Buildings
04/12/97	Columbus / Eastland Drive	-	602	1,405	470	602 1,875
04/12/97	Slickerville / Black Horse Pike	-	539	1,258	415	539 1,673
04/12/97	Seattle / Aurora	-	1,145	2,671	466	1,144 3,138
04/12/97	Gaithersburg / Christopher Ave.	-	972	2,268	500	972 2,768
04/12/97	Manchester / Tolland Turnpike	-	807	1,883	511	807 2,394
06/25/97	L.A./Venice Blvd.	-	523	1,221	1,927	1,044 2,627
06/25/97	Kirkland-Totem	-	2,131	4,972	1,040	2,099 6,044
06/25/97	Idianapolis	-	471	1,098	456	471 1,554
06/25/97	Dallas	-	699	1,631	214	699 1,845
06/25/97	Atlanta	-	1,183	2,761	247	1,183 3,008
06/25/97	Bensalem	-	1,159	2,705	345	1,159 3,050
06/25/97	Evansville	-	429	1,000	265	401 1,293
06/25/97	Austin	-	813	1,897	255	813 2,152
06/25/97	Harbor City	-	1,244	2,904	375	1,244 3,279
06/25/97	Birmingham	-	539	1,258	231	539 1,489
06/25/97	Sacramento	-	489	1,396	144	489 1,540
06/25/97	Carrollton	-	441	1,029	102	441 1,131
06/25/97	La Habra	-	822	1,918	339	822 2,257
06/25/97	Lombard	-	1,527	3,564	1,956	2,047 5,000
06/25/97	Fairfield	-	740	1,727	208	740 1,935
06/25/97	Seattle	-	1,498	3,494	10,294	1,498 13,788
06/25/97	Bellevue	-	1,653	3,858	294	1,653 4,152
06/25/97	Citrus Heights	-	642	1,244	745	642 1,989
06/25/97	San Jose	-	1,273	2,971	117	1,273 3,088
06/25/97	Stanton	-	948	2,212	234	948 2,446
06/25/97	Garland	-	486	1,135	173	486 1,308
06/25/97	Westford	-	857	1,999	610	857 2,609
06/25/97	Dallas	-	1,627	3,797	1,341	1,627 5,138
06/25/97	Wheat Ridge	-	1,054	2,459	573	1,054 3,032
06/25/97	Berlin	-	825	1,925	4,582	505 6,827
06/25/97	Gretna	-	1,069	2,494	850	1,069 3,344
06/25/97	Spring	-	461	1,077	399	461 1,476
06/25/97	Sacramento	-	592	1,380	1,222	720 2,474

F-56

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amou At December 31, 201	Land	Buildings
06/25/97	Houston/South Dairyashford	-	856	1,997	545	856		2,542
06/25/97	Naperville	-	1,108	2,585	725	1,108		3,310
06/25/97	Carrollton	-	1,158	2,702	920	1,158		3,622
06/25/97	Waipahu	-	1,620	3,780	945	1,620		4,725
06/25/97	Davis	-	628	1,465	444	628		1,909
06/25/97	Decatur	-	951	2,220	618	951		2,838
06/25/97	Jacksonville	-	653	1,525	477	653		2,002
06/25/97	Chicopee	-	663	1,546	631	662		2,178
06/25/97	Alexandria	-	1,533	3,576	760	1,532		4,337
06/25/97	Houston/Veterans Memorial Dr.	-	458	1,070	400	458		1,470
06/25/97	Los Angeles/Olympic	-	4,392	10,247	1,505	4,391		11,753
06/25/97	Littleton	-	1,340	3,126	1,260	1,340		4,386
06/25/97	Metairie	-	1,229	2,868	415	1,229		3,283
06/25/97	Louisville	-	717	1,672	557	716		2,230
06/25/97	East Hazel Crest	-	753	1,757	2,540	1,213		3,837
06/25/97	Edmonds	-	1,187	2,770	819	1,187		3,589
06/25/97	Foster City	-	1,064	2,483	431	1,064		2,914
06/25/97	Chicago	-	1,160	2,708	796	1,160		3,504
06/25/97	Philadelphia	-	924	2,155	515	923		2,671
06/25/97	Dallas/Vilbig Rd.	-	508	1,184	389	507		1,574
06/25/97	Staten Island	-	1,676	3,910	1,912	1,675		5,823
06/25/97	Pelham Manor	-	1,209	2,820	1,014	1,208		3,835
06/25/97	Irving	-	469	1,093	304	468		1,398
06/25/97	Elk Grove	-	642	1,497	550	642		2,047
06/25/97	LAX	-	1,312	3,062	729	1,312		3,791
06/25/97	Denver	-	1,316	3,071	973	1,316		4,044
06/25/97	Plano	-	1,369	3,193	687	1,368		3,881
06/25/97	Lynnwood	-	839	1,959	534	839		2,493
06/25/97	Lilburn	-	507	1,182	489	507		1,671
06/25/97	Parma	-	881	2,055	897	880		2,953
06/25/97	Davie	-	1,086	2,533	761	1,085		3,295
06/25/97	Allen Park	-	953	2,223	720	953		2,943
06/25/97	Aurora	-	808	1,886	536	808		2,422

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land Buildings
06/25/97	San Diego/16th Street	-	932	2,175	837	932 3,012
06/25/97	Sterling Heights	-	766	1,787	644	766 2,431
06/25/97	East L.A./Boyle Heights	-	957	2,232	624	957 2,856
06/25/97	Springfield/Alban Station	-	1,317	3,074	947	1,317 4,021
06/25/97	Littleton	-	868	2,026	602	868 2,628
06/25/97	Sacramento/57th Street	-	869	2,029	628	869 2,657
06/25/97	Miami	-	1,762	4,111	1,138	1,762 5,249
08/13/97	Santa Monica / Wilshire Blvd.	-	2,040	4,760	1,409	2,040 6,169
10/01/97	Marietta /Austell Rd	-	398	1,326	1,101	440 2,385
10/01/97	Denver / Leetsdale	-	1,407	1,682	1,438	1,554 2,973
10/01/97	Baltimore / York Road	-	1,538	1,952	2,027	1,700 3,817
10/01/97	Bolingbrook	-	737	1,776	1,628	814 3,327
10/01/97	Kent / Central	-	483	1,321	1,179	533 2,450
10/01/97	Geneva / Roosevelt	-	355	1,302	1,052	392 2,317
10/01/97	Denver / Sheridan	-	429	1,105	1,010	474 2,070
10/01/97	Mountlake Terrace	-	1,017	1,783	1,410	1,123 3,087
10/01/97	Carol Stream/ St.Charles	-	185	1,187	1,006	205 2,173
10/01/97	Marietta / Cobb Park	-	420	1,131	1,046	464 2,133
10/01/97	Venice / Rose	-	5,468	5,478	4,760	6,042 9,664
10/01/97	Ventura / Ventura Blvd	-	911	2,227	1,768	1,006 3,900
10/01/97	Studio City/ Ventura	-	2,421	1,610	1,314	2,675 2,670
10/01/97	Madison Heights	-	428	1,686	4,222	473 5,863
10/01/97	LAX / Imperial	-	1,662	2,079	1,471	1,836 3,376
10/01/97	Justice / Industrial	-	233	1,181	875	258 2,031
10/01/97	Burbank / San Fernando	-	1,825	2,210	1,617	2,016 3,636
10/01/97	Pinole / Appian Way	-	728	1,827	1,263	804 3,014
10/01/97	Denver / Tamarac Park	-	2,545	1,692	2,107	2,812 3,532

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10/01/97 Gresham / Powell	-	322	1,298	960	356	2,224
10/01/97 Warren / Mound Road	-	268	1,025	829	296	1,826
10/01/97 Woodside/Brooklyn	-	5,016	3,950	5,270	5,542	8,694
10/01/97 Enfield / Elm Street	-	399	1,900	1,484	441	3,342
10/01/97 Roselle / Lake Street	-	312	1,411	1,091	344	2,470
10/01/97 Milwaukee / Appleton	-	324	1,385	1,120	358	2,471

F-58

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, Land	Buildings
10/01/97	Emeryville / Bay St	-	1,602	1,830	1,389	1,770	3,05
10/01/97	Monterey / Del Rey	-	257	1,048	863	284	1,88
10/01/97	San Leandro / Washington	-	660	1,142	915	730	1,98
10/01/97	Boca Raton / N.W. 20	-	1,140	2,256	1,869	1,259	4,00
10/01/97	Washington Dc/So Capital	-	1,437	4,489	3,215	1,588	7,55
10/01/97	Lynn / Lynnway	-	463	3,059	2,827	511	5,83
10/01/97	Pompano Beach	-	1,077	1,527	1,924	1,190	3,33
10/01/97	Lake Oswego/ N.State	-	465	1,956	1,305	514	3,21
10/01/97	Daly City / Mission	-	389	2,921	1,735	430	4,61
10/01/97	Odenton / Route 175	-	456	2,104	1,613	504	3,66
10/01/97	Novato / Landing	-	2,416	3,496	2,727	2,904	5,73
10/01/97	St. Louis / Lindberg	-	584	1,508	1,179	728	2,54
10/01/97	Oakland/International	-	358	1,568	1,322	475	2,77
10/01/97	Stockton / March Lane	-	663	1,398	989	811	2,23
10/01/97	Des Plaines / Golf Rd	-	1,363	3,093	1,560	1,630	4,38
10/01/97	Morton Grove / Wauke	-	2,658	3,232	7,345	3,110	10,12
10/01/97	Los Angeles / Jefferson	-	1,090	1,580	1,133	1,323	2,48
10/01/97	Los Angeles / Martin	-	869	1,152	901	1,066	1,85
10/01/97	San Leandro / E. 14th	-	627	1,289	968	775	2,10
10/01/97	Tucson / Tanque Verde	-	345	1,709	1,125	469	2,71
10/01/97	Randolph / Warren St	-	2,330	1,914	2,111	2,719	3,63
10/01/97	Forrestville / Penn.	-	1,056	2,347	1,535	1,312	3,62
10/01/97	Bridgeport	-	4,877	2,739	2,771	5,612	4,77
10/01/97	North Hollywood/Vine	-	906	2,379	1,526	1,166	3,64
10/01/97	Santa Cruz / Portola	-	535	1,526	1,010	689	2,38
10/01/97	Hyde Park / River St	-	626	1,748	1,689	759	3,30
10/01/97	Dublin / San Ramon Rd	-	942	1,999	1,163	1,119	2,98
10/01/97	Vallejo / Humboldt	-	473	1,651	1,021	620	2,52
10/01/97	Fremont/Warm Springs	-	848	2,885	1,556	1,072	4,21
10/01/97	Seattle / Stone Way	-	829	2,180	1,558	1,078	3,48

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10/01/97 W. Olympia	-	149	1,096	948	209	1,98
10/01/97 Mercer/Parkside Ave	-	359	1,763	1,359	503	2,97
10/01/97 Bridge Water / Main	-	445	2,054	1,324	576	3,24

F-59

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, Land	Buildings
10/01/97	Norwalk / Hoyt Street	-	2,369	3,049	2,152	2,793	4,777
11/02/97	Lansing	-	758	1,768	12	730	1,800
11/07/97	Phoenix	-	1,197	2,793	418	1,197	3,211
11/13/97	Tinley Park	-	1,422	3,319	268	1,422	3,589
03/17/98	Houston/De Soto Dr.	-	659	1,537	313	659	1,852
03/17/98	Houston / East Freeway	-	593	1,384	649	593	2,031
03/17/98	Austin/Ben White	-	692	1,614	259	682	1,881
03/17/98	Arlington/E.Pioneer	-	922	2,152	401	922	2,553
03/17/98	Las Vegas/Tropicana	-	1,285	2,998	381	1,285	3,374
03/17/98	Branford / Summit Place	-	728	1,698	502	727	2,200
03/17/98	Las Vegas / Charleston	-	791	1,845	260	791	2,106
03/17/98	So. San Francisco	-	1,550	3,617	321	1,550	3,938
03/17/98	Pasadena / Arroyo Prkwy	-	3,005	7,012	999	3,004	8,016
03/17/98	Tempe / E. Broadway	-	633	1,476	430	633	1,906
03/17/98	Phoenix / N. 43rd Ave	-	443	1,033	442	443	1,478
03/17/98	Phoenix/No. 43rd	-	380	886	829	380	1,715
03/17/98	Phoenix / Black Canyon	-	380	886	365	380	1,251
03/17/98	Phoenix/Black Canyon	-	136	317	261	136	574
03/17/98	Nesconset / Southern	-	1,423	3,321	560	1,423	3,884
04/01/98	St. Louis / Hwy. 141	-	659	1,628	4,678	1,344	5,622
04/01/98	Island Park / Austin	-	2,313	3,015	(181)	1,374	3,772
04/01/98	Akron / Brittain Rd.	-	275	2,248	431	669	2,288
04/01/98	Patchogue/W.Sunrise	-	936	2,184	485	936	2,665
04/01/98	Havertown/West Chester	-	1,254	2,926	334	1,249	3,269
04/01/98	Schiller Park/River	-	568	1,390	264	568	1,652
04/01/98	Chicago / Cuyler	-	1,400	2,695	382	1,400	3,077
04/01/98	Chicago Heights/West	-	468	1,804	355	468	2,157
04/01/98	Arlington Hts/University	-	670	3,004	359	670	3,363
04/01/98	Cicero / Ogden	-	1,678	2,266	847	1,677	3,111

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04/01/98 Chicago/W. Howard St.	-	974	2,875	1,204	974	4,07
04/01/98 Chicago/N. Western Ave	-	1,453	3,205	517	1,453	3,72
04/01/98 Chicago/Northwest Hwy	-	925	2,412	241	925	2,65
04/01/98 Chicago/N. Wells St.	-	1,446	2,828	254	1,446	3,08

F-60

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
04/01/98	Chicago / Pulaski Rd.	-	1,276	2,858	278	1,276	3,136
04/01/98	Artesia / Artesia	-	625	1,419	289	625	1,708
04/01/98	Arcadia / Lower Azusa	-	821	1,369	351	821	1,720
04/01/98	Manassas / Centreville	-	405	2,137	449	405	2,586
04/01/98	La Downtwn/10 Fwy	-	1,608	3,358	357	1,607	3,716
04/01/98	Bellevue / Northup	-	1,232	3,306	657	1,231	3,964
04/01/98	Hollywood/Cole & Wilshire	-	1,590	1,785	237	1,590	2,022
04/01/98	Atlanta/John Wesley	-	1,233	1,665	536	1,233	2,201
04/01/98	Montebello/S. Maple	-	1,274	2,299	190	1,273	2,490
04/01/98	Lake City/Forest Park	-	248	1,445	264	248	1,709
04/01/98	Baltimore / W. Patap	-	403	2,650	322	402	2,973
04/01/98	Fraser/Groesbeck Hwy	-	368	1,796	201	368	1,997
04/01/98	Vallejo / Mini Drive	-	560	1,803	177	560	1,980
04/01/98	San Diego/54th & Euclid	-	952	2,550	548	952	3,098
04/01/98	Miami / 5th Street	-	2,327	3,234	470	2,327	3,704
04/01/98	Silver Spring/Hill	-	922	2,080	253	921	2,334
04/01/98	Chicago/E. 95th St.	-	397	2,357	337	397	2,694
04/01/98	Chicago / S. Harlem	-	791	1,424	232	791	1,656
04/01/98	St. Charles /Highway	-	623	1,501	318	623	1,819
04/01/98	Chicago/Burr Ridge Rd.	-	421	2,165	377	421	2,542
04/01/98	Yonkers / Route 9a	-	1,722	3,823	598	1,722	4,421
04/01/98	Silverlake/Glendale	-	2,314	5,481	347	2,313	5,829
04/01/98	Chicago/Harlem Ave	-	1,430	3,038	439	1,430	3,477
04/01/98	Bethesda / Butler Rd	-	1,146	2,509	162	1,146	2,671

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04/01/98 Dundalk / Wise Ave	-	447	2,005	330	447	2,335
04/01/98 St. Louis / Hwy. 141	-	659	1,628	171	659	1,799
04/01/98 Island Park / Austin	-	2,313	3,015	1,188	2,313	4,203
04/01/98 Dallas / Kingsly	-	1,095	1,712	317	1,095	2,029
05/01/98 Berkeley / 2nd St.	-	1,914	4,466	6,946	1,837	11,489
05/08/98 Cleveland / W. 117th	-	930	2,277	629	930	2,906
05/08/98 La / Venice Blvd	-	1,470	3,599	190	1,470	3,789
05/08/98 Aurora / Farnsworth	-	960	2,350	239	960	2,589
05/08/98 Santa Rosa / Hopper	-	1,020	2,497	291	1,020	2,788

F-61

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings	T
05/08/98	Golden Valley / Winn	-	630	1,542	304	630	1,846	
05/08/98	St. Louis / Benham	-	810	1,983	300	810	2,283	
05/08/98	Chicago / S. Chicago	-	840	2,057	277	840	2,334	
10/01/98	El Segundo / Sepulveda	-	6,586	5,795	677	6,585	6,473	
10/01/98	Atlanta / Memorial Dr.	-	414	2,239	467	414	2,706	
10/01/98	Chicago / W. 79th St	-	861	2,789	506	861	3,295	
10/01/98	Chicago / N. Broadway	-	1,918	3,824	678	1,917	4,503	
10/01/98	Dallas / Greenville	-	1,933	2,892	303	1,933	3,195	
10/01/98	Tacoma / Orchard	-	358	1,987	289	358	2,276	
10/01/98	St. Louis / Gravois	-	312	2,327	499	312	2,826	
10/01/98	White Bear Lake	-	578	2,079	336	578	2,415	
10/01/98	Santa Cruz / Soquel	-	832	2,385	209	832	2,594	
10/01/98	Coon Rapids / Hwy 10	-	330	1,646	271	330	1,917	
10/01/98	Oxnard / Hueneme Rd	-	923	3,925	335	923	4,260	
10/01/98	Vancouver/ Millplain	-	343	2,000	163	342	2,164	
10/01/98	Tigard / Mc Ewan	-	597	1,652	114	597	1,766	
10/01/98	Griffith / Cline	-	299	2,118	237	299	2,355	
10/01/98	Miami / Sunset Drive	-	1,656	2,321	1,849	2,266	3,560	
10/01/98	Farmington / 9 Mile	-	580	2,526	424	580	2,950	

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10/01/98 Los Gatos / University	-	2,234	3,890	315	2,234	4,205
10/01/98 N. Hollywood	-	1,484	3,143	179	1,484	3,322
10/01/98 Petaluma / Transport	-	460	1,840	5,223	857	6,666
10/01/98 Chicago / 111th	-	341	2,898	2,395	431	5,203
10/01/98 Upper Darby / Market	-	808	5,011	609	808	5,620
10/01/98 San Jose / Santa	-	966	3,870	254	966	4,124
10/01/98 San Diego / Morena	-	3,173	5,469	386	3,173	5,855
10/01/98 Brooklyn /Rockaway Ave	-	6,272	9,691	6,904	7,337	15,530
10/01/98 Revere / Charger St	-	1,997	3,727	1,246	1,996	4,974
10/01/98 Las Vegas / E. Charles	-	602	2,545	453	602	2,998
10/01/98 Laurel / Baltimore Ave	-	1,899	4,498	304	1,899	4,802
10/01/98 East La/Figueroa & 4th	-	1,213	2,689	200	1,213	2,889
10/01/98 Oldsmar / Tampa Road	-	760	2,154	3,013	1,049	4,878
10/01/98 Ft. Lauderdale /S.W.	-	1,046	2,928	498	1,046	3,426

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
10/01/98	Miami / Nw 73rd St	-	1,050	3,064	257	1,049	3,322
12/09/98	Miami / Nw 115th Ave	-	1,095	2,349	5,040	1,185	7,299
01/01/99	New Orleans/St.Charles	-	1,463	2,634	(177)	1,039	2,881
01/06/99	Brandon / E. Brandon Blvd	-	1,560	3,695	228	1,560	3,923
03/12/99	St. Louis / N. Lindbergh Blvd.	-	1,688	3,939	593	1,688	4,532
03/12/99	St. Louis /Vandeventer Midtown	-	699	1,631	581	699	2,212
03/12/99	St. Ann / Maryland Heights	-	1,035	2,414	686	1,035	3,100
03/12/99	Florissant / N. Hwy 67	-	971	2,265	383	971	2,648
03/12/99	Ferguson Area-W.Florissant	-	1,194	2,732	734	1,178	3,482
03/12/99	Florissant / New Halls Ferry Rd	-	1,144	2,670	764	1,144	3,434
03/12/99	St. Louis / Airport	-	785	1,833	418	785	2,251
03/12/99	St. Louis/ S.Third St	-	1,096	2,557	289	1,096	2,846
03/12/99	Kansas City / E. 47th St.	-	610	1,424	473	610	1,897
03/12/99	Kansas City /E. 67th Terrace	-	1,136	2,643	511	1,134	3,156
03/12/99	Kansas City / James A. Reed Rd	-	749	1,748	289	749	2,037
03/12/99	Independence / 291	-	871	2,032	353	871	2,385
03/12/99	Raytown / Woodson Rd	-	915	2,134	293	914	2,428
03/12/99	Kansas City / 34th Main Street	-	114	2,599	1,202	114	3,801
03/12/99	Columbia / River Dr	-	671	1,566	406	671	1,972
03/12/99	Columbia / Buckner Rd	-	714	1,665	537	713	2,203
03/12/99	Columbia / Decker Park Rd	-	605	1,412	206	605	1,618

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03/12/99 Columbia / Rosewood Dr	-	777	1,814	326	777	2,140
03/12/99 W. Columbia / Orchard Dr.	-	272	634	334	272	968
03/12/99 W. Columbia / Airport Blvd	-	493	1,151	324	493	1,475
03/12/99 Greenville / Whitehorse Rd	-	882	2,058	296	882	2,354
03/12/99 Greenville / Woods Lake Rd	-	364	849	241	364	1,090
03/12/99 Mauldin / N. Main Street	-	571	1,333	337	571	1,670
03/12/99 Simpsonville / Grand View Dr	-	582	1,358	236	574	1,602
03/12/99 Taylors / Wade Hampton Blvd	-	650	1,517	291	650	1,808
03/12/99 Charleston/Ashley Phosphate	-	839	1,950	583	823	2,549
03/12/99 N. Charleston / Dorchester Rd	-	380	886	310	379	1,197
03/12/99 N. Charleston / Dorchester	-	487	1,137	355	487	1,492
03/12/99 Charleston / Sam Rittenberg Blvd	-	555	1,296	267	555	1,563

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings	Totals
03/12/99	Hilton Head / Office Park Rd	-	1,279	2,985	292	1,279	3,277	
03/12/99	Columbia / Plumbers Rd	-	368	858	355	368	1,213	
03/12/99	Greenville / Pineknoll Rd	-	927	2,163	365	927	2,528	
03/12/99	Hilton Head / Yacht Cove Dr	-	1,182	2,753	130	826	3,239	
03/12/99	Spartanburg / Chesnee Hwy	-	533	1,244	790	480	2,087	
03/12/99	Charleston / Ashley River Rd	-	1,114	2,581	268	1,108	2,855	
03/12/99	Columbia / Broad River	-	1,463	3,413	581	1,463	3,994	
03/12/99	Charlotte / East Wt Harris Blvd	-	736	1,718	371	736	2,089	
03/12/99	Charlotte / North Tryon St.	-	708	1,653	728	708	2,381	
03/12/99	Charlotte / South Blvd	-	641	1,496	339	641	1,835	
03/12/99	Kannapolis / Oregon St	-	463	1,081	277	463	1,358	
03/12/99	Durham / E. Club Blvd	-	947	2,209	263	947	2,472	
03/12/99	Durham / N. Duke St.	-	769	1,794	270	769	2,064	
03/12/99	Raleigh / Maitland Dr	-	679	1,585	383	679	1,968	
03/12/99	Greensboro / O'henry Blvd	-	577	1,345	541	577	1,886	
03/12/99	Gastonia / S. York Rd	-	467	1,089	321	466	1,411	

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03/12/99 Durham / Kangaroo Dr.	-	1,102	2,572	622	1,102	3,194
03/12/99 Pensacola / Brent Lane	-	402	938	87	229	1,198
03/12/99 Pensacola / Creighton Road	-	454	1,060	314	454	1,374
03/12/99 Jacksonville / Park Avenue	-	905	2,113	363	905	2,476
03/12/99 Jacksonville / Phillips Hwy	-	665	1,545	725	663	2,272
03/12/99 Clearwater / Highland Ave	-	724	1,690	409	724	2,099
03/12/99 Tarpon Springs / Us Highway 19	-	892	2,081	518	892	2,599
03/12/99 Orlando /S. Orange Blossom Trail	-	1,229	2,867	384	1,228	3,252
03/12/99 Casselberry li	-	1,160	2,708	385	1,160	3,093
03/12/99 Miami / Nw 14th Street	-	1,739	4,058	361	1,739	4,419
03/12/99 Tarpon Springs / Highway 19	-	1,179	2,751	462	1,179	3,213
03/12/99 Ft. Myers / Tamiami Trail South	-	834	1,945	(166)	834	1,779
03/12/99 Jacksonville / Ft. Caroline Rd.	-	1,037	2,420	485	1,037	2,905
03/12/99 Orlando / South Semoran	-	565	1,319	167	565	1,486
03/12/99 Jacksonville / Southside Blvd.	-	1,278	2,982	530	1,278	3,512
03/12/99 Miami / Nw 7th Ave	-	783	1,827	4,852	785	6,677
03/12/99 Vero Beach / Us Hwy 1	-	678	1,583	242	678	1,825

F-64

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	Land	Buildings
03/12/99	Ponte Vedra / Palm Valley Rd.	-	745	2,749	907	745		3,656
03/12/99	Miami Lakes / Nw 153rd St.	-	425	992	301	425		1,293
03/12/99	Deerfield Beach / Sw 10th St.	-	1,844	4,302	202	1,843		4,505
03/12/99	Apopka / S. Orange Blossom	-	307	717	399	307		1,116
03/12/99	Davie / University	-	313	4,379	755	313		5,134
03/12/99	Arlington / Division	-	998	2,328	327	997		2,656
03/12/99	Duncanville/S.Cedar Ridge	-	1,477	3,447	602	1,477		4,049
03/12/99	Carrollton / Trinity Mills West	-	530	1,237	204	530		1,441
03/12/99	Houston / Wallisville Rd.	-	744	1,736	276	744		2,012
03/12/99	Houston / Fondren South	-	647	1,510	263	647		1,773
03/12/99	Houston / Addicks Satsuma	-	409	954	449	409		1,403
03/12/99	Addison / Inwood Road	-	1,204	2,808	226	1,203		3,035
03/12/99	Garland / Jackson Drive	-	755	1,761	209	755		1,970
03/12/99	Garland / Buckingham Road	-	492	1,149	218	492		1,367
03/12/99	Houston / South Main	-	1,461	3,409	469	1,461		3,878
03/12/99	Plano / Parker Road-Avenue K	-	1,517	3,539	358	1,516		3,898
03/12/99	Houston / Bingle Road	-	576	1,345	492	576		1,837
03/12/99	Houston / Mangum Road	-	737	1,719	479	737		2,198
03/12/99	Houston / Hayes Road	-	916	2,138	346	916		2,484
03/12/99	Katy / Dominion Drive	-	995	2,321	171	994		2,493
03/12/99	Houston / Fm 1960 West	-	513	1,198	384	513		1,582
03/12/99		-	756	1,764	204	756		1,968

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Webster / Fm 528 Road						
03/12/99 Houston / Loch Katrine Lane	-	580	1,352	354	579	1,707
03/12/99 Houston / Milwee St.	-	779	1,815	430	778	2,246
03/12/99 Lewisville / Highway 121	-	688	1,605	240	688	1,845
03/12/99 Richardson / Central Expressway	-	465	1,085	274	465	1,359
03/12/99 Houston / Hwy 6 South	-	569	1,328	193	569	1,521
03/12/99 Houston / Westheimer West	-	1,075	2,508	168	1,075	2,676
03/12/99 Ft. Worth / Granbury Road	-	763	1,781	252	763	2,033
03/12/99 Houston / New Castle	-	2,346	5,473	1,503	2,345	6,977
03/12/99 Dallas / Inwood Road	-	1,478	3,448	237	1,477	3,686
03/12/99 Fort Worth / Loop 820 North	-	729	1,702	433	729	2,135
03/12/99 Arlington / Cooper St	-	779	1,818	253	779	2,071

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land Buildings
03/12/99	Webster / Highway 3	-	677	1,580	252	677 1,832
03/12/99	Augusta / Peach Orchard Rd	-	860	2,007	529	860 2,536
03/12/99	Martinez / Old Petersburg Rd	-	407	950	324	407 1,274
03/12/99	Jonesboro / Tara Blvd	-	785	1,827	576	784 2,404
03/12/99	Atlanta / Briarcliff Rd	-	2,171	5,066	572	2,171 5,638
03/12/99	Decatur / N Decatur Rd	-	933	2,177	504	933 2,681
03/12/99	Douglasville / Westmoreland	-	453	1,056	290	453 1,346
03/12/99	Doraville / Mcelroy Rd	-	827	1,931	402	827 2,333
03/12/99	Roswell / Alpharetta	-	1,772	4,135	327	1,772 4,462
03/12/99	Douglasville / Duralee Lane	-	533	1,244	360	533 1,604
03/12/99	Douglasville / Highway 5	-	804	1,875	831	804 2,706
03/12/99	Forest Park / Jonesboro	-	659	1,537	357	658 1,895
03/12/99	Marietta / Whitlock	-	1,016	2,370	303	1,016 2,673
03/12/99	Marietta / Cobb	-	727	1,696	581	727 2,277
03/12/99	Norcross / Jones Mill Rd	-	1,142	2,670	343	1,142 3,013
03/12/99	Norcross / Dawson Blvd	-	1,232	2,874	784	1,231 3,659
03/12/99	Forest Park / Old Dixie Hwy	-	895	2,070	635	889 2,711
03/12/99	Decatur / Covington	-	1,764	4,116	458	1,763 4,575
03/12/99	Alpharetta / Maxwell Rd	-	1,075	2,509	276	1,075 2,785
03/12/99	Alpharetta / N. Main St	-	1,240	2,893	197	1,240 3,090

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03/12/99 Atlanta / Bolton Rd	-	866	2,019	333	865	2,353
03/12/99 Riverdale / Georgia Hwy 85	-	1,075	2,508	384	1,075	2,892
03/12/99 Kennesaw / Rutledge Road	-	803	1,874	489	803	2,363
03/12/99 Lawrenceville / Buford Dr.	-	256	597	189	256	786
03/12/99 Hanover Park / W. Lake Street	-	1,320	3,081	340	1,320	3,421
03/12/99 Chicago / W. Jarvis Ave	-	313	731	174	313	905
03/12/99 Chicago / N. Broadway St	-	535	1,249	487	535	1,736
03/12/99 Carol Stream / Phillips Court	-	829	1,780	323	782	2,150
03/12/99 Winfield / Roosevelt Road	-	1,109	2,587	425	1,108	3,013
03/12/99 Schaumburg / S. Roselle Road	-	659	1,537	260	659	1,797
03/12/99 Tinley Park / Brennan Hwy	-	771	1,799	479	771	2,278
03/12/99 Schaumburg / Palmer Drive	-	1,333	3,111	650	1,333	3,761
03/12/99 Mobile / Hillcrest Road	-	554	1,293	280	554	1,573

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
03/12/99	Mobile / Azalea Road	-	517	1,206	1,266	517	2,472
03/12/99	Mobile / Moffat Road	-	537	1,254	421	537	1,675
03/12/99	Mobile / Grelot Road	-	804	1,877	325	804	2,202
03/12/99	Mobile / Government Blvd	-	407	950	361	407	1,311
03/12/99	New Orleans / Tchoupitoulas	-	1,092	2,548	689	1,092	3,237
03/12/99	Louisville / Breckenridge Lane	-	581	1,356	257	581	1,613
03/12/99	Louisville	-	554	1,292	335	554	1,627
03/12/99	Louisville / Poplar Level	-	463	1,080	341	463	1,421
03/12/99	Chesapeake / Western Branch	-	1,274	2,973	329	1,274	3,302
03/12/99	Centreville / Lee Hwy	-	1,650	3,851	4,510	1,635	8,376
03/12/99	Sterling / S. Sterling Blvd	-	1,282	2,992	283	1,271	3,286
03/12/99	Manassas / Sudley Road	-	776	1,810	273	776	2,083
03/12/99	Longmont / Wedgewood Ave	-	717	1,673	200	717	1,873
03/12/99	Fort Collins / So.College Ave	-	745	1,739	441	745	2,180
03/12/99	Colo Sprngs / Parkmoor Village	-	620	1,446	687	620	2,133
03/12/99	Colo Sprngs / Van Teylingen	-	1,216	2,837	416	1,215	3,254
03/12/99	Denver / So. Clinton St.	-	462	1,609	252	462	1,861
03/12/99	Denver / Washington	-	795	1,846	566	792	2,415

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03/12/99	St. Colo Sprngs / Centennial Blvd	-	1,352	3,155	211	1,352	3,366
03/12/99	Colo Sprngs / Astrozon Court	-	810	1,889	510	809	2,400
03/12/99	Arvada / 64th Ave	-	671	1,566	199	671	1,765
03/12/99	Golden / Simms Street	-	918	2,143	653	918	2,796
03/12/99	Lawrence / Haskell Ave	-	636	1,484	315	636	1,799
03/12/99	Overland Park / Hemlock St	-	1,168	2,725	277	1,168	3,002
03/12/99	Lenexa / Long St.	-	720	1,644	160	709	1,815
03/12/99	Shawnee / Hedge Lane Terrace	-	570	1,331	200	570	1,531
03/12/99	Mission / Foxridge Dr	-	1,657	3,864	394	1,656	4,259
03/12/99	Milwaukee / W. Dean Road	-	1,362	3,163	792	1,357	3,960
03/12/99	Columbus / Morse Road	-	1,415	3,302	1,446	1,415	4,748
03/12/99	Milford / Branch Hill	-	527	1,229	2,665	527	3,894
03/12/99	Fairfield / Dixie	-	519	1,211	411	519	1,622
03/12/99	Cincinnati / Western Hills	-	758	1,769	454	758	2,223
03/12/99	Austin / N. Mopac Expressway	-	865	2,791	215	865	3,006

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	
			Land	Buildings & Improvements		Land	Buildings
03/12/99	Atlanta / Dunwoody Place	-	1,410	3,296	513	1,390	3,829
03/12/99	Kennedale/Bowman Sprgs	-	425	991	178	425	1,169
03/12/99	Colo Sprngs/N.Powers	-	1,124	2,622	889	1,123	3,512
03/12/99	St. Louis/S. Third St	-	206	480	15	206	495
03/12/99	Orlando / L.B. McLeod Road	-	521	1,217	258	521	1,475
03/12/99	Jacksonville / Roosevelt Blvd.	-	851	1,986	485	851	2,471
03/12/99	Miami-Kendall / Sw 84th Street	-	935	2,180	601	934	2,782
03/12/99	North Miami Beach / 69th St	-	1,594	3,720	648	1,594	4,368
03/12/99	Miami Beach / Dade Blvd	-	962	2,245	2,246	962	4,491
03/12/99	Chicago / N. Natchez Ave	-	1,684	3,930	676	1,684	4,606
03/12/99	Chicago / W. Cermak Road	-	1,294	3,019	1,510	1,294	4,529
03/12/99	Kansas City / State Ave	-	645	1,505	404	645	1,909
03/12/99	Lenexa / Santa Fe Trail Road	-	713	1,663	240	713	1,903
03/12/99	Waukesha / Foster Court	-	765	1,785	796	765	2,581
03/12/99	River Grove / N. 5th Ave.	-	1,094	2,552	425	1,034	3,037
03/12/99	St. Charles / E. Main St.	-	951	2,220	(190)	802	2,179
03/12/99	Chicago / West 47th St.	-	705	1,645	214	705	1,859
03/12/99	Carol Stream / S. Main Place	-	1,320	3,079	451	1,319	3,531
03/12/99	Carpentersville /N. Western Ave	-	911	2,120	278	909	2,400
03/12/99	Elgin / E. Chicago St.	-	570	2,163	167	570	2,330
03/12/99		-	1,347	3,253	921	1,347	4,174

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Elgin / Big Timber Road						
03/12/99 Chicago / S. Pulaski Road	-	-	2,576	499	-	3,075
03/12/99 Aurora / Business 30	-	900	2,097	356	899	2,454
03/12/99 Streamwood / Old Church Road	-	855	1,991	159	853	2,152
03/12/99 Mt. Prospect / Central Road	-	802	1,847	699	795	2,553
03/12/99 Geneva / Gary Ave	-	1,072	2,501	312	1,072	2,813
03/12/99 Naperville / Lasalle Ave	-	1,501	3,502	200	1,501	3,702
03/31/99 Forest Park	-	270	3,378	4,679	270	8,057
04/01/99 Fresno	-	44	206	656	193	713
05/01/99 Stockton	-	151	402	2,115	590	2,078
06/30/99 Winter Park/N. Semor	-	342	638	1,210	427	1,763
06/30/99 N. Richland Hills	-	455	769	1,261	569	1,916
06/30/99 Rolling Meadows/Lois	-	441	849	1,579	551	2,318

F-68

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31 Land	Buildings
06/30/99	Gresham/Burnside	-	354	544	966	441	1,4
06/30/99	Jacksonville/University	-	211	741	1,106	263	1,7
06/30/99	Houston/Highway 6	-	751	1,006	2,176	936	2,9
	So.						
06/30/99	Concord/Arnold	-	827	1,553	2,509	1,031	3,8
06/30/99	Rockville/Gude Drive	-	602	768	7,328	751	7,9
06/30/99	Bradenton/Cortez Road	-	476	885	1,407	588	2,1
06/30/99	San Antonio/Nw Loop	-	511	786	1,360	638	2,0
06/30/99	Anaheim / La Palma	-	1,378	851	1,588	1,720	2,0
06/30/99	Spring	-	271	380	5,511	356	5,8
	Valley/Sweetwater						
06/30/99	Ft. Myers/Tamiami	-	948	962	1,779	1,184	2,5
06/30/99	Littleton/Centennial	-	421	804	1,234	526	1,9
06/30/99	Newark/Cedar Blvd	-	729	971	1,624	910	2,4
06/30/99	Falls Church/Columbia	-	901	975	1,561	1,126	2,3
06/30/99	Fairfax / Lee Highway	-	586	1,078	1,623	732	2,5
06/30/99	Wheat Ridge / W. 44th	-	480	789	1,227	599	1,8
06/30/99	Huntington	-	952	890	1,596	1,189	2,2
	Bch/Gotham						
06/30/99	Fort Worth/McCart	-	372	942	984	464	1,8
06/30/99	San Diego/Clairemont	-	1,601	2,035	2,628	1,999	4,2
06/30/99	Houston/Millridge N.	-	1,160	1,983	4,449	1,449	6,1
06/30/99	Woodbridge/Jefferson	-	840	1,689	1,872	1,048	3,3
06/30/99	Mountainside	-	1,260	1,237	4,469	1,595	5,3
06/30/99	Woodbridge / Davis	-	1,796	1,623	2,766	2,243	3,9
06/30/99	Huntington Beach	-	1,026	1,437	1,687	1,282	2,8
06/30/99	Edison / Old Post Rd	-	498	1,267	1,677	621	2,8
06/30/99	Northridge/Parthenia	-	1,848	1,486	2,171	2,308	3,1
06/30/99	Brick Township/Brick	-	590	1,431	1,780	736	3,0
06/30/99	Stone Mountain/Rock	-	1,233	288	1,443	1,540	1,4
06/30/99	Hyattsville	-	768	2,186	2,357	959	4,3
06/30/99	Union City / Alvarado	-	992	1,776	2,021	1,239	3,5
06/30/99	Oak Park / Greenfield	-	621	1,735	1,866	774	3,4
06/30/99	Tujunga/Foothill Blvd	-	1,746	2,383	2,724	2,180	4,6
07/01/99	Pantego/W. Pioneer	-	432	1,228	269	432	1,4
	Pkwy						
07/01/99	Nashville/Lafayette St	-	486	1,135	942	486	2,0

F-69

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying A At December 31, Buildings	
			Land	Buildings & Improvements		Land	
07/01/99	Nashville/Metroplex Dr	-	380	886	367	379	1,229
07/01/99	Madison / Myatt Dr	-	441	1,028	212	441	1,241
07/01/99	Hixson / Highway 153	-	488	1,138	496	487	1,631
07/01/99	Hixson / Gadd Rd	-	207	484	618	207	1,109
07/01/99	Red Bank / Harding Rd	-	452	1,056	396	452	1,444
07/01/99	Nashville/Welshwood Dr	-	934	2,179	453	934	2,636
07/01/99	Madison/Williams Ave	-	1,318	3,076	1,155	1,318	4,239
07/01/99	Nashville/Mcnally Dr	-	884	2,062	920	884	2,906
07/01/99	Hermitage/Central Ct	-	646	1,508	292	646	1,804
07/01/99	Antioch/Cane Ridge Rd	-	353	823	514	352	1,330
09/01/99	Charlotte / Ashley Road	-	664	1,551	281	651	1,846
09/01/99	Raleigh / Capital Blvd	-	927	2,166	385	908	2,559
09/01/99	Charlotte / South Blvd.	-	734	1,715	178	719	1,902
09/01/99	Greensboro/W. Market St.	-	603	1,409	88	591	1,500
10/08/99	Belmont / O'Neill Ave	-	869	4,659	212	878	4,800
10/11/99	Matthews	-	937	3,165	1,982	1,500	4,592
11/15/99	Poplar, Memphis	-	1,631	3,093	2,595	2,377	4,945
12/17/99	Dallas / Swiss Ave	-	1,862	4,344	478	1,878	4,804
12/30/99	Oak Park/Greenfield Rd	-	1,184	3,685	148	1,196	3,823
12/30/99	Santa Anna	-	2,657	3,293	3,633	3,704	5,874
01/21/00	Hanover Park	-	262	3,104	109	256	3,265
01/25/00	Memphis / N.Germantwn Pkwy	-	884	3,024	1,564	1,301	4,109
01/31/00	Rowland Heights/Walnut	-	681	1,589	202	687	1,791
02/08/00	Lewisville / Justin Rd	-	529	2,919	4,348	1,679	6,106
02/28/00	Plano / Avenue K	-	2,064	10,407	1,958	1,220	13,208
04/01/00	Hyattsville/Edmonson	-	1,036	2,657	173	1,036	2,830
04/29/00	St.Louis/Ellisville Twn Centre	-	765	4,377	2,073	1,311	5,909

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05/02/00 Mill Valley	-	1,412	3,294	(271)	1,283	3,15
05/02/00 Culver City	-	2,439	5,689	6,422	2,221	12,32
05/26/00 Phoenix/N. 35th Ave	-	868	2,967	129	867	3,09
06/05/00 Mount Sinai / Route 25a	-	950	3,338	2,287	1,599	4,9
06/15/00 Pinellas Park	-	526	2,247	1,447	887	3,32
06/30/00 San Antonio/Broadway St	-	1,131	4,558	1,417	1,130	5,9

F-70

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31 Land	Buildings
07/13/00	Lincolnwood	-	1,598	3,727	394	1,613	4,1
07/17/00	La Palco/New Orleans	-	1,023	3,204	2,055	1,609	4,6
07/29/00	Tracy/1615& 1650 W.11th S	-	1,745	4,530	364	1,761	4,8
08/01/00	Pineville	-	2,197	3,417	2,665	2,965	5,3
08/23/00	Morris Plains	-	1,501	4,300	4,348	2,719	7,4
08/31/00	Florissant/New Halls Fry	-	800	4,225	199	807	4,4
08/31/00	Orange, CA	-	661	1,542	6,147	667	7,6
09/01/00	Bayshore, NY	-	1,277	2,980	1,936	1,533	4,6
09/01/00	Los Angeles, CA	-	590	1,376	632	708	1,8
09/13/00	Merrillville	-	343	2,474	1,689	832	3,6
09/15/00	Gardena / W. El Segundo	-	1,532	3,424	210	1,532	3,6
09/15/00	Chicago / Ashland Avenue	-	850	4,880	2,207	849	7,0
09/15/00	Oakland / Macarthur	-	678	2,751	373	678	3,1
09/15/00	Alexandria / Pickett II	-	2,743	6,198	484	2,743	6,6
09/15/00	Royal Oak / Coolidge Highway	-	1,062	2,576	282	1,062	2,8
09/15/00	Hawthorne / Crenshaw Blvd.	-	1,079	2,913	323	1,079	3,2
09/15/00	Rockaway / U.S. Route 46	-	2,424	4,945	517	2,423	5,4
09/15/00	Evanston / Greenbay	-	846	4,436	459	846	4,8
09/15/00	Los Angeles / Coliseum	-	3,109	4,013	357	3,108	4,3
09/15/00	Bethpage / Hempstead Turnpike	-	2,899	5,457	1,287	2,899	6,7
09/15/00	Northport / Fort Salonga Road	-	2,999	5,698	1,012	2,998	6,7
09/15/00	Brooklyn / St. Johns Place	-	3,492	6,026	1,428	3,491	7,4
09/15/00	Lake Ronkonkoma / Portion Rd.	-	937	4,199	443	937	4,6
09/15/00	Tampa/Gunn Hwy	-	1,843	4,300	241	1,843	4,5
09/18/00	Tampa/N. Del Mabry	-	2,204	2,447	10,217	2,239	12,6
09/30/00	Marietta/Kennestone& Hwy5	-	622	3,388	1,547	628	4,9
09/30/00	Lilburn/Indian Trail	-	1,695	5,170	1,804	1,711	6,9
11/15/00	Largo/Missouri	-	1,092	4,270	2,585	1,838	6,1

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11/21/00 St. Louis/Wilson	-	1,608	3,913	2,062	1,627	5,9
12/21/00 Houston/7715 Katy	-	2,274	5,307	(1,506)	1,500	4,5
Frwy						
12/21/00 Houston/10801 Katy	-	1,664	3,884	166	1,618	4,0
Frwy						
12/21/00 Houston/Main St	-	1,681	3,924	356	1,684	4,2
12/21/00 Houston/W. Loop/S.	-	2,036	4,749	251	2,038	4,9
Frwy						

F-71

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31 Land	Buildings
12/29/00	Chicago	-	1,946	6,002	157	1,949	6,159
12/29/00	Gardena	-	1,737	5,456	4,992	1,737	10,444
12/30/00	Raleigh/Glenwood	-	1,545	3,628	169	1,560	3,797
12/30/00	Frazier	-	800	3,324	90	800	3,414
01/05/01	Troy/E. Big Beaver Rd	-	2,195	4,221	2,160	2,820	5,771
01/11/01	Ft Lauderdale	-	954	3,972	2,708	1,746	5,820
01/16/01	No Hollywood/Sherman Way	-	2,173	5,442	3,670	2,200	9,012
01/18/01	Tuscon/E. Speedway	-	735	2,895	1,298	1,095	3,828
01/25/01	Lombard/Finley	-	851	3,806	2,621	1,564	5,733
03/15/01	Los Angeles/West Pico	-	8,579	8,630	2,330	8,294	11,239
04/01/01	Lakewood/Cedar Dr.	-	1,329	9,356	4,198	1,331	13,583
04/07/01	Farmingdale/Rte 110	-	2,364	5,807	2,130	1,779	8,540
04/17/01	Philadelphia/Aramingo	-	968	4,539	142	968	4,681
04/18/01	Largo/Walsingham Road	-	1,000	3,545	(186)	800	3,559
06/17/01	Port Washington/Seaview & W.Sh	-	2,381	4,608	1,884	2,359	6,553
06/18/01	Silver Springs/Prosperity	-	1,065	5,391	2,154	1,065	7,501
06/19/01	Tampa/W. Waters Ave & Wilsky	-	953	3,785	83	954	3,868
06/26/01	Middletown	-	1,535	4,258	2,782	2,295	6,275
07/29/01	Miami/Sw 85th Ave	-	2,755	4,951	3,705	2,730	8,601
08/28/01	Hoover/John Hawkins Pkwy	-	1,050	2,453	126	1,051	2,579
09/30/01	Syosset	-	2,461	5,312	2,190	3,089	6,811
12/27/01	Los Angeles/W.Jefferson	-	8,285	9,429	4,879	8,333	14,231
12/27/01	Howell/Hgwy 9	-	941	4,070	1,617	1,365	5,228
12/29/01	Catonsville/Kent	-	1,378	5,289	2,728	1,377	8,016
12/29/01	Old Bridge/Rte 9	-	1,244	4,960	72	1,250	5,032
12/29/01	Sacramento/Roseville	-	876	5,344	2,021	526	7,711
12/31/01	Santa Ana/E.Mcfadden	-	7,587	8,612	5,320	7,600	13,912
01/01/02	Concord	-	650	1,332	92	649	1,421
01/01/02	Tustin	-	962	1,465	344	962	1,809
01/01/02	Pasadena/Sierra Madre	-	706	872	97	706	965
01/01/02	Azusa	-	933	1,659	7,659	932	9,311
01/01/02	Redlands	-	423	1,202	242	422	1,444

01/01/02 Airport I	-	346	861	392	346	1,2
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F-72

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
01/01/02	Miami / Marlin Road	-	562	1,345	225	562	1,570
01/01/02	Riverside	-	95	1,106	64	94	1,171
01/01/02	Oakland / San Leandro	-	330	1,116	160	330	1,276
01/01/02	Richmond / Jacuzzi	-	419	1,224	81	419	1,305
01/01/02	Santa Clara / Laurel	-	1,178	1,789	145	1,179	1,933
01/01/02	Pembroke Park	-	475	1,259	242	475	1,501
01/01/02	Ft. Lauderdale / Sun	-	452	1,254	181	452	1,435
01/01/02	San Carlos / Shorewa	-	737	1,360	146	737	1,506
01/01/02	Ft. Lauderdale / Sun	-	532	1,444	291	533	1,734
01/01/02	Sacramento / Howe	-	361	1,181	66	361	1,247
01/01/02	Sacramento / Capitol	-	186	1,284	361	186	1,645
01/01/02	Miami / Airport	-	517	915	339	517	1,254
01/01/02	Marietta / Cobb Park	-	419	1,571	431	420	2,001
01/01/02	Sacramento / Florin	-	624	1,710	1,172	623	2,883
01/01/02	Belmont / Dairy Lane	-	915	1,252	167	914	1,420
01/01/02	So. San Francisco	-	1,018	2,464	332	1,018	2,796
01/01/02	Palmdale / P Street	-	218	1,287	166	218	1,453
01/01/02	Tucker / Montreal Rd	-	760	1,485	248	758	1,735
01/01/02	Pasadena / S Fair Oaks	-	1,313	1,905	638	1,312	2,544
01/01/02	Carmichael/Fair Oaks	-	584	1,431	130	584	1,561
01/01/02	Carson / Carson St	-	507	877	182	506	1,060
01/01/02	San Jose / Felipe Ave	-	517	1,482	133	516	1,616
01/01/02	Miami / 27th Ave	-	272	1,572	375	271	1,948

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01/01/02 San Jose / Capitol	-	400	1,183	218	401	1,400
01/01/02 Tucker / Mountain	-	519	1,385	236	520	1,620
01/03/02 St Charles/Veterans Memorial Pkwy	-	687	1,602	293	687	1,895
01/07/02 Bothell/ N. Bothell Way	-	1,063	4,995	191	1,062	5,187
01/15/02 Houston / N.Loop	-	2,045	6,178	2,131	2,045	8,309
01/16/02 Orlando / S. Kirkman	-	889	3,180	120	889	3,300
01/16/02 Austin / Us Hwy 183	-	608	3,856	154	608	4,010
01/16/02 Rochelle Park / 168	-	744	4,430	281	744	4,711
01/16/02 Honolulu / Waialae	-	10,631	10,783	350	10,629	11,135
01/16/02 Sunny Isles Bch	-	931	2,845	267	931	3,112

F-73

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying An At December 31, 2012 Land	Buildings
01/16/02	San Ramon / San Ramo	-	1,522	3,510	94	1,521	3,603
01/16/02	Austin / W. 6th St	-	2,399	4,493	496	2,399	4,989
01/16/02	Schaumburg / W. Wise	-	1,158	2,598	89	1,157	2,687
01/16/02	Laguna Hills / Moulton	-	2,319	5,200	280	2,318	5,489
01/16/02	Annapolis / West St	-	955	3,669	86	955	3,755
01/16/02	Birmingham / Commons	-	1,125	3,938	246	1,125	4,184
01/16/02	Crestwood / Watson Rd	-	1,232	3,093	37	1,176	3,180
01/16/02	Northglenn / Huron St	-	688	2,075	134	688	2,209
01/16/02	Skokie / Skokie Blvd	-	716	5,285	145	716	5,430
01/16/02	Garden City / Stewart	-	1,489	4,039	366	1,489	4,405
01/16/02	Millersville / Veterans	-	1,036	4,229	250	1,035	4,489
01/16/02	W. Babylon / Sunrise	-	1,609	3,959	193	1,608	4,152
01/16/02	Memphis / Summer Ave	-	1,103	2,772	146	1,103	2,919
01/16/02	Santa Clara/Lafayette	-	1,393	4,626	43	1,393	4,669
01/16/02	Naperville / Washington	-	2,712	2,225	540	2,712	2,766
01/16/02	Phoenix/W Union Hills	-	1,071	2,934	137	1,065	3,071
01/16/02	Woodlawn / Whitehead	-	2,682	3,355	99	2,682	3,451
01/16/02	Issaquah / Pickering	-	1,138	3,704	68	1,137	3,772
01/16/02	West La /W Olympic	-	6,532	5,975	227	6,531	6,203
01/16/02	Pasadena / E. Colorado	-	1,125	5,160	151	1,124	5,311
01/16/02	Memphis / Covington	-	620	3,076	238	620	3,314
01/16/02	Hiawassee / N.Hiawassee	-	1,622	1,892	167	1,622	2,059
01/16/02	Longwood / State Rd	-	2,123	3,083	262	2,123	3,345

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01/16/02 Casselberry / State	-	1,628	3,308	118	1,628	3,426
01/16/02 Honolulu/Kahala	-	3,722	8,525	216	3,721	8,741
01/16/02 Waukegan / Greenbay	-	933	3,826	76	933	3,902
01/16/02 Southfield / Telegraph	-	2,869	5,507	222	2,869	5,729
01/16/02 San Mateo / S. Delaware	-	1,921	4,602	185	1,921	4,787
01/16/02 Scottsdale/N.Hayden	-	2,111	3,564	92	2,117	3,656
01/16/02 Gilbert/W Park Ave	-	497	3,534	46	497	3,580
01/16/02 W.Palm Beach/Okeechobee	-	2,149	4,650	(311)	2,148	4,340
01/16/02 Indianapolis / W.86th	-	812	2,421	362	812	2,783
01/16/02 Indianapolis / Madison	-	716	2,655	589	716	3,244

F-74

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
01/16/02	Indianapolis / Rockville	-	704	2,704	966	704	3,670
01/16/02	Santa Cruz / River	-	2,148	6,584	153	2,147	6,738
01/16/02	Novato / Rush Landing	-	1,858	2,574	104	1,858	2,678
01/16/02	Martinez / Arnold Dr	-	847	5,422	61	847	5,483
01/16/02	Charlotte/Cambridge	-	836	3,908	51	836	3,959
01/16/02	Rancho Cucamonga	-	579	3,222	3,695	1,130	6,366
01/16/02	Renton / Kent	-	768	4,078	111	768	4,189
01/16/02	Hawthorne / Goffle Rd	-	2,414	4,918	109	2,413	5,022
02/02/02	Nashua / Southwood Dr	-	2,493	4,326	291	2,493	4,614
02/15/02	Houston/Fm 1960 East	-	859	2,004	168	859	2,172
03/07/02	Baltimore / Russell Street	-	1,763	5,821	248	1,763	6,069
03/11/02	Weymouth / Main St	-	1,440	4,433	258	1,439	4,692
03/28/02	Clinton / Branch Ave & Schultz	-	1,257	4,108	3,842	2,358	6,849
04/17/02	La Mirada/Alondra	-	1,749	5,044	2,840	2,575	7,058
05/01/02	N.Richlnd Hls/Rufe Snow Dr	-	632	6,337	2,489	631	8,822
05/02/02	Parkville/E.Joppa	-	898	4,306	153	898	4,451
06/17/02	Waltham / Lexington St	-	3,183	5,733	361	3,203	6,074
06/30/02	Nashville / Charlotte	-	876	2,004	192	876	2,190
07/02/02	Mt Juliet / Lebonan Rd	-	516	1,203	240	516	1,443
07/14/02	Yorktown / George Washington	-	707	1,684	148	707	1,832
07/22/02	Brea/E. Lambert & Clifwood Pk	-	2,114	3,555	186	2,113	3,742
08/01/02	Bricktown/Route 70	-	1,292	3,690	208	1,292	3,898
08/01/02	Danvers / Newbury St.	-	1,311	4,140	693	1,326	4,818
08/15/02	Montclair / Holt Blvd.	-	889	2,074	696	889	2,770
08/21/02	Rockville Centre/Merrick Rd	-	3,693	6,990	435	3,692	7,420

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09/13/02 Lacey / Martin Way	-	1,379	3,217	140	1,379	3,357
09/13/02 Lakewood / Bridgeport	-	1,286	3,000	141	1,286	3,141
09/13/02 Kent / Pacific Highway	-	1,839	4,291	246	1,839	4,537
11/04/02 Scotch Plains /Route 22	-	2,124	5,072	133	2,126	5,203
12/23/02 Snta Clarita/Viaprinccsa	-	2,508	3,008	3,666	2,508	6,674
02/13/03 Pasadena / Ritchie Hwy	-	2,253	4,218	22	2,253	4,240
02/13/03 Malden / Eastern Ave	-	3,212	2,739	140	3,212	2,879
02/24/03 Miami / SW 137th Ave	-	1,600	4,684	(222)	1,600	4,462

F-75

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	Land	Buildings
03/03/03	Chantilly / Dulles South Court	-	2,190	4,314	183		2,190	4,497
03/06/03	Medford / Mystic Ave	-	3,886	4,982	47		3,885	5,030
05/27/03	Castro Valley / Grove Way	-	2,247	5,881	1,018		2,307	6,839
08/02/03	Sacramento / E.Stockton Blvd	-	554	4,175	105		554	4,280
08/13/03	Timonium / W. Padonia Road	-	1,932	3,681	62		1,932	3,743
08/21/03	Van Nuys / Sepulveda	-	1,698	3,886	2,400		1,698	6,286
09/09/03	Westwood / East St	-	3,267	5,013	395		3,288	5,387
10/21/03	San Diego / Miramar Road	-	2,244	6,653	688		2,243	7,342
11/03/03	El Sobrante/San Pablo	-	1,255	4,990	1,377		1,257	6,365
11/06/03	Pearl City / Kamehameha Hwy	-	4,428	4,839	619		4,430	5,456
12/23/03	Boston / Southampton Street	-	5,334	7,511	843		5,345	8,343
01/09/04	Farmingville / Horseblock Road	-	1,919	4,420	(15)		1,918	4,406
02/27/04	Salem / Goodhue St.	-	1,544	6,160	116		1,544	6,276
03/18/04	Seven Corners / Arlington Blvd.	-	6,087	7,553	(212)		6,085	7,343
06/30/04	Marlton / Route 73	-	1,103	5,195	(13)		1,103	5,182
07/01/04	Long Island City/Northern Blvd.	-	4,876	7,610	(97)		4,876	7,513
07/09/04	West Valley Cty/Redwood	-	876	2,067	654		883	2,714
07/12/04	Hicksville/E. Old Country Rd.	-	1,693	3,910	211		1,692	4,122
07/15/04	Harwood/Ronald	-	1,619	3,778	261		1,619	4,039
09/24/04	E. Hanover/State Rt	-	3,895	4,943	246		3,895	5,189
10/14/04	Apple Valley/148th St	285	591	1,375	243		592	1,617
10/14/04	Blaine / Hwy 65 NE	449	789	1,833	853		713	2,762
10/14/04		-	1,411	3,278	312		1,413	3,588

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Brooklyn Park / Lakeland Ave						
10/14/04 Brooklyn Park / Xylon Ave	532	1,120	2,601	399	1,121	2,999
10/14/04 St Paul(Eagan)/Sibley Mem'l Hwy	286	615	1,431	171	616	1,601
10/14/04 Maple Grove / Zachary Lane	586	1,337	3,105	97	1,338	3,201
10/14/04 Minneapolis / Hiawatha Ave	673	1,480	3,437	288	1,481	3,724
10/14/04 New Hope / 36th Ave	696	1,332	3,094	952	1,333	4,045
10/14/04 Rosemount / Chippendale Ave	389	864	2,008	142	865	2,149
10/14/04 St Cloud/Franklin	262	575	1,338	118	576	1,455
10/14/04 Savage / W 128th St	680	1,522	3,535	207	1,523	3,741
10/14/04 Spring Lake Park/Hwy 65 NE	730	1,534	3,562	555	1,535	4,116
10/14/04 St Paul / Eaton St	-	1,161	2,698	194	1,163	2,890

F-76

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross At D Land
10/14/04	St Paul-Hartzell / Wabash Ave	-	1,207	2,816	410	1,206
10/14/04	West St Paul / Marie Ave	-	1,447	3,361	1,444	1,449
10/14/04	Stillwater / Memorial Ave	742	1,669	3,876	194	1,671
10/14/04	St Paul-VadnaisHts/Birch Lake Rd	447	928	2,157	374	929
10/14/04	Woodbury / Hudson Road	-	1,863	4,327	370	1,865
10/14/04	Brown Deer / N Green Bay Rd	479	1,059	2,461	189	1,060
10/14/04	Germantown / Spaten Court	273	607	1,411	92	608
10/14/04	Milwaukee/ N 77th St	570	1,241	2,882	289	1,242
10/14/04	Milwaukee/ S 13th St	668	1,484	3,446	243	1,485
10/14/04	Oak Creek / S 27th St	347	751	1,746	188	752
10/14/04	Waukesha / Arcadian Ave	756	1,665	3,868	322	1,667
10/14/04	West Allis / W Lincoln Ave	632	1,390	3,227	277	1,391
10/14/04	Garland / O'Banion Rd	-	606	1,414	162	608
10/14/04	Grand Prairie/ Hwy360	-	942	2,198	151	944
10/14/04	Duncanville/N Duncnvill	-	1,524	3,556	399	1,525
10/14/04	Lancaster/ W Pleasant	-	993	2,317	147	995
10/14/04	Mesquite / Oates Dr	-	937	2,186	154	939
10/14/04	Dallas / E NW Hwy	-	942	2,198	148	944
11/24/04	Pompano Beach/E. Sample	-	1,608	3,754	240	1,621
11/24/04	Davie / SW 41st St.	-	2,467	5,758	252	2,466
11/24/04	North Bay Village/Kennedy	-	3,275	7,644	268	3,274
11/24/04	Miami / Biscayne Blvd	5,094	3,538	8,258	231	3,537
11/24/04	Miami Gardens/NW 57th St	5,413	2,706	6,316	203	2,706
11/24/04	Tamarac/ N University Dr	-	2,580	6,022	192	2,580
11/24/04	Miami / SW 31st Ave	-	11,574	27,009	370	11,571
11/24/04	Hialeah / W 20th Ave	-	2,224	5,192	477	2,224
11/24/04	Miami / SW 42nd St	-	2,955	6,897	563	2,958
11/24/04	Miami / SW 40th St	-	2,933	6,844	570	2,932
11/25/04	Carlsbad/CorteDelAbeto	-	2,861	6,676	3,190	2,861
01/19/05	Cheektowaga / William St	-	965	2,262	68	964
01/19/05	Amherst / Millersport Hwy	-	1,431	3,350	89	1,431
01/19/05	Lancaster / Walden Ave	-	528	1,244	122	528
01/19/05	Tonawanda/HospitalityCentreWay	-	1,205	2,823	76	1,205

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carryin At December Land	Buildin
01/19/05	Wheatfield / Niagara Falls Blv	-	1,130	2,649	62	1,130	
01/20/05	Oak Lawn / Southwest Hwy	-	1,850	4,330	245	1,850	
02/25/05	Owings Mills / Reisterstown Rd	-	887	3,865	18	887	
04/26/05	Hoboken / 8th St	-	3,963	9,290	508	3,962	
05/03/05	Bayville / 939 Route 9	-	1,928	4,519	125	1,928	
05/03/05	Bricktown / Burnt Tavern Rd	-	3,522	8,239	191	3,521	
05/03/05	JacksonTwnshp/N.County Line Rd	-	1,555	3,647	89	1,554	
05/16/05	Methuen / Pleasant Valley St	-	2,263	4,540	204	2,263	
05/19/05	Libertyville / Kelley Crt	-	2,042	4,783	124	2,042	
05/19/05	Joliet / Essington	-	1,434	3,367	150	1,434	
06/15/05	Atlanta/Howell Mill Rd NW	-	1,864	4,363	72	1,864	
06/15/05	Smyrna / Herodian Way SE	-	1,294	3,032	169	1,293	
07/07/05	Lithonia / Minola Dr	-	1,273	2,985	141	1,272	
07/14/05	Kennesaw / Bells Ferry Rd NW	-	1,264	2,976	837	1,264	
07/28/05	Atlanta / Monroe Dr NE	-	2,914	6,829	1,064	2,913	
08/11/05	Suwanee / Old Peachtree Rd NE	-	1,914	4,497	229	1,914	
09/08/05	Brandon / Providence Rd	-	2,592	6,067	165	2,592	
09/15/05	Woodstock / Hwy 92	-	1,251	2,935	82	1,250	
09/22/05	Charlotte / W. Arrowood Rd	-	1,426	3,335	(136)	1,153	
10/05/05	Jacksonville Beach / Beach Bl	-	2,552	5,981	221	2,552	
10/05/05	Bronx / Brush Ave	-	4,517	10,581	172	4,516	1
10/11/05	Austin / E. Ben White Blvd	-	213	3,461	26	213	
10/13/05	Deerfield Beach/S. Powerline R	-	3,365	7,874	196	3,364	
10/14/05	Cooper City / Sheridan St	-	3,035	7,092	296	3,034	
10/20/05	Staten Island / Veterans Rd W.	-	3,599	8,430	248	3,598	
10/20/05		-	3,602	8,448	142	3,601	

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Pittsburg / LoveridgeCenter					
10/21/05 Norristown / W.Main St	-	1,465	4,818	339	1,465
11/02/05 Miller Place / Route 25A	-	2,757	6,459	207	2,757
11/18/05 Miami / Biscayne Blvd	-	7,434	17,268	445	7,433
12/01/05 Manchester / Taylor St	-	1,305	3,029	191	1,305
12/07/05 Buffalo Grove/E. Aptakisic Rd	-	1,986	4,635	125	1,986
12/13/05 Lorton / Pohick Rd & I95	-	1,167	4,582	423	1,184
12/16/05 Pico Rivera / Washington Blvd	-	4,719	11,012	106	4,719

F-78

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Car At Decer Land Bu
12/27/05	Queens Village / Jamaica Ave	-	3,409	5,494	96	3,409
01/01/06	Costa Mesa / Placentia-A	-	275	754	177	275
01/01/06	Van Nuys / Sepulveda-A	-	497	886	135	497
01/01/06	Pico Rivera / Beverly	-	303	865	48	303
01/01/06	San Dimas	-	222	1,505	267	222
01/01/06	Long Beach / Cherry Ave	-	801	1,723	2,978	801
01/01/06	E.LA / Valley Blvd	-	670	1,845	369	685
01/01/06	Glendale / Eagle Rock Blvd	-	1,240	1,831	185	1,240
01/01/06	N. Pasadena / Lincoln Ave	-	357	535	62	357
01/01/06	Crossroads Pkwy/ 605 & 60 Fwys	-	146	773	70	146
01/01/06	Fremont / Enterprise	-	122	727	211	122
01/01/06	Milpitas/Montague I & Watson Ct	-	212	607	174	212
01/01/06	Wilmington	-	890	1,345	191	890
01/01/06	Sun Valley / Glenoaks	-	359	616	76	359
01/01/06	Corona	-	169	722	118	169
01/01/06	Norco	-	106	410	70	106
01/01/06	N. Hollywood / Vanowen	-	343	567	63	343
01/05/06	Norfolk/Widgeon Rd.	-	1,328	3,125	153	1,328
01/11/06	Goleta/Hollister&Stork	3,773	2,873	6,788	175	2,873
02/15/06	RockvilleCtr/Sunrs	-	1,813	4,264	1,537	1,813
03/16/06	Deerfield/S. Pfingsten Rd.	-	1,953	4,569	150	1,953
03/28/06	Pembroke Pines/S. Douglas Rd.	-	3,008	7,018	136	3,008
03/30/06	Miami/SW 24th Ave.	-	4,272	9,969	199	4,272
03/31/06	San Diego/Mira Mesa&PacHts	-	2,492	7,127	85	2,492
05/01/06	Wilmington/Kirkwood Hwy	-	1,572	3,672	209	1,572
05/01/06	Jupiter/5100 Military Trail	-	4,397	10,266	195	4,397
05/01/06	Neptune/Neptune Blvd.	-	3,240	7,564	163	3,240
05/15/06	Suwanee/Peachtree Pkwy	-	2,483	5,799	92	2,483
05/26/06	Honolulu/Kapiolani&Kamake	-	9,329	20,400	496	9,329
06/06/06	Tampa/30th St	-	2,283	5,337	171	2,283
06/22/06	Centennial/S. Parker Rd.	-	1,786	4,173	119	1,786
07/01/06	Brooklyn/Knapp St	-	6,701	5,088	22	6,701
08/22/06	Scottsdale North	-	5,037	14,000	321	5,036

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012		Total
			Land	Buildings & Improvements		Land	Buildings	
08/22/06	Dobson Ranch	-	1,896	5,065	141	1,896	5,206	
08/22/06	Scottsdale Air Park	-	1,560	7,060	68	1,560	7,128	
08/22/06	Shea	-	2,271	6,402	74	2,270	6,477	
08/22/06	Collonade Mall	-	-	3,569	80	-	3,649	
08/22/06	Union Hills	-	2,618	5,357	99	2,617	5,457	
08/22/06	Speedway	-	1,921	6,105	219	1,920	6,325	
08/22/06	Mill Avenue	-	621	2,447	127	621	2,574	
08/22/06	Cooper Road	-	2,378	3,970	125	2,377	4,096	
08/22/06	Desert Sky	-	1,603	4,667	158	1,603	4,825	
08/22/06	Tanque Verde Road	-	1,636	3,714	78	1,636	3,792	
08/22/06	Oro Valley	-	1,729	6,158	88	1,728	6,247	
08/22/06	Sunnyvale	-	5,647	16,555	298	5,646	16,854	
08/22/06	El Cerito	-	2,002	8,710	187	2,001	8,898	
08/22/06	Westwood	-	7,826	13,848	667	7,824	14,517	
08/22/06	El Cajon	-	7,490	13,341	1,897	7,488	15,240	
08/22/06	Santa Ana	-	12,432	10,961	817	12,429	11,781	
08/22/06	Culver City / 405 & Jefferson	-	3,689	14,555	189	3,688	14,745	
08/22/06	Solana Beach	-	-	11,163	360	-	11,523	
08/22/06	Huntington Beach	-	3,914	11,064	255	3,913	11,320	
08/22/06	Ontario	-	2,904	5,762	242	2,904	6,004	
08/22/06	Orange	-	2,421	9,184	283	2,421	9,467	
08/22/06	Daly City	-	4,034	13,280	1,030	4,033	14,311	
08/22/06	Castro Valley	-	3,682	5,986	245	3,681	6,232	
08/22/06	Newark	-	3,550	6,512	96	3,550	6,608	
08/22/06	Sacramento	-	1,864	4,399	101	1,864	4,500	
08/22/06	San Leandro	-	2,979	4,776	122	2,979	4,898	
08/22/06	San Lorenzo	-	1,842	4,387	149	1,841	4,537	
08/22/06	Tracy	-	959	3,791	125	959	3,916	
08/22/06	Aliso Viejo	-	6,640	11,486	148	6,639	11,635	
08/22/06	Alicia Parkway	-	5,669	12,680	548	5,668	13,229	

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08/22/06 Capitol Expressway	-	-	3,970	95	-	4,065
08/22/06 Vista Park	-	-	-	140	-	140
08/22/06 Oakley	-	2,419	5,452	218	2,418	5,671

F-80

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
08/22/06	Livermore	-	2,972	6,816	129	2,971	6,946
08/22/06	Sand City	-	2,563	8,291	91	2,563	8,382
08/22/06	Tracy II	-	1,762	4,487	121	1,762	4,608
08/22/06	SF-Evans	-	3,966	7,487	488	3,965	7,976
08/22/06	Natomas	-	1,302	5,063	113	1,302	5,176
08/22/06	Golden / 6th & Simms	-	853	2,817	209	853	3,026
08/22/06	Littleton / Hampden - South	-	1,040	2,261	54	1,040	2,315
08/22/06	Margate	-	3,482	5,742	243	3,482	5,985
08/22/06	Delray Beach	-	3,546	7,076	180	3,546	7,256
08/22/06	Lauderhill	-	2,807	6,668	154	2,807	6,822
08/22/06	Roswell	-	908	3,308	201	908	3,509
08/22/06	Morgan Falls	-	3,229	7,844	159	3,228	8,004
08/22/06	Norcross	-	724	2,197	160	724	2,357
08/22/06	Stone Mountain	-	500	2,055	158	500	2,213
08/22/06	Tucker	-	731	2,664	242	731	2,906
08/22/06	Forest Park	-	502	1,731	192	502	1,923
08/22/06	Clairmont Road	-	804	2,345	126	804	2,471
08/22/06	Gwinnett Place	-	1,728	3,982	117	1,728	4,099
08/22/06	Perimeter Center	-	3,414	8,283	194	3,413	8,478
08/22/06	Peachtree Industrial Blvd.	-	2,443	6,682	210	2,442	6,893
08/22/06	Satellite Blvd	-	1,940	3,907	186	1,940	4,093
08/22/06	Hillside	-	1,949	3,611	197	1,949	3,808
08/22/06	Orland Park	-	2,977	5,443	197	2,976	5,641
08/22/06	Bolingbrook / Brook Ct	-	1,342	2,133	143	1,342	2,276
08/22/06	Wheaton	-	1,531	5,584	202	1,531	5,786
08/22/06	Lincolnwood / Touhy	-	700	3,307	89	700	3,396
08/22/06	Niles	-	826	1,473	144	826	1,617
08/22/06	Berwyn	-	728	5,310	228	728	5,538
08/22/06	Chicago Hts / N Western	-	1,367	3,359	135	1,367	3,494

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08/22/06 River West	-	296	2,443	200	296	2,643
08/22/06 Fullerton	-	1,369	6,500	390	1,369	6,890
08/22/06 Glenview	-	1,283	2,621	245	1,282	2,867
West						
08/22/06 Glendale /	-	1,733	3,958	223	1,733	4,181
Keystone Ave.						

F-81

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings	T
08/22/06	College Park / W. 86th St.	-	1,381	2,669	56	1,381	2,725	
08/22/06	Carmel / N. Range Line Rd.	-	2,580	5,025	207	2,580	5,232	
08/22/06	Georgetown / Georgetown Rd.	-	1,263	4,224	130	1,263	4,354	
08/22/06	Fishers / Allisonville Rd.	-	2,106	3,629	326	2,105	3,956	
08/22/06	Castleton / Corporate Dr.	-	914	2,465	138	914	2,603	
08/22/06	Geist / Fitness Lane	-	2,133	3,718	93	2,133	3,811	
08/22/06	Indianapolis / E. 6nd St.	-	444	2,141	79	444	2,220	
08/22/06	Suitland	-	2,337	5,799	240	2,336	6,040	
08/22/06	Gaithersburg	-	4,239	8,516	251	4,238	8,768	
08/22/06	Germantown	-	2,057	4,510	225	2,057	4,735	
08/22/06	Briggs Chaney	-	2,073	2,802	82	2,024	2,933	
08/22/06	Oxon Hill	-	1,557	3,971	118	1,556	4,090	
08/22/06	Frederick / Thomas Johnson	-	1,811	2,695	227	1,811	2,922	
08/22/06	Clinton	-	2,728	5,363	87	2,728	5,450	
08/22/06	Reisterstown	-	833	2,035	106	833	2,141	
08/22/06	Plymouth	-	2,018	4,415	143	2,017	4,559	
08/22/06	Madison Heights	-	2,354	4,391	162	2,354	4,553	
08/22/06	Ann Arbor	-	1,921	4,068	113	1,920	4,182	
08/22/06	Canton	-	710	4,287	202	710	4,489	
08/22/06	Fraser	-	2,026	5,393	170	2,025	5,564	
08/22/06	Livonia	-	1,849	3,860	142	1,848	4,003	
08/22/06	Sterling Heights	-	2,996	5,358	178	2,995	5,537	
08/22/06	Warren	-	3,345	7,004	133	3,344	7,138	
08/22/06	Rochester	-	1,876	3,032	213	1,876	3,245	
08/22/06	Taylor	-	1,635	4,808	174	1,634	4,983	

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08/22/06 Jackson	-	442	1,756	217	442	1,973
08/22/06 Troy	-	1,237	2,093	46	1,237	2,139
08/22/06 Rochester Hills	-	1,780	4,559	74	1,780	4,633
08/22/06 Auburn Hills	-	1,888	3,017	139	1,887	3,157
08/22/06 Flint South	-	543	3,068	116	542	3,185
08/22/06 Troy - Maple	-	2,570	5,775	127	2,570	5,902
08/22/06 Matawan	-	4,282	7,813	488	4,282	8,301
08/22/06 Marlboro	-	2,214	5,868	212	2,214	6,080

F-82

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012	
			Land	Buildings & Improvements		Land	Buildings
08/22/06	Voorhees	-	2,705	5,486	108	2,705	5,594
08/22/06	Dover/Rockaway	-	3,395	5,327	110	3,394	5,438
08/22/06	Marlton	-	1,635	2,273	104	1,635	2,377
08/22/06	West Paterson	-	701	5,689	284	701	5,973
08/22/06	Yonkers	-	4,473	9,925	3,071	4,473	12,996
08/22/06	Van Dam Street	-	3,527	6,935	2,903	3,527	9,838
08/22/06	Northern Blvd	-	5,373	9,970	2,988	5,372	12,959
08/22/06	Gold Street	-	6,747	16,544	3,649	6,746	20,194
08/22/06	Utica Avenue	-	7,746	13,063	1,644	7,744	14,709
08/22/06	Melville	-	4,659	6,572	3,702	4,658	10,275
08/22/06	Westgate	-	697	1,211	160	697	1,371
08/22/06	Capital Boulevard	-	757	1,681	102	757	1,783
08/22/06	Cary	-	1,145	5,104	237	1,145	5,341
08/22/06	Garner	-	529	1,211	126	529	1,337
08/22/06	Morrisville	-	703	1,880	144	703	2,024
08/22/06	Atlantic Avenue	-	1,693	6,293	211	1,692	6,505
08/22/06	Friendly Avenue	-	1,169	3,043	223	1,169	3,266
08/22/06	Glenwood Avenue	-	1,689	4,948	181	1,689	5,129
08/22/06	Poole Road	-	1,271	2,919	154	1,271	3,073
08/22/06	South Raleigh	-	800	2,219	147	800	2,366
08/22/06	Wendover	-	2,891	7,656	240	2,891	7,896
08/22/06	Beaverton / Hwy 217	-	2,130	3,908	133	2,130	4,041
08/22/06	Gresham / Hogan Rd	-	1,957	4,438	157	1,957	4,595
08/22/06	Hillsboro / TV Hwy	-	3,095	8,504	115	3,095	8,619
08/22/06	Westchester	-	-	5,735	352	-	6,087
08/22/06	Airport	-	4,597	8,728	325	4,596	9,054
08/22/06	Oxford Valley	-	2,430	5,365	141	2,430	5,506
08/22/06	Valley Forge	-	-	-	82	-	82
08/22/06	Jenkintown	-	-	-	66	-	66
08/22/06	Burke	-	2,522	4,019	86	2,521	4,106
08/22/06	Midlothian Turnpike	-	1,978	3,244	112	1,978	3,356
08/22/06	South Military Highway	-	1,611	2,903	97	1,610	3,001
08/22/06	Newport News North	-	2,073	4,067	126	2,072	4,194

F-83

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
08/22/06	Virginia Beach Blvd.	-	2,743	4,786	153	2,743	4,939
08/22/06	Bayside	-	1,570	2,708	71	1,570	2,779
08/22/06	Chesapeake	-	1,507	4,296	106	1,506	4,403
08/22/06	Leesburg	-	1,935	2,485	85	1,935	2,570
08/22/06	Dale City	-	1,885	3,335	177	1,885	3,512
08/22/06	Gainesville	-	1,377	2,046	151	1,377	2,197
08/22/06	Charlottesville	-	1,481	2,397	114	1,481	2,511
08/22/06	Laskin Road	-	1,448	2,634	103	1,447	2,738
08/22/06	Holland Road	-	1,565	2,227	1,042	1,387	3,447
08/22/06	Princess Anne Road	-	1,479	2,766	63	1,478	2,830
08/22/06	Cedar Road	-	1,138	2,083	96	1,138	2,179
08/22/06	Crater Road	-	1,497	2,266	132	1,497	2,398
08/22/06	Temple	-	993	2,231	217	993	2,448
08/22/06	Jefferson Davis Hwy	-	954	2,156	69	954	2,225
08/22/06	McLean	-	-	8,815	172	-	8,987
08/22/06	Burke Centre	-	4,756	8,705	185	4,756	8,890
08/22/06	Fordson	-	3,063	5,235	131	3,063	5,366
08/22/06	Fullerton	-	4,199	8,867	276	4,199	9,143
08/22/06	Telegraph	-	2,183	4,467	178	2,183	4,645
08/22/06	Mt Vernon	-	4,876	11,544	366	4,875	11,911
08/22/06	Bellingham	-	2,160	4,340	193	2,160	4,533
08/22/06	Everett Central	-	2,137	4,342	128	2,136	4,471
08/22/06	Tacoma / Highland Hills	-	2,647	5,533	222	2,647	5,755
08/22/06	Edmonds	-	5,883	10,514	316	5,882	10,831
08/22/06	Kirkland 124th	-	2,827	5,031	205	2,826	5,237
08/22/06	Woodinville	-	2,603	5,723	163	2,603	5,886
08/22/06	Burien / Des Moines	-	3,063	5,952	312	3,062	6,265
08/22/06	SeaTac	-	2,439	4,623	612	2,439	5,235
08/22/06	Southcenter	-	2,054	3,665	179	2,053	3,845
08/22/06	Puyallup / Canyon Rd	-	1,123	1,940	93	1,123	2,033
08/22/06	Puyallup / South Hill	-	1,567	2,610	179	1,567	2,789
08/22/06	Queen Anne/Magnolia	-	3,191	11,723	190	3,190	11,914
08/22/06	Kennydale	-	3,424	7,799	514	3,424	8,313

F-84

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
08/22/06	Bellefield	-	3,019	5,541	341	3,018	5,883
08/22/06	Factoria Square	-	3,431	8,891	219	3,431	9,110
08/22/06	Auburn / 16th Ave	-	2,491	4,716	143	2,491	4,859
08/22/06	East Bremerton	-	1,945	5,203	166	1,944	5,370
08/22/06	Port Orchard	-	1,144	2,885	175	1,143	3,061
08/22/06	West Seattle	-	3,573	8,711	87	3,572	8,799
08/22/06	Vancouver / Salmon Creek	-	2,667	5,597	104	2,666	5,702
08/22/06	West Bremerton	-	1,778	3,067	97	1,777	3,165
08/22/06	Kent / 132nd	-	1,806	3,880	128	1,805	4,009
08/22/06	Lacey / Martin Way	-	1,211	2,162	80	1,211	2,242
08/22/06	Lynwood / Hwy 9	-	2,172	3,518	222	2,171	3,741
08/22/06	W Olympia / Black Lake Blvd	-	1,295	2,300	38	1,295	2,338
08/22/06	Parkland / A St	-	1,855	3,819	214	1,854	4,034
08/22/06	Lake Union	-	11,602	32,019	2,632	11,600	34,653
08/22/06	Bellevue / 122nd	-	9,552	21,891	1,010	9,550	22,903
08/22/06	Gig Harbor/Olympic	-	1,762	3,196	131	1,762	3,327
08/22/06	Seattle /Ballinger Way	-	-	7,098	76	-	7,174
08/22/06	Scottsdale South	-	2,377	3,524	206	2,377	3,730
08/22/06	Phoenix	-	2,516	5,638	214	2,515	5,853
08/22/06	Chandler	-	2,910	5,460	135	2,909	5,596
08/22/06	Phoenix East	-	1,524	5,151	182	1,524	5,333
08/22/06	Mesa	-	1,604	4,434	343	1,604	4,777
08/22/06	Union City	-	1,905	3,091	5,044	1,904	8,136
08/22/06	La Habra	-	5,439	10,239	312	5,438	10,552
08/22/06	Palo Alto	-	4,259	6,362	173	4,258	6,536
08/22/06	Kearney - Balboa	-	4,565	11,584	293	4,564	11,878
08/22/06	South San Francisco	-	1,593	4,995	352	1,593	5,347
08/22/06	Mountain View	-	1,505	3,839	75	1,505	3,914
08/22/06	Denver / Tamarac	-	666	1,109	72	665	1,182
08/22/06	Littleton / Windermere	-	2,214	4,186	166	2,213	4,353

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08/22/06 Thornton / Quivas	-	547	1,439	160	547	1,599
08/22/06 Northglenn / Irma Dr.	-	1,579	3,716	2,191	1,579	5,907
08/22/06 Oakland Park	-	8,821	20,512	1,636	8,820	22,149

F-85

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
08/22/06	Seminole	-	1,821	3,817	114	1,820	3,932
08/22/06	Military Trail	-	6,514	10,965	693	6,513	11,659
08/22/06	Blue Heron	-	8,121	11,641	589	8,119	12,232
08/22/06	Alsip / 127th St	-	1,891	3,414	144	1,891	3,558
08/22/06	Dolton	-	1,784	4,508	140	1,783	4,649
08/22/06	Lombard / 330 North Ave	-	1,506	2,596	322	1,506	2,918
08/22/06	Rolling Meadows / Rohlwing	-	1,839	3,620	300	1,838	3,921
08/22/06	Schaumburg / Hillcrest Blvd	-	1,732	4,026	189	1,732	4,215
08/22/06	Bridgeview	-	1,396	3,651	197	1,395	3,849
08/22/06	Willowbrook	-	1,730	3,355	175	1,729	3,531
08/22/06	Lisle	-	1,967	3,525	240	1,967	3,765
08/22/06	Laurel	-	1,323	2,577	158	1,323	2,735
08/22/06	Crofton	-	1,373	3,377	211	1,373	3,588
08/22/06	Lansing	-	114	1,126	170	114	1,296
08/22/06	Southfield	-	4,181	6,338	104	4,180	6,443
08/22/06	Troy - Oakland Mall	-	2,281	4,953	192	2,281	5,145
08/22/06	Walled Lake	-	2,788	4,784	128	2,787	4,913
08/22/06	Salem / Lancaster	-	2,036	4,827	322	2,035	5,150
08/22/06	Tigard / King City	-	1,959	7,189	91	1,959	7,280
08/22/06	Portland / SE 82nd Ave	-	1,519	4,390	201	1,518	4,592
08/22/06	Beaverton/HWY 217	-	3,294	7,186	147	3,294	7,333
08/22/06	Beaverton / Cornell Rd	-	1,869	3,814	56	1,869	3,870
08/22/06	Fairfax	-	6,895	10,006	295	6,893	10,303
08/22/06	Falls Church	-	2,488	15,341	330	2,487	15,672
08/22/06	Manassas West	-	912	2,826	147	912	2,973
08/22/06	Herndon	-	2,625	3,105	191	2,625	3,296
08/22/06	Newport News South	-	2,190	5,264	118	2,190	5,382
08/22/06	North Richmond	-	1,606	2,411	198	1,605	2,610
08/22/06	Kempsville	-	1,165	1,951	85	1,165	2,036
08/22/06	Manassas East	-	1,297	2,843	121	1,297	2,964

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08/22/06 Vancouver / Vancouver Mall	-	1,751	3,251	126	1,750	3,378
08/22/06 White Center	-	2,091	4,530	171	2,091	4,701
08/22/06 Factoria	-	2,770	5,429	480	2,769	5,910

F-86

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012		Total
			Land	Buildings & Improvements		Land	Buildings	
08/22/06	Federal Way/Pac Hwy & 320th St	-	4,027	8,554	2,489	4,030	11,040	
08/22/06	Renton	-	2,752	6,378	190	2,751	6,569	
08/22/06	Issaquah	-	3,739	5,624	103	3,738	5,728	
08/22/06	East Lynnwood	-	2,250	4,790	195	2,249	4,986	
08/22/06	Tacoma / 96th St & 32nd Ave	-	1,604	2,394	127	1,604	2,521	
08/22/06	Smokey Point	-	607	1,723	140	607	1,863	
08/22/06	Shoreline / 145th	-	2,926	4,910	3,630	2,926	8,540	
08/22/06	Mt. Clemens	-	1,247	3,590	102	1,246	3,693	
08/22/06	Ramsey	-	552	2,155	102	552	2,257	
08/22/06	Apple Valley / 155th St	-	1,203	3,136	101	1,203	3,237	
08/22/06	Brooklyn Park / 73rd Ave	-	1,953	3,902	439	1,953	4,341	
08/22/06	Burnsville Parkway W	-	1,561	4,359	133	1,561	4,492	
08/22/06	Chanhassen	-	3,292	6,220	159	3,291	6,380	
08/22/06	Coon Rapids / Robinson Dr	-	1,991	4,975	316	1,990	5,292	
08/22/06	Eden Prairie East	-	3,516	5,682	315	3,516	5,997	
08/22/06	Eden Prairie West	-	3,713	7,177	172	3,712	7,350	
08/22/06	Edina	-	4,422	8,190	81	4,422	8,271	
08/22/06	Hopkins	-	1,460	2,510	112	1,459	2,623	
08/22/06	Little Canada	-	3,490	7,062	412	3,489	7,475	
08/22/06		-	1,513	3,272	835	1,513	4,107	

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Maple Grove / Lakeland Dr						
08/22/06 Minnetonka	-	1,318	2,087	111	1,318	2,198
08/22/06 Plymouth 169	-	684	1,323	343	684	1,666
08/22/06 Plymouth 494	-	2,000	4,260	1,696	2,356	5,600
08/22/06 Plymouth West	-	1,973	6,638	162	1,973	6,800
08/22/06 Richfield	-	1,641	5,688	586	1,641	6,274
08/22/06 Shorewood	-	2,805	7,244	233	2,805	7,477
08/22/06 Woodbury / Wooddale Dr	-	2,220	5,307	220	2,220	5,527
08/22/06 Central Parkway	-	2,545	4,637	327	2,544	4,965
08/22/06 Kirkman East	-	2,479	3,717	235	2,478	3,953
08/22/06 Pinole	-	1,703	3,047	125	1,703	3,172
08/22/06 Martinez	-	3,277	7,126	147	3,277	7,273
08/22/06 Portland / 16th & Sandy Blvd	-	1,053	3,802	131	1,052	3,934
08/22/06 Houghton	-	2,694	4,132	142	2,693	4,275

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying A At December 31, Land	Buildings
08/22/06	Antioch	-	1,853	6,475	81	1,853	6,556
08/22/06	Holcomb Bridge	-	1,906	4,303	93	1,905	4,396
08/22/06	Palatine / Rand Rd	-	1,215	1,895	63	1,215	1,958
08/22/06	Washington Sq/Wash. Point Dr	-	523	1,073	124	523	1,197
08/22/06	Indianapolis/N.Illinois	-	182	2,795	129	182	2,924
08/22/06	Canton South	-	769	3,316	126	768	3,442
08/22/06	Bricktown	-	2,881	5,834	173	2,880	6,008
08/22/06	Commack	-	2,688	6,376	4,381	2,687	10,757
08/22/06	Nesconset / Nesconset Hwy	-	1,374	3,151	95	1,373	3,246
08/22/06	Great Neck	-	1,229	3,299	66	1,229	3,365
08/22/06	Hempstead / S. Franklin St.	-	509	3,042	161	509	3,203
08/22/06	Bethpage / Stuart Ave	-	2,387	7,104	186	2,387	7,290
08/22/06	Helotes	-	1,833	3,557	72	1,833	3,629
08/22/06	Medical Center San Antonio	-	1,571	4,217	117	1,571	4,334
08/22/06	Oak Hills	-	-	7,449	136	-	7,585
08/22/06	Olympia	-	2,382	4,182	66	2,382	4,248
08/22/06	Las Colinas	-	676	3,338	121	676	3,459
08/22/06	Old Towne	-	2,756	13,080	96	2,755	13,176
08/22/06	Juanita	-	2,318	7,554	33	2,222	7,687
08/22/06	Ansley Park	-	3,132	11,926	210	3,131	12,136
08/22/06	Brookhaven	-	2,740	8,333	178	2,739	8,511
08/22/06	Decatur	-	2,556	10,146	128	2,556	10,274
08/22/06	Oregon City	-	1,582	3,539	122	1,581	3,661
08/22/06	Portland/Barbur	-	2,328	9,134	136	2,327	9,270
08/22/06	Salem / Liberty Road	-	1,994	5,304	151	1,993	5,455
08/22/06	Edgemont	-	3,585	7,704	137	3,585	7,841
08/22/06	Bedford	-	2,042	4,176	178	2,041	4,354
08/22/06	Kingwood	-	1,625	2,926	176	1,625	3,101
08/22/06	Hillcroft	-	-	3,994	139	-	4,133
08/22/06	T.C. Jester	-	2,047	4,819	240	2,047	5,056
08/22/06	Windcrest	-	764	2,601	348	764	2,949
08/22/06	Mission Bend	-	1,381	3,141	123	1,381	3,264
08/22/06	Parker Road & Independence	-	2,593	5,464	110	2,593	5,574

F-88

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carry- At Decemb Land	Buildi
08/22/06	Park Cities East	-	4,205	6,259	38	4,204	
08/22/06	MaCarthur Crossing	-	2,635	5,698	269	2,635	
08/22/06	Arlington/S.Cooper	-	2,305	4,308	100	2,305	
08/22/06	Woodforest	-	1,534	3,545	1,097	1,534	
08/22/06	Preston Road	-	1,931	3,246	144	1,930	
08/22/06	East Lamar	-	1,581	2,878	149	1,581	
08/22/06	Lewisville/Interstate 35	-	2,696	4,311	244	2,696	
08/22/06	Round Rock	-	1,256	2,153	104	1,256	
08/22/06	Slaughter Lane	-	1,881	3,326	129	1,881	
08/22/06	Valley Ranch	-	1,927	5,390	217	1,926	
08/22/06	Nacogdoches	-	1,422	2,655	124	1,422	
08/22/06	Thousand Oaks	-	1,815	3,814	142	1,814	
08/22/06	Highway 78	-	1,344	2,288	122	1,344	
08/22/06	The Quarry	-	1,841	8,765	184	1,840	
08/22/06	Cinco Ranch	-	939	2,085	71	938	
08/22/06	North Carrollton	-	2,408	4,204	157	2,407	
08/22/06	First Colony	-	1,181	2,930	60	1,180	
08/22/06	North Park	-	1,444	3,253	98	1,444	
08/22/06	South Main	-	521	723	302	521	
08/22/06	Westchase	-	903	3,748	123	902	
08/22/06	Lakeline	-	1,289	3,762	103	1,288	
08/22/06	Highway 26	-	1,353	3,147	94	1,353	
08/22/06	Shavano Park	-	972	4,973	102	972	
08/22/06	Oltorf	-	880	3,693	151	880	
08/22/06	Irving	-	686	1,367	377	686	
08/22/06	Hill Country Village	-	988	3,524	340	988	
08/22/06	San Antonio NE	-	253	664	230	253	
08/22/06	East Pioneer II	-	786	1,784	290	786	
08/22/06	Westheimer	-	594	2,316	355	594	
08/22/06	San Antonio/Jones-Maltsberger	-	1,102	2,637	80	1,102	
08/22/06	Beltline	-	1,291	2,336	215	1,291	
08/22/06	MacArthur	-	1,590	2,265	213	1,589	
08/22/06	Hurst / S. Pipeline Rd	-	661	1,317	383	661	

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying At December 31 Land	Buildings
08/22/06	Balcones Hts/Fredericksburg Rd	-	2,372	4,718	168	2,372	4,886
08/22/06	Blanco Road	-	1,742	4,813	199	1,742	5,012
08/22/06	Leon Valley/Bandera Road	-	501	1,044	2,476	501	3,520
08/22/06	Imperial Valley	-	1,166	2,756	166	1,166	2,922
08/22/06	Sugarland	-	1,714	3,407	121	1,714	3,528
08/22/06	Woodlands	-	1,353	3,131	187	1,353	3,318
08/22/06	Federal Road	-	1,021	3,086	179	1,021	3,265
08/22/06	West University	-	1,940	8,121	223	1,939	8,344
08/22/06	Medical Center/Braeswood	-	1,121	4,678	63	1,120	4,741
08/22/06	Richardson/Audelia	-	1,034	2,703	53	1,034	2,756
08/22/06	North Austin	-	2,143	3,674	370	2,142	4,044
08/22/06	Warner	-	1,603	3,998	205	1,602	4,203
08/22/06	Universal City	-	777	3,194	221	777	3,415
08/22/06	Seattle / Lake City Way	-	3,406	7,789	205	3,405	7,994
08/22/06	Arrowhead	-	2,372	5,818	130	2,372	5,948
08/22/06	Ahwatukee	-	3,017	5,975	105	3,017	6,082
08/22/06	Blossom Valley	-	2,721	8,418	81	2,721	8,500
08/22/06	Jones Bridge	-	3,065	6,015	93	3,064	6,108
08/22/06	Lawrenceville	-	2,076	5,188	95	2,076	5,283
08/22/06	Fox Valley	-	1,880	3,622	118	1,879	3,740
08/22/06	Eagle Creek / Shore Terrace	-	880	2,878	172	880	3,050
08/22/06	N.Greenwood/E.County Line Rd	-	-	3,954	123	-	4,077
08/22/06	Annapolis	-	-	7,439	134	-	7,573
08/22/06	Creedmoor	-	3,579	7,366	133	3,578	7,502
08/22/06	Painters Crossing	-	1,582	4,527	127	1,582	4,654
08/22/06	Greenville Ave & Meadow	-	2,066	6,969	150	2,065	7,119
08/22/06	Potomac Mills	-	2,806	7,347	108	2,806	7,455
08/22/06	Sterling	-	3,435	7,713	1,403	3,434	9,116
08/22/06	Redmond / Plateau	-	2,872	7,603	96	2,871	7,699
08/22/06	Val Vista	-	3,686	6,223	569	3,685	6,792
08/22/06	Van Ness	-	11,120	13,555	456	11,118	14,011
08/22/06	Sandy Plains	-	2,452	4,669	92	2,451	4,761
08/22/06	Country Club Hills	-	2,783	5,438	86	2,782	5,524

F-90

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Am At December 31, 2	Land	Buildings
08/22/06	Schaumburg / Irving Park Rd	-	2,695	4,781	90		2,695	4,871
08/22/06	Clinton Township	-	1,917	4,143	63		1,917	4,206
08/22/06	Champions	-	1,061	3,207	103		1,061	3,310
08/22/06	Southlake	-	2,794	4,760	93		2,793	4,854
08/22/06	City Place	-	2,045	5,776	113		2,044	5,890
08/22/06	Bee Cave Road	-	3,546	10,341	120		3,545	10,462
08/22/06	Oak Farms	-	2,307	8,481	163		2,307	8,644
08/22/06	Henderson Street	-	542	5,001	111		542	5,112
08/22/06	Merrifield	-	5,061	10,949	138		5,060	11,088
08/22/06	Mill Creek	-	2,917	7,252	98		2,917	7,350
08/22/06	Pier 57	-	2,042	8,719	350		2,137	8,974
08/22/06	Redmond / 90th	-	3,717	7,011	232		3,716	7,244
08/22/06	Seattle / Capital Hill	-	3,811	11,104	437		3,810	11,542
08/22/06	Costa Mesa	-	3,622	6,030	133		3,622	6,163
08/22/06	West Park	-	11,715	12,915	382		11,713	13,299
08/22/06	Cabot Road	-	5,168	9,253	162		5,167	9,416
08/22/06	San Juan Creek	4,198	4,755	10,749	176		4,754	10,926
08/22/06	Rancho San Diego	3,363	4,226	7,652	124		4,225	7,777
08/22/06	Palms	4,266	2,491	11,404	163		2,491	11,567
08/22/06	West Covina	3,416	3,595	7,360	187		3,594	7,548
08/22/06	Woodland Hills	4,318	4,376	11,898	208		4,375	12,107
08/22/06	Long Beach	-	3,130	11,211	166		3,130	11,377
08/22/06	Northridge	-	4,674	11,164	214		4,673	11,379
08/22/06	Rancho Mirage	-	2,614	4,744	170		2,614	4,914
08/22/06	Palm Desert	-	1,910	5,462	154		1,910	5,616
08/22/06	Davie	-	4,842	9,388	179		4,841	9,568
08/22/06	Portland / I-205	-	2,026	4,299	108		2,025	4,408
08/22/06	Milwaukie/Hwy224	-	2,867	5,926	170		2,867	6,096
08/22/06	River Oaks	-	2,625	8,930	206		2,624	9,137
08/22/06	Tacoma / South Sprague Ave	-	2,189	4,776	179		2,188	4,956
08/22/06	Vancouver / Hazel Dell	-	2,299	4,313	79		2,299	4,392
08/22/06	Canyon Park	-	3,628	7,327	292		3,628	7,619
08/22/06	South Boulevard	3,837	3,090	6,041	2,008		3,765	7,374

F-91

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost		Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012		T
			Land	Buildings & Improvements		Land	Buildings	
08/22/06	Weddington	2,632	2,172	4,263	1,205	2,646	4,994	
08/22/06	Gastonia	-	644	2,808	628	785	3,295	
08/22/06	Amity Ct	-	610	1,378	406	743	1,651	
08/22/06	Pavilion	-	1,490	3,114	1,792	1,817	4,579	
08/22/06	Randleman	-	1,639	2,707	947	1,997	3,296	
08/22/06	Matthews	-	1,733	6,457	1,863	2,112	7,941	
08/22/06	Eastland	1,624	949	2,159	794	1,156	2,746	
08/22/06	Albermarle	-	1,557	4,636	1,191	1,897	5,487	
08/22/06	COTT	1,072	429	1,732	415	522	2,054	
08/22/06	Ashley River	-	1,907	4,065	1,359	2,323	5,008	
08/22/06	Clayton	-	1,071	2,869	1,548	1,306	4,182	
08/22/06	Dave Lyle	-	604	2,111	1,487	737	3,465	
08/22/06	English Rd	-	437	1,215	351	532	1,471	
08/22/06	Sunset	-	659	1,461	483	803	1,800	
08/22/06	Cone Blvd	-	1,253	2,462	798	1,526	2,987	
08/22/06	Wake Forest	-	1,098	2,553	725	1,338	3,038	
08/22/06	Silas Creek	-	1,304	2,738	863	1,589	3,316	
08/22/06	Winston	2,007	1,625	3,368	1,060	1,979	4,074	
08/22/06	Hickory	2,149	1,091	4,271	1,120	1,329	5,153	
08/22/06	Wilkinson	1,871	1,366	3,235	1,042	1,664	3,979	
08/22/06	Lexington NC	1,110	874	1,806	669	1,065	2,284	
08/22/06	Florence	2,658	952	5,557	1,508	1,160	6,857	
08/22/06	Sumter	1,052	560	2,002	613	683	2,492	
08/22/06	Garners Ferry	-	1,418	2,516	932	1,727	3,139	
08/22/06	Greenville	-	1,816	4,732	1,336	2,213	5,671	
08/22/06	Spartanburg	-	799	1,550	628	974	2,003	
08/22/06	Rockingham	-	376	1,352	446	458	1,716	
08/22/06	Monroe	-	1,578	2,996	1,050	1,923	3,701	
08/22/06	Salisbury	-	40	5,488	1,054	49	6,533	
08/22/06	Pineville	-	2,609	6,829	1,901	3,179	8,160	
08/22/06	Park Rd	-	2,667	7,243	1,768	3,249	8,429	
08/22/06	Ballantyne	-	1,758	3,720	1,657	2,143	4,992	
08/22/06	Stallings	2,170	1,348	2,882	918	1,642	3,506	

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
08/22/06	Concord	1,782	1,147	2,308	774	1,398	2,831
08/22/06	Woodruff	1,423	1,154	1,616	606	1,406	1,970
08/22/06	Shriners	1,581	758	2,347	646	924	2,827
08/22/06	Charleston	-	604	3,313	777	736	3,958
08/22/06	Rock Hill	-	993	2,222	1,612	1,211	3,616
08/22/06	Arrowood	-	2,014	4,214	1,243	2,454	5,017
08/22/06	Country Club	-	935	3,439	838	1,139	4,073
08/22/06	Rosewood	-	352	2,141	439	429	2,503
08/22/06	James Island	-	2,061	3,708	1,038	2,512	4,295
08/22/06	Battleground	-	1,995	3,757	998	2,431	4,319
08/22/06	Greenwood	3,948	684	2,925	119	684	3,044
	Village / DTC Blvd						
08/22/06	Highlands	3,122	793	2,000	155	793	2,155
	Ranch/ Colorado Blvd						
08/22/06	Seneca	-	2,672	5,354	1,881	3,256	6,651
	Commons						
08/22/06	Capital Blvd	-	3,002	6,273	1,854	3,658	7,471
	South						
08/22/06	Southhaven	1,569	1,286	3,578	545	1,357	4,052
08/22/06	Wolfchase	1,237	987	2,816	460	1,042	3,221
08/22/06	Winchester	-	676	1,500	602	713	2,065
08/22/06	Sycamore View	-	705	1,936	659	744	2,556
08/22/06	South Main	-	70	186	405	58	603
08/22/06	Southfield at	-	1,757	8,341	70	1,756	8,412
	Telegraph						
08/22/06	Westland	-	1,572	3,687	71	1,572	3,758
08/22/06	Dearborn	-	1,030	4,847	85	1,030	4,932
08/22/06	Roseville	-	1,319	5,210	78	1,319	5,288
08/22/06	Farmington Hills	-	982	2,878	95	982	2,973
08/22/06	Hunt Club	-	2,527	5,483	891	2,823	6,078
08/22/06	Speedway IN	-	2,091	3,566	50	1,991	3,716
	/N. High School Rd						
08/22/06	Alafaya @	-	2,817	4,549	838	3,147	5,057
	University Blvd.						
08/22/06	McCoy @ 528	-	2,656	5,206	146	2,655	5,353
08/22/06	S. Orange	-	2,810	6,849	1,078	3,139	7,598
	Blossom Trail @ 417						

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08/22/06 Alafaya-Mitchell Hammock Road	-	2,363	5,092	823	2,639	5,639
08/22/06 Maitland / 17/92 @ Lake Ave	-	5,146	10,670	1,724	5,748	11,792
08/22/06 S. Semoran @ Hoffner Road	-	2,633	6,601	1,002	2,940	7,296
08/22/06 Red Bug @ Dodd Road	-	2,552	5,959	923	2,850	6,584

F-93

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amou At December 31, 201	Land	Buildings
08/22/06	Altmonte Sprgs/SR434	-	1,703	5,125	744		1,902	5,670
08/22/06	Brandon	2,635	2,810	4,584	816		3,139	5,071
08/22/06	Granada @ U.S. 1	2,558	2,682	4,751	864		2,996	5,301
08/22/06	Daytona/Beville @ Nova Road	2,548	2,616	6,085	1,019		2,922	6,798
08/22/06	Eau Gallie	2,289	1,962	4,677	701		2,192	5,148
08/22/06	Hyde Park	2,552	2,719	7,145	1,030		3,037	7,857
08/22/06	Carrollwood	1,301	2,050	6,221	859		2,290	6,840
08/22/06	Conroy @ I-4	1,666	2,091	3,517	696		2,335	3,969
08/22/06	West Waters	-	2,190	5,186	783		2,446	5,713
08/22/06	Oldsmar	1,996	2,276	5,253	788		2,542	5,775
08/22/06	Mills North of Colonial	4,075	1,995	5,914	856		2,228	6,537
08/22/06	Alafaya @ Colonial	-	2,836	4,680	918		3,168	5,266
08/22/06	Fairbanks @ I-4	-	2,846	6,612	987		3,179	7,266
08/22/06	Maguire @ Colonial	-	479	7,521	1,138		815	8,323
10/20/06	Burbank-Rich R.	-	3,793	9,103	(52)		3,793	9,051
10/24/06	Stonegate	4,552	651	4,278	(631)		651	3,647
02/09/07	Portland/Barbur	-	830	3,273	28		830	3,301
03/27/07	Ewa Beach / Ft Weaver Road	-	7,454	14,825	140		7,454	14,965
06/01/07	South Bay	-	1,017	4,685	66		1,017	4,751
08/14/07	Murrieta / Whitewood Road	-	5,764	6,197	90		5,764	6,287
08/22/07	Palm Springs/S. Gene Autry Trl	-	3,785	7,859	373		3,785	8,232
09/07/07	Mahopac / Rte 6	-	1,330	8,407	71		1,330	8,478
09/11/07	East Point / N Desert Dr	-	1,186	9,239	62		1,186	9,301
09/11/07	Canton / Ridge Rd	-	389	4,197	43		389	4,240
09/13/07	Murrieta / Antelope Rd	-	1,630	2,991	86		1,630	3,077
10/14/07	New Orleans / I10 & Bullard	-	1,286	5,591	(1,638)		1,292	3,947
04/22/08	Miramar Place	-	7,225	7,875	175		7,225	8,050
05/28/08		-	621	4,839	22		621	4,861

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Bee Cave at the Galleria						
05/28/08 Carlsbad Village	9,618	4,277	10,075	114	4,277	10,189
07/21/08 Austell / Oak Ridge Rd.	-	581	2,446	39	581	2,485
07/21/08 Marietta / Piedmont Rd.	-	1,748	3,172	56	1,748	3,228
09/03/08 N. Las Vegas/Cheyenne	-	1,144	4,020	229	1,144	4,249
09/04/08 Las Vegas/Boulder Hwy II	-	1,151	4,281	91	1,151	4,372

F-94

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2010 Land	Buildings
11/07/08	Wash DC / Bladensburg Rd NE	-	1,726	6,194	9	1,726	6,203
12/23/08	East Palo Alto	-	2,655	2,235	61	2,655	2,296
11/30/09	Danbury / Mill Plain Rd	-	1,861	10,033	252	1,862	10,284
04/27/10	Bloomington / Linden Ave	-	1,044	2,011	46	1,044	2,057
04/27/10	Fontana / Valley Blvd	-	2,122	3,444	102	2,122	3,546
04/27/10	Monterey Park/Potrero Grande Dr	-	1,900	6,001	184	1,900	6,185
04/27/10	Panorama City / Roscoe Blvd	-	1,233	4,815	40	1,233	4,855
04/27/10	Pomona / E. 1st St	-	363	2,498	16	363	2,514
04/27/10	Diamond Bar / E. Washington Ave	-	1,709	4,901	120	1,709	5,021
04/27/10	Arlington Hgts / E. Davis St	-	542	3,018	26	542	3,044
04/27/10	Elgin / RT 31S & Jerusha St	-	280	1,569	19	280	1,588
05/13/10	Alhambra/Mission Rd&Fremont Av	-	2,458	6,980	13	2,458	6,993
05/27/10	Anaheim/S.Knott Av & W.Lincoln	-	2,020	4,991	39	2,020	5,030
05/27/10	Canoga Park / 8050 Deering Ave	-	1,932	2,082	30	1,932	2,112
05/27/10	Canoga Park / 7900 Deering Ave	-	1,117	3,499	228	1,117	3,727
05/27/10	Colton / Fairway Dr	-	819	3,195	29	819	3,224
05/27/10	Goleta / Hollister Ave	-	2,860	2,318	47	2,860	2,365
05/27/10	Irwindale / Arrow Hwy	-	2,665	4,562	36	2,665	4,598
05/27/10	Long Beach / Long Beach Blvd	-	3,398	5,439	157	3,398	5,596
05/27/10	Culver City/ W.Washington	-	1,755	2,319	36	1,755	2,355

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Blvd						
05/27/10 Los Angeles / S Grand Ave	-	2,653	5,048	2,410	2,653	7,458
05/27/10 Los Angeles / Avery St	6,391	1,488	7,359	372	1,488	7,731
05/27/10 Los Angeles / W. 6th St	-	1,745	5,382	2,609	1,745	7,991
05/27/10 Montclair / Mission Blvd	-	2,070	4,052	92	2,070	4,144
05/27/10 Pasadena / S. Fair Oaks Ave	-	5,972	5,457	2,249	5,972	7,706
05/27/10 Santa Clarita / Bouquet Cyn Rd	-	1,273	2,983	119	1,273	3,102
05/27/10 Ventura / McGrath St	-	1,876	5,057	16	1,876	5,073
06/16/10 Marietta / Dallas Hwy	-	485	3,340	58	485	3,398
06/30/10 Inglewood / S. Prairie Ave	3,176	1,641	2,148	82	1,641	2,230
06/30/10 La Verne / N. White Ave	-	4,421	4,877	125	4,421	5,002
06/30/10 Los Angeles / W. Pico Blvd	6,341	3,832	3,428	3,041	3,832	6,469
06/30/10 Riverside / Hole Ave	2,493	305	2,841	167	305	3,008
06/30/10 Sun Valley / San Fernando Rd	-	4,936	6,229	194	4,936	6,423

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amount At December 31, 2012 Land	Buildings
06/30/10	Sylmar / Foothill Blvd	4,340	1,146	3,971	122	1,146	4,093
08/18/10	Waipio / Waipio Uka St	-	3,125	3,453	76	3,125	3,529
08/18/10	Berkeley II / 2nd & Harrison St	-	-	2,113	693	-	2,806
08/18/10	Los Angeles / Washington Blvd	-	1,275	1,937	157	1,275	2,094
08/18/10	San Francisco / Treat Ave	-	1,907	2,629	294	1,907	2,923
08/18/10	Vallejo / Couch St	-	1,714	2,823	39	1,714	2,862
08/19/10	Palatine / E. Lake Cook Rd	-	608	849	307	608	1,156
09/09/10	New Orleans / Washington Ave	-	468	2,875	136	468	3,011
11/17/10	Mangonia Park / 45th St	-	317	2,428	144	317	2,572
11/17/10	Fort Pierce / S. US Hwy 1	-	230	2,246	106	230	2,352
12/02/10	Groveport / S. Hamilton Road	-	128	1,118	317	128	1,435
12/08/10	Hillside / 625 Glenwood Ave	-	3,031	4,331	500	3,031	4,831
01/18/11	Gardnerville / Venture Dr.	-	305	3,072	131	305	3,203
01/18/11	Reno / N. McCarran Blvd.	-	1,114	3,219	122	1,114	3,341
01/18/11	Sparks / Boxington Way	-	1,360	3,684	130	1,360	3,814
01/18/11	Reno / S. Virginia St.	-	618	2,120	109	618	2,229
01/18/11	Reno / Selmi Dr.	-	361	3,021	117	361	3,138
02/08/11	Wanut Creek	-	615	9,422	326	615	9,748
05/26/11	Southern Blvd./Bronx	8,942	2,280	14,836	2,674	2,280	17,510
07/07/11	Aventura/NE 188th St	-	5,968	5,129	173	5,968	5,302
07/12/11	Torrance/Crenshaw & Del Amo	-	2,040	8,269	288	2,040	8,557
08/01/11	Glendale/San Fernando & 2 Fwy	-	2,685	5,487	21	2,685	5,508

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08/01/11 Alameda / Webster St.	-	3,008	8,235	34	3,008	8,269
09/27/11 Laurel / Cherry Lane Court	-	1,110	2,483	120	1,110	2,603
10/25/11 Moorpark/W. Los Angeles Ave.	-	1,848	7,649	163	1,848	7,812
12/21/11 Dallas / Ross Ave.	-	917	4,494	201	917	4,695
03/21/12 Montclair/Arrow Hwy	-	2,221	7,540	72	2,221	7,612
03/21/12 Hialeah/W. 4th Ave.	-	1,814	4,727	95	1,814	4,822
03/21/12 Pompano Bch/Copans & Andrews	-	2,441	4,263	56	2,441	4,319
03/21/12 Randolph/North St & Oak St	-	1,842	2,941	230	1,842	3,171
03/21/12 Wayne/Route 23	-	1,545	3,558	231	1,545	3,789
03/21/12 Philadelphia/Castor Ave.	-	2,410	4,906	1,569	2,410	6,475
05/25/12 Ft. Lauderdale/SE 24th St	-	1,557	8,762	229	1,557	8,991

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amo At December 31, 20	Land	Buildings
05/25/12	Brooklyn/Fulton St.	-	4,675	4,602	190		4,675	4,792
06/19/12	Valencia/Kelly Johnson Pkwy	-	4,112	9,117	81		4,112	9,198
06/27/12	Sylmar/Foothill & Yarnell	-	3,102	7,333	187		3,102	7,520
06/01/12	Hialeah / Palmetto Expressway	-	1,886	3,300	5		1,886	3,305
06/01/12	Clearwater/Gulf To Bay	-	1,147	1,613	27		1,147	1,640
06/01/12	Clearwater/ E. Bay Drive	-	782	1,664	-		782	1,664
07/19/12	Whittier/Penn St	-	823	4,343	342		823	4,685
08/29/12	Burlington/Route 130	-	579	1,981	192		579	2,173
09/27/12	Waipio/Ka Uka Blvd	-	5,832	16,175	102		5,832	16,277
09/27/12	Pearl City/Kuala St.	-	6,828	17,291	89		6,828	17,380
10/04/12	Missouri City/Rocky Creek	-	957	4,336	168		957	4,504
10/10/12	Bronx/Gerard Ave.	-	4,941	23,559	-		4,941	23,559
10/11/12	Mesa/Baseline & Lindsay	-	633	2,199	253		633	2,452
11/08/12	Marietta/Lower Roswell Rd.	-	703	4,964	19		703	4,983
12/11/12	Suwanee/McGinnis Ferry	-	1,344	3,343	1		1,344	3,344
12/18/12	Santa Clara/Lafayette	-	3,639	11,250	-		3,639	11,250
12/20/12	Orlando/Silver Star Rd.	-	1,803	2,334	-		1,803	2,334
12/20/12	Orlando/S. Goldenrod Rd.	-	1,517	2,740	-		1,517	2,740
12/20/12	Kissimmee/N John Young	-	1,083	2,772	-		1,083	2,772
12/21/12	Oxnard/ E. Ventura Blvd.	-	604	4,386	2		604	4,388

Self-storage Facility -
Europe

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03/31/08 West London	-	5,730	14,278	2,273	4,726	17,555
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F-97

PUBLIC STORAGE
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Date Acquired	Description	2012 Encum- brances	Initial Cost Land	Buildings & Improvements	Costs Subsequent to Acquisition	Gross Carrying Amou At December 31, 201	Land	Buildings
Other properties								
02/16/96	Glendale/Western Avenue	-	1,622	3,771	17,385	1,615	21,163	
12/13/99	Burlingame	-	4,043	9,434	952	4,042	10,387	
04/28/00	San Diego/Sorrento	-	1,282	3,016	942	1,023	4,217	
12/30/99	Tamarac Parkway	-	1,902	4,467	1,373	1,890	5,852	
04/02/02	Long Beach	-	887	6,251	344	887	6,595	
08/22/06	Lakewood 512	-	4,437	6,685	1,868	4,437	8,553	
08/22/06	Olive Innerbelt	-	787	3,023	67	787	3,090	
08/22/06	St. Peters (land)	-	1,138	-	-	1,138	-	
08/22/06	Monocacy (land)	-	1,386	-	-	1,386	-	
08/22/06	Dolfield (land)	-	643	-	-	643	-	
08/22/06	Village of Bee Caves (land)	-	544	-	-	544	-	
08/22/06	Fontana (land)	-	99	-	-	99	-	
	Construction in progress	-	-	-	7,223	-	7,223	
		\$ 149,368	\$ 2,811,241	\$ 6,618,568	\$ 1,640,253	\$ 2,868,925	\$ 8,201,137	

Note: Buildings are depreciated over a useful life of 25 years. All amounts in Schedule III above are in thousands.