2017 Proxy Statement and Annual Meeting of Stockholders

April 3, 2017
2795 East Cottonwood Parkway, Suite 300
Salt Lake City, UT 84121

Dear Fellow Stockholder:

I am pleased to invite you to the 2017 Annual Meeting of Stockholders of Extra Space Storage Inc., which will be held on May 18, 2017 at 11:00 a.m. Mountain Time at the Extra Space Storage Inc. corporate offices located at 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, Utah 84121.

We are very proud of the accomplishments that we have achieved in 2016. Some of the key financial highlights for 2016 include:

- Growing year-over-year funds from operations ("FFO") as adjusted per share by 23% and increasing our quarterly dividend by 32%;
- Increasing same-store net operating income ("NOI") by 9% compared to the same period in 2015;
- Completing $1.1 billion of acquisitions;
- Increasing our third party management from 348 stores to 411 stores, resulting in an 18% increase in our third party managed stores.

Your vote is important. Whether or not you plan to attend the meeting, I urge you to vote your shares electronically through the internet or, if you have requested and received a paper copy of the proxy statement, by completing, signing and returning the paper proxy card enclosed with the proxy statement according to the instructions.

Thank you for your continued support, interest and investment in Extra Space Storage.

Sincerely,

Joseph D. Margolis
Chief Executive Officer

April 3, 2017
2795 East Cottonwood Parkway, Suite 300
Salt Lake City, UT 84121

Dear Fellow Stockholder:

As Extra Space Storage's Executive Chairman of the Board, I thank you for your interest in and support of Extra Space Storage. Our board of directors is committed to representing and protecting your interests by providing strategic oversight of the Company's management team, with a focus on long-term value creation. We believe that the Company's disciplined approach to acquisitions, strong operating performance and strategic business plan are all key factors in Extra Space Storage's continued success.

We believe that Joe Margolis, together with the Company's seasoned management team, has the vision and strategic forethought to continue to lead Extra Space Storage to achieve great results for our stockholders. Our board is comprised of a highly-qualified and experienced group of leaders, each of whom brings unique skills and strategic oversight to the Company.

Thank you for your interest, investment and support in the Company.

Sincerely,

Kenneth M. Woolley
Executive Chairman of the Board

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PROXY SUMMARY

The following is a summary that highlights information contained elsewhere in this proxy statement. This summary does not contain all the information you should consider, and you are urged to read the entire proxy statement carefully before voting.

Meeting Information

Date and Time:

Thursday, May 18, 2017, at 11:00 a.m., MT

Location:

Extra Space Storage Inc.
Corporate Offices
2795 East Cottonwood
Parkway, Suite 300
Salt Lake City, Utah 84121

This summary highlights information that should assist you in ensuring that your vote at the annual meeting is counted. On April 3, 2017, we sent a Notice of Internet Availability of Proxy Materials and provided access to our proxy materials over the internet. The notice also provides instructions on how you can request a paper copy of these documents if you desire, and how you can enroll in e-delivery. If you received your annual meeting materials via email, the email contains voting instructions and links to our annual report and proxy statement on the internet.

IN-PERSON

You may vote your shares in person at the annual meeting. Even if you plan to attend the annual meeting, we recommend that you submit the accompanying proxy card or voting instructions, or vote via the internet by the applicable deadline so that your vote will be counted if you later decide not to attend the annual meeting.

INTERNET

You may vote your shares through the internet by signing on to the website identified on the proxy card and following the procedures described on the website. Internet voting is available 24 hours a day until 11:59 ET on the day before the annual meeting. If you vote through the internet, you should not return your proxy card.

MAIL

If you choose to vote by mail, simply complete the accompanying proxy card, date and sign it, and return it in the postage-paid envelope provided.

Proposals & Voting Recommendations

	Proposal		Board Recommendation
1	**Election of Directors**	Board Recommendation	**FOR**
2	**Ratification of the engagement of Ernst & Young LLP as the Company's independent registered public accounting firm for 2017**	Board Recommendation	**FOR**
3	**Advisory vote to approve compensation of named executive officers**	Board Recommendation	**FOR**
4	**Advisory vote to approve frequency of stockholder vote on executive compensation**	Board Recommendation	**EVERY YEAR**

2016 Business Highlights

Our continued growth in 2016 reflects not only solid operating performance, but also accretive acquisitions, profitable joint ventures and third party management and an optimized balance sheet.

23%
ACHIEVED
FFO as adjusted per share growth of 23%

9%
GROWTH
Same-store NOI growth of 9%

$1.1B
COMPLETED
$1.1 billion of accretive acquisitions

92%
OCCUPANCY
Same-store occupancy of 92% at December 31, 2016

32%
INCREASED
Increased quarterly dividends paid to stockholders by 32%

6%
DELIVERED
6% store count growth. Increase in store count from 1,347 to 1,427

Executive Leadership Change

As previously reported, Mr. Spencer F. Kirk, who played an integral role in our growth and success during his eight-year tenure as our Chief Executive Officer ("CEO"), retired as CEO effective December 31, 2016. Mr. Kirk remains with the Company as a director and continues to be the largest private stockholder of Extra Space Storage. In connection with Mr. Kirk's retirement, our board of directors appointed Mr. Joseph D. Margolis as CEO commencing January 1, 2017. Having served as Executive Vice President and Chief Investment Officer of the Company since 2015, and as a director of the Company from 2005 until 2015, Mr. Margolis is well prepared for the CEO position.

Director Nominees

We are asking stockholders to elect seven directors to serve for a one-year term that will expire at the Company's 2018 Annual Meeting, or until their successors have been elected and qualified. The biographical information of each director nominee begins on page 6. Each director nominee is elected annually by the affirmative vote of at least a majority of the stockholders present in person or represented by proxy and entitled to vote for the election of directors.

Nominees for Directors

The following table presents the name, age and the position(s) held by each person nominated as a director:

NAME	AGE	TITLE	Audit Committee	CNG Committee
Kenneth M. Woolley	70	Executive Chairman		
Joseph D. Margolis	56	Director nominee and CEO		
Roger B. Porter	70	Lead Independent Director	X	X
Spencer F. Kirk	55	Director		
Dennis J. Letham	65	Director	X	
Diane Olmstead	64	Director	X	X
K. Fred Skousen	74	Director	X	X

Our director nominees bring a balance of experience and perspective. We believe that our board's expertise allows the board to effectively oversee management to ensure that the interests of the board of directors and management align with the interests of our stockholders.

Board Expertise

	Risk Management	Real Estate Expertise	Self-Storage Expertise	Financial Literacy	Finance and Capital Markets Transactions	Corporate Governance	Public Company Executive Experience	Public Company Board Experience*
Kenneth M. Woolley	X	X	X	X	X		X	X
Joseph D. Margolis	X	X	X	X	X	X	X	
Spencer F. Kirk	X	X	X	X	X		X	X
Dennis J Letham	X			X	X	X	X	X
Diane Olmstead	X	X		X	X	X		
Roger B. Porter	X			X		X		X
K. Fred Skousen	X			X		X		X

* excluding Extra Space Storage

Corporate Governance Highlights

We are committed to good corporate governance to promote the long-term interests of our stockholders, strengthen management accountability and help maintain public trust in the Company. The Corporate Governance section beginning on page 10 describes our governance framework which includes the following highlights:

- Lead Independent Director
- Majority of directors are independent
- Policy on recoupment of incentive compensation (claw-back policy)
- Annual election of all directors and majority voting in uncontested elections
- Director and executive officer stock ownership guidelines
- Regular succession planning
- No employment agreements with officers
- No stockholder rights plan (poison pill)
- Annual advisory vote to approve executive compensation
- Annual advisory vote to ratify independent auditor
- Responsive to stockholder feedback
- Annual evaluations of our directors

Ratification of Auditors

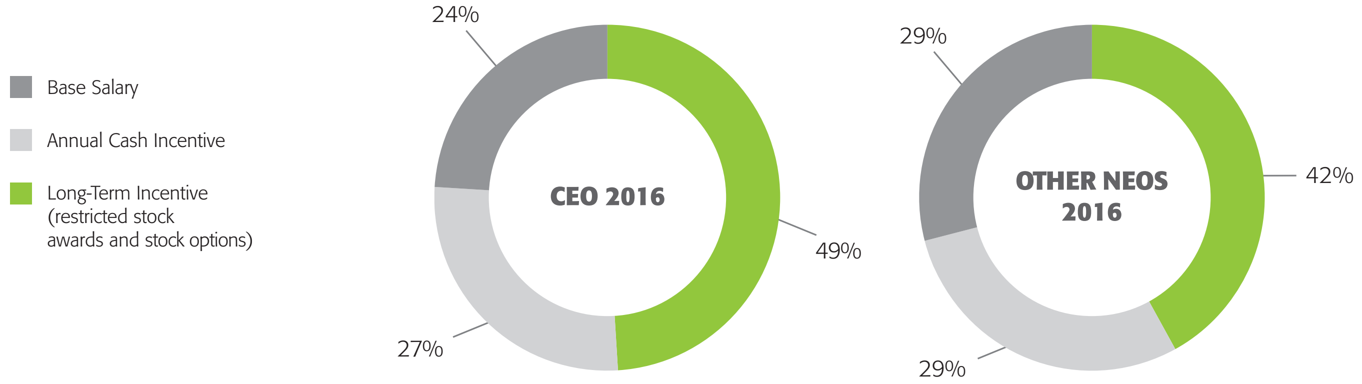
Ernst & Young LLP served as our auditors for 2016. Our Audit Committee has selected Ernst & Young LLP to audit our financial statements for 2017. Stockholders are being asked to ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2017.

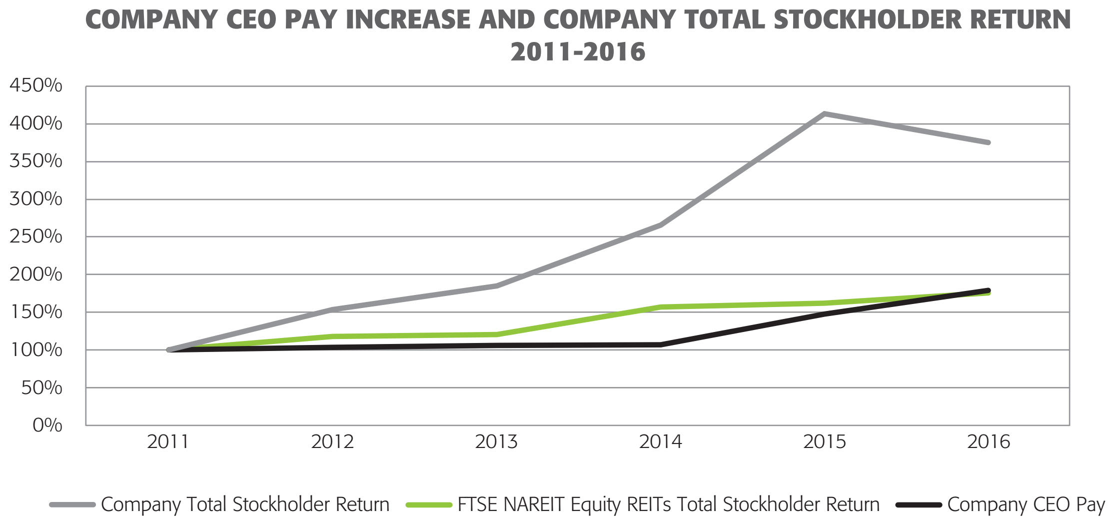
The table set forth on page 31 sets forth the fees the Company was billed for audit and other services provided by Ernst & Young LLP in 2016 and 2015. All such services were approved in comformity with the Audit Committee's pre-approval policies and procedures. The Audit Committee, based on its reviews and discussions with management and Ernst & Young LLP, determined that the provision of these services was compatible with maintaining Ernst & Young LLP's independence.

Executive Compensation Highlights

We are requesting your non-binding vote to approve the compensation of our named executive officers ("NEOs") as described on pages 19 through 27 of this proxy statement. The goals for our executive compensation program are to (i) attract, retain and motivate effective executive officers, (ii) align the interests of our executive officers with the interests of the Company and our stockholders and (iii) align market competitive compensation with our short-term and long-term performance.

Executive Compensation





Stockholder Outreach and Modifications to Long-Term Incentive Program

The Company's say-on-pay proposal was approved by approximately 95% of the votes cast at the 2016 annual meeting (excluding broker non-votes and abstentions). The Board and the Compensation, Nominating and Governance Committee ("CNG Committee") decided to make considerable changes to the Long-Term Incentive Program. Beginning in 2017, the long-term incentive compensation will include performance-based awards. In addition, the board of directors and the CNG Committee have determined to eliminate stock option awards.

LONG-TERM INCENTIVE PROGRAM

The performance-based units granted to named executive officers in 2017 represent a contingent number of units of stock granted at the beginning of the specified performance cycle, with the actual payout of units at 0% to 200% of the target grant amount based on the Company's (a) relative performance against companies within the MSCI US REIT Index with respect to total stockholder return and (b) FFO as adjusted, each of which are measured over a three-year period. The performance-based units are more fully discussed on page 23.

INFORMATION ABOUT THE BOARD OF DIRECTORS AND ITS COMMITTEES

Nominees for Directors

KENNETH M. WOOLLEY

AGE: **70**

EXECUTIVE CHAIRMAN OF THE BOARD

Experience:

Mr. Woolley is the founder of our Company, served as our Chairman and CEO from our formation through March 2009, Chief Investment Officer from July 2012 to July 2013 and was formerly Chief Executive Officer of our predecessor. Mr. Woolley resigned from his position as Chairman and CEO of the Company effective April 1, 2009, to serve a voluntary three-year mission for his church, during which time he remained as a director. Mr. Woolley has been involved in the self-storage industry since 1977. He has been directly responsible for developing over 165 properties and acquiring over 625 self-storage properties throughout the United States. Early in his career he was a management consultant with the Boston Consulting Group. From 1979 to 1998, he was an Associate Professor, and later an Adjunct Associate Professor of Business Administration at Brigham Young University, where he taught undergraduate and MBA classes in Corporate Strategy and Real Estate. Mr. Woolley has also developed more than 13,000 apartment units through his Las Vegas entity, Nevada West Partners. He is also a partner in New York based Gaia Real Estate, which owns 16,500 apartment units and 600,000 square feet of office space. He has also founded several companies in the retail, electronics, food manufacturing and natural resources industries. Mr. Woolley currently serves as a trustee and a member of the compensation committee of American Homes 4 Rent. Mr. Woolley holds a B.A. in physics from Brigham Young University and an M.B.A. and Ph.D. in business administration from the Stanford Graduate School of Business.

Qualifications:

Mr. Woolley was selected to serve as Executive Chairman based on his experience and knowledge of our Company and his extensive experience in the real estate and self-storage industry.

JOSEPH D. MARGOLIS

AGE: **56**

CEO AND NOMINEE FOR DIRECTOR

Experience:

Joseph D. Margolis has served as our Chief Executive Officer since January 1, 2017. Previously, he served as our Executive Vice President and Chief Investment Officer ("CIO") from July 2015 until December 31, 2016. Mr. Margolis served as a member of our board of directors from February 2005 until July 2015. From 2011 until July 2015, he also was Senior Managing Director and Partner at Penzance Properties, a vertically integrated owner, operator and developer of office and other properties in the Washington, D.C. metro area. Previously, Mr. Margolis was a co-founding partner of Arsenal Real Estate Funds, a private real estate investment management firm, from 2004 through 2011. Before forming Arsenal in 2004, Mr. Margolis held senior positions from 1992 to 2004 at Prudential Real Estate Investors in portfolio management, capital markets and as General Counsel. Before that, Mr. Margolis worked for The Prudential Insurance Company of America as in-house real estate counsel from 1988 through 1992, and as a real estate associate at the law firm of Nutter, McClennen & Fish from 1986 through 1988. Mr. Margolis is a graduate of Harvard College and Columbia University School of Law.

Qualifications:

Mr. Margolis has been nominated to our board based on his knowledge of the Company and his extensive finance and real estate experience.

ROGER B. PORTER

AGE: **70**

LEAD INDEPENDENT DIRECTOR

COMMITTEES:
Audit and
CNG (Chairman)

Experience:

Mr. Roger B. Porter is the IBM Professor of Business and Government at Harvard University. Mr. Porter served for more than a decade in various senior economic policy positions in the Ford, Reagan and George H.W. Bush White Houses. Under President George H.W. Bush, Mr. Porter served as Assistant to the President for Economic and Domestic Policy from 1989 to 1993. Mr. Porter is a director of Tenneco, Inc., Zions Bancorporation and Packaging Corporation of America. Mr. Porter served as a director of Pactiv Corporation from November 1999 through November 2010. Mr. Porter holds a B.A. from Brigham Young University and was selected as a Rhodes Scholar and Woodrow Wilson Fellow, receiving his B.Phil. from Oxford University. He received his M.A. and Ph.D. from Harvard University. He has been a member of our board of directors since August 2004.

Qualifications:

Mr. Porter was selected to serve as our lead independent director, as a member of our board and as our CNG Committee chairman based on his unique perspective on broad economic issues and trends, insight into government regulations and policy and his service on several major public company boards.

SPENCER F. KIRK

AGE: **55**

DIRECTOR AND FORMER CEO

Experience:

Mr. Spencer F. Kirk served as the Company's CEO from April 1, 2009 until his retirement on December 31, 2016. In addition, he has served as a director of the Company since its initial public offering in 2004, serving as the Company's Chairman from April 1, 2009 until July 1, 2012. Previously, Mr. Kirk served as the Company's President from September 2007 to April 2009 and as an Executive Vice President of the Company's predecessor from 1998 to 2004. As the owner of more than 2.8 million shares, Mr. Kirk is the Company's largest private individual stockholder. Before his involvement with the Company, Mr. Kirk co-founded Megahertz Corporation in 1985, which became the leading manufacturer of modems for laptop computers in the world. With Mr. Kirk serving as Chairman and CEO, Megahertz grew from a basement operation to the leading supplier of solution-oriented mobile data communications products. Megahertz went public in 1993 and in 1995 was acquired by US Robotics, which was later acquired by 3Com Corporation. Mr. Kirk holds a B.A. in finance and an M.B.A. from the University of Utah.

Qualifications:

Mr. Kirk was selected to serve as a member of our board based on his knowledge of the Company and the self-storage industry and his extensive experience in the management of public companies.

INFORMATION ABOUT THE BOARD OF DIRECTORS AND ITS COMMITTEES

DENNIS J. LETHAM

AGE: **65**

DIRECTOR

COMMITTEES:
Audit

Experience :

Dennis J. Letham served as Executive Vice President and Chief Financial Officer of Anixter International Inc. from 1995 until his retirement in June 2011, where he oversaw the company's finance, accounting, tax, legal, human resources and internal audit activities in 50 countries. Before assuming his role as Chief Financial Officer in 1995, Mr. Letham served as Executive Vice President and Chief Financial Officer of Anixter, Inc. the principal operating subsidiary of Anixter International Inc., which he joined in 1993. Previously, he had a 10-year career with National Intergroup Inc., where he was Senior Vice President and Chief Financial Officer, as well as Vice President and Controller, Director of Corporate Accounting and Manager for Internal Audit. Mr. Letham began his career at Arthur Andersen & Co. in 1973 where he held progressive responsibilities in the Audit Department. Mr. Letham holds a bachelor's degree from Pennsylvania State University's Accounting Honors program. He also is a Certified Public Accountant. Mr. Letham was a director of Interline Brands, Inc. through August 2015. He currently serves as a director for Tenneco Inc.

Qualifications:

Mr. Letham was selected to serve as a member of our board based on his extensive experience in finance and service as an executive officer and director of public companies.

DIANE OLMSTEAD

AGE: **64**

DIRECTOR

COMMITTEES:
Audit and CNG

Experience:

Diane Olmstead is the Chief Investment Officer at Bridge Housing Corporation. Ms. Olmstead is responsible for balance sheet structure and management, capital formation and bridge lending through its Community Development Financial Institution and philanthropy. Prior to Bridge Housing, Ms. Olmstead was Co-CEO of W3 Partners from 2009-2016 where she oversaw W3's real estate acquisitions, financing activities, fundraising and client relations. Prior to W3 Partners, Ms. Olmstead was a principal at CIM Group from 2005 to 2009, where she headed acquisitions and development in Northern California and the Pacific Northwest and was a voting member of the investment committee. Prior to CIM Group, from 2000 to 2005, Ms. Olmstead was an Executive VP of iStar and responsible for all activities in iStar's Western Region, including origination of structured finance transactions and acquisitions of triple net leases. From 1983 to 2000, Ms. Olmstead worked in positions of asset management, lending, acquisitions and equity raising with Arthur Andersen LLP, USF&G Corporation, Cigna Corporation and Aetna, Inc. Ms. Olmstead received an MBA from Pepperdine University. She serves on the board of Synedgen, Inc. and is a member of the Urban Land Institute and the Policy Advisory Board of the Fisher Center for Real Estate and Urban Development (UC Berkeley).

Qualifications:

Ms. Olmstead was selected to serve as a member of our board based on her experience in real estate investing, acquisitions and corporate finance.

K. FRED SKOUSEN

AGE: **74**

DIRECTOR

COMMITTEES:
Audit (Chairman) and CNG

Experience:

K. Fred Skousen served as the Advancement Vice President at Brigham Young University until his retirement in January 2010. Previously, he was Dean of the Marriott School of Management and Director of the School of Accountancy at Brigham Young University. Mr. Skousen has been a consultant to the Financial Executive Research Foundation, the Controller General of the United States, the Federal Trade Commission and several large companies. Mr. Skousen has served as a faculty member at the University of Minnesota, the University of California, Berkeley, and the University of Missouri, as well as a faculty resident on the staff of the SEC and a faculty fellow at Price Waterhouse and Co. He served as Director of Research and a member of the Executive Committee of the American Accounting Association, is a former member of the American Institute of CPAs and is a former President of the Utah Association of CPAs. Mr. Skousen earned a B.A. from Brigham Young University and an M.S. and Ph.D. from the University of Illinois. He is the author or co-author of over 50 books and articles on accounting and business topics.

Qualifications:

Mr. Skousen was selected to serve as a member of our board and our Audit Committee chairman based on his financial expertise and over 40 years of extensive experience in accounting education, research, and consulting with major companies and government agencies.

CORPORATE GOVERNANCE

Overview

The board of directors believes that the purpose of good corporate governance is to ensure that the board of directors is independent from management, adequately oversees management, and ensures that the interests of management and the board of directors align with the interests of our stockholders in order to maximize stockholder value in a manner consistent with all applicable legal requirements. Consequently, the Company has adopted corporate governance guidelines titled "Corporate Governance Guidelines," which are available at *www.extraspace.com* under Investor Relations—Corporate Governance.

Director Independence

In accordance with the New York Stock Exchange ("NYSE") rules, the board of directors affirmatively determines the independence of each director and nominee for election as a director in accordance with the listing standards of the NYSE. We have not adopted any additional standards for independence outside those listed by the NYSE. The listing requirements of the NYSE require that a majority of the members of a listed company's board of directors and that all members of its audit committee and compensation, nominating and governance committee be independent.

Currently, the board of directors has seven members. To determine which of its members are independent, the board of directors used the independence standards adopted by the NYSE for companies listed on such exchange. In addition, the board of directors considers whether a director has or had any other past or present relationships with the Company which created conflicts. Based on these standards, the board of directors has determined that all of the Company's non-employee directors, with the exception of Spencer F. Kirk, are independent and have no relationship with the Company, except as a director and stockholder of the Company.

In addition, the board of directors has a lead independent director, Mr. Roger B. Porter.

Nomination of Directors

Nominees for director are selected by the CNG Committee. The board of directors has developed criteria that are designed to describe the qualities and characteristics desirable for the board of directors as a whole in order to provide a broad diversity of experience, professions, skills and backgrounds. The criteria and the effectiveness of our nomination policies are reviewed annually by the CNG Committee and the board of directors. In general, they require that each director or nominee:

- is committed to enhancing long-term stockholder value and possesses a high level of personal and professional ethics;
- has sound business judgment and integrity;
- has financial literacy or other business or professional experience relevant to understanding our business;
- has the ability to think and act independently; and
- has demonstrated the capacity to work constructively with others.

The CNG Committee will consider nominees recommended by stockholders. Stockholder nominations of directors must be made in writing and include the nominee's written consent to the nomination and sufficient background information on the candidate to enable the committee to assess his or her qualifications. Nominations should be addressed to the Company's Corporate Secretary at the following address:

Extra Space Storage Inc.
Attn: Corporate Secretary
2795 East Cottonwood Parkway, Suite 300
Salt Lake City, Utah 84121

Recommendations received from stockholders will be considered and processed subject to the same criteria as candidates nominated by the CNG Committee, as discussed above.

Communications with the Board and its Committees

Any stockholder or other interested party may communicate with the board of directors, the independent board members, the Chairman, any of the committees of the board of directors, or one or more of its individual members, by directing correspondence to any such individual or group of individuals in care of the Corporate Secretary, Extra Space Storage Inc., 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, Utah 84121 or by referring to the "Stockholder Communication Policy" at *www.extraspace.com* under Investor Relations—Corporate Governance.

Claw-backs to Recoup Compensation

In 2016, the board of directors adopted a Compensation Recovery Policy (claw-back policy) to cover all executive officers. If any such employees are involved in fraudulent, willful or negligent misconduct that results in the Company being required to prepare an accounting restatement due to its material non-compliance with any financial reporting requirement, then the CNG Committee may require the executive officers to forfeit that portion of the unvested or unpaid incentive compensation (annual cash bonus and long-term equity incentive compensation) and/or recover that portion of the after-tax portion of any incentive compensation paid to such executive officers received by that officer preceding the publication of the restated financial statement that the CNG Committee determines was in excess of the amount that such officer would have received had such compensation been calculated based on the financial results reported in the restated financial statements.

The CNG Committee may take into account any factors it deems reasonable in determining whether to seek recoupment of previously paid incentive compensation and how much incentive compensation to recoup from individual officers (which need not be the same amount or proportion for every officer), including any conclusion by the CNG Committee that an officer engaged in wrongdoing. The amount and form of the compensation to be recouped will be determined by the CNG Committee in its discretion, and recoupment of compensation paid as annual cash bonuses or long term incentives may be made, in the CNG Committee's discretion, through cancellation of vested or unvested restricted stock awards and/or cash payment. The CNG Committee intends to update the claw-back policy as necessary in the event that the Securities and Exchange Commission ("SEC") requires any such updates.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics (the "Code") outlines the principles of conduct and ethics to be followed by our employees, officers and directors, including our principal executive officer, principal financial officer and principal accounting officer. The purpose of the Code is to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote avoidance of conflicts of interest, including disclosure to an appropriate person or committee of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- promote full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the SEC and in other public communications made by the Company;
- promote compliance with applicable governmental laws, rules and regulations;
- promote the prompt internal reporting to an appropriate person or committee of violations of the Code;
- promote accountability for adherence to the Code;
- provide guidance to employees, officers and directors to help them recognize and deal with ethical issues; and
- provide mechanisms to report unethical conduct and help foster our longstanding culture of honesty and accountability.

A copy of the Code has been provided to, and signed by, each of our directors, officers and employees. A copy of the Code may be found on our website at http://ir.extraspace.com under Corporate Governance.

Whistleblowing and Whistleblower Protection Policy

The Audit Committee has established procedures for (1) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (2) the confidential and anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters. If you wish to contact the Audit Committee to report complaints or concerns relating to the financial reporting of the Company, you may do so by (a) calling the Compliance Hotline at 1-800-637-9894, (b) emailing the Company's Compliance Email Box at whistleblower@extraspace.com, or (c) delivering the report via regular mail, which may be mailed anonymously, to the Audit Committee, c/o Extra Space Storage Inc., 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, Utah 84121.

LEADERSHIP STRUCTURE, RISK OVERSIGHT, MEETINGS AND COMMITTEES OF THE BOARD

Leadership Structure

Our board of directors is currently comprised of seven directors, four of whom are independent under the listing standards of the NYSE. Independent directors and management have different perspectives and roles in strategy development and execution. Our independent directors bring experience, oversight and expertise from outside the Company and across various industries and disciplines, including the self-storage industry, finance, public company management and academics. Our Executive Chairman, CEO and our former CEO bring extensive company-specific experience and expertise to their roles.

Our board of directors has separated the positions of chairman of the board and chief executive officer. Mr. Woolley serves as the Company's Executive Chairman, and Mr. Margolis serves as the Company's CEO, and is a nominee for director. Roger B. Porter, an independent director, serves as the board of directors' lead independent director as discussed below. Our board of directors has determined that this leadership structure is appropriate at this time as it allows the CEO to focus on our day-to-day business, while allowing the Executive Chairman of the board of directors to lead the board in its fundamental role of providing advice to and independent oversight of management.

The board has a governance structure that includes regular meetings of the independent directors in executive session and with the Company's internal auditors, external auditors and other consultants. Our board of directors has appointed Mr. Porter as the lead independent director to help facilitate and strengthen the role of the independent directors. The lead independent director: (1) chairs all executive sessions of the board; (2) consults with management and the other members of the board regarding board meeting agendas; (3) serves as the principal liaison between management and the independent directors; and (4) performs such other functions as the board of directors or independent directors may designate from time to time.

Risk Oversight

The board of directors believes that an important part of its responsibilities is to oversee and coordinate with management to assess the major risks that we face and to review our options for monitoring and controlling these risks. At board meetings, management discusses with the board of directors matters of particular importance or concern, including any significant areas of risk meriting board attention. The Audit Committee has specific responsibility for discussing and reviewing policies with respect to risk assessment and risk management, including setting guidelines and policies to govern the process by which risk assessment and risk management is undertaken. The Audit Committee takes an active role in this process and communicates the results to the full board of directors. The CNG Committee oversees risks relating to our compensation policies and practices, as well as CEO and executive officer succession, and provides reports to the full board of directors. The CNG Committee works with a compensation risk analysis committee that is comprised of members of management, which has the responsibility to review our compensation policies as they relate to risk management practices and risk-taking incentives. We have conducted a risk assessment of our compensation programs and policies from a legal and human resources perspective and reviewed and discussed this assessment with the CNG Committee. Based on this assessment, we concluded that we do not have any compensation programs or practices that would reasonably be likely to have a material adverse effect on our Company.

Attendance at Meetings of the Board and its Committees

The board of directors holds at least four regularly scheduled meetings per year and additional special meetings as necessary. Each director is expected to attend all regularly scheduled and special meetings, unless unusual circumstances make attendance impractical. The board of directors may also take action from time to time by written or electronic consent. For the year ended December 31, 2016, the board of directors held a total of eight meetings. Each director attended at least 75% of the meetings of the board of directors and of any committees on which he or she served during this period.

MEETINGS OF INDEPENDENT DIRECTORS

The independent directors hold regularly scheduled meetings in executive session without the presence of management. The lead independent director chairs these sessions. Mr. Porter currently serves as the lead independent director. Stockholders wishing to communicate directly with Mr. Porter or the independent directors may send correspondence addressed in care of:

Extra Space Storage Inc.
Attn: Corporate Secretary
2795 East Cottonwood Parkway, Suite 300
Salt Lake City, Utah 84121

Committees of the Board of Directors

The board of directors has two standing committees: the Audit Committee and the CNG Committee. The committees on which each director serves are listed above in "Information about the Board of Directors and its Committees—Nominees for Directors."

AUDIT COMMITTEE

The Audit Committee has direct responsibility for the appointment, compensation, retention and oversight of the independent auditors for the Company, and sole authority to establish pre-approval policies and procedures for audit and non-audit engagements with the independent auditors. The Audit Committee also oversees the operation of a comprehensive system of internal controls designed to ensure the integrity of the financial statements and reports and compliance with laws, regulations and corporate policies of the Company. Additionally, the Audit Committee oversees the independent auditor's qualifications, performance and independence; monitors communications with the independent auditor; and monitors the performance of the internal audit function at the Company. A copy of the Audit Committee's charter is available at the Company's website http://ir.extraspace.com under Corporate Governance.

Mr. Skousen is the chairman of the Audit Committee. Mr. Letham, Ms. Olmstead and Mr. Porter serve as members of the Audit Committee. In accordance with the rules of the NYSE, the board of directors has determined that each of the current members of the Audit Committee is independent as defined by the Audit Committee's charter and Section 303A of the NYSE Listing Standards.

As set forth in the Audit Committee's charter, management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies, and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The internal auditors are responsible for independently assessing the principles, policies, internal controls and procedures surrounding the financial statements as well as monitoring management's follow-up to any internal audit reports. The external auditors are responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements prior to the filing of each Quarterly Report on Form 10-Q, and annually auditing the effectiveness of the Company's internal controls over financial reporting and other procedures. The members of the Audit Committee are not full-time employees of the Company and are not performing the functions of auditors or accountants. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards.

The board of directors has designated Mr. Skousen and Mr. Letham as "audit committee financial experts" as defined in the SEC's Regulation S-K, Item 407(d)(5).

REPORT OF THE AUDIT COMMITTEE

The Audit Committee assists the board of directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company, as well as the Company's compliance with corporate policies and legal and regulatory requirements, including the Sarbanes-Oxley Act of 2002. During fiscal year 2016, the Audit Committee met eleven times, and discussed with the CEO, Chief Financial Officer ("CFO"), Principal Accounting Officer, internal auditors and independent registered public accounting firm (external auditors), the SEC filings that contained financial information, prior to their public release. The Audit Committee's meetings include executive sessions with the Company's external and internal auditors, in each case without the presence of the Company's management.

In discharging its oversight responsibility, the Audit Committee received from the external auditors a formal written statement describing all relationships between the external auditors and the Company that might bear on the external auditors' independence and discussed with the external auditors their independence and any relationships that may impact their objectivity and independence. The Audit Committee also discussed with management, internal auditors and external auditors the quality and adequacy of the Company's internal controls and the internal audit function's organization and responsibilities. The Audit Committee reviewed both with the external and internal auditors their audit plans, audit scope and identification of audit risks.

In carrying out its responsibilities, the Audit Committee, among other things:

- monitors preparation of quarterly and annual financial reports by the Company's management;
- supervises the relationship between the Company and its external auditors, including: having direct responsibility for their appointment, compensation and retention; reviewing the scope of their audit services; approving audit and non-audit services; and confirming the independence of the external auditors;
- oversees management's implementation and maintenance of effective systems of internal and disclosure controls, including review of the Company's policies relating to legal and regulatory compliance, ethics and conflicts of interests and review of the Company's internal auditing program; and
- reviews, approves and/or ratifies related-party transactions for which such approval is required under applicable law, including SEC and NYSE rules.

During fiscal year 2016, management advised the Audit Committee that each set of financial statements reviewed and discussed by management with the committee had been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). In addition, management reviewed significant accounting and disclosure issues with the Audit Committee. These reviews included discussion with the external auditors of matters required to be discussed pursuant to *Auditing Standard No.16 (Communications with Audit Committees*), as adopted by the Public Company Accounting Oversight Board ("PCAOB") including the quality of the Company's accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. The Audit Committee also discussed with Ernst & Young LLP matters relating to its independence, including a review of audit and non-audit fees and the written disclosures and letter from Ernst & Young LLP to the Audit Committee pursuant to Rule 3526 of the PCAOB (*Communication with Audit Committees Concerning Independence*).

In addition, the Audit Committee reviewed key initiatives and programs aimed at strengthening the effectiveness of the Company's internal and disclosure control structure. As part of this process, the Audit Committee met privately with the Company's Director of Internal Audit and continued to monitor the scope and adequacy of the Company's internal auditing program, reviewing internal audit department staffing levels and steps taken to implement recommended improvements in internal procedures and controls. The Audit Committee conducted a performance self-evaluation for review with the board of directors that included a comparison of the performance of the Audit Committee with the requirements of its charter.

Taking all of these reviews and discussions into account, the Audit Committee members listed below recommended to the board of directors that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016, for filing with the SEC.

Submitted by the Audit Committee,

K. Fred Skousen (Chairman)
Dennis J. Letham
Diane Olmstead
Roger B. Porter

COMPENSATION, NOMINATING AND GOVERNANCE COMMITTEE

The CNG Committee operates under a written charter adopted by the board of directors, a copy of which is posted on the Company's website at *www.extraspace.com* under Investor Relations—Corporate Governance. The CNG Committee assesses the adequacy of its charter annually. The charter, which reflects the standards set forth in the SEC and NYSE rules and regulations, identifies the CNG Committee's primary duties and responsibilities as follows:

- set corporate governance principles;

- adopt a code of ethics;
- monitor the Company's compliance with corporate governance requirements of federal and state law and the rules and regulations of the NYSE;
- review and determine the desirable balance and diversity of experience, qualifications and expertise among members of the board of directors;
- review possible candidates for membership on the board of directors (including nominations proposed by stockholders) and recommend a slate of nominees for election as directors at the Company's annual meeting of stockholders;
- review the function and composition of the committees of the board of directors and recommend membership on such committees;
- oversee the board of directors' evaluation of itself and its committees;
- examine periodically the philosophy and structure of the Company's compensation programs; and
- oversee and act on behalf of the board of directors with respect to the benefit and compensation plans of the Company.

The CNG Committee's primary responsibilities with respect to compensation are to:

- establish the Company's total compensation philosophy, and ensure that the compensation programs of the Company reflect that philosophy;
- establish the compensation of the CEO;
- review and approve the CEO's compensation recommendations with respect to other executives;
- monitor awards under the Company's equity compensation plans; and
- report to the board of directors in its meetings and executive sessions.

In performing its duties, the CNG Committee has the authority to take such action as it deems appropriate to implement the purposes of the CNG Committee. The CNG Committee may retain legal, accounting or other consultants, and meet in separate executive sessions with the Company's management and employees and its compensation consultant.

The CNG Committee has retained Mercer as its independent compensation consultant to advise the CNG Committee in connection with matters pertaining to director and executive compensation, including advising as to market levels and practices, plan design and implementation, peer group, consulting best practices and governance principles. Mercer also provides other services to the Company. Fees paid to Mercer during 2016 for director and executive compensation consulting services totaled $98,972. Fees paid to Mercer for healthcare administration services in 2016 totaled $79,000. The CNG Committee has determined, and Mercer has affirmed, that Mercer's work does not present any conflicts of interest and that Mercer is independent. In reaching these conclusions, the CNG Committee considered the factors set forth in Exchange Act Rule 10C-1 and NYSE listing standards.

During the year ended December 31, 2016, Mr. Porter was the chairman of the CNG Committee. Ms. Olmstead and Mr. Skousen served as members of the CNG Committee. During 2016, the CNG Committee held eight meetings.

COMPENSATION, NOMINATING AND GOVERNANCE COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

All members of the CNG Committee are independent under NYSE listing standards. During 2016 none of the executive officers of the Company served on the board of directors or compensation committee of any entity whose officers served either on the board of directors of the Company or on the CNG Committee of the board of directors. No member of the CNG Committee has ever been an officer or employee of the Company or any of its subsidiaries.

POLICY REGARDING BOARD ATTENDANCE AT STOCKHOLDERS MEETINGS

We encourage attendance at stockholders meetings by members of the board of directors and senior executives so that stockholders will have the opportunity to meet our directors and senior executives. All of our then-current board members attended the 2016 Annual Meeting of Stockholders.

DIRECTOR COMPENSATION

All non-employee directors receive an annual board retainer fee of $65,000 to be paid in cash, and an award on the date of each annual meeting of shares of common stock equivalent in value to $100,000 (to the nearest share), with the number of shares determined by the closing price of our common stock on the date of the annual meeting. The lead independent director receives an additional annual retainer fee of $10,000. Directors who serve as the chair of the Audit Committee and CNG Committee receive an annual committee retainer fee of $20,000. Directors who serve on the Audit Committee and CNG Committee receive an annual committee retainer fee of $7,500. The Company does not pay any meeting fees to its directors. The following table presents the compensation paid to the Company's non-employee directors in 2016:

Name	Fees earned or paid in cash	Stock awards (2)	Total
Karl Haas (1)	$ 65,000	$100,000	$165,000
Dennis Letham (3)	44,538	100,000	144,538
Diane Olmstead	80,000	100,000	180,000
Roger B. Porter	102,500	100,000	202,500
Gary B. Sabin (4)	28,681	—	28,681
K. Fred Skousen	92,500	100,000	192,500
Total	$413,219	$500,000	$913,219

(1) Mr. Haas is not standing for re-election at the 2017 Annual Meeting.

(2) Each non-employee director received 1,088 shares of vested common stock on May 24, 2016. Dollar amounts represent grant date fair value of such grants as determined in accordance with Accounting Standards Codification 718, "Stock Compensation" ("ASC 718") using the assumptions to value such awards reported in the notes to the Company's financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on February 27, 2017. As of December 31, 2016, Karl Haas held 3,492 shares of unvested restricted stock. None of our other non-employee directors held any unvested stock awards or stock options as of December 31, 2016.

(3) Mr. Letham was elected to the board on May 24, 2016. The cash fees are a pro-rated amount for his service from his election on May 24, 2016 through December 31, 2016.

(4) Mr. Sabin served on the board of directors through May 24, 2016. The cash fees paid are a pro-rated amount for his service from January 1, 2016 through May 24, 2016.

During 2016, Mr. Kirk and Mr. Woolley served as directors and were also executive officers of the Company. As employees, they did not receive any additional compensation for their services as directors.

Stock Ownership Guidelines for Directors

We have stock ownership guidelines that require each of our non-employee directors, within five years after appointment to the board, to hold shares of our common stock, restricted stock or stock options (whether or not vested) with a value equal to the sum of five times the annual cash portion of the board retainer. These stock ownership guidelines align our directors' interests with those of our stockholders by ensuring non-employee directors hold equity in the Company. Each non-employee director has met these guidelines as of December 31, 2016.

EXECUTIVE OFFICERS

Information for Joseph D. Margolis and Kenneth M. Woolley is contained previously under the heading "Information about the Board of Directors and its Committees—Nominees for Directors." Information with regard to our other executive officers is presented below. All of our executive officers are elected as officers at the annual organizational meeting of the board of directors held following each annual meeting of stockholders.

GWYN G. MCNEAL

AGE: **48**

TITLE:
Executive Vice President and Chief Legal Officer

SINCE:
July 2013

PREVIOUS POSITION:
Vice President
Associate General Counsel

Gwyn G. McNeal has served as Chief Legal Officer since July 2013. Ms. McNeal has been with the Company for more than 11 years. Prior to her current role she was the Vice President and Associate General Counsel of the Company, providing legal support to the Company's operations team along with overseeing litigation, employment law matters and intellectual property. Ms. McNeal began her career practicing law with Latham & Watkins LLP, San Diego from 1992 to 2000. She then served as General Counsel for 3form, Inc. from 2000 to 2003. Prior to joining the Company, Ms. McNeal represented the Company as external counsel with Nelson Christensen & Helsten. Ms. McNeal holds a B.A. from Brigham Young University and a J.D. from the University of Southern California.

JAMES L. OVERTURF

AGE: **50**

TITLE:
Executive Vice President and Chief Marketing Officer

SINCE:
May 2014

PREVIOUS POSITION:
Senior Vice President of Marketing

James L. Overturf has served as Chief Marketing Officer ("CMO") since May 2014. Previously, he held senior leadership positions with the Company in marketing and investor relations from August 2004 to May 2014 under various titles including Senior Vice President of Marketing and Senior Vice President of Investor Relations. Mr. Overturf also served as Vice President of Marketing for our predecessor from February 1999 to August 2004. Prior to joining our predecessor, he was Director of Marketing at 3Com Megahertz Corporation from November 1997 to February 1999. From May 1994 to August 1997, he served as Marketing Manager at Fidelity Trust Company, a subsidiary of Fidelity Investments. Mr. Overturf holds a B.S. in marketing from Montana State University.

SAMRAT SONDHI

AGE: **42**

TITLE:
Executive Vice President and Chief Operations Officer

SINCE:
January 2014

PREVIOUS POSITION:
Divisional Vice President

Samrat Sondhi has been a member of the Company's senior management team for over nine years, operating in various roles including Divisional Vice President, covering core markets across the United States, and Senior Vice President Revenue Management, playing a key role in the evolution of pricing strategy and execution for the self-storage industry. Prior to joining the Company, Mr. Sondhi served as the Vice President Revenue Management for Storage USA for two years. Prior to joining Storage USA, Mr. Sondhi worked as a consultant with Deloitte Consulting from 2001 to 2002. Mr. Sondhi holds an M.B.A. degree from Carnegie Mellon University and a B.S. in electronics from Pune University, India.

EXECUTIVE OFFICERS

P. SCOTT STUBBS

AGE: **49**

TITLE:
Executive Vice President and Chief Financial Officer

SINCE:
December 2011

PREVIOUS POSITION:
Senior Vice President of Finance and Accounting

P. Scott Stubbs has served as our Chief Financial Officer since December, 2011. He served as the Company's Senior Vice President Finance and Accounting since our inception, and the Corporate Controller of our predecessor beginning in December 2000. Prior to joining our predecessor, Mr. Stubbs served as Chief Financial Officer of the Lyon Company from June 2000 through December 2000. From 1995 through 2000, he served as the U.S. Controller of Critchley Inc. and from November 1992 through June 1995, he worked at Neilson, Ellgren, Durkin & Co. as a consultant. Mr. Stubbs is a licensed CPA and holds a B.S. and a Masters in Accountancy from Brigham Young University. Since July 2015, Mr. Stubbs has served as a member of the board of directors for ZAGG Inc. and currently serves as the audit committee chairman.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

GENERAL PHILOSOPHY

The philosophy underlying our executive compensation policies is to align management's incentives with the long-term interests of stockholders and to be competitive with comparable employers. Accordingly, we have structured the executive compensation program around the following guiding principles and objectives:

- Pay for performance;
- Market-based approach for evaluation and reviewing executive pay;
- Caps on annual and long-term incentives;
- No employment agreements for executive officers;
- Claw-back policy on compensation;
- Double trigger provisions for acceleration of equity awards upon a change of control;
- Stock ownership requirements for executives and directors; and
- Modification of long-term incentive program to include performance based units subject to three-year performance periods to ensure long-term performance is assessed (effective 2017).

SETTING EXECUTIVE COMPENSATION

Based on our philosophy underlying executive compensation policies, we place significant emphasis on annual and long-term performance-based incentive compensation, including, in addition to base salaries for our executives, annual cash incentives, and long-term equity based incentive awards, which are all designed to reward our executives based on the achievement of predetermined company and individual goals. We also consider historical compensation levels as well as other industry conditions and the overall effectiveness of our compensation program.

In order to ensure the fulfillment of the general philosophy as outlined above and to assist in establishing the Company's aggregate level of compensation, the CNG Committee engages a nationally recognized compensation consulting firm, Mercer, which reports directly to the CNG Committee.

Working with Mercer for the purpose of evaluating and setting 2016 compensation for our NEOs, the CNG Committee developed a list of 16 comparable real estate investment trusts ("REITs") that are similar to the Company in enterprise value, number of employees, number of properties, and total revenue. The committee also took into consideration such elements as joint venture properties and unconsolidated revenues. The companies used in the comparator group are:

- American Campus Communities
- Apartment Investment and Management Company
- AvalonBay Communities, Inc.
- Camden Property Trust
- CubeSmart
- Duke Realty Corporation
- Equity Lifestyle Properties, Inc.
- Essex Property Trust, Inc.
- Liberty Property Trust
- Life Storage, Inc.
- Mid America Apartment Communities Inc.
- Public Storage
- Regency Centers Corporation
- Taubman Centers, Inc.
- UDR, Inc.
- Weingarten Realty Investors

The group includes three direct competitors: Public Storage, Life Storage, Inc. and CubeSmart. The remaining companies represent publicly traded REITs with market capitalizations comparable to Extra Space and that generally recruit individuals to fill senior management positions who are similar in skills and background of those recruited by us.

The CNG Committee attempts to design programs that deliver total compensation for executives that approximates the 50th percentile of the comparator group for the achievement of "at target" performance. Actual payouts may be above or below the 50th percentile depending on actual performance compared to the target and based on individual performance related goals. Mercer prepares market data based on our comparator group regarding salary, annual cash incentive award targets, and long-term incentive compensation awards.

They also provide advice directly to the CNG Committee as it makes decisions with respect to compensation for the CEO. Our CEO reviews and recommends to the committee the annual salary, incentive plan target and long-term stock-based compensation for each of our executive officers. The committee reviews those recommendations and makes a final determination with respect to such compensation. The compensation that is developed for each of these officers is based on competitive market data and on the CEO's recommendations regarding the executive's overall contributions, past performance and anticipated future contributions. The committee reviews separately and sets the compensation of the CEO based on competitive market data as well as the committee's assessment of his performance and anticipated future contributions. The CNG Committee does not have a pre-established policy for the allocation of compensation between cash, non-cash compensation and long-term incentive compensation. None of the executive officers are present during CNG Committee deliberations or decisions regarding such executive's compensation.

The following describes each element of our executive compensation program, along with a discussion of the decisions made by the CNG Committee with respect to that aspect of compensation for 2016.

ELEMENTS OF EXECUTIVE OFFICER COMPENSATION AND BENEFITS FOR 2016

In 2016, named executive officers' total compensation was comprised of the following elements designed to complement each other:

- base salary;
- annual incentive bonus;
- long-term incentives through stock options and restricted stock; and
- other benefits.

BASE SALARY

Base salary is a critical element of executive compensation as it provides executives with assured monthly cash compensation. In determining base salaries, the CNG Committee based its evaluation on a variety of factors, including:

- the executive's qualifications, experience and past performance;
- the nature and responsibility for the position;
- the goals and objectives established for the executive;
- the salaries paid to the position within the compensation peer group; and
- the relative position of base salaries among executives.

2016 Increases. Effective January 1, 2016, the CNG Committee took the following actions with respect to the base salaries for the NEOs:

- Mr. Stubbs received a salary increase from $437,750 to $475,000;
- Mr. Overturf received a salary increase from $334,750 to $385,000; and
- no salary increase was given to the other NEOs for 2016.

2017 Increases. Effective January 1, 2017, the CNG Committee took the following actions with respect to the base salaries for the NEOs:

- Mr. Margolis received a salary increase from $500,000 to $750,000;
- Mr. Woolley received a salary decrease from $450,000 to $250,000; and
- no salary increase was given to the other NEOs for 2017.

In making each of the salary decisions described above, the CNG Committee reviewed changes in job responsibility and title, historical salary levels, performance and contributions made to the Company, the impact on total compensation, competitive conditions and the relationship of compensation to that of other of the Company's officers and determined the compensation awarded was appropriate to reward performance, ensure retention and maintain appropriate compensation differentials among the Company's officers.

ANNUAL INCENTIVE BONUS

We pay annual incentives to drive the achievement of key business results and to recognize individuals based on their contributions to those results. The CNG Committee believes that this feature of compensation motivates executive officers to strive to attain our annual goals with 50% of these performance-based goals tied to the financial operating performance of the Company and 50% are tied to the senior executive's achievement of specific management goals, outlined below.

The financial performance goals set for 2016 were based on the Company's achievement of a specific target (the "FFO Target") related to the Company's FFO as adjusted. The FFO Target is defined and approved annually by the board of directors. The FFO Target is based on the Company's FFO as adjusted, with additional adjustments agreed to by the board of directors in order to consistently review the performance of management as it relates to FFO as adjusted. FFO as adjusted provides relevant and meaningful information about our performance and is the primary measure that we use to assess our operating performance. The portion of bonus based on the FFO Target could incrementally increase or decrease based on meeting, exceeding, or failing to meet the FFO Target. For an explanation of how we calculate FFO and FFO as adjusted and a reconciliation to net income, see Appendix A.

The FFO Target established for 2016 was $3.73 of FFO as adjusted per share. For 2016, FFO as adjusted was defined as FFO excluding revenues and expenses not core to our operations, costs associated with acquisitions and non-cash interest. FFO and FFO as adjusted are non-GAAP measures and a reconciliation of those measures to GAAP net income attributable to common stockholders is attached to this proxy statement as Appendix A. Actual FFO as adjusted and as achieved for 2016 was $3.85 per share. For annual bonus determination purposes for 2016, FFO as adjusted was further adjusted to remove the impact of depreciation above or below a budgeted amount based on the Company's projections. For annual bonus determination purposes for 2016, FFO as adjusted was $3.84 per share, resulting in the payment of 124% of the portion of the bonus related to the achievement of the FFO Target pursuant to the annual incentive plan, which provides that the financial performance portion of executive officers' bonuses may be reduced or increased based upon the percent of FFO Target earned, with a maximum bonus payout of 150% in the event that the FFO Target is greater than 105% and a minimum payout of 0% in the event that the FFO Target is less than 95% of the FFO Target. Notwithstanding the foregoing, the CNG Committee may, in its sole discretion, exclude or adjust significant non-budgeted or non-controllable amounts, gains, or losses from actual financial results in order to properly measure the Company's performance. In addition, the CNG Committee may adjust the Company's overall FFO targets and gradations used to determine percentage of FFO target to appropriately implement the intent of the annual incentive plan.

The management goals established for 2016 for our named executive officers are summarized as follows:

- maximize core property performance by increasing FFO, same store revenue and NOI growth, and tenant insurance penetration;
- improve efficiency, performance and innovation by rolling out several new technology-based systems, including the next generation point of sale system;
- effectively manage talent and reduce turnovers;
- improve the condition of the portfolio by completing redevelopment opportunities and rebranding stores;
- maintain an efficient and agile financial and balance sheet strategy; and
- grow the portfolio through acquisitions and additional third-party management business.

The CNG Committee did not set quantifiable objectives for the foregoing management goals and assigned no specific weighting to these management goals. The CEO presented to the CNG Committee his assessment of each NEO's performance (other than the Executive Chairman and his own) in achieving the management goals, and recommended to the CNG Committee that the CFO, CIO and CMO be paid between 95-98% of the portion of the bonus related to these goals. After their evaluation of Mr. Woolley's and Mr. Kirk's performance relative to the above management goals, the CNG Committee determined to approve achievement levels of 90% for Mr. Woolley and 95% for Mr. Kirk for the portion of the bonus related to the achievement of the management goals.

The annual bonuses paid to the named executive officers for 2016 are reflected in the "Summary Executive Compensation Table" below.

LONG-TERM INCENTIVES FOR 2016

The Long-Term Incentive Program allows for awards of stock options and grants of restricted stock. The goals of the Company's equity awards are to: (1) align the interests of each executive officer with those of our stockholders by providing each individual with a significant incentive to manage the Company from the perspective of a stockholder with an equity stake in the business, and (2) encourage long-term retention of key employees by virtue of vesting conditions imposed on typical equity awards. Employees must remain employed by the Company for a fixed period of time in order for the equity awards to vest fully. Typically, option awards and grants of restricted stock vest over a four-year period at the rate of 25% per year and the options terminate after ten years. Vesting ceases upon termination of employment and unvested options and grants of restricted stock are cancelled upon termination of employment. The right to exercise vested options ceases 90 days after termination of employment, except that in the case of death, disability or retirement, the exercise period extends until one year after such termination of employment. Prior to the exercise of an option, the holder has no rights as a stockholder with respect to the shares subject to such option, including voting rights and the right to receive dividends or dividend equivalents. During the vesting period, restricted stock awards may not be sold, transferred or pledged; however, the shares may be voted and receive the payment of nonforfeitable dividends.

Stock option awards and grants of restricted shares are discussed and reviewed at regularly scheduled meetings of the CNG Committee. By taking such actions at regularly scheduled meetings, the CNG Committee seeks to avoid any possible appearance that the grant timing was manipulated to affect the value of the awards. We do not have any program, plan or practice to coordinate stock option grants with the release by us of material non-public information or any other investor relations activities.

The CNG Committee awarded both option and restricted stock grants to all of the named executive officers in 2016, which awards are shown in the "Grants of Plan-Based Awards" table below. The values of the option and restricted stock grants were determined by the CNG Committee based on the recommendation of the CEO taking into consideration the total executive compensation at the comparator group of companies.

OTHER COMPENSATION ELEMENTS

We provide benefits and perquisites to our named executive officers and other employees, such as medical and life insurance, 401(k) plan, and severance pursuant to the terms of the Company's change in control plan.

- *Medical Insurance.* The Company makes available to each NEO and their spouses and children such health, dental and vision insurance coverage as the Company may from time to time make available to its other corporate employees. A portion of the insurance coverage is paid by the Company.
- *Life Insurance.* The Company provides each named executive officer such life insurance as the Company may from time to time make available to its other corporate employees.
- *Retirement Benefits.* Our executive officers are eligible to participate in our 401(k) defined contribution plan on the same basis as other eligible employees. The Company currently matches 100% of the first three percent of an employee's compensation contributed by each employee, and 50% of the next two percent of an employee's compensation contributed.

A description of the severance arrangements we maintain with our named executive officers can be found under "Severance Agreements with Executive Officers" below. We also limit the perquisites that we make available to our executive officers, particularly in light of the potential for abuse associated with such perquisites. Accordingly, our executives are entitled to few benefits that are not otherwise available to all of our employees.

POLICY REGARDING TAX DEDUCTIBILITY OF COMPENSATION

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation in excess of $1 million paid to the company's chief executive officer and four other most highly compensated executive officers. Qualifying performance-based compensation will not be subject to the deduction limitation if certain requirements are met. The CNG Committee's general policy is to maintain flexibility in compensating named executive officers in a manner designed to promote varying corporate goals. In addition, we believe that we qualify as a REIT under the Code and generally are not subject to federal income taxes, provided that we distribute to our stockholders at least 90% of our taxable income each year. As a result, we do not expect that the payment of compensation that does not satisfy the requirements of Section 162(m) of the Code will have a material adverse federal income tax consequence to us. Accordingly, the CNG Committee has not adopted a policy that all compensation must be deductible.

STOCK OWNERSHIP GUIDELINES FOR EXECUTIVE AND SENIOR OFFICERS

We have stock ownership guidelines which require each of our executive and senior officers, within five years after appointment as an officer, to hold shares of our common stock, restricted stock or stock options (whether or not vested). These stock ownership guidelines align our officers' interests with those of our stockholders, ensuring executive and senior officers hold a significant amount of equity in the Company. Each executive and senior officer has met the following guidelines as of December 31, 2016:

Position	Base Salary Multiple	Time to Attain
CEO	5x	5 years
Executive Vice President	3x	5 years
Senior Vice President	1x	5 years

IMPACT OF ADVISORY VOTE APPROVING EXECUTIVE COMPENSATION

At the Company's 2016 Annual Meeting of Stockholders, an advisory vote was held to approve executive compensation, thereby affording stockholders the opportunity to cast a vote on the compensation programs for our named executive officers. Of the 125,129,324 total shares outstanding, 91% voted on this matter, excluding abstentions and broker non-votes. The result of these votes indicated 95% approval of the compensation paid to our named executive officers. The CNG Committee believes that the results of this vote affirm stockholder support of the Company's approach to executive compensation, and the CNG Committee did not change its general approach in 2016, except as noted above. The CNG Committee will continue to consider the outcome of advisory stockholder votes regarding executive compensation when making future compensation decisions for our named executive officers.

CHANGES TO EXECUTIVE OFFICER COMPENSATION FOR 2017

For 2017, after considering feedback received from stockholders, the board of directors and the CNG Committee decided to make considerable changes to the Long-Term Incentive Program. Beginning in 2017, the board of directors and the CNG Committee have modified the long-term equity incentive awards to reduce the restricted stock awards granted to our named executive officers from 85% of the total value of their awards to 50% of the total value of their awards. The restricted stock awards will continue to vest over a four year period at a rate of 25% per year. The board and the CNG Committee have decided to eliminate any future awards of stock options to our named executive officers. In addition, the board and the CNG Committee have determined to modify the long-term equity incentive awards such that 50% of the value of the named executive officers' long-term equity incentive awards will be based upon performance-based units.

The performance-based units granted to named executive officers in 2017 represent the right to earn common shares. These awards have two financial performance components, each weighted fifty percent (50%), that are measured at the end of a three-year period beginning January 1, 2017. At the end of the measurement period and to the extent performance goals are achieved, the 2017 performance-based units awards will then be converted into common shares and paid out after the end of the 2017-2019 performance period. In addition, the award recipient will receive a cash payment equivalent to the dividends that would have been paid on such stock during the measurement period on the vesting date.

The first financial component of the performance-based units measures our total stockholder return (measured by reference to the change in our share price plus dividends) as compared to the total stockholder return of a peer group consisting of all REITs tracked within the MSCI US REIT Index. If the Company achieves a total stockholder return at the 50th percentile of its peer group, then the performance-based units will be paid out at 100% of the target shares related to the total stockholder return metric. The second financial component of the performance-based units measures the Company's average annual growth in FFO as adjusted, per share. The CNG Committee has set a three-year FFO as adjusted target which, if achieved, will result in a payout of 100% of the target shares related to the FFO metric. With respect to both measurements, the NEOs have the ability to be paid out at a range of 0% to 200% of the target shares depending on the Company's performance with respect to both metrics.

Compensation, Nominating and Governance Committee Report

The CNG Committee has reviewed and discussed the Compensation Discussion and Analysis with the Company's management and, based on our review and discussions, the committee recommended to the board of directors that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K and in this proxy statement.

Submitted by the CNG Committee

Roger B. Porter, Chairman
Diane Olmstead
K. Fred Skousen

Executive Compensation Tables

SUMMARY EXECUTIVE COMPENSATION TABLE

Name and principal position	Year	Salary	Bonus	Non-equity incentive plan compensation (1)	Stock awards (2)	Option awards (2)	All other compensation (5)	Total
Spencer F. Kirk	2016	$ 750,000	$ —	$ 821,250	$1,275,232	$228,417	$ 96,637	$3,171,536
Former Chief Executive Officer	2015	750,000	—	926,250	1,275,174	224,837	56,536	3,232,797
	2014	1,043,130	—	1,267,403	—	—	11,129	2,321,662
P. Scott Stubbs	2016	475,000	—	468,113	605,800	108,523	82,895	1,740,331
Chief Financial Officer	2015	437,750	100,000(3)	486,559	558,289	98,803	78,376	1,759,777
	2014	397,712	—	440,267	460,750	85,413	76,837	1,460,979
James L. Overturf	2016	385,000	—	316,181	327,622	58,678	42,542	1,130,023
Chief Marketing Officer	2015	334,750	25,000(3)	307,552	284,708	50,364	38,598	1,040,972
	2014	307,337	—	258,220	218,500	40,301	35,860	860,218
Joseph D. Margolis (4)	2016	500,000	—	555,000	680,181	121,822	210,201	2,067,204
Chief Executive Officer and Former Chief Investment Officer	2015	290,000	—	461,250	4,896,222	879,395	121,457	6,648,324
Kenneth M. Woolley	2016	450,000	—	433,350	573,983	102,838	67,626	1,627,797
Executive Chairman	2015	450,000	—	500,175	573,861	101,189	65,591	1,690,816
	2014	463,500	—	506,837	277,875	51,128	54,306	1,353,646

(1) Represents amounts earned related to the Company's annual incentive bonus program.

(2) Dollar amounts represent the total grant date fair value of the stock and option awards granted during the year computed in accordance with ASC 718, using the assumptions to value such awards reported in the notes to the Company's financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016 filed with the SEC. For Mr. Margolis, it includes the grant date fair value of the stock award granted to him during 2015 for his service as a non-employee director prior to joining the Company in July 2015.

(3) Bonus relates to the successful completion of the acquisition of SmartStop Self Storage, Inc. on October 1, 2015.

(4) Mr. Margolis was appointed as CIO effective July 7, 2015 and as CEO effective January 1, 2017. Mr. Margolis served as a director of the Company from February 2005 to July 2015. The amount reflected in the "Salary" column for 2015 includes $40,000 paid to Mr. Margolis for his service as a non-employee director prior to joining the Company in July 2015.

(5) All other compensation includes:

Name	Year	Defined contribution plans	Group term life insurance premiums	Other medical insurance	Dividends on restricted stock	Total other compensation
Spencer F. Kirk	2016	$ —	$468	$9,845	$ 86,324	$ 96,637
P. Scott Stubbs	2016	10,600	468	9,714	62,113	82,895
James L. Overturf	2016	10,600	468	—	31,474	42,542
Joseph D. Margolis	2016	10,600	468	9,738	189,395	210,201
Kenneth M. Woolley	2016	—	304	6,612	60,710	67,626

GRANTS OF PLAN-BASED AWARDS

Name	Estimated future payouts under non-equity incentive plan awards: Threshold	Target (1)	Maximum (1)	Grant date	All other stock awards: number of shares of stock or units (2)	All other option awards: number of shares underlying options (3)	Exercise or base price of option awards ($/Share)	Grant date fair value of stock and option awards (4)
Spencer F. Kirk								
Annual Incentive	$—	$750,000	$937,500	—	—	—	$ —	$ —
Stock awards				2/22/2016	14,830	—	—	1,275,232
Option awards				2/22/2016	—	11,250	85.99	228,417
P. Scott Stubbs								
Annual Incentive	—	427,500	534,375	—	—	—	—	—
Stock awards				2/22/2016	7,045	—	—	605,800
Option awards				2/22/2016	—	5,345	85.99	108,523
James Overturf								
Annual Incentive	—	288,750	360,938	—	—	—	—	—
Stock awards				2/22/2016	3,810	—	—	327,622
Option awards				2/22/2016	—	2,890	85.99	58,678
Joseph D. Margolis								
Annual Incentive	—	500,000	625,000	—	—	—	—	—
Stock awards				2/22/2016	7,910	—	—	680,181
Option awards				2/22/2016	—	6,000	85.99	121,822
Kenneth M. Woolley								
Annual Incentive	—	405,000	506,250	—	—	—	—	—
Stock awards				2/22/2016	6,675	—	—	573,983
Option awards				2/22/2016	—	5,065	85.99	102,838

(1) Amounts relate to the annual incentive bonus as described in the "Annual Incentive Bonus" section above.

(2) Grants of restricted stock awards under the 2015 Incentive Award Plan related to the 2016 total compensation package for the named executive officers. The shares have dividend and voting rights and vest ratably over four years following the grant date.

(3) Grants of stock options under the 2015 Incentive Award Plan related to the 2016 total compensation package for the named executive officers. The options vest ratably over four years following the grant date. The option exercise price was determined using the closing stock price on the date of the grant.

(4) Dollar amounts represent the total grant date fair value of the stock and option awards granted during the year computed in accordance with ASC 718, using the assumptions to value such awards reported in the notes to the Company's financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016 filed with the SEC.

OPTIONS EXERCISED AND STOCK VESTED

Name	Option Awards: Number of shares acquired on exercise	Option Awards: Value realized on exercise	Stock Awards: Number of shares acquired on vesting	Stock Awards: Value realized on vesting
Spencer F. Kirk	75,000	$5,282,250	4,878	$ 400,825
P. Scott Stubbs	6,250	583,196	10,615	901,351
James L. Overturf	4,430	402,733	5,358	454,429
Joseph D. Margolis	—	—	16,361	1,416,372
Kenneth M. Woolley	—	—	11,363	989,810

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

	Option awards				Stock awards	
Name	Number of shares underlying unexercised options exercisable	Number of shares underlying unexercised options unexercisable (1)	Option exercise price	Option expiration date	Number of unearned shares that have not vested (2)	Market value of unearned shares that have not vested (3)
Spencer F. Kirk	130,000	—	$ 6.22	2/17/2019	29,462	$2,275,645
	77,400	—	12.21	3/5/2020		
	3,517	10,548	65.36	2/24/2025		
	—	11,250	85.99	2/22/2026		
P. Scott Stubbs	27,750	—	$ 6.22	2/17/2019	21,199	1,637,411
	15,600	—	11.59	2/16/2020		
	8,000	—	19.60	2/8/2021		
	9,200	—	26.87	2/16/2022		
	6,064	2,021	38.40	2/20/2023		
	3,550	3,550	47.50	2/19/2024		
	1,540	4,620	65.45	2/18/2025		
	—	5,345	85.99	2/22/2026		
Joseph D. Margolis	12,500	37,500	$73.52	8/01/2025	56,990	4,401,908
	—	6,000	85.99	2/22/2026		
James L. Overturf	800	—	$19.60	2/8/2021	10,742	829,712
	3,225	—	26.87	2/16/2022		
	2,419	956	38.40	2/20/2023		
	1,676	1,674	47.50	2/19/2024		
	785	2,355	65.45	2/18/2025		
	—	2,890	85.99	2/22/2026		
Kenneth M. Woolley	11,000	—	$28.11	5/22/2022	19,921	1,538,698
	7,800	2,600	38.40	2/20/2023		
	2,126	2,124	47.50	2/19/2024		
	1,583	4,747	65.36	2/24/2025		
	—	5,065	85.99	2/22/2026		

(1) Stock options vest ratably over four years from the date of grant, which is 10 years prior to the expiration date.

(2) Mr. Kirk has 14,632 shares that vest ratably over the remaining three years on the anniversary of the date of grant of February 24, 2015 and 14,830 shares that vest ratably over four years on each anniversary of the date of grant of February 22, 2016.

Mr. Stubbs' 21,199 shares vest as follows: 2,907 shares vest on February 20, 2017; 4,850 shares vest ratably on the remaining two anniversaries of the date of grant on February 19, 2017 and 2018; 6,397 shares vest ratably on the remaining three anniversaries of the date of grant on February 18, 2017, 2018 and 2019; and 7,045 shares vest ratably over four years on each anniversary of the date of grant of February 22, 2016.

Mr. Margolis has 49,080 shares that vest ratably on the remaining three anniversaries of the date of grant on August 1, 2016, 2017 and 2018 and 7,910 shares that vest ratably over four years on each anniversary of the date of grant of February 22, 2016.

Mr. Overturf's 10,742 shares vest as follows: 1,370 shares vest on February 20, 2017; 2,300 shares vest ratably on the remaining two anniversaries of the grant on February 19, 2017 and 2018; 3,262 shares vest ratably on the remaining three anniversaries of the date of grant on February 18, 2017, 2018 and 2019; and 3,810 shares vest ratably over four years on each anniversary date of grant of February 22, 2016.

Mr. Woolley's 19,921 shares vest as follows: 3,737 shares vest on February 20, 2017; 2,924 shares vest ratably over the remaining two years on February 19, 2017 and 2018; 6,585 shares vest ratably on the remaining three anniversaries of the date of grant on February 24, 2017, 2018 and 2019; and 6,675 shares vest ratably over four years on each anniversary date of grant of February 22, 2016.

(3) Market value at year-end is based on the closing trading price of our stock on December 30, 2016, which was $77.24.

SEVERANCE AGREEMENTS WITH EXECUTIVE OFFICERS

The named executive officers do not have employment agreements with the Company; however, they would receive severance payments upon termination of employment by reason of termination without cause or resignation for good reason within 12 months following a change in control of the Company as defined in the Company's Executive Change in Control Plan as follows:

- two years of annual base salary plus two times the greater of the prior year's bonus or average of the three previous annual bonuses, payable in a lump sum;
- annual salary and other benefits earned and accrued prior to the termination of employment;
- lump sum payment equal to the cost of continuing health benefits for two years;
- outplacement services for six months; and
- full vesting of equity incentive compensation and any non-qualified pension or deferred compensation benefits.

The following table presents the amounts that would have been received by or paid on behalf of our named executive officers in the event of a change in control within the terms of the Executive Change in Control Plan and a qualifying termination as of December 31, 2016:

Name	Base Salary	Bonus	Value of Acceleration of Equity Awards (1)	Accrued Benefits (2)	Health Benefits (3)	Total (4)
Spencer F. Kirk	$1,500,000	$2,009,935	$2,400,955	$ —	$39,090	$5,949,980
P. Scott Stubbs	950,000	936,226	1,875,953	45,673	39,090	3,846,942
James L. Overturf	770,000	632,362	944,393	31,096	39,090	2,416,941
Joseph D. Margolis	1,000,000	1,110,000	4,541,408	18,815	39,090	6,709,313
Kenneth M. Woolley	900,000	960,241	1,759,244	—	26,264	3,645,749

(1) Represents the value of the acceleration of the unvested options and awards using the closing stock price of $77.24 on December 30, 2016.

(2) Represents the amount of accrued vacation at December 31, 2016.

(3) Represents the value of health benefits to be paid on behalf of the executive for the two years after termination, however, does not include the amount of any tax gross-up on such amounts as described in the plan.

(4) Excludes the value of outplacement benefits, which cannot be quantified at this time.

EQUITY COMPENSATION PLAN INFORMATION

The following table presents certain equity compensation plan information as of December 31, 2016:

Plan Category	Number of shares to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of shares remaining available for future issuance under equity compensation plans (excluding shares reflected in the first column)
Equity compensation plans approved by security holders	510,574(1)	$30.60(1)	1,934,735(2)
Equity compensation plans not approved by security holders	—	—	—
Total	510,574	$30.60	1,934,735

(1) Represents shares issuable pursuant to and weighted-average exercise price of outstanding options under our 2015 Incentive Award Plan and 2004 Long-Term Incentive Compensation Plan ("2004 Plan").

(2) Represents shares issuable pursuant to future awards under our 2015 Incentive Award Plan. Shares available may increase by previously issued options or awards under the 2004 Plan that are cancelled and/or forfeited.

SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS

The following table presents the beneficial ownership of our common stock, as of the close of business on March 22, 2017 of:

- each of our directors and nominees for director;
- each named executive officer noted above; and
- our directors and executive officers as a group.

The address for each named person is c/o Extra Space Storage Inc., 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, UT 84121. We are not aware of any pledge of our common stock that could result in a change in control of our Company.

Name	Number of Shares Beneficially Owned	Percent of Class (7)
Directors		
Kenneth M. Woolley (1)	869,039	*
Spencer F. Kirk (2)	3,037,167	2.41%
Karl Haas	88,881	*
Dennis Letham	3,088	*
Diane Olmstead	3,933	*
Roger B. Porter (3)	223,827	*
K. Fred Skousen	34,369	*
Non-Director Named Executive Officers		
P. Scott Stubbs (4)	210,827	*
Joseph D. Margolis (5)	123,558	*
James Overturf (6)	104,281	*
All directors and NEOs as a group (10 persons)	4,698,970	3.72%

* Less than 1.0%

(1) Amounts include 10,858 restricted shares of our common stock that are subject to restrictions on transfers and forfeiture provisions. The forfeiture and transfer restrictions lapse over a four-year period beginning on the date of grant. Amounts shown in the table include options to acquire 78,377 shares of common stock that can be exercised within 60 days of March 22, 2017. Amounts also include 800,000 shares that were pledged as collateral on a loan. As of March 22, 2017, approximately $34 million was outstanding on the loan.

(2) Includes 2,032,276 shares of common stock which are held by Krispen Family Holdings, L.C., an entity in which Mr. Kirk has shared voting and investment power. Mr. Kirk has no pecuniary interest in 50.5% of such shares and disclaims beneficial ownership. Includes 123,215 shares of common stock which are held by The Kirk 101 Trust. Mr. Kirk has no pecuniary interest in any of these shares and disclaims beneficial ownership. Amounts include 20,876 restricted shares of our common stock that are subject to restrictions on transfers and forfeiture provisions. The forfeiture provisions and transfer restrictions lapse over a four-year period beginning at the date of grant. Amounts shown in the table include options to acquire 217,246 shares of common stock that can be exercised within 60 days of March 22, 2017.

(3) Includes 100,000 shares of common stock which are held by Roger Blaine Porter 2012 Trust, an entity in which Mr. Porter has shared voting and investment power and beneficial ownership.

(4) Amounts include 11,972 restricted shares of our common stock that are subject to restrictions on transfers and forfeiture provisions. The forfeiture and transfer restrictions lapse over a four-year period beginning on the date of grant. Amounts shown in the table also include the options to acquire 78,377 shares of common stock that can be exercised within 60 days of March 22, 2017.

(5) Amounts include 55,012 restricted shares of our common stock that are subject to restrictions on transfers and forfeiture provisions. The forfeiture and transfer restrictions lapse over a four-year period beginning on the date of grant. Amounts shown in table also include the options to acquire 14,000 shares of common stock that can be exercised within 60 days of March 22, 2017. Amounts also include 37,270 shares that were pledged as collateral on a line of credit. As of March 22, 2017, no amounts were outstanding on the line.

(6) Amounts include 6,181 restricted shares of our common stock that are subject to restrictions on transfers and forfeiture provisions. The forfeiture and transfer restrictions lapse over a four-year period beginning on the date of grant. Amounts shown in the table also include options to acquire 12,206 shares of common stock that can be exercised within 60 days of March 22, 2017.

(7) For each person included in the table, percent of class is calculated by dividing the number of shares of our common stock beneficially owned by that person by the sum of (a) 125,912,293 shares of our common stock outstanding as of March 22, 2017 plus (b) the number of options to acquire common stock beneficially owned by such person that can be exercised within 60 days of March 22, 2017.

Section 16(a) Beneficial Ownership Reporting Compliance

Under federal securities laws, our directors, executive officers and holders of 10% or more of our common stock are required to report, within specified monthly and annual due dates, their initial ownership in the Company's common stock and all subsequent acquisitions, dispositions or other transfers of beneficial interests therein, if and to the extent reportable events occur which require reporting by such due dates. Based solely on representations and information provided to us by the persons required to make such filings, we believe that all filing requirements were met in 2016, except that Mr. Kirk filed one late Form 4 reporting one transaction.

MATTERS THAT MAY BE BROUGHT BEFORE THE ANNUAL MEETING

Item 1. Election of Directors

NOMINEES

In accordance with the provisions of our charter and bylaws, each member of the board of directors is elected at the annual meeting. Each member of the board of directors elected will serve for a term expiring at the annual meeting of stockholders in 2018, and until his or her successor has been duly elected and qualifies, or until his or her resignation or removal. Kenneth M. Woolley, Joseph D. Margolis, Roger B. Porter, Spencer F. Kirk, Dennis J. Letham, Diane Olmstead and K. Fred Skousen are the nominees for election to the board of directors.

We have not received notice of any additional candidates to be nominated for election as directors at the 2017 Annual Meeting of Stockholders and the deadline for notice of additional candidates has passed. Consequently, the election of directors will be an uncontested election and the provisions of our bylaws providing for majority voting in uncontested elections will apply. Under majority voting, to be elected as a director, a nominee must receive votes "FOR" his or her election constituting a majority of the total votes cast for and against such nominee at the annual meeting at which a quorum is present. If a nominee who currently is serving as a director does not receive sufficient "FOR" votes to be re-elected, he or she must submit his or her resignation to the board of directors. Our CNG Committee will consider such tendered resignation and recommend to the board whether to accept it. The board of directors will decide whether to accept any such resignation within 90 days after certification of the election results and will publicly disclose its decision. If the resignation is not accepted, the director will continue to serve until the director's successor is duly elected and qualifies or until the director's earlier resignation or removal.

Each of the nominees has consented to serve if elected. If, before the annual meeting, any of them becomes unable to serve, or chooses not to serve, the board of directors may nominate a substitute. If that happens, the persons named as proxies on the proxy card will vote for the substitute.

Biographical information about each of the nominees is found at the beginning of this proxy statement. See "Information about the Board of Directors and its Committees—Nominees for Directors."

Recommendation of the Board of Directors

Our board of directors recommends that you vote FOR the election of Kenneth M. Woolley, Joseph D. Margolis, Roger B. Porter, Spencer F. Kirk, Dennis J. Letham, Diane Olmstead and K. Fred Skousen as directors for the term expiring at the 2018 Annual Meeting of Stockholders, and until their respective successors are duly elected and qualify.

Item 2. Ratification of the Engagement of Ernst & Young LLP as the Company's Independent Registered Public Accounting Firm for 2017

Our Audit Committee has appointed the firm of Ernst & Young LLP to serve as our independent registered public accounting firm for the year ending December 31, 2017. Ernst & Young LLP has acted as the Company's independent registered public accounting firm since April 2005, and our management considers the firm to be well qualified.

We have been advised by Ernst & Young LLP that it is a registered public accounting firm with the PCAOB and complies with the auditing, quality control and independence standards and rules of the PCAOB and the SEC.

Our charter and bylaws do not require that stockholders ratify the appointment of the independent registered public accounting firm. We are submitting the appointment for ratification because the board of directors believes it is a matter of good corporate practice. If our stockholders do not ratify the appointment, the Audit Committee will reconsider whether to retain Ernst & Young LLP. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interest of the Company.

A representative of Ernst & Young LLP is expected to be present at the annual meeting with the opportunity to make a statement if the representative desires to do so, and is expected to be available to respond to appropriate questions.

AUDIT AND NON-AUDIT FEE TABLE

The following table presents the aggregate fees for professional audit services rendered for the integrated audits of our annual financial statements for the years ended December 31, 2016 and 2015, for the reviews of the financial statements included in our Quarterly Reports on Form 10-Q for those fiscal years and for the testing of our internal control over financial reporting pursuant to Section 404(a) of the Sarbanes-Oxley Act of 2002, and fees billed for other services rendered during those periods.

	2016	2015
Audit Fees (1)	$1,470,522	$2,036,289
Audit-Related Fees (2)	—	—
Tax Fees (3)	819,556	829,975
Other Fees	—	—
Total Fees	$2,290,078	$2,866,264

(1) Audit fees consist of services rendered for the audit of our annual financial statements and other financial disclosures, audit of our internal control over financial reporting, review of the consolidated financial statements included in our Form 10-Q filings, consents issued related to registration statements and issuance of comfort letters.

(2) Audit-related fees represent professional fees for accounting consultation and other attest engagements.

(3) Tax fees represent professional services rendered for tax compliance, tax advice and tax planning.

AUDIT COMMITTEE PRE-APPROVAL OF SERVICES BY THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

In accordance with its charter and applicable rules and regulations adopted by the SEC, the Company's Audit Committee reviews and pre-approves any engagement of the independent registered public accounting firm to provide audit, review or attest services or non-audit services and the fees for any such services. The Audit Committee annually considers and, if appropriate, approves the provision of audit services by the independent registered public accounting firm. In addition, the Audit Committee periodically considers and, if appropriate, approves the provision of any additional audit and non-audit services by our independent registered public accounting firm that are neither pre-approved by the Audit Committee on an annual basis nor prohibited by applicable rules and regulations of the SEC. The Audit Committee has delegated to the chairman of the Audit Committee, Mr. Skousen, the authority to pre-approve, on a case-by-case basis, any such additional audit and non-audit services to be performed by our independent registered public accounting firm. Mr. Skousen reports any decision to pre-approve such services to the Audit Committee at its next regular meeting. All of the fees described in the table above were pre-approved by the Audit Committee.

Recommendation of the Board of Directors

Our board of directors recommends that you vote "FOR" ratification of the Audit Committee's selection of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2017.

Item 3. Advisory Vote to Approve the Compensation of the Named Executive Officers

The Company requests stockholder approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules (which disclosure includes the Compensation Discussion and Analysis and the accompanying compensation tables and related material disclosed in this proxy statement).

As described in the Compensation Discussion and Analysis of this proxy statement, our executive compensation program is designed to reinforce a results-oriented culture with executive pay that reflects Company and individual performance against business objectives and high ethical standards, with an emphasis on variable performance-based compensation. Our compensation program is designed to attract, retain and motivate key executives and align their interests with that of our stockholders. As such, we believe that our executive compensation program and the corresponding executive compensation detailed in the compensation tables and related narrative of this proxy statement are strongly aligned with the long-term interests of our stockholders.

As an advisory vote, this proposal is not binding upon the Company. However, our CNG Committee, which is responsible for designing and administering our executive compensation program, values the opinions expressed by stockholders in their vote on this proposal, and will carefully consider the outcome of the vote when making future compensation decisions for named executive officers.

The board of directors strongly endorses the Company's executive compensation program and recommends that stockholders vote in favor of the following resolution:

RESOLVED, that the stockholders approve, on an advisory basis, the compensation paid to the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables and any related material disclosed in Extra Space Storage Inc.'s Proxy Statement for the 2017 Annual Meeting of Stockholders.

Recommendation of the Board of Directors

Our board of directors recommends that you vote "FOR" the approval, on an advisory basis, of the compensation paid to our named executive officers as disclosed pursuant to the SEC's compensation disclosure rules.

Item 4. Advisory Vote to Approve the Frequency of Stockholder Vote on Executive Compensation

The Company requests stockholders cast an advisory, non-binding vote on whether the advisory vote on our executive compensation should be held every one, two or three years. After careful consideration, the board of directors recommends that future advisory votes on executive compensation occur every year. The board of directors believes that conducting the advisory vote on executive compensation every year is optimal for a number of reasons, including:

- Our executive compensation program is evaluated, adjusted and approved on an annual basis. As part of an annual evaluation, our CNG Committee reviews and determines the primary elements of compensation for our named executive officers. Setting a one-year period for holding a stockholder vote on our executive compensation program will allow the stockholders to provide our CNG Committee with direct and frequent input on the compensation program for our named executive officers as disclosed in the proxy statement every year.
- An annual advisory vote on the executive compensation program aligns closely with our objective to engage in regular dialogue with our stockholders on corporate governance matters, including the compensation program for our named executive officers.
- An advisory vote every year reflects an appropriate time frame for our CNG Committee to adjust our executive compensation program if necessary in light of a past advisory vote on executive compensation, and for stockholders to see and evaluate the result of the CNG Committee's actions in a timely manner.

This vote is an advisory vote, and therefore the result will be non-binding. Although the vote is non-binding, the board of directors and the CNG Committee intend to conduct an annual advisory vote on executive compensation if so recommended by the stockholders. Otherwise, we will consider the outcome of the vote when considering the frequency of future advisory votes on executive compensation.

Recommendation of the Board of Directors

Our board of directors recommends that you vote, on an advisory basis, to hold an advisory vote on executive compensation every year.

OTHER MATTERS

Review and Approval of Related Party Transactions

The Company recognizes that related party transactions present a heightened risk of conflicts of interest (or the perception thereof), and therefore has adopted a written policy pursuant to which all related party transactions will be subject to review and approval or ratification in accordance with the procedures set forth in the policy. A related party transaction is defined in our policy as a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) requiring disclosure under Item 404(a) of Regulation S-K promulgated by the SEC, or any successor provision as then in effect.

The policy provides that related party transactions are reviewed by our Audit Committee or another independent body of the board of directors, such as the independent and disinterested members of the board of directors. As set forth in the Audit Committee charter, the members of the Audit Committee, all of whom are independent directors, review and approve related party transactions for which such approval is required under applicable law, including SEC and NYSE rules.

In the course of its review and approval or ratification of a disclosable related party transaction, the Audit Committee or the independent and disinterested members of the board of directors may consider:

- the nature of the related person's interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to the Company;
- whether the transaction would impair the judgment of a director or executive officer to act in the best interest of the Company; and
- any other matters deemed appropriate.

Related Party Transactions

SpenAero, L.C.

From time to time, the Company leases a private jet from SpenAero, L.C. ("SpenAero"), an affiliate of Spencer F. Kirk, a member of our board of directors and the Company's former CEO. Under the terms of the lease agreement, the Company pays SpenAero for specific operating expenses and a defined hourly rate for each flight hour it uses. In the fiscal year ended December 31, 2016, the Company paid SpenAero a total of $1.2 million. The Company is not required to lease any minimum number of hours on the aircraft. The lease rates and other charges by SpenAero to the Company in connection with the lease are similar in nature and amount to those provided to similar aircraft lessees not affiliated with the Company.

Voting Shares at Annual Meeting

Holders of record of our common stock as of the close of business on the record date, March 22, 2017, are entitled to receive notice of, and to vote at, the annual meeting. The outstanding common stock constitutes the only class of securities entitled to vote at the annual meeting and each share of common stock entitles the holder thereof to one vote. At the close of business on March 22, 2017, there were 125,912,293 shares of common stock outstanding. Stockholders can vote in person at the annual meeting or by proxy.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Internet proxy authorization also will be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your shares in person at the annual meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy card and bring it to the annual meeting in order to vote.

Shares will be voted as the stockholder of record instructs. The persons named as proxies on the proxy card will vote as recommended by our board of directors on any matter for which a stockholder has not given instructions. The board of directors' recommendations appear under each matter to be voted on under the section titled "Matters That May be Brought Before the Annual Meeting".

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on May 18, 2017

Electronic copies of our proxy statement and annual report for fiscal year 2016 are available at our website, *www.extraspace.com*, under Investor Relations.

Revoking a Proxy

Stockholders of record may revoke their proxy and change their votes any time before their votes are cast by:

- giving written notice of revocation to our Corporate Secretary at our address prior to the annual meeting;
- authorizing a proxy again on a later date on the Internet (only the latest Internet proxy submitted prior to the annual meeting will be counted);
- signing and forwarding to us a later-dated proxy; or
- attending the annual meeting and voting their shares of common stock in person.

Quorum and Vote Counting

The annual meeting requires a quorum, which means that a majority of the shares issued and outstanding as of the record date must be represented at the meeting. If a stockholder grants a proxy or attends the meeting in person, that stockholder's shares will be counted to determine whether a quorum is present, even if the stockholder abstains from voting on some or all matters introduced at the meeting. "Broker non-votes" (as described below) also count for quorum purposes.

If shares are held through a broker, bank or other nominee, generally the nominee may vote the shares it holds for the stockholder in accordance with the stockholder's instructions. However, if the nominee has not received instructions within ten days prior to the meeting, the nominee may vote in its discretion only on matters that the NYSE determines to be routine. If a nominee cannot vote on a particular matter because it is not routine, there is a "broker non-vote" on that matter.

Each of the seven nominees for director must receive a majority of the votes cast for and against such nominee to be elected as director. All other matters must be approved by a majority of the votes cast on such matter. Abstentions and broker non-votes are counted as present and entitled to vote, but they are not counted as votes for or against any proposal and therefore have no effect on the outcome of any of the matters to be voted upon at the annual meeting.

American Stock Transfer & Trust Company, our transfer agent and registrar, will assist in the distribution of proxy materials and tabulation of votes.

Costs of Soliciting Proxies

We pay the costs of soliciting proxies. In addition to solicitation by Internet and mail, certain of our directors, officers and regular employees may solicit the return of proxies by telephone, personal interview or otherwise without being paid additional compensation. We will also reimburse brokerage firms and other persons representing the beneficial owners of our shares for their reasonable expenses in forwarding proxy solicitation material to the beneficial owners in accordance with the proxy solicitation rules and regulations of the SEC and the NYSE.

Other Matters to Come Before the 2017 Annual Meeting

Our board of directors and management know of no other matters or business to be presented for consideration at the annual meeting. If, however, any other matters properly come before the annual meeting or any adjournment(s) or postponement(s) thereof, it is the intention of the persons named in the enclosed proxy to vote such proxy in accordance with their discretion on any such matters. The persons named in the enclosed proxy may also, if they deem it advisable, vote such proxy to adjourn the annual meeting from time to time.

Stockholder Proposals for 2018 Annual Meeting

Under SEC rules, proposals from our eligible stockholders must be received by us no later than December 4, 2017, in order to be considered for inclusion in the proxy statement for the 2018 Annual Meeting of Stockholders. Any such proposals, as well as any questions relating thereto, should be directed to the Corporate Secretary of the Company at the Company's principal executive offices. Proposals we receive after December 4, 2017, will not be included in the proxy statement for the 2018 annual meeting.

In addition, under our current bylaws, and as SEC rules permit, stockholders must follow certain procedures to nominate a person for election as a director at an annual or special meeting, or to introduce an item of business at an annual meeting. A Stockholder must notify the Corporate Secretary of the Company in writing of the director nominee or the other business. For purposes of our 2018 Annual Meeting of Stockholders, the notice must include the information required in our bylaws and be delivered to the Corporate Secretary at the principal executive offices of the Company not earlier than the 150th day (November 4, 2017) and not later than 5:00 p.m., Mountain Time, on the 120th day (December 4, 2017) prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting. Proposals we receive which do not comply with the procedures set forth in our bylaws will not be acted upon at the 2018 annual meeting.

If the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder must be delivered as described above not earlier than the 150th day prior to the date of mailing of the notice for such annual meeting and not later than 5:00 p.m., Mountain Time, on the later of the 120th day prior to the date of such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting does not commence a new time period for notice as described above.

Householding of Proxy Materials

The rules promulgated by the SEC permit companies, brokers, banks or other intermediaries to deliver a single copy of an annual report, proxy statement or Notice of Internet Availability, as applicable to households at which two or more stockholders reside. This practice, known as "householding," is designed to reduce duplicate mailings and save significant printing and postage costs as well as natural resources. Stockholders sharing an address who have been previously notified by their broker, bank or other intermediary and have consented to "householding" will receive only one copy of our annual report, proxy statement or Notice of Internet Availability, as applicable. If you would like to opt out of this practice for future mailings and receive a separate annual report, proxy statement or Notice of Internet Availability, as applicable for each stockholder sharing the same address, please contact your broker, bank or other intermediary. You may also obtain a separate annual report, proxy statement or Notice of Internet Availability, as applicable, without charge by sending a written request to Extra Space Storage Inc., 2795 East Cottonwood Parkway, Suite 300, Salt Lake City, UT 84121, Attention: Investor Relations, or by telephone at (801) 365-1759. We will promptly send additional copies of the annual report, proxy statement or Notice of Internet Availability, as applicable, upon receipt of such request. Stockholders sharing an address that are receiving multiple copies of the annual report, proxy statement or Notice of Internet Availability, as applicable, can request delivery of a single copy of the annual report, proxy statement or Notice of Internet Availability, as applicable, by contacting their broker, bank or other intermediary or sending a written request to Extra Space Storage Inc. at the address above.

Principal Stockholders

The following table shows the number of shares of our common stock beneficially owned by each person known to us as having beneficial ownership of more than five percent of our common stock based on filings with the SEC that were provided to the Company. The number of shares is as of the most recent date the information was available, as shown in the table footnotes.

Name	Number of Shares Owned	Percent of Class (1)
The Vanguard Group, Inc. (2)	21,083,043	16.7%
Fidelity Management & Research Company (3)	14,753,186	11.7%
BlackRock, Inc. (4)	11,627,894	9.2%
Cohen & Steers, Inc. (5)	9,888,576	7.9%
State Street Corporation (6)	7,306,835	5.8%
Invesco Ltd. (7)	6,357,772	5.1%

(1) Based on a total of 125,912,293 shares of our common stock outstanding as of March 22, 2017.

(2) Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 160,150 shares as a result of its serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd., a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 374,520 shares as a result of its serving as investment manager of Australian investment offerings. Also includes 9,544,095 shares beneficially owned by Vanguard Specialized Funds — Vanguard REIT Index Fund, which has sole voting power over these shares. The address for The Vanguard Group Inc. is 100 Vanguard Blvd., Malvern, PA 19355. The foregoing information is based on information disclosed in The Vanguard Group, Inc.'s Schedule 13G/A, filed with the SEC on February 10, 2017, and Vanguard Specialized Funds — Vanguard REIT Index Fund's Schedule 13G/A, filed with the SEC on February 13, 2017.

(3) Based on information disclosed in FMR LLC Schedule 13G/A filed with the SEC on February 14, 2017. FMR LLC holds a 100% interest in Fidelity Management & Research Company, a registered investment advisor. The address for FMR LLC is 245 Summer Street, Boston, Massachusetts 02210.

(4) Based on information disclosed in BlackRock, Inc.'s Schedule 13G/A filed with the SEC on January 24, 2017. Includes shares beneficially owned by the following subsidiaries of BlackRock, Inc.: BlackRock (Luxembourg) S.A., Blackrock (Netherlands) B.V., Blackrock (Singapore) Limited, BlackRock Advisors (UK) Limited, BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management Ireland Limited, BlackRock Asset Management North Asia Limited, BlackRock Asset Management Schweiz AG, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Fund Managers Ltd, BlackRock Institutional Trust Company, N.A., BlackRock International Limited, BlackRock Investment Management (Australia) Limited, BlackRock Investment Management (UK) Ltd, BlackRock Investment Management, LLC, BlackRock Japan Co Ltd, and BlackRock Life Limited. The address for BlackRock, Inc. is 55 East 52nd Street, New York, NY 10055.

(5) Based on information disclosed in Cohen & Steers, Inc.'s Schedule 13G/A filed with the SEC on February 14, 2017. Cohen & Steers, Inc. holds a 100% interest in Cohen & Steers Capital Management, Inc., a registered investment advisor. Cohen & Steers Capital Management, Inc. beneficially owns 9,762,925 shares. The address for Cohen & Steers, Inc. is 280 Park Avenue, 10th Floor, New York, NY 10017.

(6) Based on information disclosed in State Street Corporation's Schedule 13G filed with the SEC on February 6, 2017. Includes shares beneficially owned by the following subsidiaries of State Street Corporation: State Street Bank and Trust Company, SSGA Funds Management, Inc., State Street Global Advisors, Ltd, State Street Global Adviors, Australia, Limited, State Street Global Adviors (Asia) Limited, State Street Global Adviors (Japan) Co., Ltd, and State Street Global Adviors France, S.A. The address for State Street Corporation is One Lincoln Street, Boston, MA 02111.

(7) Based on information disclosed in Invesco Ltd.'s Schedule 13G filed with the SEC on February 14, 2017. Includes shares beneficially owned by the following subsidiaries of Invesco Ltd.: Invesco Advisers, Inc., Invesco Asset Management Japan Limited, Invesco Investment Advisers, LLC, and Invesco PowerShares Capital Management LLC. The address for Invesco, Ltd. is 1555 Peachtree Street NE, Suite 1800, Atlanta GA 30309.

APPENDIX A – RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Funds From Operations

FFO provides relevant and meaningful information about the Company's operating performance that is necessary, along with net income and cash flows, for an understanding of the Company's operating results. The Company believes FFO is a meaningful disclosure as a supplement to net earnings. Net earnings assume that the values of real estate assets diminish predictably over time as reflected through depreciation and amortization expenses. The values of real estate assets fluctuate due to market conditions and the Company believes FFO more accurately reflects the value of the Company's real estate assets. FFO is defined by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT") as net income computed in accordance with GAAP excluding gains or losses on sales of operating stores and impairment write downs of depreciable real estate assets, plus depreciation and amortization and after adjustments to record unconsolidated partnerships and joint ventures on the same basis. The Company also presents FFO as adjusted which excludes non-recurring revenues and expenses, acquisition related costs and non-cash interest.

The following table outlines the Company's FFO and FFO as adjusted for the year ended December 31, 2016. The table also provides a reconciliation to GAAP net income attributable to common stockholders and earnings per diluted share (amounts shown in thousands, except share and per share data — unaudited):

	For the Year Ended December 31, 2016	
		(per share)
Net income attributable to common stockholders	$ 366,127	$ 2.91
Impact of the difference in weighted average number of shares–diluted (1)		(0.17)
Adjustments:		
Real estate depreciation	155,358	1.16
Amortization of intangibles	20,467	0.15
(Gain) loss on real estate transactions, earnout from prior acquisitions and sale of other assets	(8,465)	(0.06)
Unconsolidated joint venture real estate depreciation and amortization	4,505	0.03
Unconsolidated joint venture gain on sale of properties and purchase of partners' interests	(69,199)	(0.51)
Distributions paid on Series A Preferred Operating Partnership units	(5,085)	(0.04)
Income allocated to Operating Partnership noncontrolling interests	30,962	0.23
FFO attributable to common stockholders and unit holders	$ 494,670	$ 3.70
Adjustments:		
Non-cash interest expense related to amortization of discount on equity portion of exchangeable senior notes	4,980	0.04
Non-cash interest benefit related to out of market debt	(872)	(0.01)
Loss related to settlement of legal action	4,000	0.03
Acquisition related costs and other	12,111	0.09
FFO as adjusted attributable to common stockholders and unit holders	$ 514,889	$ 3.85
Weighted average number of shares—diluted (2)	133,798,946	

(1) Adjustment to account for the difference between the number of shares used to calculate earnings per share and the number of shares used to calculate FFO per share. Earnings per share is calculated using the two-class method, which uses a lower number of shares than the calculation for FFO per share and FFO as adjusted per share, which are calculated assuming full redemption of all OP units as described in note (2).

(2) Extra Space Storage LP (the "Operating Partnership") has outstanding preferred and common operating partnership units ("OP units"). These OP units can be redeemed for cash or, at the Company's election, shares of the Company's common stock. Redemption of all OP units for common stock has been assumed for purposes of calculating the weighted average number of shares—diluted as presented above. The computation of weighted average number of shares—diluted for FFO per share and FFO as adjusted per share also includes the effect of share-based compensation plans and shares related to the exchangeable senior notes using the treasury stock method.

Same Store Net Operating Income

For an explanation of how we calculate Same-Store net operating income, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC.