

U-Store-It Trust
Form 8-K/A
April 21, 2006

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

**FORM 8-K/A
Amendment No. 1**

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
Of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): February 7, 2006**

**U-STORE-IT TRUST
(Exact Name of Registrant as Specified in its Charter)**

**Maryland
(State or Other Jurisdiction of
Incorporation or Organization)**

**001-32324
(Commission File Number)**

**20-1024732
(IRS Employer Identification No.)**

**6745 Engle Road, Suite 300
Cleveland, OH 44130
(Address of Principal
Executive Offices)**

**44130
(Zip Code)**

**(440)234-0700
Registrant's Telephone Number, Including Area Code
Not Applicable
(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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EXPLANATORY NOTE:

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, U-Store-It Trust (the Company) hereby amends its Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 7, 2006, for the purpose of filing the financial statements and pro forma financial information required by Item 9.01 of Form 8-K with respect to the Company's acquisition of a portfolio of 24 self-storage facilities from Crownridge Storage Portfolio, LLC and Williams Storage Portfolio III, LLC, both Nevada limited liability companies (the Sure Save USA Self Storage Acquisition) in accordance with Rule 3-14 and Article 11 of Regulation S-X, respectively. In addition, the Company completed acquisitions of 11 other self-storage facilities during 2006 and has determined that it is probable that an additional 13 facilities will be acquired and accordingly is including their results in the pro forma financial information.

In accordance with Rule 3-14 and Article 11 of Regulation S-X, the Company hereby files the following financial statements and pro forma financial information, respectively.

Item 9.01. Financial Statements and Exhibits.

(a) *Financial Statements of Businesses Acquired.*

Sure Save Storage Portfolio

Independent Auditors' Report.

Combined Statement of Revenues and Certain Operating Expenses for the Year Ended December 31, 2005.

Notes to Combined Statement of Revenues and Certain Operating Expenses.

(b) *Pro Forma Financial Information.*

Unaudited Pro Forma Condensed Consolidated Financial Information.

Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2005.

Notes to the Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2005.

Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Year Ended December 31, 2005.

Notes to the Unaudited Pro Forma Condensed Consolidated Statement of Operations.

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SURE SAVE STORAGE PORTFOLIO

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U-STORE-IT TRUST
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
December 31, 2005
(Dollars in Thousands)

| | U-Store-It Trust Historical (1) | Completed Facility Acquisitions (2) | Subtotal | Probable Facility Acquisitions (3) | U-Store-It Trust Pro Forma |
|---|--|--|---------------------|---|---|
| ASSETS | | | | | |
| Storage facilities net | \$ 1,246,295 | \$ 223,371 (iii) | \$ 1,469,666 | \$ 77,494 | \$ 1,547,160 |
| Cash and cash equivalents | 201,098 | (171,073)(i) | 30,025 | | 30,025 |
| Restricted cash | 14,672 | (17)(i) | 14,655 | | 14,655 |
| Loan procurement costs net | 10,437 | 97 (iii) | 10,534 | | 10,534 |
| Other assets | 8,631 | 443 (iii) | 9,074 | | 9,074 |
| Other assets related party | 355 | | 355 | | 355 |
| TOTAL ASSETS | \$ 1,481,488 | \$ 52,821 | \$ 1,534,309 | \$ 77,494 | \$ 1,611,803 |
| LIABILITIES AND SHAREHOLDERS EQUITY | | | | | |
| LIABILITIES | | | | | |
| Loans payable | \$ 669,282 | \$ 52,072 (ii) | \$ 721,354 | \$ 77,494 | \$ 798,848 |
| Capital lease obligations | 56 | | 56 | | 56 |
| Accounts payable and accrued expenses | 18,798 | 67 (ii) | 18,865 | | 18,865 |
| Accounts payable and accrued expenses related party | 74 | | 74 | | 74 |
| Distribution payable | 16,624 | | 16,624 | | 16,624 |
| Rents received in advance | 8,857 | 633 (ii) | 9,490 | | 9,490 |
| Security deposits | 685 | 49 (ii) | 734 | | 734 |
| Total liabilities | 714,376 | 52,821 (ii) | 767,197 | 77,494 | 844,691 |
| MINORITY INTEREST | 64,108 | | 64,108 | | 64,108 |
| SHAREHOLDERS EQUITY | | | | | |
| Common shares | 570 | | 570 | | 570 |
| Additional paid-in-capital | 795,244 | | 795,244 | | 795,244 |
| Unearned share grant compensation | (1,557) | | (1,557) | | (1,557) |
| Accumulated deficit | (91,253) | | (91,253) | | (91,253) |
| Total shareholders equity | 703,004 | | 703,004 | | 703,004 |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | \$ 1,481,488 | \$ 52,821 | \$ 1,534,309 | \$ 77,494 | \$ 1,611,803 |

See accompanying notes to the unaudited proforma condensed consolidated balance sheet.

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NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
December 31, 2005
(Dollars in Thousands)

Presentation

The accompanying Unaudited Pro Forma Condensed Consolidated Balance Sheet of the Company reflects adjustments related to (1) the acquisition of 35 self-storage facilities (including Sure Save Storage Portfolio) completed subsequent to December 31, 2005 (2) the probable acquisitions of 13 self-storage facilities (3) and borrowings on the credit facility, and is presented as if they all had occurred on December 31, 2005.

In the opinion of the Company's management, all material adjustments necessary to reflect the effects of the preceding transactions have been made. The Unaudited Pro Forma Condensed Consolidated Balance Sheet is presented for illustrative purposes only and is not necessarily indicative of what the actual financial position of the Company would have been had the acquisitions and financings described above occurred on December 31, 2005, nor does it purport to represent the future financial position of the Company. This Unaudited Pro Forma Condensed Consolidated Balance Sheet should be read in conjunction with the Company's annual report on Form 10-K for the annual period ended December 31, 2005.

Notes

- (1) Reflects the historical consolidated balance sheet of U-Store-It Trust included in the Company's Annual Report on Form 10-K for the year ended December 31, 2005.
- (2) Represents the adjustments related to the acquisition of 35 self-storage facilities. These acquisitions were completed from January 1, 2006 through March 1, 2006.

The acquisition cost for the assets is calculated as follows:

| | |
|--|---------------------|
| Paid from cash on hand and borrowing on credit facility | \$ 216,090(i) |
| Fair value of debt and other net liabilities assumed | 7,821(ii) |
| Aggregate acquisition cost | \$ 223,911(iii) |
| (i) Reflects cash and cash equivalents and restricted cash used for the purchase of the facilities | \$ 171,090 |
| Reflects proceeds from credit facility for the purchase of the facilities | 45,000 |
| Total cash | \$ 216,090 |
| (ii) As part of the completed facility acquisition transactions, total debt and other liabilities increased by: | |
| Borrowing under credit facilities | \$ 45,000 |
| Debt assumed between January 1, 2006 and March 1, 2006 related to the Dallas, Texas acquisition: | |
| Mortgage loans collateralized by certain facilities of Dallas, Texas portfolio due from 2014 to 2015, effective interest rate of 5.87% per annum | 7,072 |
| Total debt | 52,072 |
| Other liabilities assumed: | |
| Accounts payable and accrued expenses | 67 |
| Rents received in advance | 633 |
| Security deposits | 49 |

| | |
|--------------------------------------|-----------|
| | 749 |
| Total debt and other net liabilities | \$ 52,821 |

(iii) The preliminary allocation of the aggregate acquisition cost to the assets acquired is as follows:

| | |
|------------------------|------------|
| Storage facilities | \$ 223,371 |
| Loan procurement costs | 97 |
| Other assets | 443 |
| Total assets acquired | \$ 223,911 |

(3) Represents the adjustments related to the probable acquisition of 13 self-storage facilities.

The acquisition cost for the facilities is calculated as follows:

| | |
|--|-----------|
| Paid from proceeds from borrowing on credit facility | \$ 75,434 |
| Debt assumed related to U-Stor probable acquisition | 2,060 |
| Total acquisition cost | \$ 77,494 |

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U-STORE-IT TRUST
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2005
(Dollars and Shares in Thousands Except Per Share Amounts)

| | U-Store-It Trust Historical | Completed Facility Acquisitions | Subtotal | Probable Facility Acquisitions | Other Adjustments | U-Store-It Trust Pro Forma |
|--|--|--|-----------------|---|------------------------------|---|
| | (4) | (5) | | (6) | (7) | |
| REVENUES | | | | | | |
| Rental income | \$ 138,120 | \$ 19,970 | \$ 158,090 | \$ 6,096 | \$ | \$ 164,186 |
| Other property related income | 10,001 | 1,433 | 11,434 | 220 | | 11,654 |
| Total revenues | 148,121 | 21,403 | 169,524 | 6,316 | | 175,840 |
| OPERATING EXPENSES: | | | | | | |
| Property operating expenses | 54,952 | 7,209 | 62,161 | 2,244 | | 64,405 |
| Property operating expense related party | 43 | | 43 | | | 43 |
| Depreciation | 39,949 | 8,941 | 48,890 | 2,867 | | 51,757 |
| General and administrative/ Management Fee | 17,786 | 120 | 17,906 | 45 | | 17,951 |
| General and administrative related party | 736 | | 736 | | | 736 |
| Total operating expenses | 113,466 | 16,270 | 129,736 | 5,156 | | 134,892 |
| OPERATING INCOME | 34,655 | 5,133 | 39,788 | 1,160 | | 40,948 |
| OTHER INCOME (EXPENSE): | | | | | | |
| Interest: | | | | | | |
| Interest expense on loans | (32,370) | (3,116) | (35,486) | (4,641) | | (40,127) |
| Loan procurement amortization expense | (1,785) | (10) | (1,795) | | | (1,795) |
| Early extinguishment of debt | (93) | | (93) | | | (93) |
| Interest income | 2,405 | | 2,405 | | | 2,405 |
| Other | (47) | | (47) | | | (47) |
| Total other expense | (31,890) | (3,126) | (35,016) | (4,641) | | (39,657) |
| INCOME FROM CONTINUING | 2,765 | 2,007 | 4,772 | (3,481) | | 1,291 |

| | | | | | | | |
|--|----------|----------|----------|------------|--------|----------|------|
| OPERATIONS BEFORE MINORITY INTEREST | | | | | | | |
| MINORITY INTEREST | (199) | | (199) | | | 113 | (86) |
| INCOME FROM CONTINUING OPERATIONS | \$ 2,566 | \$ 2,007 | \$ 4,573 | \$ (3,481) | \$ 113 | \$ 1,205 | |
| Earnings from continuing operations per share: | | | | | | | |
| Basic earnings per share | \$ 0.06 | | | | | \$ 0.03 | |
| Diluted earnings per share | \$ 0.06 | | | | | \$ 0.03 | |
| Weighted average share information: | | | | | | | |
| Basic shares outstanding | 42,120 | | | | | 42,120 | |
| Diluted shares outstanding | 42,203 | | | | | 42,203 | |

See accompanying notes to the unaudited proforma condensed consolidated statement of operations.

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NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Dollars in Thousands)

Presentation

The accompanying Unaudited Pro Forma Condensed Consolidated Statement of Operations of the Company for the Year Ended December 31, 2005 is based on the Consolidated Historical Statements of Operations of the Company and is presented as if (1) the acquisition of self-storage facilities completed subsequent to December 31, 2005, (2) the probable acquisitions of 13 self-storage facilities, (3) and borrowings on the credit facility all had occurred on January 1, 2005.

In the opinion of the Company's management, all material adjustments necessary to reflect the effects of the preceding transactions have been made. The Unaudited Pro Forma Condensed Consolidated Statement of Operations is presented for illustrative purposes only and is not necessarily indicative of what the actual results of operations would have been had the transactions described above occurred on January 1, 2005, nor does it purport to represent the future results of operations of the Company.

Notes

- (4) Reflects the historical consolidated statement of income of U-Store-It Trust for the year ended December 31, 2005.
- (5) Represents the results of operations which will be reflected in our operating partnership as a result of the acquisition of 35 storage facilities. These acquisitions were completed from January 1, 2006 through March 1, 2006.

| | Nashville, Tennessee | Dallas, Texas | U-Stor Portfolio | Sure Save Portfolio | Texas | Proforma Adjustments | Total Completed Facility Acquisitions |
|---|---------------------------------|--------------------------|-----------------------------|------------------------------------|--------------|---------------------------------|--|
| TOTAL FACILITIES | 2 | 2 | 3 | 24 | 4 | | 35 |
| REVENUES: | | | | | | | |
| Rental income | \$ 1,329 | \$ 1,406 | \$ 1,083 | \$ 14,695 | \$ 1,457 | \$ | \$ 19,970 |
| Other property related income | 87 | 4 | 92 | 1,134 | 116 | | 1,433 |
| Total revenues | 1,416 | 1,410 | 1,175 | 15,829 | 1,573 | | 21,403 |
| OPERATING EXPENSES: | | | | | | | |
| Property operating expenses | 458 | 180 | 438 | 5,087 | 886 | 160(a) | 7,209 |
| Depreciation | | | | | | 8,941(b) | 8,941 |
| General and administrative/ Management fee | | 71 | 79 | 379 | 89 | (498)(a) | 120 |
| Total operating expenses | 458 | 251 | 517 | 5,466 | 975 | 8,603 | 16,270 |
| OPERATING INCOME | 958 | 1,159 | 658 | 10,363 | 598 | (8,603) | 5,133 |

OTHER EXPENSE:

Interest:

Interest expense on loans

(3,116)(c) (3,116)

Loan procurement amortization expense

(10)(c) (10)

Interest income

Other

Total other expense

(3,126) (3,126)

INCOME

(LOSS) FROM

CONTINUING

OPERATIONS

BEFORE

MINORITY

INTEREST

958 1,159 658 10,363 598 (11,729) 2,007

Minority interest

INCOME

(LOSS) FROM

CONTINUING

OPERATIONS

\$ 958 \$ 1,159 \$ 658 \$ 10,363 \$ 598 \$ (11,729) \$ 2,007

- (a) Additional costs of \$280 are anticipated to be incurred to manage the new facilities purchased consisting of \$160 for property operating and \$120 for general and administrative expenses. Management fees of \$498 are eliminated as these represent fees paid to an unaffiliated management company that will no longer be incurred.

Adjustment reflects net difference between these expenses.

(b) Depreciation expense adjustment includes depreciation calculated on a straight line basis over the estimated useful lives ranging between 5-39 years on assets acquired in 2006 of \$223,371, with \$158,607 allocated to building and other depreciable assets and \$64,764 allocated to land.

(c) Represents additional interest expense from borrowings under the credit facility and debt assumed in connection with completed facility transaction.

Additional interest on loan assumed between January 1, 2006 and March 1, 2006:

| | |
|--|--------|
| Mortgage loan collateralized by Dallas, TX facility, due 2014, effective interest rate of 5.87% per annum | \$ 253 |
| Mortgage loan collateralized by Dallas, TX facility, due 2015, effective interest rate of 5.87% per annum | 163 |
| Interest from borrowings under our revolving credit facility related to acquisitions completed subsequent to December 31, 2005 | 2,700 |

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| | |
|---|----------|
| Total increase in interest expense | \$ 3,116 |
| Loan procurement amortization expense from assumed indebtedness | \$ 10 |
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(6) Represents the following results of operations which will be reflected in our operating partnership as a result of the probable acquisition of 13 self-storage facilities.

| | | | | | Stone & Oak | Proforma Adjustments | Total Probable Facility Acquisitions |
|--|------------|-------------|-----------------|-------------|-------------------|-------------------------|---|
| TOTAL FACILITIES | Texas 3 | Nickey 4 | SecureCare 4 | U-Stor 1 | 1(a) | | 13 |
| REVENUES: | | | | | | | |
| Rental income | \$ 630 | \$ 1,936 | \$ 3,105 | \$ 425 | \$ | | 6,096 |
| Other property related income | 50 | 5 | 144 | 21 | | | 220 |
| Total revenues | 680 | 1,941 | 3,249 | 446 | | | 6,316 |
| OPERATING EXPENSES: | | | | | | | |
| Property operating expenses | 380 | 776 | 849 | 180 | | \$ 59(b) | 2,244 |
| Depreciation | | | | | | 2,867(c) | 2,867 |
| General and administrative/Management fee | 238 | 108 | 163 | 31 | | (495)(b) | 45 |
| Total operating expenses | 618 | 884 | 1,012 | 211 | | 2,431 | 5,156 |
| OPERATING INCOME (EXPENSE) | 62 | 1,057 | 2,237 | 235 | | (2,431) | 1,160 |
| OTHER EXPENSE: | | | | | | | |
| Interest expense | | | | | | (4,641)(d) | (4,641) |
| Loan procurement amortization expense | | | | | | | |
| Total other expense | | | | | | (4,641) | (4,641) |
| INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE MINORITY INTEREST | 62 | 1,057 | 2,237 | 235 | | (7,072) | (3,481) |
| Minority interest | | | | | | | |
| INCOME (LOSS) FROM CONTINUING OPERATIONS | \$ 62 | \$ 1,057 | \$ 2,237 | \$ 235 | \$ | \$ (7,072) | \$ (3,481) |

(a) The San Antonio, Texas facility is currently under

construction.

(b) Additional costs of \$104 are anticipated to be incurred to manage the new facilities consisting of \$59 for property operating and \$45 for general and administrative expenses. Management fees of \$495 are eliminated as these represent fees paid to an unaffiliated management company that will no longer be incurred. Adjustment reflects net difference between these expenses.

(c) Depreciation expense adjustment includes depreciation calculated on a straight line basis over the estimated useful lives ranging between 5-39 years on assets acquired of \$77,494, with \$51,158 allocated to buildings and other depreciable assets and

\$26,336
allocated to
land.

(d) Adjustment
represents
interest expense
relating to
assumed
mortgages
secured by one
of the facilities
and the
remainder from
borrowings on
the revolving
credit facility.

(7) Reflects the
allocation of
income to
minority interest
holders
(approximately
6.7%).

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INDEPENDENT AUDITORS REPORT

To the Board of Trustees and Shareholders
U-Store-It Trust
Cleveland, Ohio

We have audited the accompanying combined statement of revenues and certain operating expenses of the Sure Save Storage Portfolio (the Properties) for the year ended December 31, 2005. The statement is the responsibility of the Properties management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Properties internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe that our audit provides a reasonable basis for our opinion.

The accompanying combined statement of revenues and certain operating expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and for inclusion in Form 8-K/A of U-Store-It Trust, as described in Note 1. This presentation is not intended to be a complete presentation of the Properties revenues and expenses.

In our opinion, the statement referred to above presents fairly, in all material respects, the revenues and certain operating expenses described in Note 1 of the Properties for the year ended December 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

/s/ THE SCHONBRAUN McCANN GROUP LLC
Roseland, New Jersey
April 7, 2006

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**SURE SAVE STORAGE PORTFOLIO
COMBINED STATEMENT OF REVENUES AND
CERTAIN OPERATING EXPENSES**

| | Year ended December 31, 2005 |
|---|---|
| Revenues | |
| Base rents | \$ 14,694,713 |
| Other income | 1,133,810 |
| | 15,828,523 |
| Certain Operating Expenses | |
| Property operating expenses | 3,707,485 |
| Real estate taxes | 1,379,023 |
| General and administrative expenses | 378,862 |
| | 5,465,370 |
| Revenues in excess of certain operating expenses | \$ 10,363,153 |

See accompanying notes to combined statement of revenues and certain operating expenses.

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**SURE SAVE STORAGE PORTFOLIO
NOTES TO COMBINED STATEMENT OF REVENUES AND
CERTAIN OPERATING EXPENSES**

1. BASIS OF PRESENTATION

Presented herein is the combined statement of revenues and certain operating expenses related to the operation of the following twenty-four storage facilities, collectively (Sure-Save Storage Portfolio or the Properties):

| Property Name | Facility Location | Units |
|--------------------------|--------------------------|--------------|
| 1400 S. GENE AUTRY TRAIL | Palm Springs, CA | 578 |
| 72500 VARNER RD. | Thousand Palms, CA | 861 |
| 401&500 RADIO RD. | Palm Springs, CA | 636 |
| 67-650 E. RAMON RD. | Cathedral City, CA | 1,042 |
| 401 S. WATERMAN | San Bernardino, CA | 406 |
| 601 S. WATERMAN | San Bernardino, CA | 1,009 |
| 1450 23RD STREET | San Bernardino, CA | 693 |
| 1441 E. BASELINE ST. | San Bernardino, CA | 1,044 |
| 210 W. BONNIE VIEW DR. | Rialto, CA | 526 |
| 26441 HIGHLAND AVE. | Highland, CA | 549 |
| 1844 N. 43RD AVE. | Phoenix, AZ | 798 |
| 3122 E. WASHINGTON | Phoenix, AZ | 440 |
| 536 N. POWER RD. | Mesa, AZ | 476 |
| 2645 S. NELLIS BLVD. | Las Vegas, NV | 413 |

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**SURE SAVE STORAGE PORTFOLIO
NOTES TO COMBINED STATEMENT OF REVENUES AND
CERTAIN OPERATING EXPENSES**

1. BASIS OF PRESENTATION Continued

| Property Name | Facility Location | Units |
|------------------------|--------------------------|--------------|
| 7370 CHEYENNE | Las Vegas, NV | 402 |
| 198 W ARTESIA BLVD. | Long Beach, CA | 1,420 |
| 7600 ARLINGTON AVE | Riverside, CA | 648 |
| 2828 W. 5TH STREET | Santa Ana, CA | 743 |
| 9150 & 9180 JAMACHA RD | Spring Valley, CA | 731 |
| 4011 FAIRGROUNDS | Riverside, CA | 715 |
| 3026 S. COUNTRY CLUB | Mesa, AZ | 435 |
| 909 S. COUNTRY CLUB | Mesa, AZ | 537 |
| 49 HOTEL CIRCLE | Albuquerque, NM | 426 |
| 1220 SPRING STUEBNER | Spring, TX | 510 |
| | | 16,038 |

The accompany combined statement of revenues and certain operating expenses for the year ended December 31, 2005 was prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (SEC) which requires certain information with respect to real estate operations to be included with certain filings with the SEC. Accordingly, the combined revenues and certain operating expenses excludes certain expenses that may not be comparable to those expected to be incurred by U-Store-It Trust in the proposed future operations of the Properties. Items excluded consist of mortgage interest expense, depreciation, management fees and general and administrative expenses not directly related to the future operations.

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**SURE SAVE STORAGE PORTFOLIO
NOTES TO COMBINED STATEMENT OF REVENUES AND
CERTAIN OPERATING EXPENSES**

2. USE OF ESTIMATES

The preparation of the combined statement of revenues and certain operating expenses in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the combined statement of revenues and certain operating expenses and accompanying notes. Actual results could differ from those estimates.

3. REVENUE RECOGNITION

Revenue relating to the Properties is recognized when payments are due. If it is determined after all methods of collection have been exhausted, that the account will not be collected, then it is written off to bad debt expense. The Properties are being leased to tenants under operating leases generally on a month to month basis.

4. PROPERTY OPERATING EXPENSES

The Properties' operating expenses for the year ended December 31, 2005, include \$504,015 for insurance, \$472,233 for utilities, \$325,060 in operating and maintenance costs, \$1,367,704 in payroll, \$701,709 in bad debts and advertising expenses of \$336,764 (see note 5).

5. ADVERTISING

Advertising costs are expensed as incurred, \$336,764 for 2005, and are included in property operating expenses.

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SIGNATURE

Pursuant to the requirements of Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K/A to be signed on its behalf by the undersigned thereunto duly authorized.

U-STORE-IT TRUST
(Registrant)

Date: April 21, 2006

By: /s/ TEDD D. TOWSLEY
Name: Tedd D. Towsley
Chief Financial Officer