StorageVault Canada Inc.
(the "Corporation")

Form 51-102F1
Management's Discussion and Analysis
For the Three Months Ended March 31, 2009

This management's discussion and analysis (MD&A) should be read in conjunction with the Corporation's financial statements and notes to the financial statements for the three months ended March 31, 2009 and the audited financial statements and notes to the financial statements for fiscal period ended December 31, 2008. The following discussion and analysis provides information that management believes is relevant to the assessment and understanding of the Corporation's results of operations and financial condition.

This MD&A contains forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the early stage development of the Corporation; capital market conditions; general business and economic uncertainties; competition; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Corporation; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The factors identified above are not intended to represent a complete list of the factors that could affect the Corporation.

The forward-looking information in this MD&A should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this MD&A. Such forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of the Corporation to obtain necessary financing, satisfy conditions under previously announced acquisition agreements, or satisfy any requirements of the TSX Venture Exchange (the "TSXV") with respect to these acquisitions and any related private placement; the level of activity in the self-storage business and the economy generally; consumer interest in the Corporation's services and products; competition; and anticipated and unanticipated costs. The Corporation undertakes no obligation to publicly update or review any forward-looking information, except in accordance with applicable securities laws. Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations.

All amounts included in this MD&A are in Canadian dollars.

Additional information relating to StorageVault Canada Inc. can be found at www.sedar.com.

This MD&A is dated April 28, 2009 and is in respect of the period from January 1, 2009 to March 31, 2009. The discussion in the MD&A focuses on this period.

NON-GAAP FINANCIAL MEASURES

The Corporation uses non-GAAP financial measures to assess its operating performance. Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than Canadian generally accepted accounting principles ("GAAP") do not have a standardized meaning and may not be comparable to similar measures used by other companies. Such non-GAAP measures include:

a) Funds from Operations ("FFO") – FFO is defined as net income (loss), excluding gains or losses from the sale of depreciable real estate and extraordinary items, plus depreciation, amortization, stock based compensation expenses, future income taxes and after adjustments for equity accounted entities and non-controlling interests. The Corporation believes that FFO can be a beneficial measure, when combined with primary GAAP measures, as it excludes the effects of real estate amortization and gains and losses from the sale of real estate, all of which are based on historical cost accounting and which may be of limited significance in evaluating current performance.
b) Property Net Operating Income ("NOI") – NOI is defined as rent from income producing properties less property operating costs. NOI does not include interest expense or income, deprecation and amortization, corporate administrative costs, stock based compensation costs or taxes. NOI assists management by assessing profitability from principal business activities without regard to the manner in which these activities are financed or amortized. "NOI Margin" is the NOI for a given time period, divided by the revenue from income producing properties for that same time period.

NATURE OF BUSINESS

Business Overview

The Corporation was incorporated on May 31, 2007. It is publicly traded on the TSXV under the symbol SVI. It owns and operates self storage operations in Regina, SK and Winnipeg, MB.

The Corporation provides both "fixed" and "portable" self storage. Fixed self storage is sometimes also called mini-storage. Under this model, the customer rents a storage space in the operator's building to store personal or commercial items. Rental is usually paid monthly, although longer term agreements are sometimes arranged. The storage facility usually consists of one or more buildings, each partitioned into individual storage units with separate doors. Depending on the construction, storage units are accessed by drive-up to each unit, or through an interior hallway. Units can be climate controlled, or simple cold storage. The tenant provides his or her own lock for the door, and is the only one with access to the unit when it is rented. Often, fixed storage facilities also provide uncovered, out door parking spaces for boats, cars and recreational vehicles.

Through its Canadian Master Franchise agreement with Canadian PUPS Franchises Inc. (PUPS), the Corporation also provides portable storage services. The PUPS system uses galvanized steel storage containers ranging from 2.3 meters to 6 meters in length. This premium priced service delivers the storage unit to the customer, as opposed to the customer having to transport his or her possessions to a traditional fixed storage location. Once loaded, the PUPS container can stay at the customer's location, or be transported to the Corporation's yard for longer term storage. The PUPS model generates revenue through both the rental of the storage container, and the charges to deliver the container to and from the customer's location.

Management believes that the PUPS storage model is complementary to the fixed storage operations. It appeals to customers that:

- would not normally use a traditional fixed storage facility because they do not have the means to transport their possessions.
- are moving between locations and need temporary storage, but do not want to move their possessions to a fixed storage unit, only to move them to their new location in a few days or weeks. The PUPS container allows them to pack and unpack only once.
- are moving between locations and do not want to pay the high costs of a moving company. This do-it-yourself customer appreciates the lower cost afforded by the PUPS model.
- are renovating an existing location. They need to remove their possessions from their building, but want to keep the possessions at their location for easy access. PUPS will place a container at their residence or business, and that container can stay there until the renovation is complete.

When paired with a traditional fixed storage facility, the PUPS model also offers benefits in cost savings and promotion:

- often, fixed storage facilities have surplus land that is undeveloped, or utilized for low return outdoor parking spaces. Redeploying some of this land for PUPS storage significantly increases the revenue per square foot earned from that surplus land.
- Many of the overhead costs required to run a PUPS facility, such as labor, telephone, and some occupancy costs, are already being covered by the existing fixed storage facility.
- The basic premise behind renting fixed or portable storage units is similar, so existing staff at a fixed storage facilitates can easily learn and integrate the PUPS systems into day-to-day operations.
- On-site staff has the ability to cross sell. Customers who may not be able to afford the premium price of a PUPS container can be offered a lower cost fixed storage unit. Or customers looking for fixed storage who did not know about the existence of portable storage can be up-sold to a premium product.

The Corporation's strategic objective is to own, acquire and operate self storage facilities across Canada as well as develop a portable storage business to access an untapped market in the Canadian storage industry. The Corporation will focus on acquiring and operating self storage facilities with proven cash flows, superior location in relationship to markets, and excess physical space to allow rapid deployment of portable storage operations. Financing for this growth is intended to come from a combination of cash from operations, mortgage financing, the assumption of debt, and the issuance of additional common shares or other securities.

Significant Transactions

On October 14, 2008, the Corporation announced that it had entered into an arm's length Option to Purchase Agreement for the assets and business operations of Kenaston Self Storage Inc. in Winnipeg, MB for the purchase price of $7.15 million. On January 3, 2009 the Corporation exercised the Option. On March 2, 2009, the Corporation completed the transaction. As a result of the transaction, the Corporation's total assets increased to $11,839,487.

Kenaston Self Storage consists of two properties. One property is located at 21 Lowson Crescent in Winnipeg. It is approximately 2.75 acres, with 4 storage buildings comprising a total of 536 storage units. The second property is at 87 Lowson Crescent in Winnipeg. This property has no buildings. It has approximately 190 outdoor rental parking spaces for vehicles. It is the Corporation's intention to re-deploy a portion of the property at 87 Lowson Crescent toward a portable storage operation.

The purchase price was paid by $3,750,000 of bank mortgage financing, a vendor take-back of $500,000 of the Corporation's common shares at a price of $0.23 per share, and the remainder in cash.

Portfolio

As at March 31, 2009, the Corporation owned and operated two fixed storage facilities. With each of these facilities is a PUPS portable storage operation.

	Acquired	Units	Rentable Square Feet
FIXED STORAGE			
Trans Can Mini Stor, Regina, SK	May 1, 2008	351	39,480
Kenaston Self Storage, Winnipeg, MB	March 2, 2009	536	47,075
Total		887	86,555
PORTABLE STORAGE			
Trans Can Mini Stor, Regina, SK	December 31, 2008	249	20,817
Kenaston Self Storage, Winnipeg, MB		100*	9,560*
Total		349	30,377

* PUPS operations not yet underway for this location. Operations expected to commence May 1, 2009 with lease-up period expected to be two to three years and total container inventory expected to exceed 300

Outlook

In Saskatchewan and Manitoba, the outlook for self storage remains favorable. Rental rates are competitive but do allow for an adequate return. The population continues to grow and there is no apparent excess of self storage space in the market.

On a national scale, the self storage industry is being affected by the economic recession as Canadian lending institutions have significantly decreased their appetite for providing mortgage financing for new self storage projects. In one respect, this has been positive for the Corporation as it has virtually stopped the development of new competitors in the marketplace.

The reduced availability of credit is also showing up in the resale market. Less availability of low cost credit means buyers must acquire facilities at a better price to maintain profit margins. Vendors have been slow to react, apparently reluctant to move away from the low cap rates that were prevalent before the economic meltdown. And buyers, if they do find a feasible acquisition target, need to work significantly harder to secure adequately priced equity or debt.

Management believes the Corporation is well positioned to weather the current recession. Mortgage debt on Trans Can Mini Stor has a fixed payment and favorable interest rate until the completion of its first term in 2016. The mortgage on Kenaston Self Storage is fixed until 2014. This is important as it does not expose the Corporation to the risk of having to re-negotiate mortgages while credit is tight. While the Corporation's goal is to continue expanding its network of fixed and portable storage operations, it has the flexibility to hasten or slow the pace of acquisitions as the equity and debt markets dictate.

RESULTS OF OPERATIONS

Selected Annual Financial Information

The Corporation was incorporated on May 31, 2007. A summary of selected financial information for the Corporation's fiscal year ended December 31, 2008, and fiscal period (seven months) ended December 31, 2007 is as follows:

	Fiscal Year Ended December 31, 2008	Seven Months Ended December 31, 2007
Total Revenue	$332,706	$ 6,027
Net Income / (Loss)		
Total	($ 252,198)	($ 111,029)
Per share, basic and diluted	($ 0.019)	($ 0.018)
Total Assets	$ 7,787,203	$ 1,342,978
Long Term Financial Liabilities	$ 2,004,657	nil

Property Operations

The storage industry in Canada tends to be seasonal. A significant portion of demand is generated from residential customers who are either moving to a new residence or renovating an existing home. Demand wanes in winter months as the cold temperatures discourage this type of activity. At the same time, operating costs increase in the winter. Heating costs (for those facilities with heated storage) and snow removal costs are at their peak. The result is a higher operating cost percentage, and lower revenue and NOI margin in Q1 and Q4 of each year.

The Corporation's quarterly results are also affected by the timing of acquisitions. Revenues have generally shown a quarter over quarter growth because of the acquisitions noted above in the section entitled "Portfolio". This trend is expected to continue as the Corporation pursues a strategy of acquisitions and growth.

A summary of the results of operations is a follows:

	2009 Fiscal Year					2008 Fiscal Year				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Fixed Storage										
Property Revenue	164,250	-	-	-	164,250	-	72,319	119,205	112,673	304,197
Operating Costs	56,298	-	-	-	56,298	-	12,703	24,390	30,550	67,643
NOI	107,952	-	-	-	107,952	-	59,616	94,815	82,123	236,554
NOI Margin	65.7%				65.7%		82.4%	79.5%	72.9%	77.8%
PUPS Portable Storage										
Property Revenue	86,574	-	-	-	86,574	-	-	-	-	-
Operating Costs	28,068	-	-	-	28,068	-	-	-	-	-
NOI	58,506	-	-	-	58,506	-	-	-	-	-
NOI Margin	67.6%				67.6%					
Combined										
Property Revenue	250,824	-	-	-	250,824	-	72,319	119,205	112,673	304,197
Operating Costs	84,366	-	-	-	84,366	-	12,703	24,390	30,550	67,643
NOI	166,458	-	-	-	166,458	-	59,616	94,815	82,123	236,554
NOI Margin	66.4%				66.4%		82.4%	79.5%	72.9%	77.8%

Revenue from Income Producing Properties

Operating revenue from income producing properties for the three months ended March 31, 2009 was $250,824 compared to $nil for the same period last year. Q1 of 2009 included three complete months of operations of the portable storage operations in Regina, SK, and one month of operations at the newly acquired property in Winnipeg, MB. The portable storage operation in Winnipeg was not yet operational. It is expected to begin operations in Q2 of 2009 with lease-up lasting 18 to 36 months.

The demand for storage space typically declines over the winter months. A summary of unit occupancy rates at the end of each fiscal quarter is as follows:

	2009 Fiscal Year				2008 Fiscal Year			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fixed Storage								
Trans Can Mini Stor, Regina, SK	78.9%	-	-	-	*	95.7%	93.4%	83.2%
Kenaston Self Storage, Winnipeg, MB	73.5%	-	-	-	*	*	*	*
Portable Storage								
Trans Can Mini Stor, Regina, SK	76.7%	-	-	-	*	*	*	*
Kenaston Self Storage, Winnipeg, MB	-	-	-	-	*	*	*	*

* property not owned by the Corporation at this time

Occupancy at Trans Can Mini Stor decreased from 82.3% at the end Q4 of 2008 to 78.9% by the end of Q1 2009. In addition to the usual winter slow down, the housing market in Regina, SK experienced a slowdown in resales and new starts. Whereas housing sales and prices were at an all time high in Regina during most of 2008, by the end of the year, and into early 2009, housing activities slowed along with the general economic conditions in Canada and the rest of the world.

The general economic recession affects storage in two ways:

- Generally speaking, storage facilities do not tend to experience swings in demand as drastic as those seen in the broader market. Customers need storage in times of good economic conditions as they renovate or move to new homes and offices. On the other hand, there exists demand for storage in declining markets as homeowners and business downsize or temporarily store goods while waiting for, or moving to, better economies.

- The demand for storage services at any given storage facility is most affected by local and regional economic conditions. The economy in Saskatchewan, where the Corporation derived all of its 2008 revenue, has not seen the level of job losses that exist in other areas that are more dependent on manufacturing or oil production. Management anticipates that Saskatchewan and Manitoba will see some economic slowdown in 2009 which may impact occupancies slightly. However, the impact is not expected to be significant over the long term.

Property Net Operating Income (NOI)

NOI from operations for the three months ended March 31, 2009 and March 31, 2008 was $166,458 and $nil, respectively. The NOI margin, at 66.4% is below the 2008 average of 77.8%. However, the NOI margin in Q1 2009 bears a significant portion of the year's utility costs and snow removal costs. As well, the first quarter incurs the lowest seasonal occupancy rates based on historical comparisons.

Interest income

Interest income for the three months ended March 31, 2009 and March 31, 2008 was $3,786 and $8,808, respectively. Interest income was generated by the temporary investment of cash raised from equity issuances in the periods between raising the cash and investing it into operating properties.

Corporate selling, general and administrative (S, G & A) costs

S, G & A expenses for the months ended March 31, 2009 and March 31, 2008 were $124,070 and $88,125, respectively. The three largest items in the first quarter of 2009 were as follows:

- management fees paid to Detteson Management Inc. of $47,750 (March 31, 2008 - $nil). See discussion of "Related Party Transactions" below
- Professional fees of $42,836 (March 31, 2008 - $71,180). In 2009, the professional fees were primarily legal fees pertaining to the acquisition of Canadian PUPS Storage Inc. and Kenaston Self Storage, audit fees for the audit of Canadian PUPS Storage Inc. for the inclusion in a Business Acquisition Report required by Canadian securities laws, and audit fees for the Corporation's 2008 fiscal year end. In the previous year, most professional fees were related to the formation of the Corporation as a Capital Pool Company, and the completion of its initial prospectus.
- Investor Communication costs of $13,946 (March 31, 2008 - $602). The Corporation held its first annual general meeting in March of 2009. The investor communication costs included all legal, mailing, printing and related costs for hosting this meeting.

Summary of Quarterly Results (unaudited)

Period	Net Revenue	Net Income / (Loss)	Net Income / (Loss) per share	Fully diluted Net Income / (Loss) per share	Total Assets	Total Long Term Liabilities	Dividends
2009- Q1	$254,600	($174,535)	($0.005)	($0.005)	$11,839,487	$5,737,813	-
Total 2009	**$254,600**	**($174,535)**	**($0.005)**	**($0.005)**	**N/A**	**N/A**	**-**
2008- Q4	$127,580	($38,340)	($0.002)	($0.002)	$7,787,023	$2,004,657	
2008- Q3	$120,033	($28,192)	($0.003)	($0.003)	$2,892,717	$1,680,232	-
2008- Q2	$76,285	($106,349)	($0.011)	($0.011)	$2,949,893	$1,693,060	-
2008- Q1	$8,808	($79,317)	($0.008)	($0.008)	$1,269,873	-	-
Total 2008	**$332,706**	**($252,198)**	**($0.019)**	**($0.019)**	**N/A**	**N/A**	**-**
2007 – Q4	$6,027	($97,148)	($0.015)	($0.015)	$1,342,978	-	-
2007 – Q3	-	($13,881)	($0.003)	($0.003)	$493,719	-	-
2007 – Q2	-	-	-	-	-	-	-
2007 – Q1	-	-	-	-	-	-	-
Total 2007	**$6,027**	**($111,029)**	**($0.018)**	**($0.018)**	**N/A**	**N/A**	**-**

During the period, the Corporation declared no cash dividends.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2009, the Corporation had $363,201 of cash and short term investments compared to $3,463,784 at December 31, 2008. The decrease in cash is attributable the acquisition of Kenaston Self Storage, which required $2,912,000 of cash to close.

The Corporation's principal sources of liquidity are its ability to generate cash flow from operations, arranging new debt financing, and offering shares to the public.

The Corporation is not in default or arrears on any of its debt obligations. There is no long term debt maturing in 2009. As at March 31, 2009, the Corporation had total mortgage debt outstanding of $5,458,804 at an interest rates ranging from 5.72% to 6.45%. The Corporation also had term debt totaling $55,444 at December 31, 2008 with interest rates ranging from 7.85% to 7.95% and maturities ranging from January 2011 to November 2011. The following chart summarizes the Corporation's financial commitments for debt principal and interest payments for the next five years:

	Principal	Interest	Total
2009 (balance of year)	$172,933	$241,563	$414,496
2010	$227,662	$324,999	$552,661
2011	$229,536	$310,240	$539,776
2012	$230,078	$295,746	$525,824
2013	$244,981	$280,843	$525,824

Management believes that the Corporation has sufficient working capital to meet its future commitments. The Corporation may have capital requirements in excess of its currently available resources. In the event the Corporation's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Corporation may be required to seek additional financing. There can be no assurance that the Corporation will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Corporation in the future.

Funds from Operations (FFO)

FFO is a non-GAAP measure. It allows management and investors to evaluate the financial results of an entity without taking into consideration the impact of amortization which may vary between real estate investments based on when the assets were acquired. Also excluded are stock based compensation costs and future income tax expenses (recoveries), if any.

The FFO for StorageVault Canada Inc. has varied significantly over the past several fiscal quarters. The Corporation has incurred significant startup costs (including legal fees and audit fees) in certain periods that have adversely affected the FFO numbers. Additionally, costs relating to acquiring properties in Q4 of 2008 and Q1 of 2009 also decreased FFO. FFO should improve as these overhead costs decrease both in absolute terms and as a percentage of overall revenue.

A summary of FFO by fiscal quarter is as follows:

	2009 Fiscal Year					2008 Fiscal Year				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Loss for the period	(174,535)	-	-	-	(174,535)	(79,317)	(106,349)	(28,192)	(38,340)	(252,198)
Add:										
Amortization	172,543	-	-	-	172,543	-	34,300	52,784	35,268	122,352
Future income taxes	-	-	-	-	-	-	-	-	(26,191)	(26,191)
Funds From Operations	(1,992)	-	-	-	(1,992)	(79,317)	(72,049)	24,592	(29,263)	(156,037)

Contractual Obligations and Off-Balance Sheet Arrangements

The Corporation is not party to any industry contracts or arrangements other than the contractual arrangement noted in "Related Party Transactions" below. There are no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Management Agreement

The Corporation has entered into a management agreement (the "Agreement") with Detteson Management Inc. ("Detteson") which is owned and controlled by Alan Simpson, President and Chief Executive Officer of the Corporation, and Glenn Fradette, Chief Financial Officer of the Corporation. Pursuant to the Agreement, Detteson provides the management individuals to serve as officers of the Corporation as well as asset management, administrative and other services to the Corporation. The remuneration to be paid to Detteson under the Agreement consists of:

- an annual advisory fee equal to 0.225% per annum of the Gross Book Value of the Corporation's assets (0.150% if assets exceed $150,000,000), payable monthly, and prorated to take into account any acquisitions or dispositions during any month. Gross Book Value is defined as the book value of consolidated assets plus accumulated depreciation on buildings and excluding the amount of any receivable reflecting interest rate subsidies on any debt assumed by the Corporation, subject to a minimum annual advisory fee of $48,000.
- An acquisition fee equal to 0.5% of the cost of any property acquired or disposed including, without limitation, real estate commissions, finder's fees and any acquisition costs (excluding the fees payable to Detteson pursuant to this provision) and all out-of-pocket costs including legal fees and disbursements, registration and filing fees, land transfer and sales taxes, all calculated in accordance with Canadian generally accepted accounting principles and applied on a consistent basis.

The Corporation also reimburses Detteson for all expenses incurred in connection with the operation of the Corporation, including third party costs, which are reasonably incurred by Detteson on behalf of the Corporation.

During the three months ended March 31, 2009 the Corporation paid management fees of $47,750 to Detteson Management Inc. ("Detteson").

During the three months ended March 31, 2009 the Corporation reimbursed travel and related expenses of $12,110 to Detteson. These expenses, which were reimbursed at cost, were undertaken exclusively for the benefit of the Corporation.

During the three months ended March 31, 2009 the Corporation paid loan guarantee fees of $2,148 to Alan A. Simpson and loan guarantee fees of $2,148 to Glenn E. Fradette, both of whom are directors and officers of the Corporation. As a condition of the assumption of the mortgage on T. C. Mini Storage Ltd, both Alan A. Simpson and Glenn E. Fradette were required to provide personal guarantees for the entire outstanding principal balance of the mortgage. The loan guarantee fees are compensation for the provision of these guarantees, and are paid on a monthly basis at the rate of 0.5% of the outstanding mortgage principal, per person.

During the three months ended March 31, 2009 the Corporation paid fees for maintenance of shareholder records of $3,027 to a Transfer and Trust company of which one director and executive officer is also a director of the Corporation.

OUTSTANDING SHARE DATA

On October 31, 2008, the Corporation completed a brokered private placement of 18,391,304 common shares of the Corporation at a price of $0.23 per share for gross proceeds of $4,230,000. In association with the private placement, the Corporation issued 678,696 common shares as an agency fee, and 678,696 Agent's warrants each convertible into one common share of the Corporation at a price of $0.23 per share.

At December 31, 2008, the Corporation completed the non-arm's length acquisition of Canadian PUPS Storage (Regina). As part of the agreement, the non-arm's length vendors received 2,466,798 common shares of the Corporation at a price of $0.23 per share for gross proceeds of $567,364.

On March 2, 2009, the Corporation completed the arm's length acquisition of Kenaston Self Storage. As part of the agreement, the arm's length vendor received 2,173,913 common shares of the Corporation at a price of $0.23 per share for gross proceeds of $500,000.

A summary of the outstanding shares and convertible securities as at the date of this MD&A is as follows:

	Expiry Date	Exercise Price	Securities Outstanding	Common Shares on Exercise
Common Shares:				
Seed capital (1)			5,000,000	
Initial public offering – November 5, 2007			5,000,000	
Private placement – October 31, 2008			18,391,304	
Agency fee – October 31, 2008			678,696	
Vendor take back – Canadian PUPS acquisition			2,466,798	
Vendor take back – Kenaston acquisition			2,173,913	
			33,710,711	
Convertible Securities:				
Director's options	November 5, 2012	$0.20	1,000,000	1,000,000
Agent's options	November 12, 2009	$0.20	400,000	400,000
Agent's warrants	October 31, 2010	$0.23	678,696	678,696
			2,078,696	2,078,696
			35,789,407	2,078,696

(1) subject to escrow agreement dated August 27, 2007

The Corporation's shares were listed on the TSXV on November 12, 2007

RISKS AND UNCERTAINTIES

The following is a brief review of some of the potential risks and the potential impacts these risks and uncertainties may have on the operations of the Corporation:

Real Estate Industry

Real estate investments are subject to varying degrees of risk depending on the nature of each property. Such investments are affected by general economic conditions, local real estate markets, supply and demand for rental space, competition from others with similar developments, the perceived "attractiveness" of a given property, and various other factors.

There is no certainty that financing will be available upon the maturity of any existing mortgage at terms that are as favorable as the expiring mortgage, or at all. If the Corporation is ever unable to refinance an existing indebtedness on favorable terms, the Corporation may need to dispose of one or more properties upon disadvantageous terms. Prevailing interest rates, limited availability of credit or other factors at the time of refinancing could increase interest expense and ultimately the return to investors.

Economic Conditions

The storage industry in Canada can be cyclical. Due to the climate, demand for self storage is generally weaker in the winter months. Self storage is less susceptible to changes in the local economy, as storage space is often needed during times of both growth and recession. However, downturns in a local economy could negatively affect self storage rentals due to the decrease in consumer discretionary spending. A significant portion of self storage tenants use self storage during periods of moving from one residence to another, or when a residence is being renovated. In times of economic downturn, the level of activity in housing sales and housing renovation could decrease, thereby decreasing self storage rental demand.

Credit Risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their financial obligations to the Corporation. The risk of incurring bad debts often arises if self storage tenants relocate and cannot be found to enforce payment, or if self storage tenants abandon their possessions. The extent of bad debts can be mitigated by quickly following up on any unpaid amounts shortly after the due date, enforcing late fees, denying access to any tenants with delinquent accounts, and ultimately seizing the possessions of the tenant. Additionally the Corporation typically rents to numerous tenants, each of which constitutes significantly less than 5% of the Corporation's monthly revenue. This diversification in the tenant base reduces credit risk from any given tenant.

Competition

The Corporation competes with other individuals, corporations and institutions which currently own, or are anticipating owning a similar property in a given region. Competitive forces could have a negative effect on rental rates or certain costs such as advertising.

Competition also exists when the Corporation attempts to grow through acquisitions of storage facilities. Some investors may have greater financial resources than those of the Corporation. An increase in the availability of investment funds in the general market, and a subsequent increase demand for self storage facilities would have a tendency to increase the price for future acquisitions of self storage facilities and reduce the yields thereon. In addition, the Corporation may require additional financing to complete future real estate acquisitions which may not be available on terms acceptable to the Corporation.

Environmental Risks

Environmental risk is inherent in the ownership of property. Various municipal, provincial and federal regulations can result in penalties or potential liability for remediation should hazardous materials enter the environment. The presence of hazardous substances could also impair the Corporation's ability to sell the property, or it might expose the Corporation to civil law suits. To mitigate such risk, the Corporation will obtain a recent Phase I environmental report for all material acquisitions. It also prohibits the storage of hazardous substances as a condition of the rental contract signed by tenants.

CHANGES IN ACCOUNTING POLICIES

Recent accounting pronouncements not yet applied:
In January 2006, the CICA Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, the Accounting Standards Board confirmed in February 2008 that International Financial Reporting Standards ("IFRS") will replace Canadian GAAP over a transition period. The transition period will end in 2011 when IFRS will be fully adopted for profit-oriented publicly accountable enterprises. The Corporation will be required to report its results in accordance with IFRS starting in fiscal 2012 and is assessing the potential impact of this changeover.

INTERNAL CONTROLS, DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures of the Corporation are designed to provide reasonable assurance that all material information with respect to the Corporation is made known to senior management of the Corporation, so that timely decisions can be made regarding public disclosure. The Corporation maintains appropriate information systems, procedures and controls to ensure that new information coming to the market is complete, timely and reliable.

All control systems have inherent limitations, and evaluation of a control system cannot provide absolute assurance that all control issues have been detected, including risks of misstatement due to error or fraud. Internal controls over financial reporting of the Corporation are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements of the Corporation for external purposes in accordance with Canadian generally accepted accounting principles.