

U-HAUL HOLDING CO /NV/

FORM 10-K (Annual Report)

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended March 31, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____

**Commission
File Number**

1-11255

**Registrant, State of Incorporation
Address and Telephone Number**

AMERCO

AMERCO

(A Nevada Corporation)
1325 Airmotive Way, Ste. 100
Reno, Nevada 89502-3239
Telephone (775) 688-6300

**I.R.S. Employer
Identification No.**

88-0106815

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

Registrant
AMERCO

Title of Class
Common

**Name of Each Exchange on
Which Registered**
NASDAQ

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐
No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Act. Yes ☐ No ☒

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes ☒ No ☐

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

Large accelerated filer ☐

Accelerated filer ☒

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes ☐ No ☒

The aggregate market value of AMERCO common stock held by non-affiliates on September 30, 2011 was \$397,885,149. The aggregate market value was computed using the closing price for the common stock trading on NASDAQ on such date. Shares held by executive officers, directors and persons owning directly or indirectly more than 5% of the outstanding common stock have been excluded from the preceding number because such persons may be deemed to be affiliates of the registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

19,607,788 shares of AMERCO common stock, \$0.25 par value, were outstanding at June 1, 2012.

Documents incorporated by reference: portions of AMERCO's definitive proxy statement for the 2012 annual meeting of stockholders, to be filed within 120 days after AMERCO's fiscal year ended March 31, 2012, are incorporated by reference into Part III of this report.

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PART I

Item 1. *Business*

Company Overview

We are North America's largest "do-it-yourself" moving and storage operator through our subsidiary U-Haul International, Inc. ("U-Haul"). U-Haul is synonymous with "do-it-yourself" moving and storage and is a leader in supplying products and services to help people move and store their household and commercial goods. Our primary service objective is to provide a better and better product or service to more and more people at a lower and lower cost. Unless the context otherwise requires, the term "AMERCO," "Company," "we," "us," or "our" refers to AMERCO, a Nevada Corporation, and all of its legal subsidiaries, on a consolidated basis.

We were founded in 1945 as a sole proprietorship under the name "U-Haul Trailer Rental Company" and have rented trailers ever since. Starting in 1959, we rented trucks on a one-way and in-town basis exclusively through independent U-Haul dealers. In 1974, we began developing our network of U-Haul managed retail centers, through which we rent our trucks and trailers, self-storage rooms and sell moving and self-storage products and services to complement our independent dealer network.

We rent our distinctive orange and white U-Haul trucks and trailers as well as offer self-storage rooms through a network of 1,450 Company operated retail moving centers and approximately 15,500 independent U-Haul dealers. We also sell U-Haul brand boxes, tape and other moving and self-storage products and services to "do-it-yourself" moving and storage customers at all of our distribution outlets and through our eMove[®] web site.

We believe U-Haul is the most convenient supplier of products and services addressing the needs of North America's "do-it-yourself" moving and storage market. Our broad geographic coverage throughout the United States and Canada and our extensive selection of U-Haul brand moving equipment rentals, self-storage rooms and related moving and storage products and services provide our customers with convenient "one-stop" shopping.

Since 1945 U-Haul has incorporated sustainable practices into its everyday operations. We believe that our basic business premise of equipment sharing helps reduce greenhouse gas emissions and reduces the need for total large capacity vehicles. We continue to look for ways to reduce waste within our business and are dedicated to manufacturing reusable components and recyclable products. We believe that our commitment to sustainability, through our products and services and everyday operations has helped us to reduce our impact on the environment.

Through Repwest Insurance Company ("Repwest"), our property and casualty insurance subsidiary, we manage the property, liability and related insurance claims processing for U-Haul. Oxford Life Insurance Company ("Oxford"), our life insurance subsidiary, sells life insurance, Medicare supplement insurance, annuities and other related products to non U-Haul customers.

Available Information

AMERCO and U-Haul are each incorporated in Nevada. U-Haul's internet address is uhaul.com. On AMERCO's investor relations web site, amerco.com, we post the following filings as soon as practicable after they are electronically filed with or furnished to the United States Securities and Exchange Commission ("SEC"): our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, our proxy statement related to our annual meeting of stockholders, and any amendments to those reports or statements filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All such filings on our web site are available free of charge. Additionally, you will find these materials on the SEC's website at sec.gov.

Products and Rental Equipment

Our customers are primarily "do-it-yourself" household movers. U-Haul moving equipment is specifically designed, engineered and manufactured for the "do-it-yourself" household mover. These "do-it-yourself" movers include individuals and families moving their belongings from one home to another, college students moving their belongings, vacationers and sports enthusiasts needing extra space or having special towing needs, people trying to save on home furniture and home appliance delivery costs, and "do-it-yourself" home remodeling and gardening enthusiasts who need to transport materials.

As of March 31, 2012, our rental fleet consisted of approximately 106,000 trucks, 83,000 trailers and 33,000 towing devices. This equipment and our U-Haul brand of self-moving products and services are available through our network of managed retail moving centers and independent U-Haul dealers. Independent U-Haul dealers receive rental equipment from the Company, act as rental agents and are paid a commission based on gross revenues generated from their U-Haul rentals.

Our rental truck chassis are manufactured by domestic and foreign truck manufacturers. These chassis are joined with the U-Haul designed and manufactured van boxes primarily at U-Haul operated manufacturing and assembly facilities strategically located throughout the United States. U-Haul rental trucks feature our proprietary Lowest Deck SM, which provides our customers with extra ease of loading. The loading ramps on our trucks are the widest in the industry, which reduce the effort needed to move belongings. Our trucks are fitted with convenient, padded rub rails with tie downs on every interior wall. Our Gentle Ride Suspension SM helps our customers safely move delicate and prized possessions. Also, the engineers at our U-Haul Technical Center determined that the softest ride in our trucks was at the front of the van box. Consequently, we designed the part of the van box that hangs over the front cab of the truck to be the location for our customers to place their most fragile items during their move. We call this area Mom's Attic SM.

Our distinctive trailers are also manufactured at these same U-Haul operated manufacturing and assembly facilities. These trailers are well suited to the low profile of many of today's newly manufactured automobiles. Our engineering staff is committed to making our trailers easy to tow, safe, aerodynamic and fuel efficient.

To provide our self-move customers with added value, our rental trucks and trailers are designed with fuel efficiency in mind. Many of our newer trucks are fitted with fuel economy gauges, another tool that assists our customers in conserving fuel. To help make our rental equipment more reliable, we routinely perform extensive preventive maintenance and repairs.

We also provide customers with equipment to transport their vehicle. We provide two towing options; auto transport, in which all four wheels are off the ground and a tow dolly, in which the front wheels of the towed vehicle are off the ground.

To help our customers load their boxes and larger household appliances and furniture, we offer several accessory rental items. Our utility dolly has a lightweight design and is easy to maneuver. Another rental accessory is our four wheel dolly, which provides a large, flat surface for moving dressers, wall units, pianos and other large household items. U-Haul appliance dollies provide the leverage needed to move refrigerators, freezers, washers and dryers easily and safely. These utility, furniture and appliance dollies, along with the low decks and the wide loading ramps on U-Haul trucks and trailers, are designed for easy loading and unloading of our customers' belongings.

The total package U-Haul offers the "do-it-yourself" household mover doesn't end with trucks, trailers and accessory rental items. Our moving supplies include a wide array of affordably priced U-Haul brand boxes, tape and packing materials. We also provide specialty boxes for dishes, computers and sensitive electronic equipment, as well as tape, security locks, and packing supplies. U-Haul brand boxes are specifically sized to make loading easier.

We estimate that U-Haul is North America's largest seller and installer of hitches and towing systems. In addition to towing U-Haul equipment, these hitching and towing systems can tow jet skis, motorcycles, boats, campers and horse trailers. Our hitches, ball mounts, and hitch balls undergo stringent testing requirements. Each year, more than one million customers visit our locations for expertise on complete towing systems, trailer rentals and the latest in towing accessories.

U-Haul has one of North America's largest propane refilling networks, with over 1,060 locations providing this convenient service. We employ trained, certified personnel to refill all propane cylinders and alternative fuel vehicles. Our network of propane dispensing locations is one of the largest automobile alternative refueling networks in North America.

Our self-storage business was a natural outgrowth of our self-moving operations. Conveniently located U-Haul self-storage rental facilities provide clean, dry and secure space for storage of household and commercial goods. Storage units range in size from 6 square feet to over 1,000 square feet. We operate 1,140 self-storage locations in North America, with over 423,000 rentable rooms comprising 37.8 million square feet of rentable storage space. Our self-storage centers feature a wide array of security

measures, ranging from electronic property access control gates to individually alarmed storage units. At many centers, we offer climate controlled storage rooms to protect temperature sensitive goods such as video tapes, albums, photographs and precious wood furniture.

Another extension of our strategy to make “do-it-yourself” moving and storage easier is our U-Box TM program. A storage container is delivered to a location of our customer’s choosing either by Company personnel or by the customers themselves through the use of a U-Box trailer. This option provides the customer with the greatest scheduling convenience. Once the container is filled it can be stored at the customer’s location, or taken to any of our corporate locations or moved to a location of the customer’s choice.

Additionally, we offer moving and storage protection packages such as Safemove and Safetow. These programs provide moving and towing customers with a damage waiver, cargo protection and medical and life insurance coverage. Safestor provides protection for storage customers from loss on their goods in storage. For our customers who desire additional coverage over and above the standard Safemove protection, we also offer our Super Safemove product. This package provides the rental customer with a layer of primary liability protection.

Our eMove [®] web site, eMove.com, is the largest network of customers and independent businesses in the self-moving and self-storage industry. The eMove network consists of channels where customers, businesses and service providers transact business. The eMove Moving Help marketplace connects “do-it-yourself” movers with independent service providers to assist movers in packing, loading, unloading, cleaning, driving and performing other services. Thousands of independent service providers participate in the eMove network.

Through the eMove Storage Affiliate Program, independent storage businesses can join the world’s largest self-storage reservation system. Self-storage customers making a reservation through eMove can access all of the U-Haul self-storage centers and all of our independent storage affiliate partners for even greater convenience to meet their self-storage needs.

Description of Operating Segments

AMERCO’s three reportable segments are:

- Moving and Storage, comprised of AMERCO, U-Haul, and Real Estate and the subsidiaries of U-Haul and Real Estate,
- Property and Casualty Insurance, comprised of Repwest and its subsidiaries and ARCOA, and
- Life Insurance, comprised of Oxford and its subsidiaries.

Financial information for each of our operating segments is included in the Notes to Consolidated Financial Statements as part of Item 8: Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

Moving and Storage Operating Segment

Our Moving and Storage operating segment consists of the rental of trucks, trailers, portable storage boxes, specialty rental items and self-storage spaces primarily to the household mover as well as sales of moving supplies, towing accessories and propane. Operations are conducted under the registered trade name U-Haul [®] throughout the United States and Canada.

Net revenue from our Moving and Storage operating segment was approximately 86.1%, 88.1% and 90.6% of consolidated net revenue in fiscal 2012, 2011 and 2010, respectively.

During fiscal 2012, the Company placed approximately 22,600 new trucks in service. These replacements were a combination of U-Haul manufactured vehicles and purchases. Typically as new trucks are added to the fleet the Company removes older trucks from the fleet. The total number of rental trucks in the fleet increased during fiscal 2012 as we increased the pace of new additions while trucks removed for retirement and sale were generally consistent with fiscal 2011.

Within our truck and trailer rental operation we are focused on expanding our independent dealer network to provide added convenience for our customers. U-Haul maximizes vehicle utilization by effective distribution of the truck and trailer fleets among the 1,450 Company operated centers and approximately 15,500 independent dealers. Utilizing its proprietary reservations management system, the

Company's centers and dealers electronically report their inventory in real-time, which facilitates matching equipment to customer demand. Approximately 55% of all U-Move rental revenue originates from the Company operated centers.

At our owned and operated retail centers we are implementing new initiatives to improve customer service. These initiatives include improving management of our rental equipment to provide our retail centers with the right type of rental equipment, at the right time and at the most convenient location for our customers, effective marketing of our broad line of self-moving related products and services, maintaining longer hours of operation to provide more convenience to our customers, and enhancing our ability to properly staff locations during our peak hours of operations by attracting and retaining "moonlighters" (part-time U-Haul employees with full-time jobs elsewhere) during our peak hours of operation.

Our self-moving related products and services, such as boxes, pads and insurance, help our customers have a better moving experience and help them to protect their belongings from potential damage during the moving process. We are committed to providing a complete line of products selected with the "do-it-yourself" moving and storage customer in mind.

Our self-storage business operations consist of the rental of self-storage rooms, portable storage boxes, sales of self-storage related products, the facilitation of sales of services, and the management of self-storage facilities owned by others.

U-Haul is one of the largest North American operators of self-storage and has been a leader in the self-storage industry since 1974. U-Haul operates over 423,000 storage rooms, comprising 37.8 million square feet of storage space with locations in 49 states and 10 Canadian provinces. U-Haul's owned and managed self-storage facility locations range in size up to 184,600 square feet of storage space, with individual storage units in sizes ranging from 6 square feet to over 1,000 square feet.

The primary market for storage rooms is the storage of household goods. We believe that our self-storage services provide a competitive advantage through such things as Max Security, an electronic system that monitors the storage facility 24 hours a day, climate control, individually alarmed rooms, extended hours access, and an internet-based customer reservation and account management system.

eMove is an online marketplace that connects consumers to independent Moving Help™ service providers and thousands of independent Self-Storage Affiliates. Our network of customer-rated affiliates provides pack and load help, cleaning help, self-storage and similar services all over North America. Our goal is to further utilize our web-based technology platform to increase service to consumers and businesses in the moving and storage market.

Our Moving and Storage operating segment business is seasonal and our results of operations and cash flows fluctuate significantly from quarter to quarter. Historically, revenues have been stronger in the first and second fiscal quarters due to the overall increase in moving activity during the spring and summer months. The fourth fiscal quarter is generally weakest, due to a greater potential for adverse weather conditions.

Property and Casualty Insurance Operating Segment

Our Property and Casualty Insurance operating segment provides loss adjusting and claims handling for U-Haul through regional offices across North America. Property and Casualty Insurance also underwrites components of the Safemove, Safetow, Super Safemove and Safestor protection packages to U-Haul customers. We continue to focus on increasing the penetration of these products into the moving and storage market. The business plan for Property and Casualty Insurance includes offering property and casualty products in other U-Haul related programs.

Net revenue from our Property and Casualty Insurance operating segment was approximately 1.6%, 1.7% and 1.6% of consolidated net revenue in fiscal 2012, 2011 and 2010, respectively.

Life Insurance Operating Segment

Our Life Insurance operating segment provides life and health insurance products primarily to the senior market through the direct writing and reinsuring of life insurance, Medicare supplement and annuity policies.

Net revenue from our Life Insurance operating segment was approximately 12.3%, 10.2% and 7.8% of consolidated net revenue in fiscal 2012, 2011 and 2010, respectively.

Employees

As of March 31, 2012, we employed over 17,700 people throughout North America with approximately 98% of these employees working within our Moving and Storage operating segment and approximately 57% of these employees work on a part-time basis.

Sales and Marketing

We promote U-Haul brand awareness through direct and co-marketing arrangements. Our direct marketing activities consist of web based advertising, print and yellow pages as well as trade events, movie cameos of our rental fleet and boxes, and industry and consumer communications. Our rental equipment is our best form of advertisement. We support our independent U-Haul dealers through advertising of U-Haul moving and self-storage rentals, products and services.

Our marketing plan focuses on maintaining our leadership position in the “do-it-yourself” moving and storage industry by continually improving the ease of use and efficiency of our rental equipment, by providing added convenience to our retail centers through independent U-Haul dealers, and by expanding the capabilities of our eMove web sites.

A significant driver of U-Haul’s rental transaction volume is our utilization of an online reservation and sales system, through uhaul.com, eMove.com and our 24-hour 1-800-GO-U-HAUL telephone reservations system. These points of contact are prominently featured and are a major driver of customer lead sources.

Competition

Moving and Storage Operating Segment

The truck rental industry is highly competitive and includes a number of significant national, regional and local competitors. Generally speaking, we consider there to be two distinct users of rental trucks: commercial and “do-it-yourself” residential users. We primarily focus on the “do-it-yourself” residential user. Within this segment, we believe the principal competitive factors are convenience of rental locations, availability of quality rental moving equipment, breadth of essential products and services, and total cost to the user. Our major national competitors in both the In-Town and one-way moving equipment rental market are Avis Budget Group, Inc. and Penske Truck Leasing. Additionally, we have numerous small local competitors throughout North America who compete with us in the In-Town market.

The self-storage market is large and very fragmented. We believe the principal competitive factors in this industry are convenience of storage rental locations, cleanliness, security and price. Our largest competitors in the self-storage market are Public Storage Inc., Extra Space Storage, Inc., and Sovran Self-Storage Inc.

Insurance Operating Segments

The insurance industry is highly competitive. In addition, the marketplace includes financial services firms offering both insurance and financial products. Some of the insurance companies are owned by stockholders and others are owned by policyholders. Many competitors have been in business for a longer period of time or possess substantially greater financial resources and broader product portfolios than our insurance companies. We compete in the insurance business based upon price, product design, and services rendered to agents and policyholders.

Recent Developments

Related Party

In April 2012, the Company received \$52.2 million from SAC Holding Corporation as full repayment of principal and accrued interest for one of its junior notes. Also in April 2012 and May 2012, the Company received \$46.0 million and \$20.4 million, respectively from SAC Holding II Corporation as partial repayment on its junior note.

Financial Strength Ratings

In February 2012, A.M. Best downgraded the financial strength rating to B (Fair) for Repwest, and has been placed under review with negative implications. The business lines that Repwest currently operates in are generally not ratings sensitive; therefore, we do not believe the downgrade will significantly impact Repwest's current marketing plans or its financial condition. The downgrade could negatively effect certain expansion opportunities in the future or result in additional costs.

In April 2012, A.M. Best affirmed the financial strength rating of B++ (Good) for Oxford and upgraded its outlook from stable to positive.

Financial Data of Segment and Geographic Areas

For financial data of our segments and geographic areas please see Note 23 Financial Information by Geographic Area and Note 23A Consolidating Financial Information by Industry Segment to our Notes to Consolidated Financial Statements.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K ("Annual Report"), contains "forward-looking statements" regarding future events and our future results of operations. We may make additional written or oral forward-looking statements from time to time in filings with the SEC or otherwise. We believe such forward-looking statements are within the meaning of the safe-harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Such statements may include, but are not limited to, projections of revenues, earnings or loss, estimates of capital expenditures, plans for future operations, products or services, financing needs and plans, our perceptions of our legal positions and anticipated outcomes of government investigations and pending litigation against us, liquidity, goals and strategies, plans for new business, storage occupancy, growth rate assumptions, pricing, costs, and access to capital and leasing markets as well as assumptions relating to the foregoing. The words "believe," "expect," "anticipate," "estimate," "project" and similar expressions identify forward-looking statements, which speak only as of the date the statement was made.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Factors that could significantly affect results include, without limitation, the risk factors enumerated at the end of this section, as well as the following: our ability to operate pursuant to the terms of its credit facilities; our ability to maintain contracts that are critical to our operations; the costs and availability of financing; our ability to execute our business plan; our ability to attract, motivate and retain key employees; general economic conditions; fluctuations in our costs to maintain and update our fleet and facilities; our ability to refinance our debt; changes in government regulations, particularly environmental regulations; our credit ratings; the availability of credit; changes in demand for our products; changes in the general domestic economy; the degree and nature of our competition; the resolution of pending litigation against us; changes in accounting standards and other factors described in this Annual Report or the other documents we file with the SEC. The above factors, the following disclosures, as well as other statements in this Annual Report and in the Notes to Consolidated Financial Statements, could contribute to or cause such risks or uncertainties, or could cause our stock price to fluctuate dramatically. Consequently, the forward-looking statements should not be regarded as representations or warranties by us that such matters will be realized. We assume no obligation to update or revise any of the forward-looking statements, whether in response to new information, unforeseen events, changed circumstances or otherwise.

Item 1A. Risk Factors

The following discussion of risk factors should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and the Consolidated Financial Statements and related notes. These risk factors may be important in understanding this Annual Report or elsewhere.

We operate in a highly competitive industry.

The truck rental industry is highly competitive and includes a number of significant national, regional and local competitors. We believe the principal competitive factors in this industry are convenience of rental locations, availability of quality rental moving equipment, breadth of essential services and products and total cost. Financial results for the Company can be adversely impacted by aggressive pricing from our competitors. Some of our competitors may have greater financial resources than we have. We cannot assure you that we will be able to maintain existing rental prices or implement price increases. Moreover, if our competitors reduce prices and we are not able or willing to do so as well, we may lose rental volume, which would likely have a materially adverse effect on our results of operations.

The self-storage industry is large and highly fragmented. We believe the principal competitive factors in this industry are convenience of storage rental locations, cleanliness, security and price. Competition in the market areas in which we operate is significant and affects the occupancy levels, rental rates and operating expenses of our facilities. Competition might cause us to experience a decrease in occupancy levels, limit our ability to raise rental rates or require us to offer discounted rates that would have a material effect on results of operations and financial condition. Entry into the self-storage business may be accomplished through the acquisition of existing facilities by persons or institutions with the required initial capital. Development of new self-storage facilities is more difficult however, due to land use, zoning, environmental and other regulatory requirements. The self-storage industry has in the past experienced overbuilding in response to perceived increases in demand. We cannot assure you that we will be able to successfully compete in existing markets or expand into new markets.

We are highly leveraged.

As of March 31, 2012, we had total debt outstanding of \$1,486.2 million and total undiscounted lease commitments of \$325.4 million. Although we believe, based on existing information, that additional leverage can be supported by our operations and revenues, our existing debt could impact us in the following ways among other considerations:

- require us to allocate a considerable portion of cash flows from operations to debt service payments;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- limit our ability to obtain additional financing; and
- place us at a disadvantage compared to our competitors who may have less debt.

Our ability to make payments on our debt depends upon our ability to maintain and improve our operating performance and generate cash flow. To some extent, this is subject to prevailing economic and competitive conditions and to certain financial, business and other factors, some of which are beyond our control. If we are unable to generate sufficient cash flow from operations to service our debt and meet our other cash needs, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. If we must sell our assets, it may negatively affect our ability to generate revenue. In addition, we may incur additional debt that would exacerbate the risks associated with our indebtedness.

Economic conditions, including those related to the credit markets, may adversely affect our industry, business and results of operations.

The United States economy has undergone a period of slowdown and unprecedented volatility, which resulted in a recession. It is difficult to gauge the pace of the economic recovery or if such recovery may stall or reverse course in the future. Consumer and commercial spending is generally affected by the health of the economy, which places some of the factors affecting the success of our business beyond our control. Our industries, although not as traditionally cyclical as some, could experience significant downturns in connection with or in anticipation of, declines, or sustained lack of recovery, in general economic conditions. In times of declining consumer spending we may be driven, along with our competitors, to reduce pricing which would have a negative impact on gross profit. We cannot predict if another downturn, or sustained lack of recovery, in the economy may occur which could result in reduced revenues and working capital.

Should credit markets in the United States tighten or if interest rates increase significantly we may not be able to refinance existing debt or find additional financing on favorable terms, if at all. If one or more of the financial institutions that support our existing credit facilities fails, we may not be able to find a replacement, which would negatively impact our ability to borrow under credit facilities. While we believe that we have adequate sources of liquidity to meet our anticipated requirement for working capital, debt servicing and capital expenditures through fiscal 2013, if our operating results were to worsen significantly and our cash flows or capital resources prove inadequate, or if interest rates increase significantly, we could face liquidity problems that could materially and adversely affect our results of operations and financial condition.

Our fleet rotation program can be adversely affected by financial market conditions.

To meet the needs of our customers, U-Haul maintains a large fleet of rental equipment. Our rental truck fleet rotation program is funded internally through operations and externally from debt and lease financing. Our ability to fund our routine fleet rotation program could be adversely affected if financial market conditions limit the general availability of external financing. This could lead us to operate trucks longer than initially planned and/or reducing the size of the fleet, either of which could materially and negatively affect our results of operations.

Another important aspect of our fleet rotation program is the sale of used rental equipment. The sale of used equipment provides us with funds that can be used to purchase new equipment. Conditions may arise that could lead to the decrease in resale values for our used equipment. This could have a material adverse effect on our financial results, which would result in losses on the sale of equipment and decreases in cash flows from the sales of equipment.

We obtain our rental trucks from a limited number of manufacturers.

Over the last ten years, we purchased the majority of our rental trucks from Ford Motor Company and General Motors Corporation. Our fleet can be negatively affected by issues our manufacturers may face within their own supply chain. Also, it is possible that our suppliers may face financial difficulties or organizational changes which could negatively impact their ability to accept future orders or fulfill existing orders. Although we believe that we could contract with alternative manufacturers for our rental trucks, we cannot guarantee or predict how long that would take. In addition, termination of our existing relationship with these suppliers could have a material adverse effect on our business, financial condition or results of operations for an indefinite period of time.

We may not be able to effectively hedge against interest rate changes in our variable debt.

In certain instances, the Company seeks to manage its exposure to interest rate risk through the use of hedging instruments including interest rate swap agreements and forward swaps. We enter into these arrangements with counterparties that are significant financial institutions with whom we generally have other financial arrangements. We are exposed to credit risk should these counterparties not be able to perform on their obligations. Additionally, a failure on our part to effectively hedge against interest rate changes may adversely affect our financial condition and results of operations. We are required to record these financial instruments at their fair value. Changes in interest rates can significantly impact the valuation of the instruments resulting in non-cash changes to our financial position.

We are controlled by a small contingent of stockholders.

As of March 31, 2012, Edward J. Shoen, President and Chairman of the Board of AMERCO, James P. Shoen, a director of AMERCO, and Mark V. Shoen collectively are the owners of 9,222,365 shares (approximately 47.0%) of the outstanding common stock of AMERCO. In addition, Edward J. Shoen, James P. Shoen, Mark V. Shoen, Rosmarie T. Donovan (Trustee of the Shoen Irrevocable Trusts) and Dunham Trust Company (Successor Trustee of the Irrevocable "C" Trusts) (collectively, the "Reporting Persons") are parties to a stockholder agreement dated June 30, 2006 in which the Reporting Persons agreed to vote as one as provided in this agreement (the "Stockholder Agreement"). Pursuant to the Stockholder Agreement, a collective 10,897,088 shares (approximately 55.6%) of the Company's common stock are voted at the direction of a majority in interest of the Reporting Persons. For additional information, refer to the Schedule 13Ds filed on July 13, 2006, March 9, 2007 and on June 26, 2009 with the SEC. In addition, 1,482,344 shares (approximately 7.6%) of the outstanding common stock of AMERCO are held by our Employee Savings and Employee Stock Ownership Trust.

As a result of their stock ownership and the Stockholder Agreement, Edward J. Shoen, Mark V. Shoen and James P. Shoen are in a position to significantly influence our business affairs and policies of the Company, including the approval of significant transactions, the election of the members of our Board of Directors (the "Board") and other matters submitted to our stockholders. There can be no assurance that the interests of the Reporting Persons will not conflict with the interests of our other stockholders. Furthermore, as a result of the Reporting Persons' voting power, the Company is a "controlled company" as defined in the Nasdaq Listing Rules and, therefore, may avail itself of certain exemptions under Nasdaq rules, including exemptions from the rules that require us to have (i) a majority of independent directors on the Board; (ii) independent director oversight of executive officer compensation; and (iii) independent director oversight of director nominations. Of the above available exemptions, we currently avail ourselves of the exemption from independent director oversight of executive officer compensation, other than with respect to the compensation of the President of AMERCO.

We bear certain risks related to our notes receivable from SAC Holdings.

At March 31, 2012, we held \$195.4 million of notes receivable from SAC Holding Corporation and its subsidiaries ("SAC Holding Corporation") and SAC Holding II Corporation and its subsidiaries ("SAC Holding II") (collectively "SAC Holdings"), which consist of junior unsecured notes. SAC Holdings is highly leveraged with significant indebtedness to others. If SAC Holdings is unable to meet its obligations to its senior lenders, it could trigger a default of its obligations to us. In such an event of default, we could suffer a loss to the extent the value of the underlying collateral of SAC Holdings is inadequate to repay SAC Holdings senior lenders and our junior unsecured notes. We cannot assure you that SAC Holdings will not default on its loans to its senior lenders or that the value of SAC Holdings assets upon liquidation would be sufficient to repay us in full. Due to repayments in April 2012 and May 2012 the total notes receivable balance decreased by \$113.5 million, and accrued interest decreased by \$5.1 million.

Our quarterly results of operations fluctuate due to seasonality and other factors associated with our industry.

Our business is seasonal and our results of operations and cash flows fluctuate significantly from quarter to quarter. Historically, revenues have been stronger in the first and second fiscal quarters due to the overall increase in moving activity during the spring and summer months. The fourth fiscal quarter is generally weakest, due to a greater potential for adverse weather conditions and other factors that are not necessarily seasonal. As a result, our operating results for any given quarterly period are not necessarily indicative of operating results for an entire year.

Our operations subject us to numerous environmental regulations and the possibility that environmental liability in the future could adversely affect our operations.

Compliance with environmental requirements of federal, state and local governments significantly affects our business. Among other things, these requirements regulate the discharge of materials into the air, land and water and govern the use and disposal of hazardous substances. Under environmental laws or common law principles, we can be held liable for hazardous substances that are found on real property we have owned or operated. We are aware of issues regarding hazardous substances on some of our real estate and we have put in place a remediation plan at each site where we believe such a plan is necessary. See Note 20, Contingencies of the Notes to Consolidated Financial Statements. We regularly make capital and operating expenditures to stay in compliance with environmental laws. In particular, we have managed a testing and removal program since 1988 for our underground storage tanks. Despite these compliance efforts, we believe that risk of environmental liability is part of the nature of our business.

Environmental laws and regulations are complex, change frequently and could become more stringent in the future. We cannot assure you that future compliance with these regulations, future environmental liabilities, the cost of defending environmental claims, conducting any environmental remediation or generally resolving liabilities caused by us or related third parties will not have a material adverse effect on our business, financial condition or results of operations.

We operate in a highly regulated industry and changes in existing regulations or violations of existing or future regulations could have a material adverse effect on our operations and profitability.

Our truck and trailer rental business is subject to regulation by various federal, state and foreign governmental entities. Specifically, the U.S. Department of Transportation and various state and federal agencies exercise broad powers over our motor carrier operations, safety, and the generation, handling, storage, treatment and disposal of waste materials. In addition, our storage business is also subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. The failure to adhere to these laws and regulations may adversely affect our ability to sell or rent such property or to use the property as collateral for future borrowings. Compliance with changing regulations could substantially impair real property and equipment productivity and increase our costs. In addition, the Federal government may institute some regulation that limits carbon emissions by setting a maximum amount of carbon entities can emit without penalty. This would likely affect everyone who uses fossil fuels and would disproportionately affect users in the highway transportation industries. While there are too many variables at this time to assess the impact of the various proposed federal and state regulations that could affect carbon emissions, many experts believe these proposed rules could significantly affect the way companies operate in their industries.

Our ability to attract and retain qualified employees, and changes in laws or other labor issues could adversely affect our business and our results of operations.

The success of our business is predicated upon our workforce providing excellent customer service. Our ability to attract and retain this employee base may be inhibited due to prevailing wage rates, benefit costs and the adoption of new or revised employment and labor laws and regulations. Should this occur we may be unable to provide service in certain areas or we may experience significantly increased costs of labor that could adversely affect our results of operations and financial condition.

We are highly dependent upon our automated systems and the Internet for managing our business.

Our information systems are largely Internet-based, including our point-of-sale reservation system and telephone systems. While our reliance on this technology lowers our cost of providing service and expands our abilities to serve, it exposes us to various risks including natural and man-made disasters. We have put into place backup systems and alternative procedures to mitigate this risk. However, disruptions or breaches in any portion of these systems could adversely affect our results of operations and financial condition.

A.M. Best financial strength ratings are crucial to our life insurance business.

In April 2012, A.M. Best affirmed the financial strength rating for Oxford, Christian Fidelity Life Insurance Company, North American Insurance Company and Dallas General Life Insurance Company of B++ and upgraded the outlook to positive. Financial strength ratings are important external factors that can affect the success of Oxford's business plans. Accordingly, if Oxford's ratings, relative to its competitors, are not maintained or do not continue to improve, Oxford may not be able to retain and attract business as currently planned, which could adversely affect our results of operations and financial condition.

We may incur losses due to our reinsurers' or counterparties' failure to perform under existing contracts or we may be unable to secure sufficient reinsurance or hedging protection in the future.

We use reinsurance and derivative contracts to mitigate our risk of loss in various circumstances; primarily at Repwest and for our Moving and Storage operating segment. These agreements do not release us from our primary obligations and therefore we remain ultimately responsible for these potential costs. We cannot provide assurance that these reinsurers or counterparties will fulfill their obligations. Their inability or unwillingness to make payments to us under the terms of the contracts may have a material adverse effect on our financial condition and results of operation.

At December 31, 2011, Repwest reported \$1.1 million of reinsurance recoverables, net of allowances and \$223.9 million of reserves and liabilities ceded to reinsurers. Of this, Repwest's largest exposure to a single reinsurer was \$62.7 million.

Item 1B. *Unresolved Staff Comments*

We have no unresolved staff comments at March 31, 2012.

Item 2. *Properties*

The Company, through its legal subsidiaries, owns property, plant and equipment that are utilized in the manufacturing, repair and rental of U-Haul equipment and storage space, as well as providing office space for us. Such facilities exist throughout the United States and Canada. We also manage storage facilities owned by others. We operate 1,450 U-Haul retail centers of which 481 are managed for other owners, and operates 12 manufacturing and assembly facilities. We also operate 175 fixed-site repair facilities located throughout the United States and Canada. These facilities are used primarily for the benefit of our Moving and Storage operating segment.

Item 3. *Legal Proceedings*

Shoen

In September 2002, Paul F. Shoen filed a shareholder derivative lawsuit in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Paul F. Shoen vs. SAC Holding Corporation et al., CV 02-05602, seeking damages and equitable relief on behalf of AMERCO from SAC Holdings and certain current and former members of the AMERCO Board of Directors, including Edward J. Shoen, Mark V. Shoen and James P. Shoen as Defendants. AMERCO is named as a nominal Defendant in the case. The complaint alleges breach of fiduciary duty, self-dealing, usurpation of corporate opportunities, wrongful interference with prospective economic advantage and unjust enrichment and seeks the unwinding of sales of self-storage properties by subsidiaries of AMERCO to SAC prior to the filing of the complaint. The complaint seeks a declaration that such transfers are void as well as unspecified damages. In October 2002, the Defendants filed motions to dismiss the complaint. Also in October 2002, Ron Belec filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Ron Belec vs. William E. Carty, et al., CV 02-06331 and in January 2003, M.S. Management Company, Inc. filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned M.S. Management Company, Inc. vs. William E. Carty, et al., CV 03-00386. Two additional derivative suits were also filed against these parties. Each of these suits is substantially similar to the Paul F. Shoen case. The Court consolidated the five cases and thereafter dismissed these actions in May 2003, concluding that the AMERCO Board of Directors had the requisite level of independence required in order to have these claims resolved by the Board. Plaintiffs appealed this decision and, in July 2006, the Nevada Supreme Court reversed the ruling of the trial court and remanded the case to the trial court for proceedings consistent with its ruling, allowing the Plaintiffs to file an amended complaint and plead in addition to substantive claims, demand futility.

In November 2006, the Plaintiffs filed an amended complaint. In December 2006, the Defendants filed motions to dismiss, based on various legal theories. In March 2007, the Court denied AMERCO's motion to dismiss regarding the issue of demand futility, stating that "Plaintiffs have satisfied the heightened pleading requirements of demand futility by showing a majority of the members of the AMERCO Board of Directors were interested parties in the SAC transactions." The Court heard oral argument on the remainder of the Defendants' motions to dismiss, including the motion ("Goldwasser Motion") based on the fact that the subject matter of the lawsuit had been settled and dismissed in earlier litigation known as Goldwasser v. Shoen, C.V.N.-94-00810-ECR (D.Nev), Washoe County, Nevada. In addition, in September and October 2007, the Defendants filed Motions for Judgment on the Pleadings or in the Alternative Summary Judgment, based on the fact that the stockholders of the Company had ratified the underlying transactions at the 2007 annual meeting of stockholders of AMERCO. In December 2007, the Court denied this motion. This ruling does not preclude a renewed motion for summary judgment after discovery and further proceedings on these issues. On April 7, 2008, the litigation was dismissed, on the basis of the Goldwasser Motion. On May 8, 2008, the Plaintiffs filed a notice of appeal of such dismissal to the Nevada Supreme Court. On May 20, 2008, AMERCO filed a cross appeal relating to the denial of its Motion to Dismiss in regard to demand futility.

On May 12, 2011, the Nevada Supreme Court affirmed in part, reversed in part, and remanded the case for further proceedings. First, the Court ruled that the Goldwasser settlement did not release claims that arose after the agreement and, therefore, reversed the trial court's dismissal of the Complaint on that ground. Second, the Court affirmed the district court's determination that the in pari delicto defense is available in a derivative suit and reversed and remanded to the district court to determine if the defense applies to this matter. Third, the Court remanded to the district court to conduct an evidentiary hearing to determine whether demand upon the AMERCO Board was, in fact, futile. Fourth, the Court invited AMERCO to seek a ruling from the district court as to the legal effect of the AMERCO Shareholders' 2008 ratification of the underlying AMERCO/SAC transactions.

Last, as to individual claims for relief, the Court affirmed the district court's dismissal of the breach of fiduciary duty of loyalty claims as to all defendants except Mark Shoen. The Court affirmed the district court's dismissal of the breach of fiduciary duty: ultra vires Acts claim as to all defendants. The Court reversed the district court's dismissal of aiding and abetting a breach of fiduciary duty and unjust enrichment claims against the SAC entities. The Court reversed the trial court's dismissal of the claim for wrongful interference with prospective economic advantage as to all defendants.

On remand, on July 22, 2011, AMERCO filed a Motion for Summary Judgment based upon the Shareholder's Ratification of the SAC transactions. In addition, on August 29, 2011, certain defendants filed a Motion to Dismiss Plaintiffs' Claim for Wrongful Interference with Prospective Economic Advantage. On August 31, 2011, the trial court held a status conference and entered an order setting forth the briefing schedule for the two motions. On December 23, 2011, the trial court denied AMERCO's motion for summary judgment and certain defendants' motion to dismiss. The court has set a discovery schedule on the limited issue of demand futility. A four day evidentiary hearing on demand futility is scheduled to begin on August 20, 2012.

Environmental

Compliance with environmental requirements of federal, state and local governments may significantly affect the operation of Real Estate's business. Among other things, these requirements regulate the discharge of materials into the air, land and water and govern the use and disposal of hazardous substances. Real Estate is aware of issues regarding hazardous substances on some of its properties. Real Estate regularly makes capital and operating expenditures to stay in compliance with environmental laws and has put in place a remedial plan at each site where it believes such a plan is necessary. Since 1988, Real Estate has managed a testing and removal program for underground storage tanks.

Based upon the information currently available to Real Estate, compliance with the environmental laws and its share of the costs of investigation and cleanup of known hazardous waste sites are not expected to result in a material adverse effect on AMERCO's financial position or results of operations.

Other

The Company is named as a defendant in various other litigation and claims arising out of the normal course of business. In management's opinion, none of these other matters will have a material effect on the Company's financial position and results of operations.

Item 4. *Mine Safety Disclosure*

Not applicable.

PART II

Item 5. *Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

As of June 1, 2012, there were approximately 3,500 holders of record of our common stock. We derived the number of our stockholders using internal stock ledgers and utilizing Mellon Investor Services Stockholder listings. AMERCO's common stock is listed on the NASDAQ Global Select Market under the trading symbol "UHAL".

The following table sets forth the high and the low sales price of the common stock of AMERCO for the periods indicated:

	Year Ended March 31,			
	2012		2011	
	High	Low	High	Low
First quarter	\$ 103.36	\$ 83.90	\$ 64.42	\$ 43.43
Second quarter	\$ 97.25	\$ 60.18	\$ 83.83	\$ 53.04
Third quarter	\$ 90.45	\$ 60.44	\$ 109.11	\$ 76.02
Fourth quarter	\$ 126.14	\$ 89.34	\$ 104.00	\$ 86.29

Dividends

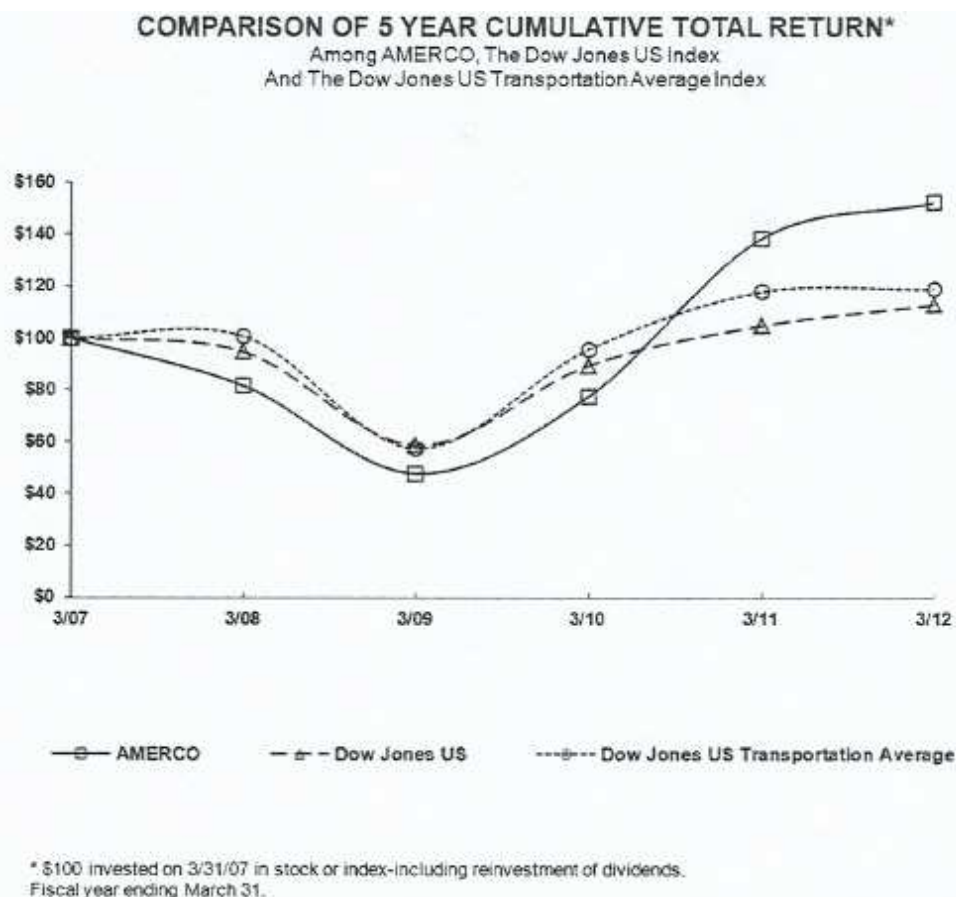
AMERCO does not have a formal dividend policy. The Board periodically considers the advisability of declaring and paying dividends to common stockholders in light of existing circumstances.

On December 7, 2011, the Company declared a special cash dividend on its Common Stock of \$1.00 per share to holders of record on December 23, 2011. The dividend was paid on January 3, 2012.

See Note 22, Statutory Financial Information of Insurance Subsidiaries of the Notes to Consolidated Financial Statements for a discussion of certain statutory restrictions on the ability of the insurance subsidiaries to pay dividends to AMERCO.

Performance Graph

The following graph compares the cumulative total stockholder return on the Company's common stock for the period March 31, 2007 through March 31, 2012 with the cumulative total return on the Dow Jones US Total Market and the Dow Jones US Transportation Average. The comparison assumes that \$100 was invested on March 31, 2007 in the Company's common stock and in each of the comparison indices. The graph reflects the value of the investment based on the closing price of the common stock trading on NASDAQ on March 31, 2008, 2009, 2010, 2011 and 2012.



Fiscal year ended March 31:	2007	2008	2009	2010	2011	2012
AMERCO	\$ 100	\$ 82	\$ 48	\$ 78	\$ 139	\$ 152
Dow Jones US Total Market	100	95	59	90	105	113
Dow Jones US Transportation Average	100	101	58	96	118	119

Issuer Purchases of Equity Securities

On December 3, 2008, the Board authorized us, using management's discretion, to buy back shares from former employees who were participants in our Employee Stock Ownership Plan ("ESOP"). To be eligible for consideration, the employee's ESOP account balance(s) must be valued at more than \$1,000 at the then-prevailing market prices but have less than 100 shares. No such shares have been purchased.

On June 1, 2011, we redeemed all 6,100,000 shares of our issued and outstanding Series A 8½% Preferred Stock ("Series A Preferred") at a redemption price of \$25 per share plus accrued dividends through that date. Pursuant to Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 260 - *Earnings Per Share* ("ASC 260"), for earnings per share purposes, we recognized the deficit of the carrying amount of the Series A Preferred over the consideration paid to redeem the shares.

The Series A Preferred was recorded in our Additional Paid-In Capital account, net of original issue costs at \$146.3 million prior to the redemption. We paid \$152.5 million to redeem the shares on June 1, 2011 of which \$7.7 million was paid to our insurance subsidiaries in exchange for their holdings. The difference between what was paid to redeem the shares less their carrying amount on our balance sheet, reduced by our insurance subsidiaries holdings was \$5.9 million. This amount was recognized as a reduction to our earnings available to our common shareholders for the purposes of computing earnings per share for fiscal 2012.

From January 1, 2009 through March 31, 2011, our insurance subsidiaries purchased 308,300 shares of Series A Preferred on the open market for \$7.2 million. Pursuant to ASC 260 for earnings per share purposes, we recognize the excess or deficit of the carrying amount of the Series A Preferred over the fair value of the consideration paid. For fiscal 2011, this resulted in a \$0.2 million charge to net earnings as the amount paid by the insurance companies exceeded the carrying value, net of a prorated portion of original issue costs of the preferred stock. For fiscal 2010, we recognized a \$0.4 million gain as the amount paid was less than our adjusted carrying value.

Item 6. Selected Financial Data

The following selected financial data should be read in conjunction with the MD&A, and the Consolidated Financial Statements and related notes in this Annual Report.

Listed below is selected financial data for AMERCO and consolidated subsidiaries for each of the last five years ended March 31:

	Years Ended March 31,				2008 (a), (b)
	2012	2011	2010	2009	
(In thousands, except share and per share data)					
<i>Summary of Operations:</i>					
Self-moving equipment rentals	\$ 1,678,256	\$ 1,547,015	\$ 1,419,726	\$ 1,423,022	\$ 1,451,292
Self-storage revenues	134,376	120,698	110,369	110,548	122,248
Self-moving and self-storage products and service sales	213,854	205,570	198,785	199,394	217,798
Property management fees	23,266	22,132	21,632	23,192	22,820
Life insurance premiums	277,562	206,992	134,345	109,572	111,996
Property and casualty insurance premiums	32,631	30,704	27,625	28,337	28,388
Net investment and interest income	64,200	52,661	49,989	58,021	62,110
Other revenue	78,530	55,503	39,534	40,180	32,522
Total revenues	2,502,675	2,241,275	2,002,005	1,992,266	2,049,174
Operating expenses	1,093,190	1,026,577	1,022,061	1,057,880	1,089,543
Commission expenses	212,190	190,981	169,104	171,303	167,945
Cost of sales	116,542	106,024	104,049	114,387	120,210
Benefits and losses	310,839	190,429	121,105	97,617	98,760
Amortization of deferred policy acquisition costs	13,791	9,494	7,569	12,394	13,181
Lease expense	131,215	150,809	156,951	152,424	133,931
Depreciation, net of (gains) losses on disposals (d)	208,901	189,266	227,629	265,213	221,882
Total costs and expenses	2,086,668	1,863,580	1,808,468	1,871,218	1,845,452
Earnings from operations	416,007	377,695	193,537	121,048	203,722
Interest expense	(90,371)	(88,381)	(93,347)	(98,470)	(101,420)
Pretax earnings	325,636	289,314	100,190	22,578	102,302
Income tax expense	(120,269)	(105,739)	(34,567)	(9,168)	(34,518)
Net earnings	205,367	183,575	65,623	13,410	67,784
Less: Excess of redemption value over carrying value of preferred shares redeemed	(5,908)	(178)	388	-	-
Less: Preferred stock dividends (c)	(2,913)	(12,412)	(12,856)	(12,963)	(12,963)
Earnings available to common shareholders	\$ 196,546	\$ 170,985	\$ 53,155	\$ 447	\$ 54,821
Basic and diluted earnings per common share	\$ 10.09	\$ 8.80	\$ 2.74	\$ 0.02	\$ 2.78
Weighted average common shares outstanding: Basic and diluted	19,476,187	19,432,781	19,386,791	19,350,041	19,740,571
Cash dividends declared and accrued Preferred stock (c)	\$ 2,913	\$ 12,412	\$ 12,856	\$ 12,963	\$ 12,963
<i>Balance Sheet Data:</i>					
Property, plant and equipment, net	\$ 2,372,365	\$ 2,094,573	\$ 1,948,388	\$ 2,013,928	\$ 2,011,176
Total assets	4,654,051	4,176,154	3,762,454	3,825,073	3,832,487
Notes, loans and leases payable	1,486,211	1,397,842	1,347,635	1,546,490	1,504,677
Stockholders' equity	1,035,820	993,020	812,911	717,629	758,431

(a) Fiscal 2008 summary of operations includes 7 months of activity for SAC Holding II which was deconsolidated effective October 31, 2007.

(b) Fiscal 2008 balance sheet data does not include SAC Holding II which was deconsolidated effective October 31, 2007.

(c) Fiscal 2012, 2011 and 2010 reflect eliminations of \$0.3 million, \$0.6 million and \$0.1 million, respectively paid to affiliates.

(d) (Gains) losses were (\$20.9) million, (\$23.1) million, (\$2.0) million, \$16.6 million and (\$5.9) million for fiscal 2012, 2011, 2010, 2009 and 2008, respectively.

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

General

We begin this MD&A with the overall strategy of AMERCO, followed by a description of and strategy related to, our operating segments to give the reader an overview of the goals of our businesses and the direction in which our businesses and products are moving. We then discuss our critical accounting policies and estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results. Next, we discuss our results of operations for fiscal 2012 compared with fiscal 2011, and for fiscal 2011 compared with fiscal 2010 which are followed by an analysis of changes in our balance sheets and cash flows, and a discussion of our financial commitments in the sections entitled Liquidity and Capital Resources and Disclosures about Contractual Obligations and Commercial Commitments. We conclude this MD&A by discussing our outlook for fiscal 2013.

This MD&A should be read in conjunction with the other sections of this Annual Report, including Item 1: Business, Item 6: Selected Financial Data and Item 8: Financial Statements and Supplementary Data. The various sections of this MD&A contain a number of forward-looking statements, as discussed under the caption, Cautionary Statements Regarding Forward-Looking Statements, all of which are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this Annual Report and particularly under the section Item 1A: Risk Factors. Our actual results may differ materially from these forward-looking statements.

AMERCO has a fiscal year that ends on the 31st of March for each year that is referenced. Our insurance company subsidiaries have fiscal years that end on the 31st of December for each year that is referenced. They have been consolidated on that basis. Our insurance companies' financial reporting processes conform to calendar year reporting as required by state insurance departments. Management believes that consolidating their calendar year into our fiscal year financial statements does not materially affect the presentation of financial position or results of operations. We disclose all material events, if any, occurring during the intervening period. Consequently, all references to our insurance subsidiaries' years 2011, 2010 and 2009 correspond to fiscal 2012, 2011 and 2010 for AMERCO.

Overall Strategy

Our overall strategy is to maintain our leadership position in the North American "do-it-yourself" moving and storage industry. We accomplish this by providing a seamless and integrated supply chain to the "do-it-yourself" moving and storage market. As part of executing this strategy, we leverage the brand recognition of U-Haul with our full line of moving and self-storage related products and services and the convenience of our broad geographic presence.

Our primary focus is to provide our customers with a wide selection of moving rental equipment, convenient self-storage rental facilities and related moving and self-storage products and services. We are able to expand our distribution and improve customer service by increasing the amount of moving equipment and storage rooms and portable storage boxes available for rent, expanding the number of independent dealers in our network and expanding and taking advantage of our eMove capabilities.

Our Property and Casualty Insurance operating segment is focused on providing and administering property and casualty insurance to U-Haul and its customers, its independent dealers and affiliates.

Our Life Insurance operating segment is focused on long-term capital growth through direct writing and reinsuring of life, Medicare supplement and annuity products in the senior marketplace.

Description of Operating Segments

AMERCO's three reportable segments are:

- Moving and Storage, comprised of AMERCO, U-Haul, and Real Estate and the subsidiaries of U-Haul and Real Estate,
- Property and Casualty Insurance, comprised of Repwest and its subsidiaries and ARCOA,
- Life Insurance, comprised of Oxford and its subsidiaries.

See Note 1, Basis of Presentation, Note 23, Financial Information by Geographic Area and Note 23A, Consolidating Financial Information by Industry Segment of the Notes to Consolidated Financial Statements included in this Annual Report.

Moving and Storage Operating Segment

Our Moving and Storage operating segment consists of the rental of trucks, trailers, portable storage boxes, specialty rental items and self-storage spaces primarily to the household mover as well as sales of moving supplies, towing accessories and propane. Operations are conducted under the registered trade name U-Haul® throughout the United States and Canada.

With respect to our truck, trailer, specialty rental items and self-storage rental business, we are focused on expanding our dealer network, which provides added convenience for our customers and expanding the selection and availability of rental equipment to satisfy the needs of our customers.

U-Haul brand self-moving related products and services, such as boxes, pads and tape allow our customers to, among other things; protect their belongings from potential damage during the moving process. We are committed to providing a complete line of products selected with the “do-it-yourself” moving and storage customer in mind.

eMove is an online marketplace that connects consumers to independent Moving Help® service providers and thousands of independent Self-Storage Affiliates. Our network of customer rated affiliates and service providers furnish pack and load help, cleaning help, self-storage and similar services, all over North America. Our goal is to further utilize our web-based technology platform to increase service to consumers and businesses in the moving and storage market.

Since 1945 U-Haul has incorporated sustainable practices into its everyday operations. We believe that our basic business premise of equipment sharing helps reduce greenhouse gas emissions and reduces the need for total large capacity vehicles. We continue to look for ways to reduce waste within our business and are dedicated to manufacturing reusable components and recyclable products. We believe that our commitment to sustainability, through our products and services and everyday operations has helped us to reduce our impact on the environment.

Property and Casualty Insurance Operating Segment

Our Property and Casualty Insurance operating segment provides loss adjusting and claims handling for U-Haul through regional offices across North America. Property and Casualty Insurance also underwrites components of the Safemove, Safetow, Super Safemove and Safestor protection packages to U-Haul customers. We continue to focus on increasing the penetration of these products into the moving and storage market. The business plan for our Property and Casualty Insurance operating segment includes offering property and casualty products in other U-Haul related programs.

Life Insurance Operating Segment

Our Life Insurance operating segment provides life and health insurance products primarily to the senior market through the direct writing and reinsuring of life insurance, Medicare supplement and annuity policies.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with the generally accepted accounting principles (“GAAP”) in the United States. The methods, estimates and judgments we use in applying our accounting policies can have a significant impact on the results we report in our financial statements. Note 3, Accounting Policies of the Notes to Consolidated Financial Statements in Item 8: Financial Statements and Supplementary Data of this Annual Report summarizes the significant accounting policies and methods used in the preparation of our consolidated financial statements and related disclosures. Certain accounting policies require us to make difficult and subjective judgments and assumptions, often as a result of the need to estimate matters that are inherently uncertain.

In the following pages we have set forth, with a detailed description, the accounting policies that we deem most critical to us and that require management’s most difficult and subjective judgments. These estimates are based on historical experience, observance of trends in particular areas, information and valuations available from outside sources and on various other assumptions that are believed to be

reasonable under the circumstances and which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual amounts may differ from these estimates under different assumptions and conditions; such differences may be material.

We also have other policies that we consider key accounting policies, such as revenue recognition; however, these policies do not meet the definition of critical accounting estimates, because they do not generally require us to make estimates or judgments that are difficult or subjective. The accounting policies that we deem most critical to us, and involve the most difficult, subjective or complex judgments include the following:

Principles of Consolidation

We apply ASC 810 - *Consolidation* ("ASC 810") in our principles of consolidation. ASC 810 addresses arrangements where a company does not hold a majority of the voting or similar interests of a variable interest entity ("VIE"). A company is required to consolidate a VIE if it has determined it is the primary beneficiary. ASC 810 also addresses the policy when a company owns a majority of the voting or similar rights and exercises effective control.

As promulgated by ASC 810, a VIE is not self-supportive due to having one or both of the following conditions: (i) it has an insufficient amount of equity for it to finance its activities without receiving additional subordinated financial support or (ii) its owners do not hold the typical risks and rights of equity owners. This determination is made upon the creation of a variable interest and is re-assessed on an on-going basis should certain changes in the operations of a VIE, or its relationship with the primary beneficiary trigger a reconsideration under the provisions of ASC 810. After a triggering event occurs the most recent facts and circumstances are utilized in determining whether or not a company is a VIE, which other company(s) have a variable interest in the entity, and whether or not the company's interest is such that it is the primary beneficiary.

In fiscal 2003 and fiscal 2002, SAC Holdings were considered special purpose entities and were consolidated based on the provisions of Emerging Issues Task Force Issue 90-15, *Impact of Nonsubstantive Lessors, Residual Value Guarantees and Other Provisions in Leasing Transactions*. In fiscal 2004, we evaluated our interests in SAC Holdings and we concluded that SAC Holdings were VIE's and that we were the primary beneficiary. Accordingly, we continued to include SAC Holdings in our consolidated financial statements.

Triggering events in February and March of 2004 for SAC Holding Corporation required AMERCO to reassess its involvement in specific SAC Holding Corporation entities. During these reassessments it was concluded that AMERCO was no longer the primary beneficiary, resulting in the deconsolidation of SAC Holding Corporation in fiscal 2004.

In November 2007, Blackwater contributed additional capital to its wholly-owned subsidiary, SAC Holding II. This contribution was determined by us to be material with respect to the capitalization of SAC Holding II; therefore, triggering a requirement under FASB Interpretation 46(R) for us to reassess our involvement with those entities. This required reassessment led to the conclusion that SAC Holding II had the ability to fund its own operations and execute its business plan without any future subordinated financial support; therefore, we were no longer the primary beneficiary of SAC Holding II as of the date of Blackwater's contribution.

Accordingly, at the date AMERCO ceased to be considered the primary beneficiary of SAC Holding II and its current subsidiaries, it deconsolidated these entities. The deconsolidation was accounted for as a distribution of SAC Holding II's interests to the sole shareholder of the SAC entities. Because of AMERCO's continuing involvement with SAC Holding II and its subsidiaries, the distribution does not qualify as discontinued operations.

It is possible that SAC Holdings could take actions that would require us to re-determine whether SAC Holdings remains a VIE and we continually monitor whether we have become the primary beneficiary of SAC Holdings. None of the events delineated in ASC 810-10-35-4 which would require a redetermination occurred during the period being reported upon in this Annual Report. Should we determine in the future that we are the primary beneficiary of SAC Holdings, we could be required to consolidate some or all of SAC Holdings within our financial statements.

The consolidated balance sheets as of March 31, 2012 and 2011 include the accounts of AMERCO and its wholly-owned subsidiaries. The March 31, 2012, 2011 and 2010 statements of operations, comprehensive income and cash flows include AMERCO and its wholly-owned subsidiaries.

Recoverability of Property, Plant and Equipment

Property, plant and equipment are stated at cost. Interest expense incurred during the initial construction of buildings and rental equipment is considered part of cost. Depreciation is computed for financial reporting purposes using the straight-line or an accelerated method based on a declining balance formula over the following estimated useful lives: rental equipment 2-20 years and buildings and non-rental equipment 3-55 years. We follow the deferral method of accounting based on ASC 908 - *Airlines* for major overhauls in which engine overhauls are capitalized and amortized over five years and transmission overhauls are capitalized and amortized over three years. Routine maintenance costs are charged to operating expense as they are incurred. Gains and losses on dispositions of property, plant and equipment are netted against depreciation expense when realized. Equipment depreciation is recognized in amounts expected to result in the recovery of estimated residual values upon disposal, i.e., minimize gains or losses. In determining the depreciation rate, historical disposal experience, holding periods and trends in the market for vehicles are reviewed.

We regularly perform reviews to determine whether facts and circumstances exist which indicate that the carrying amount of assets, including estimates of residual value, may not be recoverable or that the useful life of assets are shorter or longer than originally estimated. Reductions in residual values (i.e., the price at which we ultimately expect to dispose of revenue earning equipment) or useful lives will result in an increase in depreciation expense over the life of the equipment. Reviews are performed based on vehicle class, generally subcategories of trucks and trailers. We assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their estimated remaining lives against their respective carrying amounts. We consider factors such as current and expected future market price trends on used vehicles and the expected life of vehicles included in the fleet. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. In fiscal 2010, the Company reduced the carrying value of certain older trucks by \$9.1 million or \$0.47 per share before taxes, in which the tax effect was \$0.17 per share. If asset residual values are determined to be recoverable, but the useful lives are shorter or longer than originally estimated, the net book value of the assets is depreciated over the newly determined remaining useful lives.

In fiscal 2006, management performed an analysis of the expected economic value of new rental trucks and determined that additions to the fleet resulting from purchase should be depreciated on an accelerated method based upon a declining formula. The salvage value and useful life assumptions of the rental truck fleet remain unchanged. Under the declining balances method (2.4 times declining balance), the book value of a rental truck is reduced approximately 16%, 13%, 11%, 9%, 8%, 7%, and 6% during years one through seven, respectively and then reduced on a straight line basis an additional 10% by the end of year fifteen. Whereas, a standard straight line approach would reduce the book value by approximately 5.3% per year over the life of the truck. For the affected equipment, the accelerated depreciation was \$54.6 million, \$44.8 million and \$49.1 million greater than what it would have been if calculated under a straight line approach for fiscal 2012, 2011 and 2010, respectively.

Although we intend to sell our used vehicles for prices approximating book value, the extent to which we realize a gain or loss on the sale of used vehicles is dependent upon various factors including but not limited to, the general state of the used vehicle market, the age and condition of the vehicle at the time of its disposal and the depreciation rates with respect to the vehicle. We typically sell our used vehicles at our sales centers throughout North America, on our web site at uhaul.com/trucksales or by phone at 1-866-404-0355. Additionally, we sell a large portion of our pickup and cargo van fleet at automobile dealer auctions.

Insurance Reserves

Liabilities for life insurance and certain annuity and health policies are established to meet the estimated future obligations of policies in force, and are based on mortality, morbidity and withdrawal assumptions from recognized actuarial tables which contain margins for adverse deviation. In addition, liabilities for health, disability and other policies include estimates of payments to be made on insurance claims for reported losses and estimates of losses incurred, but not yet reported. Liabilities for annuity contracts consist of contract account balances that accrue to the benefit of the policyholders.

Insurance reserves for our Property and Casualty Insurance operating segment and U-Haul take into account losses incurred based upon actuarial estimates and are management's best approximation of future payments. These estimates are based upon past claims experience and current claim trends as well as social and economic conditions such as changes in legal theories and inflation. These reserves consist of case reserves for reported losses and a provision for losses incurred but not reported ("IBNR"), both reduced by applicable reinsurance recoverables, resulting in a net liability

Due to the nature of the underlying risks and high degree of uncertainty associated with the determination of the liability for future policy benefits and claims, the amounts to be ultimately paid to settle these liabilities cannot be precisely determined and may vary significantly from the estimated liability, especially for long-tailed casualty lines of business such as excess workers' compensation. As a result of the long-tailed nature of the excess workers' compensation policies written by Repwest during 1983 through 2002, and similar policies assumed by Repwest during 2001 through 2003, it may take a number of years for claims to be fully reported and finally settled.

On a regular basis insurance reserve adequacy is reviewed by management to determine if existing assumptions need to be updated. In the third quarter of fiscal 2012, Repwest conducted a more in-depth review of its excess workers' compensation claims as new information regarding recent loss trends emerged. This review also included a review of reinsured claims handled by a third party administrator related to the same line of business. Based upon these reviews Repwest strengthened its reserves for its excess workers' compensation business by \$48.3 million in the third quarter of fiscal 2012. After the estimated tax effect of \$16.9 million this reduced earnings per share for fiscal 2012 by \$1.61 per share. While management is continually monitoring the status of expected losses through a rolling review of the claim inventory and regularly reviews the adequacy of the established liability for unpaid claims and claims adjustment expense, there can be no assurance that our loss reserves will not develop adversely and have a material adverse effect on our results of operations. As a result of our review during the third quarter of fiscal 2012, it was determined that there was a need to strengthen loan loss reserves, reflecting adverse development in prior accident years in lines of business with long reporting tails. The excess workers' compensation line comprises a majority of the total charge. These adjustments represent management's current best estimate of the ultimate losses of the underlying claims and were recognized in the third quarter of fiscal 2012 based upon the timing of when the information developed.

In determining the assumptions for calculating workers' compensation reserves, management considers multiple factors including the following:

- Claimant longevity
- Cost trends associated with claimant treatments
- Changes in ceding entity and third party administrator reporting practices
- Changes in environmental factors including legal and regulatory
- Current conditions affecting claim settlements
- Future economic conditions including inflation

Significant variables that led to the third quarter reserve strengthening were cost trends associated with claimant treatments, changes related to ceding entity and third party administrator reporting practices, projected longevity of claimants terms and assumptions for future claim settlements.

As part of this latest review, the Company has reserved each claim based upon the accumulation of current claim costs projected through the claimants' life expectancy, and then adjusted for applicable reinsurance arrangements. Management reviews each claim bi-annually to determine if the estimated life-time claim costs have increased and then adjusts the reserve estimate accordingly at that time. We have factored in an estimate of what the potential cost increases could be in our IBNR liability. We have not assumed settlement of the existing claims in calculating the reserve amount, unless it is in the final stages of completion.

Continued increases in claim costs, including medical inflation and new treatments and medications could lead to future adverse development resulting in additional reserve strengthening. Conversely, settlement of existing claims or if injured workers return to work or expire prematurely, could lead to future positive development.

Impairment of Investments

Investments are evaluated pursuant to guidance contained in ASC 320 - *Investments - Debt and Equity Securities* to determine if and when a decline in market value below amortized cost is other-than-temporary. Management makes certain assumptions or judgments in its assessment including but not limited to: ability and intent to hold the security, quoted market prices, dealer quotes or discounted cash flows, industry factors, financial factors, and issuer specific information such as credit strength. Other-than-temporary impairment in value is recognized in the current period operating results. We recognized other-than-temporary impairments of \$0.1 million, \$0.8 million and \$2.2 million for fiscal 2012, 2011 and 2010, respectively.

Income Taxes

Our tax returns are periodically reviewed by various taxing authorities. The final outcome of these audits may cause changes that could materially impact our financial results.

AMERCO files a consolidated tax return with all of its legal subsidiaries.

Fair Values

Fair values of cash equivalents approximate carrying value due to the short period of time to maturity. Fair values of short term investments, investments available-for-sale, long term investments, mortgage loans and notes on real estate, and interest rate swap contracts are based on quoted market prices, dealer quotes or discounted cash flows. Fair values of trade receivables approximate their recorded value.

Our financial instruments that are exposed to concentrations of credit risk consist primarily of temporary cash investments, trade receivables, reinsurance recoverables and notes receivable. Limited credit risk exists on trade receivables due to the diversity of our customer base and their dispersion across broad geographic markets. We place our temporary cash investments with financial institutions and limits the amount of credit exposure to any one financial institution.

We have mortgage receivables, which potentially expose us to credit risk. The portfolio of notes is principally collateralized by self-storage facilities and commercial properties. We have not experienced any material losses related to the notes from individual or groups of notes in any particular industry or geographic area. The estimated fair values were determined using the discounted cash flow method and using interest rates currently offered for similar loans to borrowers with similar credit ratings.

The carrying amount of long term debt and short term borrowings are estimated to approximate fair value as the actual interest rate is consistent with the rate estimated to be currently available for debt of similar term and remaining maturity.

Other investments including short term investments are substantially current or bear reasonable interest rates. As a result, the carrying values of these financial instruments approximate fair value.

Subsequent Events

Our management has evaluated subsequent events occurring after March 31, 2012, the date of our most recent balance sheet date, through the date our financial statements were issued. We do not believe any other subsequent events have occurred that would require further disclosure or adjustment to our financial statements other than those stated below.

Related Party

In April 2012, the Company received \$52.2 million from SAC Holding Corporation as full repayment of principal and accrued interest for one of its junior notes. Also in April 2012 and May 2012, the Company received \$46.0 million and \$20.4 million, respectively from SAC Holding II Corporation as partial repayment on its junior note. Please see Note 21 Related Party Transactions of the Notes to Consolidated Financial Statements.

Financial Strength Ratings

In April 2012, A.M. Best affirmed the financial strength rating of B++ (Good) for Oxford and upgraded its outlook from stable to positive.

Recent Accounting Pronouncements

In October 2010, the FASB issued ASU 2010-26, *Financial Services – Insurance (Topic 944)* which amended FASB ASC 944-30 to provide further guidance regarding the capitalization of costs relating to the acquisition or renewal of insurance contracts. Specifically, only qualifying costs associated with successful contract acquisitions are permitted to be deferred. The amended guidance is effective for fiscal years beginning after December 15, 2011 (and for interim periods within such years), with early adoption permitted as of the beginning of the entity's annual reporting period. The amended guidance should be applied prospectively, but retrospective application for all prior periods is allowed. The Company does not believe that the adoption of this statement will have a material impact on our financial statements.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ("IFRS")* ("ASU 2011-04"). This pronouncement was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and IFRS. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance will require prospective application. The Company does not believe that the adoption of this statement will have a material impact on our financial statements.

In June 2011, the FASB issued ASU 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"). ASU 2011-05 requires the presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. In December 2011, the FASB issued ASU 2011-12, *Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05* ("ASU 2011-12"), which defers the requirement within ASU 2011-05 to present on the face of the financial statements the effects of reclassifications out of accumulated other comprehensive income on the components of net income and other comprehensive income for all periods presented. During the deferral, entities should continue to report reclassifications out of accumulated other comprehensive income consistent with the presentation requirements in effect prior to the issuance of ASU 2011-05. The standards will be effective for public companies during the interim and annual periods beginning after December 15, 2011, with early adoption permitted. The adoption of the standards did not have a material effect on the Company's consolidated financial statements.

From time to time, new accounting pronouncements are issued by the FASB or the SEC that are adopted by the Company as of the specified effective date. Unless otherwise discussed, these ASU's entail technical corrections to existing guidance or affect guidance related to specialized industries or entities and therefore will have minimal, if any, impact on our financial position or results of operations upon adoption.

AMERCO and Consolidated Subsidiaries

Fiscal 2012 Compared with Fiscal 2011

Listed below, on a consolidated basis, are revenues for our major product lines for fiscal 2012 and fiscal 2011:

	Year Ended March 31,	
	2012	2011
	(In thousands)	
Self-moving equipment rentals	\$ 1,678,256	\$ 1,547,015
Self-storage revenues	134,376	120,698
Self-moving and self-storage products and service sales	213,854	205,570
Property management fees	23,266	22,132
Life insurance premiums	277,562	206,992
Property and casualty insurance premiums	32,631	30,704
Net investment and interest income	64,200	52,661
Other revenue	78,530	55,503
Consolidated revenue	<u>\$ 2,502,675</u>	<u>\$ 2,241,275</u>

Self-moving equipment rental revenues increased \$131.2 million for fiscal 2012, compared with fiscal 2011. The largest contributor to the revenue improvement was the increase in both In-Town and one-way moving transactions across both our truck and trailer fleets. We believe the growth in the number of transactions was influenced by our continuing customer service enhancements which allowed us to better serve the existing customer base combined with an increase in overall demand for our services. We were also better able to serve our customers through an increase in the amount of equipment in our fleet throughout the year. On average the number of rental trucks in the fleet grew approximately 4% compared to fiscal 2011. Other factors that contributed to the revenue improvement included an increase in our average revenue per transaction and utilization of the fleet. Factors which contribute to changes in revenue per transaction include the mix of equipment type rented and rental rates charged.

Self-storage revenues increased \$13.7 million for fiscal 2012, compared with fiscal 2011 due primarily to an increase in the number of rooms rented combined with a modest improvement in overall rates per occupied square foot. The average amount of occupied square feet increased by approximately 10% for fiscal 2012 compared to the same period last year. A portion of this improvement comes from the additional capacity added to the portfolio; total net rentable square feet increased by 1.4 million over the last twelve months.

Sales of self-moving and self-storage products and services increased \$8.3 million for fiscal 2012, compared with fiscal 2011. Increases were recognized in the sale of propane and towing accessories/installation with the majority of the improvement coming from the sales of moving supplies.

Life insurance premiums increased \$70.6 million for fiscal 2012, compared with fiscal 2011 primarily from entering into a new reinsurance agreement for a block of life insurance policies combined with increased Medicare supplement premiums from last year's acquisition.

Property and casualty insurance premiums increased \$1.9 million for fiscal 2012, compared with fiscal 2011 due to increases in Safestor and Safemove which resulted from the increase in equipment rental transactions and self storage rentals.

Net investment and interest income increased \$11.5 million for fiscal 2012, compared with fiscal 2011 primarily due to an increased asset base at the Life Insurance segment combined with improved yields across all three segments due to the investment of excess cash balances.

Other revenue increased \$23.0 million for fiscal 2012, compared with fiscal 2011 primarily due to the expansion of new business initiatives including our U-Box TM program.

As a result of the items mentioned above, revenues for AMERCO and its consolidated subsidiaries were \$2,502.7 million for fiscal 2012, compared with \$2,241.3 million for fiscal 2011.

Listed below are revenues and earnings (loss) from operations at each of our operating segments for fiscal 2012 and 2011. The insurance companies' years ended December 31, 2011 and 2010.

	Year Ended March 31,	
	2012	2011
	(In thousands)	
Moving and storage		
Revenues	\$ 2,156,923	\$ 1,977,826
Earnings from operations before equity in earnings of subsidiaries	432,766	355,173
Property and casualty insurance		
Revenues	42,586	38,663
Earnings (loss) from operations	(36,426)	5,638
Life insurance		
Revenues	307,922	229,911
Earnings from operations	20,149	17,435
Eliminations		
Revenues	(4,756)	(5,125)
Earnings from operations before equity in earnings of subsidiaries	(482)	(551)
Consolidated Results		
Revenues	2,502,675	2,241,275
Earnings from operations	416,007	377,695

Total costs and expenses increased \$223.1 million for fiscal 2012, compared with fiscal 2011. Life Insurance accounted for \$75.3 million of the increase primarily due to entering into the new reinsurance agreement. Property and Casualty Insurance accounted for \$46.0 million of the increase largely due to the reserve increases associated with their closed block of workers' compensation policies.

Operating expenses for Moving and Storage increased \$101.5 million due largely to spending on personnel, rental equipment maintenance and operating costs associated with the U-Box program. Cost of sales and commission expenses increased in relation to the associated revenues. Depreciation expense, before gains on the disposal of equipment, increased \$17.5 million while lease expense decreased \$19.6 million. Over the last several years the Company has decreased its use of leases for funding new equipment acquisitions and increased its use of term loans and securitizations, which are the primary causes of the decrease in lease expense and increase in depreciation expense.

As a result of the above mentioned changes in revenues and expenses, earnings from operations increased to \$416.0 million for fiscal 2012, compared with \$377.7 million for fiscal 2011.

Interest expense for fiscal 2012 was \$90.4 million, compared with \$88.4 million for fiscal 2011 due to an increase in average borrowings partially offset by a decrease in average borrowing costs.

Income tax expense was \$120.3 million for fiscal 2012, compared with \$105.7 million for fiscal 2011. The increase was due to higher pretax earnings for fiscal 2012.

Dividends paid or accrued on our Series A Preferred were \$2.9 million and \$12.4 million for fiscal 2012 and 2011, respectively. Fiscal 2012 included a \$5.9 million non-recurring charge related to the redemption of the Series A Preferred Stock. All of our Series A Preferred stock was redeemed on June 1, 2011; therefore, no dividends were accrued with respect to the Series A Preferred for the second, third and fourth quarters of fiscal 2012.

As a result of the above mentioned items, earnings available to common shareholders were \$196.5 million for fiscal 2012, compared with \$171.0 million for fiscal 2011.

Basic and diluted earnings per common share for fiscal 2012 were \$10.09, compared with \$8.80 for fiscal 2011.

The weighted average common shares outstanding basic and diluted were 19,476,187 for fiscal 2012, compared with 19,432,781 for fiscal 2011.

AMERCO and Consolidated Subsidiaries

Fiscal 2011 Compared with Fiscal 2010

Listed below, on a consolidated basis, are revenues for our major product lines for fiscal 2011 and fiscal 2010:

	Year Ended March 31,	
	2011	2010
	(In thousands)	
Self-moving equipment rentals	\$ 1,547,015	\$ 1,419,726
Self-storage revenues	120,698	110,369
Self-moving and self-storage products and service sales	205,570	198,785
Property management fees	22,132	21,632
Life insurance premiums	206,992	134,345
Property and casualty insurance premiums	30,704	27,625
Net investment and interest income	52,661	49,989
Other revenue	55,503	39,534
Consolidated revenue	<u>\$ 2,241,275</u>	<u>\$ 2,002,005</u>

Self-moving equipment rental revenues increased \$127.3 million for fiscal 2011, compared with fiscal 2010. The growth in revenue came from both In-Town and one-way business and has been spread across both truck and trailer rentals. The increase was due primarily to growth in transactions along with improvements in our average revenue per transaction. We believe the growth in transactions was influenced by an increase in demand for our services as well as from enhancements to our customer service capabilities.

Self-storage revenues increased \$10.3 million for fiscal 2011, compared with fiscal 2010 due primarily to an increase in the number of rooms rented combined with a modest improvement in overall rates per occupied square foot. Our average occupancy during fiscal 2011 increased by approximately 610,000 square feet compared with fiscal 2010. During fiscal 2011 we added over 820,000 of new net rentable square feet to our portfolio compared to just over 582,000 of new net rentable square feet in fiscal 2010.

Sales of self-moving and self-storage products and services increased \$6.8 million for fiscal 2011, compared with fiscal 2010. We experienced increased sales in each of our three major product categories including moving supplies, propane, and hitches and towing accessories.

Life insurance premiums increased \$72.6 for fiscal 2011, compared with fiscal 2010. Continued expansion of its single premium whole life product accounted for \$22.1 million of the increase with the remaining increase of \$50.5 million primarily due to two reinsurance transactions completed in the third quarter.

Property and casualty insurance premiums increased \$3.1 million for fiscal 2011, compared with fiscal 2010. A portion of Repwest's premiums are from policies sold in conjunction with U-Haul rental transactions. As moving transactions have increased this year so have the related property and casualty insurance premiums.

Other revenue increased \$16.0 million for fiscal 2011, compared with fiscal 2010 primarily due to the expansion of new business initiatives including our U-Box TM program.

As a result of the items mentioned above, revenues for AMERCO and its consolidated subsidiaries were \$2,241.3 million for fiscal 2011, compared with \$2,002.0 million for fiscal 2010.

Listed below are revenues and earnings from operations at each of our operating segments for fiscal 2011 and 2010. The insurance companies' years ended December 31, 2010 and 2009.

	Year Ended March 31,	
	2011	2010
	(In thousands)	
Moving and storage		
Revenues	\$ 1,977,826	\$ 1,816,322
Earnings from operations before equity in earnings of subsidiaries	355,173	170,507
Property and casualty insurance		
Revenues	38,663	34,390
Earnings from operations	5,638	6,279
Life insurance		
Revenues	229,911	155,725
Earnings from operations	17,435	16,858
Eliminations		
Revenues	(5,125)	(4,432)
Earnings from operations before equity in earnings of subsidiaries	(551)	(107)
Consolidated Results		
Revenues	2,241,275	2,002,005
Earnings from operations	377,695	193,537

Total costs and expenses increased \$55.1 million for fiscal 2011, compared with fiscal 2010. The increase in benefit costs were primarily due to the two reinsurance transactions entered into by Oxford during fiscal 2011 as well as from additional reserves and commissions associated with their single premium whole life business. Total costs at the life insurance segment increased \$73.6 million for fiscal 2011, compared with fiscal 2010.

Operating expenses for Moving and Storage decreased \$2.5 million primarily from reduced liability costs associated with the rental equipment fleet offset by increases in personnel costs resulting from the increase in the rental business. Liability costs have improved as expected losses from prior years continue to develop positively. Depreciation expense, primarily related to the rental equipment fleet, decreased \$38.4 million. Included in this decrease is a \$21.1 million improvement in the gain on disposal of property, plant and equipment. Cost of sales and commission expenses are increasing in relation to the associated revenues.

As a result of the above mentioned changes in revenues and expenses, earnings from operations increased to \$377.7 million for fiscal 2011, compared with \$193.5 million for fiscal 2010.

Interest expense for fiscal 2011 was \$88.4 million, compared with \$93.3 million for fiscal 2010. The average amount of outstanding notes, loans and capital leases payable has decreased during fiscal 2011, compared with fiscal 2010.

Income tax expense was \$105.7 million for fiscal 2011, compared with \$34.6 million for fiscal 2010 due to higher pretax earnings for fiscal 2011.

Dividends accrued on our Series A Preferred were \$12.4 million and \$12.9 million for fiscal 2011 and 2010, respectively.

As a result of the above mentioned items, earnings available to common shareholders were \$171.0 million for fiscal 2011, compared with \$53.2 million for fiscal 2010.

Basic and diluted earnings per common share for fiscal 2011 were \$8.80, compared with \$2.74 for fiscal 2010.

The weighted average common shares outstanding basic and diluted were 19,432,781 for fiscal 2011, compared with 19,386,791 for fiscal 2010.

Moving and Storage

Fiscal 2012 Compared with Fiscal 2011

Listed below are revenues for the major product lines at our Moving and Storage operating segment for fiscal 2012 and fiscal 2011:

	Year Ended March 31,	
	2012	2011
	(In thousands)	
Self-moving equipment rentals	\$ 1,679,963	\$ 1,549,058
Self-storage revenues	134,376	120,698
Self-moving and self-storage products and service sales	213,854	205,570
Property management fees	23,266	22,132
Net investment and interest income	27,132	25,702
Other revenue	78,332	54,666
Moving and Storage revenue	<u>\$ 2,156,923</u>	<u>\$ 1,977,826</u>

Self-moving equipment rental revenues increased \$130.9 million for fiscal 2012, compared with fiscal 2011. The largest contributor to the revenue improvement was the increase in both In-Town and one-way moving transactions across both our truck and trailer fleets. We believe the growth in the number of transactions was influenced by our continuing customer service enhancements which allowed us to better serve the existing customer base combined with an increase in overall demand for our services. We were also better able to serve our customers through an increase in the amount of equipment in our fleet throughout the year. On average the number of rental trucks in the fleet grew approximately 4% compared to fiscal 2011. Other factors that contributed to the revenue improvement included an increase in our average revenue per transaction and utilization of the fleet. Factors which contribute to changes in revenue per transaction include the mix of equipment type rented and rental rates charged.

Self-storage revenues increased \$13.7 million for fiscal 2012, compared with fiscal 2011 due primarily to an increase in the number of rooms rented combined with a modest improvement in overall rates per occupied square foot. The average amount of occupied square feet increased by approximately 10% for fiscal 2012 compared to the same period last year. A portion of this improvement comes from the additional capacity added to the portfolio; total net rentable square feet increased by 1.4 million over the last twelve months.

Sales of self-moving and self-storage products and services increased \$8.3 million for fiscal 2012, compared with fiscal 2011. Increases were recognized in the sale of propane and towing accessories and installation with the majority of the improvement coming from the sales of moving supplies.

Other revenue increased \$23.7 million for fiscal 2012, compared with fiscal 2011 primarily from the expansion of new business initiatives including our U-Box TM program.

The Company owns and manages self-storage facilities. Self-storage revenues reported in the consolidated financial statements represent Company-owned locations only. Self-storage data for our owned storage locations follows:

	Year Ended March 31,	
	2012	2011
	(In thousands, except occupancy rate)	
Room count as of March 31	165	153
Square footage as of March 31	13,889	12,534
Average number of rooms occupied	123	113
Average occupancy rate based on room count	76.9%	75.8%
Average square footage occupied	10,401	9,437

Total costs and expenses increased \$101.5 million for fiscal 2012, compared with fiscal 2011. Operating expenses increased \$69.8 million due largely to spending on personnel, rental equipment maintenance and operating costs associated with the U-Box program. Cost of sales and commission expenses increased in relation to the associated revenues. Depreciation expense, before gains on the disposal of equipment, increased \$17.5 million while lease expense decreased \$19.6 million. Over the

last several years the Company has decreased its use of leases for funding new equipment acquisitions and increased its use of term loans and securitizations, which are the primary causes of the decrease in lease expense and increase in depreciation expense.

As a result of the above mentioned changes in revenues and expenses, earnings from operations for Moving and Storage before consolidation of the equity in the earnings of the insurance subsidiaries, increased to \$432.8 million for fiscal 2012, compared with \$355.2 million for the fiscal 2011.

Equity in the earnings of AMERCO's insurance subsidiaries decreased \$25.3 million for fiscal 2012, compared with fiscal 2011 as a result of the reserve strengthening at the Property and Casualty Insurance operating segment.

As a result of the above mentioned changes in revenues and expenses, earnings from operations increased to \$422.4 million for fiscal 2012, compared with \$370.1 million for fiscal 2011.

Moving and Storage

Fiscal 2011 Compared with Fiscal 2010

Listed below are revenues for the major product lines at our Moving and Storage operating segment for fiscal 2011 and fiscal 2010:

	Year Ended March 31,	
	2011	2010
	(In thousands)	
Self-moving equipment rentals	\$ 1,549,058	\$ 1,421,331
Self-storage revenues	120,698	110,369
Self-moving and self-storage products and service sales	205,570	198,785
Property management fees	22,132	21,632
Net investment and interest income	25,702	26,055
Other revenue	54,666	38,150
Moving and Storage revenue	<u>\$ 1,977,826</u>	<u>\$ 1,816,322</u>

Self-moving equipment rental revenues increased \$127.7 million for fiscal 2011, compared with fiscal 2010. The growth in revenue came from both In-Town and one-way business and has been spread across both truck and trailer rentals. The increase was due primarily to growth in transactions along with improvements in our average revenue per transaction. We believe the growth in transactions was influenced by an increase in demand for our services as well as from enhancements to our customer service capabilities.

Self-storage revenues increased \$10.3 million for fiscal 2011, compared with fiscal 2010 due primarily to an increase in the number of rooms rented combined with a modest improvement in overall rates per occupied square foot. Our average occupancy during fiscal 2011 increased by approximately 610,000 square feet compared with fiscal 2010. During fiscal 2011, we added over 820,000 of new net rentable square feet to our portfolio compared to just over 582,000 of new net rentable square feet in fiscal 2010.

Sales of self-moving and self-storage products and services increased \$6.8 million for fiscal 2011, compared with fiscal 2010. In particular we experienced increased sales in each of our three major product categories including propane, hitches and towing accessories and moving supplies.

Other revenue increased \$16.5 million for fiscal 2011, compared with fiscal 2010 primarily from the expansion of new business initiatives including our U-Box TM program.

The Company owns and manages self-storage facilities. Self-storage revenues reported in the consolidated financial statements represent Company-owned locations only. Self-storage data for our owned storage locations follows:

	Year Ended March 31,	
	2011	2010
	(In thousands, except occupancy rate)	
Room count as of March 31	153	144
Square footage as of March 31	12,534	11,713
Average number of rooms occupied	113	106
Average occupancy rate based on room count	75.8%	75.2%
Average square footage occupied	9,437	8,827

Total costs and expenses decreased \$23.2 million for fiscal 2011, compared with fiscal 2010. Operating expenses decreased \$2.5 million primarily from reduced liability costs associated with the rental equipment fleet offset by increases in personnel costs resulting from the increase in the rental business. Liability costs have improved as expected losses from prior years continue to develop positively. Depreciation expense, primarily related to the rental equipment fleet, decreased \$38.4 million. Included in this decrease is a \$21.1 million improvement in the gain on disposal of property, plant and equipment. Cost of sales and commission expenses are increasing in relation to the associated revenues.

Equity in the earnings of AMERCO's insurance subsidiaries increased \$0.1 million for fiscal 2011, compared with fiscal 2010.

As a result of the above mentioned changes in revenues and expenses, earnings from operations increased to \$370.1 million for fiscal 2011, compared with \$185.3 million for fiscal 2010.

Property and Casualty Insurance

2011 Compared with 2010

Net premiums were \$32.6 million and \$30.7 million for the years ended December 31, 2011 and 2010, respectively. A portion of Repwest's premiums are from policies sold in conjunction with U-Haul rental transactions. The increase corresponded with the increased moving and storage transactions at U-Haul.

Net investment income was \$10.0 million and \$8.0 million for the years ended December 31, 2011 and 2010, respectively. The increase was due to \$1.0 million of gains on assets disposed and higher returns from assets invested in mortgage loans.

Net operating expenses were \$13.3 million and \$15.8 million for the years ended December 31, 2011 and 2010. The decrease was due to a \$1.1 million payment related to an excess workers' compensation treaty payment in 2010 with no similar expense in 2011 and a \$1.2 million decrease in net loss adjusting expense in 2011.

Benefits and losses incurred were \$65.7 million and \$17.2 million for the years ended December 31, 2011 and 2010, respectively. The increase was primarily due to reserve strengthening on terminated workers' compensation programs originally written or reinsured between 1983 and 2003. Losses in this line of business increased \$53.8 million of which \$48.3 million was recognized in the third quarter of fiscal 2012. The Company determined that claims have been developing much more adversely than previously anticipated. A combination of issues including medical inflation, additional treatments, longer claim terms and underestimation of claims costs by third party administrators and reinsurers contributed to these adjustments. These updated assumptions led to the revision in the Company's loss assumptions for this business.

As a result of the above mentioned changes in revenues and expenses, pretax earnings (loss) from operations were (\$36.4) million and \$5.6 million for the years ended December 31, 2011 and 2010, respectively.

Property and Casualty Insurance

2010 Compared with 2009

Net premiums were \$30.7 million and \$27.6 million for the years ended December 31, 2010 and 2009, respectively. A portion of Repwest's premiums are from policies sold in conjunction with U-Haul rental transactions. As moving transactions have increased this year so have the related premiums.

Net investment income was \$8.0 million and \$6.8 million for the years ended December 31, 2010 and 2009, respectively. The increase was primarily due to a reallocation of invested assets between short and long term investment opportunities.

Net operating expenses were \$15.8 million and \$13.6 million for the years ended December 31, 2010 and 2009, respectively. The increase was due to a \$1.1 million payment related to an excess workers' compensation treaty payment and a \$1.1 million increase in underwriting expenses.

Benefits and losses incurred were \$17.2 million and \$14.6 million for the years ended December 31, 2010 and 2009, respectively. The increase was due to the increase in premiums on the "Safe" product line of business and the strengthening of reserves on terminated programs. Also contributing to the increase was a \$1.0 million increase in terminated lines offset by a \$1.1 million decrease in claims expenses.

As a result of the above mentioned changes in revenues and expenses, pretax earnings from operations were \$5.6 million and \$6.3 million for the years ended December 31, 2010 and 2009, respectively.

Life Insurance

2011 Compared with 2010

Net premiums were \$277.6 million and \$207.0 million for the years ended December 31, 2011 and 2010, respectively. During 2011 we entered in a coinsurance arrangement for a block of whole life policies resulting in a one-time increase in premiums of \$83.5 million due to the transfer of liabilities. Likewise, 2010 included a \$30.8 million increase in premiums related to a coinsurance agreement entered into for a block of final expense whole life policies acquired. Medicare supplement premiums increased \$27.1 million, of which \$32.6 million was attributable to the 2010 acquisition of a block of existing policies. This was offset by policy terminations which exceeded rate increases on existing business. Other life insurance premiums and annuitizations accounted for a decrease of \$9.1 million during the year.

Net investment income was \$28.8 million and \$20.7 million for the years ended December 31, 2011 and 2010, respectively. The increase was due to an additional \$2.9 million in gains on the sale of securities and increased income due to a larger invested asset base.

Net operating expenses were \$28.9 million and \$29.8 million for the years ended December 31, 2011 and 2010, respectively. An increase in general administrative and commission expense related to current year annuity sales and last year's Medicare supplement acquisition was offset by a reduction in life insurance commissions.

Benefits and losses incurred were \$245.1 million and \$173.2 million for the years ended December 31, 2011 and 2010, respectively. There was a net increase of \$52.7 million in Life benefits due to the transfer of liabilities for the coinsurance of new blocks of business during both quarters ending December 31, 2011 and 2010. Medicare supplement benefits increased \$24.1 million. An increase of \$31.1 million was due to the acquisition of last year's Medicare supplement block of business, which was partially offset by a reduction of \$7.0 million in benefits on the existing business. All other business had a net decrease in benefits of \$4.9 million for the year.

Amortization of deferred acquisition costs ("DAC") and the value of business acquired ("VOBA") was \$13.8 million and \$9.5 million for the years ended December 31, 2011 and 2010, respectively. Approximately \$1.2 million of the increase was due to additional annuity DAC amortization resulting from realized capital gains recognized during the year. An additional \$1.5 million was from the acquisition of last year's Medicare supplement and final expense policies. The remaining increase was spread across various life insurance and annuity products.

As a result of the above mentioned changes in revenues and expenses, pretax earnings from operations were \$20.1 million and \$17.4 million for the years ended December 31, 2011 and 2010, respectively.

Life Insurance

2010 Compared with 2009

Net premiums were \$207.0 million and \$134.3 million for the years ended December 31, 2010 and 2009, respectively. Of the increase, \$30.8 million resulted from the coinsurance agreement entered into on September 30, 2010 to reinsure a block of final expense life insurance policies. As part of the transaction, assets were transferred to us and classified as premium upon such transfer. Medicare supplement premiums increased by \$13.6 million primarily due to the acquisition of a Medicare supplement block of business and rate increases on existing policies, offset by policy lapses and terminations. Sales of the company's single premium whole life product accounted for an increase of \$22.1 million.

Net investment income was \$20.7 million and \$18.5 million for the years ended December 31, 2010 and 2009, respectively. The improvement was due to an increased asset base and from gains on sale of securities.

Net operating expenses were \$29.8 million and \$24.8 million for the years ended December 31, 2010 and 2009, respectively. The growth was a result of commissions paid on increased sales of the single premium life product plus commissions on the Medicare supplement block of business purchased in September 2010.

Benefits and losses incurred were \$173.2 million and \$106.5 million for the years ended December 31, 2010 and 2009, respectively. Life insurance benefits increased \$59.1 million, of which \$19.7 million was due to expanded sales of the single premium life product, \$6.6 million from increased sales of final expense life insurance, and \$30.8 million from reserves that were transferred under the new coinsurance agreement. Medicare supplement increased by a net of \$8.9 million, of which \$14.9 million was due to the acquisition of a Medicare supplement block of business offset by policy lapses and terminations.

Amortization of deferred acquisition costs DAC and the value of business acquired VOBA was \$9.5 million and \$7.6 million for the years ended December 31, 2010 and 2009, respectively.

As a result of the above mentioned changes in revenues and expenses, pretax earnings from operations were \$17.4 million and \$16.9 million for the years ended December 31, 2010 and 2009, respectively.

Liquidity and Capital Resources

We believe our current capital structure is a positive factor that will enable us to pursue our operational plans and goals and provide us with sufficient liquidity for the foreseeable future. The majority of our obligations currently in place mature at the end of fiscal years 2016 or 2019. However, since there are many factors which could affect our liquidity, including some which are beyond our control, there is no assurance that future cash flows and liquidity resources will be sufficient to meet our outstanding debt obligations and our other future capital needs.

At March 31, 2012, cash and cash equivalents totaled \$350.1 million, compared with \$375.5 million on March 31, 2011. The assets of our insurance subsidiaries are generally unavailable to fulfill the obligations of non-insurance operations (AMERCO, U-Haul and Real Estate). As of March 31, 2012 (or as otherwise indicated), cash and cash equivalents, other financial assets (receivables, short-term investments, other investments, fixed maturities, and related party assets) and debt obligations of each operating segment were:

	Moving & Storage	Property and Casualty Insurance (a)	Life Insurance (a)
	(In thousands)		
Cash and cash equivalents	\$ 309,228	\$ 15,462	\$ 25,410
Other financial assets	424,654	452,860	779,097
Debt obligations	1,486,211	-	-

(a) As of December 31, 2011

At March 31, 2012, our Moving and Storage segment had cash available under existing credit facilities of \$299.9 million as well as \$19.1 million of a term loan to be used for new equipment purchases.

A summary of our consolidated cash flows for fiscal 2012, 2011 and 2010 is shown in the table below:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Net cash provided by operating activities	\$ 664,605	\$ 572,863	\$ 402,521
Net cash used by investing activities	(576,962)	(380,988)	(117,978)
Net cash used by financing activities	(112,745)	(60,768)	(283,656)
Effects of exchange rate on cash	(294)	271	2,644
Net cash flow	(25,396)	131,378	3,531
Cash at the beginning of the period	375,496	244,118	240,587
Cash at the end of the period	<u>\$ 350,100</u>	<u>\$ 375,496</u>	<u>\$ 244,118</u>

Net cash provided by operating activities increased \$91.7 million in fiscal 2012, compared with fiscal 2011 primarily due to improved profitability at the Moving and Storage segment. The improvement at Moving and Storage was primarily due to increased revenues. Operating cash flows from the Life Insurance operating segment increased \$31.8 million primarily due to a reinsurance arrangement entered into during fiscal 2012 combined with new premiums.

Net cash used in investing activities increased \$196.0 million in fiscal 2012, compared with fiscal 2011. Purchases of property, plant and equipment, which are reported net of cash from leases, increased \$109.4 million. Cash from new leases increased \$75.4 million and cash used to purchase new equipment and invest in construction and real estate increased \$154.9 million. Cash from the sales of property, plant and equipment decreased \$11.5 million. Cash used for investing activities at the insurance companies increased \$74.9 million primarily due to the investing of cash generated from operations, including cash from the reinsurance agreement entered into by Oxford.

Net cash used by financing activities increased \$52.0 million in fiscal 2012, as compared with fiscal 2011. The redemption of our Preferred stock and the Common stock dividend paid were offset by the net change of \$88 million in securitization deposits in fiscal 2012 compared with fiscal 2011. The securitization deposit line represents net inflows or outflows of proceeds received from the initial funding of our fleet securitization loans. When the loans are initially funded for the full amount of the loan, a portion of the proceeds are set aside as a deposit until such time that we use the funds for the acquisition of equipment. In fiscal 2011 we had a net increase in these deposits of \$46.0 million while in fiscal 2012 we had a net decrease in these deposits of \$42.1 million. Net annuity withdrawals at the Life Insurance operating segment have decreased \$7.9 million.

Liquidity and Capital Resources and Requirements of Our Operating Segments

Moving and Storage

To meet the needs of our customers, U-Haul maintains a large fleet of rental equipment. Capital expenditures have primarily reflected new rental equipment acquisitions and the buyouts of existing fleet from leases. The capital to fund these expenditures has historically been obtained internally from operations and the sale of used equipment and externally from debt and lease financing. In the future, we anticipate that our internally generated funds will be used to service the existing debt and fund operations. U-Haul estimates that during fiscal 2013 the Company will reinvest in its truck and trailer rental fleet approximately \$325 million, net of equipment sales and excluding any lease buyouts. For fiscal 2012, the Company invested, net of sales, approximately \$338 million before any lease buyouts in its truck and trailer fleet. Fleet investments in fiscal 2013 and beyond will be dependent upon several factors including availability of capital, the truck rental environment and the used-truck sales market. We anticipate that the fiscal 2013 investments will be funded largely through debt financing, external lease financing and cash from operations. Management considers several factors including cost and tax consequences when selecting a method to fund capital expenditures. Our allocation between debt and lease financing can change from year to year based upon financial market conditions which may alter the cost or availability of financing options.

Real Estate has traditionally financed the acquisition of self-storage properties to support U-Haul's growth through debt financing and funds from operations and sales. The Company's plan for the expansion of owned storage properties includes the acquisition of existing self-storage locations from third parties, the acquisition and development of bare land, and the acquisition and redevelopment of existing buildings not currently used for self-storage. The Company is funding these development projects through construction loans and internally generated funds. For fiscal 2012, the Company invested nearly \$102 million in real estate acquisitions, new construction and renovation and repair. For fiscal 2013, the timing of new projects will be dependent upon several factors including the entitlement process, availability of capital, weather, and the identification and successful acquisition of target properties. U-Haul's growth plan in self-storage also includes the expansion of the eMove program, which does not require significant capital.

Net capital expenditures (purchases of property, plant and equipment less proceeds from the sale of property, plant and equipment) were \$420.9 million, \$300.0 million and \$116.6 million for fiscal 2012, 2011 and 2010, respectively. The Company entered into new equipment leases of \$120.3 million, \$44.9 million and \$74.9 million during fiscal 2012, 2011 and 2010, respectively.

The Moving and Storage operating segment continues to hold significant cash and has access to additional liquidity. Management may invest these funds in our existing operations, expand our product lines or pursue external opportunities in the self-moving and storage market place, or reduce existing indebtedness where possible.

Property and Casualty Insurance

State insurance regulations restrict the amount of dividends that can be paid to stockholders of insurance companies. As a result, Property and Casualty Insurance's assets are generally not available to satisfy the claims of AMERCO or its legal subsidiaries.

The Company believes that stockholders equity at the Property and Casualty operating segment remains sufficient following the third quarter reserve strengthening adjustment and we do not believe that its ability to pay ordinary dividends to AMERCO or per state regulations will be restricted.

Stockholder's equity was \$123.8 million, \$154.6 million, and \$151.7 million at December 31, 2011, 2010, and 2009, respectively. The decrease in 2011 compared with 2010 resulted from net losses of \$23.6 million, a dividend distributed to AMERCO of \$6.8 million in property and a decrease in other comprehensive income of \$0.4 million. Property and Casualty Insurance does not use debt or equity issues to increase capital and therefore has no direct exposure to capital market conditions other than through its investment portfolio.

Life Insurance

The Life Insurance operating segment manages its financial assets to meet policyholder and other obligations including investment contract withdrawals. Life Insurance's net withdrawals for the year ended December 31, 2011 were \$14.2 million. State insurance regulations restrict the amount of dividends that can be paid to stockholders of insurance companies. As a result, Life Insurance's funds are generally not available to satisfy the claims of AMERCO or its legal subsidiaries.

Life Insurance's stockholder's equity was \$215.8 million, \$188.7 million, and \$173.2 million at December 31, 2011, 2010 and 2009, respectively. The increase in 2011 compared with 2010 resulted from earnings of \$13.2 million and an increase in other comprehensive income of \$13.9 million. Life Insurance does not use debt or equity issues to increase capital and therefore has no direct exposure to capital market conditions other than through its investment portfolio.

Cash Provided from Operating Activities by Operating Segments

Moving and Storage

Net cash provided by operating activities was \$536.9 million, \$471.0 million and \$367.7 million in fiscal 2012, 2011 and 2010, respectively. The increase in self-moving equipment rental revenues, storage revenues and product and service sales was primarily responsible for the improved operating cash flows.

Property and Casualty Insurance

Net cash provided by operating activities was \$4.7 million, \$4.3 million, and \$3.6 million for the years ended December 31, 2011, 2010, and 2009, respectively. The increase was primarily due to the collection of reinsurance receivables.

Property and Casualty Insurance's cash and cash equivalents and short-term investment portfolios amounted to \$44.1 million, \$76.2 million, and \$106.3 million at December 31, 2011, 2010, and 2009, respectively. This balance reflects funds in transition from maturity proceeds to long term investments. Management believes this level of liquid assets, combined with budgeted cash flow, is adequate to meet foreseeable cash needs. Capital and operating budgets allow Property and Casualty Insurance to schedule cash needs in accordance with investment and underwriting proceeds.

Life Insurance

Net cash provided by operating activities was \$128.6 million, \$98.1 million and \$31.3 million for the years ended December 31, 2011, 2010 and 2009, respectively. An increase of \$28.3 million was due to additional cash received in the year ended December 31, 2011 from the coinsurance of a new block of life insurance business compared to the net cash received in the period ended December 31, 2010 for the assumption of a Medicare block of business and coinsurance of a block of final expense life insurance policies. Offsetting this was reduced sales of single premium life insurance policies.

In addition to cash flows from operating activities and financing activities, a substantial amount of liquid funds are available through Life Insurance's short-term portfolio. At December 31, 2011, 2010 and 2009, cash and cash equivalents and short-term investments amounted to \$54.1 million, \$53.6 million and \$57.5 million, respectively. Management believes that the overall sources of liquidity are adequate to meet foreseeable cash needs.

Liquidity and Capital Resources - Summary

We believe we have the financial resources needed to meet our business plans including our working capital needs. The Company continues to hold significant cash and has access to existing credit facilities and additional liquidity to meet our anticipated capital expenditure requirements for investment in our rental fleet, rental equipment and storage acquisitions and build outs.

Our borrowing strategy is primarily focused on asset-backed financing and rental equipment operating leases. As part of this strategy, we seek to ladder maturities and hedge floating rate loans through the use of interest rate swaps. While each of these loans typically contains provisions governing the amount that can be borrowed in relation to specific assets, the overall structure is flexible with no limits on overall Company borrowings. Management feels it has adequate liquidity between cash and cash equivalents and unused borrowing capacity in existing credit facilities to meet the current and expected needs of the Company over the next several years. At March 31, 2012, we had cash availability under existing credit facilities of \$299.9 million as well as \$19.1 million from a term loan to be used for new equipment purchases. It is possible that circumstances beyond our control could alter the ability of the financial institutions to lend us the unused lines of credit. We believe that there are additional opportunities for leverage in our existing capital structure. For a more detailed discussion of our long-term debt and borrowing capacity, please see Note 9, Borrowings of the Notes to Consolidated Financial Statements.

Fair Value of Financial Instruments

Assets and liabilities are recorded at fair value on the consolidated balance sheets and are measured and classified based upon a three tiered approach to valuation. ASC 820 requires that financial assets and liabilities recorded at fair value be classified and disclosed in a Level 1, Level 2 or Level 3 category. For more information, please see Note 17, Fair Value Measurements of the Notes to Consolidated Financial Statements.

The available-for-sale securities held by the Company are recorded at fair value. These values are determined primarily from actively traded markets where prices are based either on direct market quotes or observed transactions. Liquidity is a factor considered during the determination of the fair value of these securities. Market price quotes may not be readily available for certain securities or the market for them has slowed or ceased. In situations where the market is determined to be illiquid, fair value is determined based upon limited available information and other factors including expected cash flows. At March 31, 2012, we had \$1.2 million of available-for-sale assets classified in Level 3.

The interest rate swaps held by the Company as hedges against interest rate risk for our variable rate debt are recorded at fair value. These values are determined using pricing valuation models which include broker quotes for which significant inputs are observable. They include adjustments for counterparty credit quality and other deal-specific factors, where appropriate and are classified as Level 2.

Disclosures about Contractual Obligations and Commercial Commitments

The following table provides contractual commitments and contingencies as of March 31, 2012:

		Payment due by Period (as of March 31, 2012)			
					April 1, 2017 and Thereafter
Contractual Obligations	Total	Prior to 03/31/13	04/01/13 03/31/15	04/01/15 03/31/17	
(In thousands)					
Notes, loans and leases payable - Principal	\$ 1,467,611	\$ 184,040	\$ 268,834	\$ 747,121	\$ 267,616
Notes, loans and leases payable - Interest	194,248	56,147	95,150	35,262	7,689
Revolving credit agreements - Principal	23,920	-	23,920	-	-
Revolving credit agreements - Interest	490	420	70	-	-
Operating leases	470,731	147,001	196,853	96,999	29,878
Property and casualty obligations (a)	158,463	15,186	19,834	15,316	108,127
Life, health and annuity obligations (b)	2,632,979	186,011	327,450	274,116	1,845,402
Self insurance accruals (c)	380,140	109,865	165,462	73,062	31,751
Post retirement benefit liability	9,627	503	1,258	1,679	6,187
Total contractual obligations	\$ 5,338,209	\$ 699,173	\$ 1,098,831	\$ 1,243,555	\$ 2,296,650

(a) These estimated obligations for unpaid losses and loss adjustment expenses include case reserves for reported claims and IBNR claims estimates and are net of expected reinsurance recoveries. The ultimate amount to settle both the case reserves and IBNR is an estimate based upon historical experience and current trends and such estimates could materially differ from actual results. The assumptions do not include future premiums. Due to the significant assumptions employed in this model, the amounts shown could materially differ from actual results.

(b) These estimated obligations are based on mortality, morbidity, withdrawal and lapse assumptions drawn from our historical experience and adjusted for any known trends. These obligations include expected interest crediting but no amounts for future annuity deposits or premiums for life and Medicare supplement policies. The cash flows shown are undiscounted for interest and as a result total outflows for all years shown significantly exceed the corresponding liabilities of \$623.8 million included in our consolidated balance sheet as of March 31, 2012. Life Insurance expects to fully fund these obligations from their invested asset portfolio. Due to the significant assumptions employed in this model, the amounts shown could materially differ from actual results.

(c) These estimated obligations are primarily the Company's self insurance accruals for portions of the liability coverage for our rental equipment. The estimates for future settlement are based upon historical experience and current trends. Due to the significant assumptions employed in this model, the amounts shown could materially differ from actual results.

As presented above, contractual obligations on debt and guarantees represent principal payments while contractual obligations for operating leases represent the notional payments under the lease arrangements.

ASC 740 - *Income Taxes* liabilities and interest of \$15.8 million is not included above due to uncertainty surrounding ultimate settlements, if any.

Off Balance Sheet Arrangements

The Company uses off-balance sheet arrangements in situations where management believes that the economics and sound business principles warrant their use.

AMERCO utilizes operating leases for certain rental equipment and facilities with terms expiring substantially through 2018. In the event of a shortfall in proceeds from the sales of the underlying rental equipment assets, AMERCO has guaranteed \$145.3 million of residual values at March 31, 2012 for these assets at the end of their respective lease terms. AMERCO has been leasing rental equipment since 1987. To date, we have not experienced residual value shortfalls related to these leasing arrangements. Using the average cost of fleet related debt as the discount rate, the present value of AMERCO's minimum lease payments and residual value guarantees were \$391.1 million at March 31, 2012.

Historically, AMERCO has used off-balance sheet arrangements in connection with the expansion of our self-storage business. For more information please see Note 21, Related Party Transactions of the Notes to Consolidated Financial Statements. These arrangements were primarily used when the Company's overall borrowing structure was more limited. The Company does not face similar limitations currently and off-balance sheet arrangements have not been utilized in our self-storage expansion in recent years. In the future, we will continue to identify and consider off-balance sheet opportunities to the extent such arrangements would be economically advantageous to us and our stockholders.

WE currently manage the self-storage properties owned or leased by SAC Holdings, Mercury Partners, L.P. ("Mercury"), Four SAC Self-Storage Corporation ("4 SAC"), Five SAC Self-Storage Corporation ("5 SAC"), Galaxy Investments, L.P. ("Galaxy") and Private Mini Storage Realty, L.P. ("Private Mini") pursuant to a standard form of management agreement, under which we receive a management fee of between 4% and 10% of the gross receipts plus reimbursement for certain expenses. We received management fees, exclusive of reimbursed expenses, of \$22.5 million, \$22.0 million and \$22.6 million from the above mentioned entities during fiscal 2012, 2011 and 2010, respectively. This management fee is consistent with the fee received for other properties we previously managed for third parties. SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini are substantially controlled by Blackwater Investments, Inc. ("Blackwater"). Blackwater is wholly-owned by Mark V. Shoen, a significant shareholder of AMERCO. Mercury is substantially controlled by Mark V. Shoen. James P. Shoen, a significant shareholder and director of AMERCO, has an interest in Mercury.

We lease space for marketing company offices, vehicle repair shops and hitch installation centers from subsidiaries of SAC Holdings, 5 SAC and Galaxy. Total lease payments pursuant to such leases were \$2.4 million, \$2.5 million and \$2.5 million in fiscal 2012, 2011 and 2010, respectively. The terms of the leases are similar to the terms of leases for other properties owned by unrelated parties that are leased by us.

At March 31, 2012, subsidiaries of SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini acted as U-Haul independent dealers. The financial and other terms of the dealership contracts with the aforementioned companies and their subsidiaries are substantially identical to the terms of those with the Company's other independent dealers whereby commissions are paid by us based on equipment rental revenues. We paid the above mentioned entities \$41.7 million, \$37.3 million and \$34.7 million in commissions pursuant to such dealership contracts during fiscal 2012, 2011 and 2010, respectively.

During fiscal 2012, subsidiaries of the Company held various junior unsecured notes of SAC Holdings. Substantially all of the equity interest of SAC Holdings is controlled by Blackwater. The Company does not have an equity ownership interest in SAC Holdings. We recorded interest income of \$19.4 million, \$19.2 million and \$18.9 million and received cash interest payments of \$17.8 million, \$15.8 million and \$13.9 million from SAC Holdings during fiscal 2012, 2011 and 2010, respectively. The largest aggregate amount of notes receivable outstanding during fiscal 2012 was \$196.2 million and the aggregate notes receivable balance at March 31, 2012 was \$195.4 million. In accordance with the terms of these notes, SAC Holdings may prepay the notes without penalty or premium at any time. The scheduled maturities of these notes are between 2019 and 2024. Due to the repayments in April 2012 and May 2012 the total notes receivable balance decreased by \$113.5 million.

These agreements along with notes with subsidiaries of SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini, excluding Dealer Agreements, provided revenues of \$45.3 million, expenses of \$2.4 million and cash flows of \$41.8 million during fiscal 2012. Revenues and commission expenses related to the Dealer Agreements were \$194.1 million and \$41.7 million, respectively during fiscal 2012.

In April 2012, we received \$52.2 million from SAC Holding Corporation as full repayment of principal and accrued interest for one of its junior notes. Also in April 2012 and May 2012, we received \$46.0 million and \$20.4 million, respectively from SAC Holding II Corporation as partial repayment on its junior note.

Fiscal 2013 Outlook

We will continue to focus our attention on increasing transaction volume and improving pricing, product and utilization for self-moving equipment rentals. Maintaining an adequate level of new investment in our truck fleet is an important component of our plan to meet our operational goals. Revenue in the U-Move program could be adversely impacted should we fail to execute in any of these areas. Even if we execute our plans, we could see declines in revenues primarily due to the economic conditions or competitive pressures that are beyond our control.

We have added new storage locations and expanded at existing locations. In fiscal 2013, we are looking to continue to acquire new locations, complete current projects and increase occupancy in our existing portfolio of locations. New projects and acquisitions will be considered and pursued if they fit our long-term plans and meet our financial objectives. In the current environment we have focused fewer resources on new construction than in recent history. We will continue to invest capital and resources in the U-Box TM storage container program throughout fiscal 2013.

The Property and Casualty Insurance operating segment will continue to provide loss adjusting and claims handling for U-Haul and underwrite components of the Safemove, Safetow, Super Safemove and Safestor protection packages to U-Haul customers.

The Life Insurance operating segment is pursuing its goal of expanding its presence in the senior market through the sales of its Medicare supplement, life and annuity policies. This strategy includes growing its agency force, expanding its new product offerings, and pursuing business acquisition opportunities.

Quarterly Results (unaudited)

The quarterly results shown below are derived from unaudited financial statements for the eight quarters beginning April 1, 2010 and ending March 31, 2012. We believe that all necessary adjustments have been included in the amounts stated below to present fairly, and in accordance with GAAP, such results. Moving and Storage operations are seasonal and proportionally more of the Company's revenues and net earnings from its Moving and Storage operations are generated in the first and second quarters of each fiscal year (April through September). The operating results for the periods presented are not necessarily indicative of results for any future period.

	Quarter Ended			
	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
	(In thousands, except for share and per share data)			
Total revenues	\$ 523,440	\$ 633,089	\$ 703,181	\$ 642,965
Earnings from operations	58,338	24,873	184,433	148,363
Net earnings	25,405	728	101,011	78,223
Earnings available to common shareholders	25,405	728	101,175	69,238
Basic and diluted earnings per common share	\$ 1.29	\$ 0.04	\$ 5.20	\$ 3.56
Weighted average common shares outstanding: basic and diluted	19,492,159	19,481,614	19,470,948	19,460,126

	Quarter Ended			
	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010
	(In thousands, except for share and per share data)			
Total revenues	\$ 488,370	\$ 529,982	\$ 636,976	\$ 585,947
Earnings from operations	40,188	51,277	158,121	128,109
Net earnings	13,246	18,608	85,219	66,502
Earnings available to common shareholders	10,163	15,529	81,978	63,315
Basic and diluted earnings per common share	\$ 0.52	\$ 0.80	\$ 4.22	\$ 3.26
Weighted average common shares outstanding: basic and diluted	19,449,243	19,439,622	19,427,595	19,414,815

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to financial market risks, including changes in interest rates and currency exchange rates. To mitigate these risks, we may utilize derivative financial instruments, among other strategies. We do not use derivative financial instruments for speculative purposes.

Interest Rate Risk

The exposure to market risk for changes in interest rates relates primarily to our variable rate debt obligations and one variable rate operating lease. We have used interest rate swap agreements and forward swaps to reduce our exposure to changes in interest rates. We enter into these arrangements with counterparties that are significant financial institutions with whom we generally have other financial arrangements. We are exposed to credit risk should these counterparties not be able to perform on their obligations.

Notional Amount	Fair Value	Effective Date	Expiration Date	Fixed Rate	Floating Rate
(In thousands)					
\$ 22,560 (a), (b)	\$ (91)	5/10/2006	4/10/2012	5.06%	1 Month LIBOR
51,949 (a), (b)	(1,058)	10/10/2006	10/10/2012	5.57%	1 Month LIBOR
17,821 (a)	(1,102)	7/10/2006	7/10/2013	5.67%	1 Month LIBOR
244,165 (a)	(48,925)	8/18/2006	8/10/2018	5.43%	1 Month LIBOR
11,600 (a)	(946)	2/12/2007	2/10/2014	5.24%	1 Month LIBOR
7,795 (a)	(615)	3/12/2007	3/10/2014	4.99%	1 Month LIBOR
7,800 (a)	(576)	3/12/2007	3/10/2014	4.99%	1 Month LIBOR
9,100 (a), (b)	(727)	8/15/2008	6/15/2015	3.62%	1 Month LIBOR
9,342 (a)	(800)	8/29/2008	7/10/2015	4.04%	1 Month LIBOR
14,090 (a)	(1,369)	9/30/2008	9/10/2015	4.16%	1 Month LIBOR
7,688 (a), (b)	(348)	3/30/2009	3/30/2016	2.24%	1 Month LIBOR
10,500 (a), (b)	(392)	8/15/2010	7/15/2017	2.15%	1 Month LIBOR
22,188 (a), (b)	(948)	6/1/2011	6/1/2018	2.38%	1 Month LIBOR
44,167 (a), (b)	(1,035)	8/15/2011	8/15/2018	1.86%	1 Month LIBOR
18,000 (a), (b)	(334)	9/12/2011	9/10/2018	1.75%	1 Month LIBOR
15,099 (a), (c)	(47)	3/28/2012	3/28/2019	1.42%	1 Month LIBOR

(a) interest rate swap agreement

(b) forward swap

(c) operating lease

As of March 31, 2012, we had \$538.6 million of variable rate debt obligations and \$15.1 million of a variable rate operating lease. If the London Inter-Bank Offer Rate were to increase 100 basis points, the increase in interest expense on the variable rate debt and a variable rate operating lease would decrease future earnings and cash flows by \$0.4 million annually (after consideration of the effect of the above derivative contracts).

Additionally, our insurance subsidiaries' fixed income investment portfolios expose us to interest rate risk. This interest rate risk is the price sensitivity of a fixed income security to changes in interest rates. As part of our insurance companies' asset and liability management, actuaries estimate the cash flow patterns of our existing liabilities to determine their duration. These outcomes are compared to the characteristics of the assets that are currently supporting these liabilities assisting management in determining an asset allocation strategy for future investments that management believes will mitigate the overall effect of interest rates.

Foreign Currency Exchange Rate Risk

The exposure to market risk for changes in foreign currency exchange rates relates primarily to our Canadian business. Approximately 5.9%, 5.8% and 5.7% of our revenue was generated in Canada in fiscal 2012, 2011 and 2010, respectively. The result of a 10.0% change in the value of the U.S. dollar relative to the Canadian dollar would not be material to net income. We typically do not hedge any foreign currency risk since the exposure is not considered material.

Item 8. *Financial Statements and Supplementary Data*

The Report of Independent Registered Public Accounting Firm and Consolidated Financial Statements of AMERCO and its consolidated subsidiaries including the notes to such statements and the related schedules are set forth on the "F" pages hereto and are incorporated herein.

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

Not applicable.

Item 9A. *Controls and Procedures*

Attached as exhibits to this Annual Report are certifications of our Chief Executive Officer ("CEO") and Chief Accounting Officer ("CAO"), which are required in accordance with Rule 13a-14 of the Exchange Act. This "Controls and Procedures" section includes information concerning the controls and procedures evaluation referred to in the certifications and it should be read in conjunction with the certifications for a more complete understanding of the topics presented in the section Evaluation of Disclosure Controls and Procedures.

Following this discussion is the report of BDO USA, LLP, our independent registered public accounting firm, regarding its audit of AMERCO's internal control over financial reporting as set forth below in this section. This section should be read in conjunction with the certifications of our CEO and CAO and the BDO USA, LLP report for a more complete understanding of the topics presented.

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the CEO and CAO, conducted an evaluation of the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as such term is defined in the Exchange Act Rules 13a-15(e) and 15d-15(e)) ("Disclosure Controls") as of the end of the period covered by this Annual Report. Our Disclosure Controls are designed to reasonably assure that information required to be disclosed in our reports filed under the Exchange Act, such as this Annual Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our Disclosure Controls are also designed to reasonably assure that such information is accumulated and communicated to our management, including the CEO and CAO, as appropriate to allow timely decisions regarding required disclosure. Based upon the controls evaluation, our CEO and CAO have concluded that as of the end of the period covered by this Annual Report, our Disclosure Controls were effective related to the above stated design purposes.

Inherent Limitations on Effectiveness of Controls

The Company's management, including the CEO and CAO, does not expect that our Disclosure Controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the

fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Changes in Internal Control over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Management assessed our internal control over financial reporting as of March 31, 2012, the end of our fiscal year. Management based its assessment on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included evaluation of such elements as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment. This assessment is supported by testing and monitoring performed both by our Internal Audit organization and our Finance organization.

Based on our assessment, management has concluded that our internal control over financial reporting was effective as of the end of the fiscal year 2012. We reviewed the results of management's assessment with the Audit Committee of our Board.

Our independent registered public accounting firm, BDO USA, LLP, has audited the Company's internal control over financial reporting and has issued their report, which is included on the following page.

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
AMERCO
Reno, Nevada

We have audited AMERCO and consolidated subsidiaries' (the "Company") internal control over financial reporting as of March 31, 2012, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A, Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

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

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

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

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

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of the Company as of March 31, 2012 and 2011, and the related consolidated statements of operations, changes in stockholders' equity, comprehensive income (loss), and cash flows for each of the three years in the period ended March 31, 2012 and our report dated June 6, 2012 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP

Phoenix, Arizona
June 6, 2012

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required to be disclosed under this Item 10 is incorporated herein by reference to AMERCO's definitive proxy statement, in connection with its annual meeting of stockholders (the "Proxy Statement"), which will be filed with the SEC within 120 days after the close of the 2012 fiscal year.

The Company has adopted a Code of Ethics that applies to all directors, officers and employees of the Company, including the Company's principal executive officer and principal accounting officer. A copy of our Code of Ethics is posted on AMERCO's web site at amerco.com/governance.aspx. We intend to satisfy the disclosure requirements of Current Report on Form 8-K regarding any amendment to, or waiver from, a provision of our Code of Ethics by posting such information on the Company's website, at the web address and location specified above, unless otherwise required to file a Current Report on Form 8-K by NASDAQ rules and regulations.

Item 11. Executive Compensation

The information required to be disclosed under this Item 11 is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days after the close of the 2012 fiscal year.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required to be disclosed under this Item 12 is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days after the close of the 2012 fiscal year.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required to be disclosed under this Item 13 is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days after the close of the 2012 fiscal year.

Item 14. Principal Accounting Fees and Services

The information required to be disclosed under this Item 14 is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days after the close of the 2012 fiscal year.

PART IV

Item 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this Report:

	Page
Financial Statements:	
Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheets - March 31, 2012 and 2011	F-2
Consolidated Statements of Operations - Years Ended March 31, 2012, 2011, and 2010	F-3
Consolidated Statement of Comprehensive Income (Loss) - Years Ended March 31, 2012, 2011 and 2010	F-4
Consolidated Statements of Changes in Stockholders' Equity - Years Ended March 31, 2012, 2011, and 2010	F-5
Consolidated Statement of Cash Flows - Years Ended March 31, 2012, 2011 and 2010	F-6
Notes to Consolidated Financial Statements	F-7
Financial Statement Schedules required to be filed by Item 8:	
Schedule I - Condensed Financial Information of AMERCO	F-54
Schedule II - AMERCO and Consolidated Subsidiaries Valuation and Qualifying Accounts	F-58
Schedule V - AMERCO and Consolidated Subsidiaries Supplemental Information (Concerning Property-Casualty Insurance Operations)	F-59

All other schedules are omitted because they are not required, inapplicable, or the information is otherwise shown in the financial statements or notes thereto.

Exhibits:

Exhibit Number	Description	Page or Method of Filing
3.1	Restated Articles of Incorporation of AMERCO	Incorporated by reference to AMERCO's Registration Statement on form S-4 filed March 30, 2004, file no. 1-11255
3.2	Restated Bylaws of AMERCO	Incorporated by reference to AMERCO's Current Report on Form 8-K filed on September 10, 2010, file no. 1-11255
4.1	Termination of Rights Agreement, dated as of March 5, 2008	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on March 11, 2008, file no. 1-11255
4.2	U-Haul Investors Club Base Indenture, dated February 12, 2011 by and between AMERCO and U. S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on February 22, 2011, file no. 1-11255
4.3	First Supplemental Indenture, dated February 17, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on February 22, 2011, file no. 1-11255
4.4	Second Supplemental Indenture, dated February 17, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on February 22, 2011, file no. 1-11255
4.5	Third Supplemental Indenture, dated March 1, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on March 4, 2011, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
4.6	Fourth Supplemental Indenture, dated March 15, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on March 22, 2011, file no. 1-11255
4.7	Fifth Supplemental Indenture, dated March 15, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on March 22, 2011, file no. 1-11255
4.8	Sixth Supplemental Indenture, dated March 29, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on April 1, 2011, file no. 1-11255
4.9	Seventh Supplemental Indenture, dated March 29, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on April 1, 2011, file no. 1-11255
4.10	Ninth Supplemental Indenture, dated April 19, 2011, by and among AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on April 22, 2011, file no. 1-11255
4.11	Tenth Supplemental Indenture, dated June 7, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on June 23, 2011, file no. 1-11255
4.12	Eleventh Supplemental Indenture dated June 7, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on October 31, 2011, file no. 1-11255
4.13	Twelfth Supplemental Indenture dated June 14, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on June 23, 2011, file no. 1-11255
4.14	Thirteenth Supplemental Indenture dated June 28, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on July 20, 2011, file no. 1-11255
4.15	Fourteenth Supplemental Indenture dated July 20, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on August 17, 2011, file no. 1-11255
4.16	Fifteenth Supplemental Indenture dated July 27, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on August 17, 2011, file no. 1-11255
4.17	Sixteenth Supplemental Indenture dated August 31, 2011 by and between AMERCO and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on September 28, 2011, file no. 1-11255
4.18	Seventeenth Supplemental Indenture dated November 8, 2011 by and between AMERCO and U. S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on January 18, 2012, file no. 1-11255
4.19	Eighteenth Supplemental Indenture dated January 7, 2012 by and between AMERCO and U. S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on March 26, 2012, file no. 1-11255
4.20	Nineteenth Supplemental Indenture dated May 14, 2012 by and between AMERCO and U. S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on May 14, 2012, file no. 1-11255
4.21	Eighth Supplemental Indenture, dated April 12, 2011, by and between AMERCO and U.S. Bank National Association	Filed herewith

Exhibit Number	Description	Page or Method of Filing
5.1	Opinion of Jennifer M. Settles, Secretary of AMERCO	Filed herewith
10.1	SAC Participation and Subordination Agreement, dated as of March 15, 2004 among SAC Holding Corporation, SAC Holding II Corporation, AMERCO, U-Haul International, Inc., and Law Debenture Trust Company of New York	Incorporated by reference to AMERCO's Current Report on Form 8-K filed on March 26, 2004, file no. 1-11255
10.2	U-Haul Dealership Contract	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year end March 31, 1993, file no. 1-11255
10.3	Share Repurchase and Registration Rights Agreement with Paul F. Shoen	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1993, file no. 1-11255
10.4	ESOP Loan Credit Agreement	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1990, file no. 1-11255
10.5	ESOP Loan Agreement	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1990, file no. 1-11255
10.6	Trust Agreement for the AMERCO Employee Savings, Profit Sharing and Employee Stock Ownership Plan	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1990, file no. 1-11255
10.7	Amended Indemnification Agreement	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1990, file no. 1-11255
10.8	Indemnification Trust Agreement	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1990, file no. 1-11255
10.9	Management Agreement between Four SAC Self-Storage Corporation and subsidiaries of AMERCO	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1997, file no. 1-11255
10.10	Management Agreement between Five SAC Self-Storage Corporation and subsidiaries of AMERCO	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 1999, file no. 1-11255
10.11	Management Agreement between Nineteen SAC Self-Storage Limited Partnership and U-Haul	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002, file no. 1-11255
10.12	Amended and Restated Promissory Note between SAC Holding Corporation and U-Haul International, Inc. (in an aggregate principal amount up to \$47,500,000)	Incorporated by reference to AMERCO's Form S-4 Registration Statement filed on March 30, 2004, no. 333-114042
10.13	Amended and Restated Promissory Note between SAC Holding Corporation and U-Haul International, Inc. (in an aggregate principal amount up to \$76,000,000)	Incorporated by reference to AMERCO's Form S-4 Registration Statement filed on March 30, 2004, no. 333-114042
10.14	Property Management Agreement	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2004, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.15	Property Management Agreements among Three-A through Three-D SAC Self-Storage Limited Partnership and the subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004, file no. 1-11255
10.16	U-Haul Dealership Contract between U-Haul Leasing & Sales Co., and U-Haul Moving Partners, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004, file no. 1-11255
10.17	Property Management Agreement between Mercury Partners, LP, Mercury 99, LLC and U-Haul Self-Storage Management (WPC), Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004, file no. 1-11255
10.18	Property Management Agreement between Three-SAC Self-Storage Corporation and U-Haul Co. (Canada), Ltd.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004, file no. 1-11255
10.19	Property Management Agreement among subsidiaries of U-Haul International and Galaxy Storage Two, L.P.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 2004, file no. 1-11255
10.20	Merrill Lynch Commitment Letter (re first mortgage loan)	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on May 13, 2005, file no. 1-11255
10.21	Morgan Stanley Commitment Letter	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on May 13, 2005, file no. 1-11255
10.22	Merrill Lynch Commitment Letter (re loan to Amerco Real Estate Company)	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on May 13, 2005, file no. 1-11255
10.23	Amended and Restated Credit Agreement, dated June 8, 2005, among Amerco Real Estate Company, Amerco Real Estate Company of Texas, Inc., Amerco Real Estate Company of Alabama Inc., U-Haul Co. of Florida, Inc., U-Haul International, Inc. and Merrill Lynch Commercial Finance Corp.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.24	Security Agreement dated June 8, 2005, by Amerco Real Estate Company, Amerco Real Estate Company of Texas, Inc., Amerco Real Estate Company of Alabama, Inc., U-Haul Co. of Florida, Inc., U-Haul International, Inc. and the Marketing Grantors named therein in favor of Merrill Lynch Commercial Finance Corp.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.25	Guarantee, dated June 8, 2005, by U-Haul International, Inc. in favor of Merrill Lynch Commercial Finance Corp.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.26	Promissory Note, dated June 8, 2005 by Amerco Real Estate Company, Amerco Real Estate Company of Texas, Inc., Amerco Real Estate Company of Alabama, Inc., U-Haul Co. of Florida, Inc. and U-Haul International, Inc.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.27	Form of Mortgage, Security Agreement, Assignment of Rents and Fixture Filing, dated June 8, 2005 in favor of Morgan Stanley Mortgage Capital Inc.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.28	Form of Promissory Note, dated June 8, 2005, in favor of Morgan Stanley Mortgage Capital Inc.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.29	Form of Mortgage, Security Agreement, Assignment of Rents and Fixture Filing, dated June 8, 2005, in favor of Merrill Lynch Mortgage Lending, Inc.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.30	Form of Promissory Note, dated June 8, 2005, in favor of Merrill Lynch Mortgage Lending, Inc.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed June 14, 2005, file no. 1-11255
10.31	Property Management Agreement between Subsidiaries of U-Haul and Five SAC RW MS, LLC., dated August 17, 2005.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, file no. 1-11255
10.32	Credit agreement, dated November 10, 2005, among U-Haul Leasing & Sales Co., U-Haul Company of Arizona and U-Haul International, Inc. and Merrill Lynch Commercial Finance Corporation.	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed November 17, 2005, file no. 1-11255
10.33	Property Management Agreement between Subsidiaries of U-Haul and Five SAC 905, LLC., dated September 23, 2005.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended December 31, 2005, file no. 1-11255
10.34	Property Management Agreements between Subsidiaries of U-Haul and subsidiaries of PM Partners, LP, dated June 25, 2005.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.35	Promissory note, dated December 1, 2005, by Private Mini Storage Realty, LP in favor of AMERCO.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.36	Promissory note dated December 1, 2005 by PMSI Investments, LP in favor of U-Haul International, Inc.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.37	Property Management Agreements between Subsidiaries of U-Haul and subsidiaries of PM Preferred Properties, LP., dated June 25, 2005	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.38	Credit Agreement executed June 7, 2006, among U-Haul Leasing & Sales Co., U-Haul Co. of Arizona and U-Haul International, Inc. and BTMU Capital Corporation.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.39	Security and Collateral Agreement executed June 7, 2006, by U-Haul International, Inc., U-Haul Leasing and Sales Co., U-Haul Co. of Arizona, BTMU Capital Corporation, and Orange Truck Trust 2006	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.40	Guarantee executed June 7, 2006, made by U-Haul International, Inc. and AMERCO in favor of BTMU Capital Corp. and Orange Truck Trust 2006.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.41	First Amendment to Security Agreement (New Truck Term Loan Facility) executed June 7, 2006, among U-Haul Leasing and Sales Co., U-Haul Co. of Arizona, and U-Haul International, Inc., in favor of Merrill Lynch Commercial Finance Corp.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.42	Credit Agreement dated June 6, 2006, among U-Haul Leasing and Sales Co., U-Haul Co. of Arizona, and U-Haul International, Inc., and HVB	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.43	Security Agreement dated June 6, 2006, among U-Haul Leasing and Sales Co., U-Haul Co. of Arizona, and U-Haul International, Inc. in favor of HVB	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.44	Guarantee dated June 6, 2006, made by U-Haul International, Inc. in favor of HVB	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2006, file no. 1-11255
10.45	Stockholder Agreement dated June 30, 2006 between Edward J. Shoen, James P. Shoen, Mark V. Shoen, Rosmarie T. Donovan, as Trustee, and Southwest Fiduciary, Inc., as Trustee	Incorporated by reference to Exhibit 99.2, filed with the Schedule 13-D, filed on July 13, 2006, file number 5-39669
10.46	Amendment No. 1 to the Amended and Restated Credit Agreement and Security Agreement, dated as of August 18, 2006, to the Amended and Restated Credit Agreement, dated as of June 8, 2005, among Amerco Real Estate Company of Texas, Inc., Amerco Real Estate Company of Alabama, Inc., U-Haul Co. of Florida, Inc., U-Haul International, Inc. and the Marketing Grantors named therein in favor of Merrill Lynch Commercial Financial Corp.	Incorporated by reference to AMERCO's Current Report on Form 8-K filed August 23, 2006, file no. 1-11255
10.47	Stockholder Agreement dated March 9, 2007 between Edward J. Shoen, James P. Shoen, Mark V. Shoen, Rosmarie T. Donovan, as Trustee, and Adagio Trust Company, as Trustee	Incorporated by reference to Exhibit 99.2, filed with the Schedule 13-D, filed on March 9, 2007, file number 5-39669
10.48	Amended and Restated Credit Agreement, dated as of March 12, 2007, to the Credit Agreement, dated as of June 28, 2005, among U-Haul Leasing & Sales Co., U-Haul Company of Arizona and U-Haul International, Inc. and Merrill Lynch Commercial Finance Corporation.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2007, file no. 1-11255
10.49	Amended and Restated Security Agreement, dated as of March 12, 2007, to the Security Agreement, dated June 28, 2005, among U-Haul Leasing & Sales Co., U-Haul Company of Arizona and U-Haul International, Inc. in favor of Merrill Lynch Commercial Finance Corporation.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2007, file no. 1-11255
10.50	2007-1 BOX TRUCK BASE INDENTURE, dated as of June 1, 2007, among U-HAUL S FLEET, LLC, 2007 TM-1, LLC, 2007 DC-1, LLC, and 2007 EL-1, LLC and U.S. BANK NATIONAL ASSOCIATION.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2007, file no. 1-11255
10.51	SCHEDULE I TO 2007-1 BOX TRUCK BASE INDENTURE, dated as of June 1, 2007.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2007, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.52	SERIES 2007-1 SUPPLEMENT, dated as of June 1, 2007, among U-HAUL S FLEET, LLC, 2007 TM-1, LLC, 2007 DC-1, LLC, and 2007 EL-1, LLC, and U.S. BANK NATIONAL ASSOCIATION, to the 2007-1 Box Truck Base Indenture.	Incorporated by reference to AMERCO's Annual Report on Form 10-K for the year ended March 31, 2007, file no. 1-11255
10.53	Amended and Restated Property Management Agreement among Six-A SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.54	Amended and Restated Property Management Agreement among Six-B SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.55	Amended and Restated Property Management Agreement among Six-C SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.56	Amended and Restated Property Management Agreement among Eight SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.57	Amended and Restated Property Management Agreement among Nine SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.58	Amended and Restated Property Management Agreement among Ten SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.59	Amended and Restated Property Management Agreement among Eleven SAC Self-Storage Corporation and Eleven SAC Self-Storage Odenton, Inc. and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.60	Amended and Restated Property Management Agreement among Twelve SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.61	Amended and Restated Property Management Agreement among Thirteen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.62	Amended and Restated Property Management Agreement among Fourteen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.63	Amended and Restated Property Management Agreement among Fifteen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.64	Amended and Restated Property Management Agreement among Sixteen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.65	Amended and Restated Property Management Agreement among Seventeen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.66	Promissory Note. SAC Holding Corporation, a Nevada corporation ("Borrower"), pay to U-Haul International, Inc., a Nevada corporation	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, file no. 1-11255
10.67	Omnibus Termination and Release (Aged Truck Revolving Loan Facility), dated February 8, 2008 among U-Haul Leasing & Sales Co., U-Haul Co. of Arizona and U-Haul International, Inc. and Merrill Lynch Commercial Finance Corporation	Incorporated by reference to AMERCO's Current Report on Form 8-K filed February 13, 2008, file no. 1-11255
10.68	Stockholder Agreement dated January 1, 2009 between Edward J. Shoen, James P. Shoen, Mark V. Shoen, Rosmarie T. Donovan, as Trustee, and Dunham Trust Company, as Trustee	Incorporated by reference to Exhibit 99.2, filed with the Schedule 13-D, filed on June 26, 2009, file number 5-39669
10.69	2010-1 BOX TRUCK BASE INDENTURE, dated as of October 1, 2010, among 2010 U-HAUL S FLEET, LLC, 2010 TM-1, LLC, 2010 DC-1, LLC, and 2010 TT-1, LLC, and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, file number 1-11255
10.70	Schedule I to 2010-1 Base Indenture – Definitions List	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, file number 1-11255
10.71	SERIES 2010-1 SUPPLEMENT, dated as of October 1, 2010, among 2010 U-HAUL S FLEET, LLC, 2010 TM-1, LLC, 2010 DC-1, LLC, and 2010 TT-1, LLC, and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee.	Incorporated by reference to AMERCO's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, file number 1-11255
10.72	Pledge and Security Agreement, dated February 17, 2011, by and among AMERCO, U-Haul Leasing and Sales Co. and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on February 22, 2011, file no. 1-11255
10.73	Pledge and Security Agreement, dated February 17, 2011, by and among AMERCO, U-Haul Leasing and Sales Co. and U.S. Bank National Association	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on February 22, 2011, file no. 1-11255
10.74	Amended and Restated AMERCO Employee Savings and Profit and Sharing Plan*	Incorporated by reference to AMERCO's Annual Report on Form 10-K, for the year ended March 31, 2011, file no. 1-11255
10.75	Amended and Restated AMERCO Employee Stock Ownership Plan*	Incorporated by reference to AMERCO's Annual Report on Form 10-K, for the year ended March 31, 2011, file no. 1-11255
10.76	Credit Agreement, dated April 29, 2011, among Amerco Real Estate Company, U-Haul Company of Florida and J.P. Morgan Chase Bank, N.A.	Incorporated by reference to AMERCO's Annual Report on Form 10-K, for the year ended March 31, 2011, file no. 1-11255

Exhibit Number	Description	Page or Method of Filing
10.77	Amended and Restated Property Management Agreement among Eighteen SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.78	Amended and Restated Property Management Agreement among Twenty SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.79	Amended and Restated Property Management Agreement among Twenty-One SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.80	Amended and Restated Property Management Agreement among Twenty-Two SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.81	Amended and Restated Property Management Agreement among Twenty-Three SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.82	Amended and Restated Property Management Agreement among Twenty-Four SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.83	Amended and Restated Property Management Agreement among Twenty-Five SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.84	Amended and Restated Property Management Agreement among Twenty-Six SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.85	Amended and Restated Property Management Agreement among Twenty-Seven SAC Self-Storage Corporation and subsidiaries of U-Haul International, Inc.	Filed herewith
10.86	Amended and Restated Credit Agreement, dated March 15, 2012, among Amerco Real Estate Company, U-Haul Co. of Florida and J.P. Morgan Chase Bank, N.A.	Filed herewith
10.87	U-Haul Dealership Contract Addendum	Filed herewith
14	Code of Ethics	Incorporated by reference to AMERCO's Current Report on Form 8-K, filed on May 5, 2004, file no. 1-11255
21	Subsidiaries of AMERCO	Filed herewith
23.1	Consent of BDO USA, LLP	Filed herewith
23.2	Consent of Jennifer M. Settles, Secretary of AMERCO (Included in Exhibit 5.1)	Filed herewith
24	Power of Attorney	Refer to signature page

Exhibit Number	Description	Page or Method of Filing
31.1	Rule 13a-14(a)/15d-14(a) Certificate of Edward J. Shoen, President and Chairman of the Board of AMERCO	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certificate of Jason A. Berg, Principal Financial Officer and Chief Accounting Officer of AMERCO	Filed herewith
32.1	Certificate of Edward J. Shoen, President and Chairman of the Board of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Certificate of Jason A. Berg, Principal Financial Officer and Chief Accounting Officer of AMERCO pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
101.INS	XBRL Instance Document	Furnished herewith
101.SCH	XBRL Taxonomy Extension Schema	Furnished herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Furnished herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase	Furnished herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Furnished herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase	Furnished herewith

* Indicates compensatory plan arrangement.

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
AMERCO
Reno, Nevada

We have audited the accompanying consolidated balance sheets of AMERCO and consolidated subsidiaries (the "Company") as of March 31, 2012 and 2011 and the related consolidated statements of operations, changes in stockholders' equity, comprehensive income (loss), and cash flows for each of the three years in the period ended March 31, 2012. In connection with our audits of the financial statements, we have also audited the financial statement schedules listed in the accompanying index. These financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company at March 31, 2012 and 2011, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of March 31, 2012, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated June 6, 2012 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP

Phoenix, Arizona

June 6, 2012

AMERCO AND CONSOLIDATED SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	March 31,	
	2012	2011
	(In thousands, except share data)	
ASSETS		
Cash and cash equivalents	\$ 350,100	\$ 375,496
Reinsurance recoverables and trade receivables, net	297,974	220,650
Inventories, net	58,735	59,942
Prepaid expenses	41,858	57,624
Investments, fixed maturities and marketable equities	766,792	659,809
Investments, other	265,631	201,868
Deferred policy acquisition costs, net	63,914	52,870
Other assets	120,525	166,633
Related party assets	316,157	301,968
	<u>2,281,686</u>	<u>2,096,860</u>
Property, plant and equipment, at cost:		
Land	281,140	239,177
Buildings and improvements	1,087,119	1,024,669
Furniture and equipment	308,120	310,671
Rental trailers and other rental equipment	255,010	249,700
Rental trucks	1,856,433	1,611,763
	<u>3,787,822</u>	<u>3,435,980</u>
Less: Accumulated depreciation	<u>(1,415,457)</u>	<u>(1,341,407)</u>
Total property, plant and equipment	<u>2,372,365</u>	<u>2,094,573</u>
Total assets	<u>\$ 4,654,051</u>	<u>\$ 4,191,433</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 335,326	\$ 304,006
Notes, loans and leases payable	1,486,211	1,397,842
Policy benefits and losses, claims and loss expenses payable	1,145,943	934,234
Liabilities from investment contracts	240,961	255,134
Other policyholders' funds and liabilities	7,273	8,731
Deferred income	31,525	27,209
Deferred income taxes	370,992	271,257
Total liabilities	<u>3,618,231</u>	<u>3,198,413</u>
Commitments and contingencies (notes 9, 18, 19, 20 and 21)		
Stockholders' equity:		
Series preferred stock, with or without par value, 50,000,000 shares authorized:		
Series A preferred stock, with no par value, 6,100,000 shares authorized;		
6,100,000 and 5,791,700 shares issued and none and 5,791,700 outstanding as of March 31,		
2012 and 2011	-	-
Series B preferred stock, with no par value, 100,000 shares authorized; none		
issued and outstanding as of March 31, 2012 and 2011	-	-
Series common stock, with or without par value, 150,000,000 shares authorized:		
Series A common stock of \$0.25 par value, 10,000,000 shares authorized;		
none issued and outstanding as of March 31, 2012 and 2011	-	-
Common stock of \$0.25 par value, 150,000,000 shares authorized; 41,985,700		
issued and 19,607,788 outstanding as of March 31, 2012 and 2011	10,497	10,497
Additional paid-in capital	433,743	425,212
Accumulated other comprehensive loss	(45,436)	(46,467)
Retained earnings	1,317,064	1,140,002
Cost of common shares in treasury, net (22,377,912 shares as of March 31, 2012 and 2011)	(525,653)	(525,653)
Cost of preferred shares in treasury, net (6,100,000 and 308,300 shares as of March 31, 2012 and 2011)	(151,997)	(7,189)
Unearned employee stock ownership plan shares	(2,398)	(3,382)
Total stockholders' equity	<u>1,035,820</u>	<u>993,020</u>
Total liabilities and stockholders' equity	<u>\$ 4,654,051</u>	<u>\$ 4,191,433</u>

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended March 31,		
	2012	2011	2010
	(In thousands, except share and per share data)		
Revenues:			
Self-moving equipment rentals	\$ 1,678,256	\$ 1,547,015	\$ 1,419,726
Self-storage revenues	134,376	120,698	110,369
Self-moving and self-storage products and service sales	213,854	205,570	198,785
Property management fees	23,266	22,132	21,632
Life insurance premiums	277,562	206,992	134,345
Property and casualty insurance premiums	32,631	30,704	27,625
Net investment and interest income	64,200	52,661	49,989
Other revenue	78,530	55,503	39,534
Total revenues	<u>2,502,675</u>	<u>2,241,275</u>	<u>2,002,005</u>
Costs and expenses:			
Operating expenses	1,093,190	1,026,577	1,022,061
Commission expenses	212,190	190,981	169,104
Cost of sales	116,542	106,024	104,049
Benefits and losses	310,839	190,429	121,105
Amortization of deferred policy acquisition costs	13,791	9,494	7,569
Lease expense	131,215	150,809	156,951
Depreciation, net of (gains) losses on disposals of ((\$20,888), (\$23,058) and (\$1,960), respectively)	208,901	189,266	227,629
Total costs and expenses	<u>2,086,668</u>	<u>1,863,580</u>	<u>1,808,468</u>
Earnings from operations	416,007	377,695	193,537
Interest expense	(90,371)	(88,381)	(93,347)
Pretax earnings	325,636	289,314	100,190
Income tax expense	(120,269)	(105,739)	(34,567)
Net earnings	205,367	183,575	65,623
Less: Excess of redemption value over carrying value of preferred shares redeemed	(5,908)	(178)	388
Less: Preferred stock dividends	(2,913)	(12,412)	(12,856)
Earnings available to common shareholders	<u>\$ 196,546</u>	<u>\$ 170,985</u>	<u>\$ 53,155</u>
Basic and diluted earnings per common share	<u>\$ 10.09</u>	<u>\$ 8.80</u>	<u>\$ 2.74</u>
Weighted average common shares outstanding: Basic and diluted	<u>19,476,187</u>	<u>19,432,781</u>	<u>19,386,791</u>

Related party revenues for fiscal 2012, 2011 and 2010, net of eliminations, were \$48.1 million, \$46.7 million and \$45.9 million, respectively.

Related party costs and expenses for fiscal 2012, 2011 and 2010, net of eliminations, were \$44.1 million, \$39.7 million and \$37.2 million, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

Fiscal Year Ended March 31, 2012	Pre-tax	Tax	Net
	(In thousands)		
Comprehensive income:			
Net earnings	\$ 325,636	\$ (120,269)	\$ 205,367
Other comprehensive income:			
Foreign currency translation	(2,854)	-	(2,854)
Unrealized gain on investments	15,094	(5,089)	10,005
Change in fair value of cash flow hedges	(9,179)	3,488	(5,691)
Postretirement benefit obligation loss	(692)	263	(429)
Total comprehensive income	<u>\$ 328,005</u>	<u>\$ (121,607)</u>	<u>\$ 206,398</u>
Fiscal Year Ended March 31, 2011	Pre-tax	Tax	Net
	(In thousands)		
Comprehensive income:			
Net earnings	\$ 289,314	\$ (105,739)	\$ 183,575
Other comprehensive income:			
Foreign currency translation	3,114	-	3,114
Unrealized gain on investments	7,468	(2,538)	4,930
Change in fair value of cash flow hedges	2,411	(916)	1,495
Postretirement benefit obligation gain	324	(123)	201
Total comprehensive income	<u>\$ 302,631</u>	<u>\$ (109,316)</u>	<u>\$ 193,315</u>
Fiscal Year Ended March 31, 2010	Pre-tax	Tax	Net
	(In thousands)		
Comprehensive income:			
Net earnings	\$ 100,190	\$ (34,567)	\$ 65,623
Other comprehensive income:			
Foreign currency translation	14,471	-	14,471
Unrealized gain on investments	20,546	(7,292)	13,254
Change in fair value of cash flow hedges	23,352	(8,874)	14,478
Postretirement benefit obligation loss	(661)	251	(410)
Total comprehensive income	<u>\$ 157,898</u>	<u>\$ (50,482)</u>	<u>\$ 107,416</u>

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Description	Common Stock, \$0.25 Par Value	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Less: Treasury Common Stock	Less: Treasury Preferred Stock	Less: Unearned Employee Stock Ownership Plan Shares	Total Stockholders' Equity
	(In thousands)							
Balance as of March 31, 2009	<u>\$ 10,497</u>	<u>\$ 420,588</u>	<u>\$ (98,000)</u>	<u>\$ 915,862</u>	<u>\$(525,653)</u>	<u>-</u>	<u>\$ (5,665)</u>	<u>\$ 717,629</u>
Increase in market value of released ESOP shares	-	1,336	-	-	-	-	-	1,336
Release of unearned ESOP shares	-	-	-	-	-	-	1,111	1,111
Foreign currency translation	-	-	14,471	-	-	-	-	14,471
Unrealized gain on investments, net of tax	-	-	13,254	-	-	-	-	13,254
Fair market value of cash flow hedges, net of tax	-	-	14,478	-	-	-	-	14,478
Adjustment to post retirement benefit obligation	-	-	(410)	-	-	-	-	(410)
Net earnings	-	-	-	65,623	-	-	-	65,623
Less: Excess of redemption value over carrying value of preferred shares redeemed	-	-	-	388	-	-	-	388
Preferred stock dividends: Series A (\$2.13 per share for fiscal 2010)	-	-	-	(12,856)	-	-	-	(12,856)
Redemption of preferred shares	-	-	-	-	-	(2,185)	-	(2,185)
Contribution to related party	-	72	-	-	-	-	-	72
Net activity	-	1,408	41,793	53,155	-	(2,185)	1,111	95,282
Balance as of March 31, 2010	<u>\$ 10,497</u>	<u>\$ 421,996</u>	<u>\$ (56,207)</u>	<u>\$ 969,017</u>	<u>\$(525,653)</u>	<u>(2,185)</u>	<u>\$ (4,554)</u>	<u>\$ 812,911</u>
Increase in market value of released ESOP shares	-	3,038	-	-	-	-	-	3,038
Release of unearned ESOP shares	-	-	-	-	-	-	1,172	1,172
Foreign currency translation	-	-	3,114	-	-	-	-	3,114
Unrealized gain on investments, net of tax	-	-	4,930	-	-	-	-	4,930
Fair market value of cash flow hedges, net of tax	-	-	1,495	-	-	-	-	1,495
Adjustment to post retirement benefit obligation	-	-	201	-	-	-	-	201
Net earnings	-	-	-	183,575	-	-	-	183,575
Less: Excess of redemption value over carrying value of preferred shares redeemed	-	-	-	(178)	-	-	-	(178)
Preferred stock dividends: Series A (\$2.13 per share for fiscal 2011)	-	-	-	(12,412)	-	-	-	(12,412)
Redemption of preferred shares	-	-	-	-	-	(5,004)	-	(5,004)
Contribution to related party	-	178	-	-	-	-	-	178
Net activity	-	3,216	9,740	170,985	-	(5,004)	1,172	180,109
Balance as of March 31, 2011	<u>\$ 10,497</u>	<u>\$ 425,212</u>	<u>\$ (46,467)</u>	<u>\$1,140,002</u>	<u>\$(525,653)</u>	<u>(7,189)</u>	<u>\$ (3,382)</u>	<u>\$ 993,020</u>
Increase in market value of released ESOP shares	-	3,141	-	-	-	-	-	3,141
Release of unearned ESOP shares	-	-	-	-	-	-	984	984
Foreign currency translation	-	-	(2,854)	-	-	-	-	(2,854)
Unrealized gain on investments, net of tax	-	-	10,005	-	-	-	-	10,005
Fair market value of cash flow hedges, net of tax	-	-	(5,691)	-	-	-	-	(5,691)
Adjustment to post retirement benefit obligation	-	-	(429)	-	-	-	-	(429)
Net earnings	-	-	-	205,367	-	-	-	205,367
Less: Excess of redemption value over carrying value of preferred shares redeemed	-	-	-	(5,908)	-	-	-	(5,908)
Preferred stock dividends: Series A (\$0.53 per share for fiscal 2012)	-	-	-	(2,913)	-	-	-	(2,913)
Common stock dividends: (\$1.00 per share for fiscal 2012)	-	-	-	(19,484)	-	-	-	(19,484)
Redemption of preferred shares	-	-	-	-	-	(144,808)	-	(144,808)
Contribution to related party	-	5,390	-	-	-	-	-	5,390
Net activity	-	8,531	1,031	177,062	-	(144,808)	984	42,800
Balance as of March 31, 2012	<u>\$ 10,497</u>	<u>\$ 433,743</u>	<u>\$ (45,436)</u>	<u>\$1,317,064</u>	<u>\$(525,653)</u>	<u>(151,997)</u>	<u>\$ (2,398)</u>	<u>\$ 1,035,820</u>

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Cash flows from operating activities:			
Net earnings	\$ 205,367	\$ 183,575	\$ 65,623
Adjustments to reconcile net earnings to cash provided by operations:			
Depreciation	229,789	212,324	229,589
Amortization of deferred policy acquisition costs	13,791	9,494	7,569
Change in allowance for losses on trade receivables	(208)	28	(163)
Change in allowance for losses on mortgage notes	-	-	(6)
Change in allowance for inventory reserves	1,382	(674)	1,153
Net gain on sale of real and personal property	(20,888)	(23,058)	(1,960)
Net (gain) loss on sale of investments	(5,579)	(1,135)	332
Deferred income taxes	104,360	80,898	15,497
Net change in other operating assets and liabilities:			
Reinsurance recoverables and trade receivables	(77,115)	(5,966)	18,112
Inventories	(173)	(6,431)	16,759
Prepaid expenses	15,748	(4,244)	822
Capitalization of deferred policy acquisition costs	(23,166)	(25,239)	(13,934)
Other assets	5,992	28,715	34,626
Related party assets	(24,684)	(87)	2,369
Accounts payable and accrued expenses	19,469	12,547	(3,096)
Policy benefits and losses, claims and loss expenses payable	212,330	109,334	33,371
Other policyholders' funds and liabilities	(1,458)	566	(3,811)
Deferred income	4,367	1,967	396
Related party liabilities	5,281	249	(727)
Net cash provided by operating activities	<u>664,605</u>	<u>572,863</u>	<u>402,521</u>
Cash flow from investing activities:			
Purchase of:			
Property, plant and equipment	(589,799)	(480,418)	(259,491)
Short term investments	(286,385)	(260,766)	(322,666)
Fixed maturity investments	(220,104)	(215,931)	(149,746)
Equity securities	(9,048)	(11,550)	(17,815)
Preferred stock	(2,717)	(14,352)	(2,185)
Real estate	(7,829)	(193)	(2,310)
Mortgage loans	(127,163)	(38,558)	(1,501)
Other investments	-	(2,000)	-
Proceeds from sales of:			
Property, plant and equipment	168,912	180,411	142,869
Short term investments	300,831	310,195	319,258
Fixed maturity investments	128,486	131,981	163,654
Equity securities	10,222	1,198	-
Preferred stock	2,352	1,914	5,077
Real estate	440	1,925	771
Mortgage loans	54,840	15,156	6,107
Net cash used by investing activities	<u>(576,962)</u>	<u>(380,988)</u>	<u>(117,978)</u>
Cash flow from financing activities:			
Borrowings from credit facilities	237,780	321,862	72,153
Principal repayments on credit facilities	(201,888)	(288,882)	(301,966)
Debt issuance costs	(2,004)	(1,987)	(2,345)
Capital lease payments	(8,328)	(11,522)	(4,057)
Leveraged Employee Stock Ownership Plan - Repayment from loan	984	1,172	1,111
Securitization deposits	42,088	(46,031)	-
Preferred stock redemption paid	(144,289)	-	-
Preferred stock dividends paid	(2,913)	(12,412)	(12,856)
Common stock dividends paid	(19,484)	-	-
Contribution to related party	(518)	-	-
Investment contract deposits	13,854	11,580	12,856
Investment contract withdrawals	(28,027)	(34,548)	(48,552)

Net cash used by financing activities	<u>(112,745)</u>	<u>(60,768)</u>	<u>(283,656)</u>
Effects of exchange rate on cash	(294)	271	2,644
Increase (decrease) in cash and cash equivalents	(25,396)	131,378	3,531
Cash and cash equivalents at the beginning of period	<u>375,496</u>	<u>244,118</u>	<u>240,587</u>
Cash and cash equivalents at the end of period	<u>\$ 350,100</u>	<u>\$ 375,496</u>	<u>\$ 244,118</u>

The accompanying notes are an integral part of these consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of Presentation

AMERCO, a Nevada Corporation ("AMERCO"), has a fiscal year that ends on the 31st of March for each year that is referenced. Our insurance company subsidiaries have fiscal years that end on the 31st of December for each year that is referenced. They have been consolidated on that basis. Our insurance companies' financial reporting processes conform to calendar year reporting as required by state insurance departments. Management believes that consolidating their calendar year into our fiscal year financial statements does not materially affect the financial position or results of operations. We disclose any material events occurring during the intervening period. Consequently, all references to our insurance subsidiaries' years 2011, 2010 and 2009 correspond to fiscal 2012, 2011 and 2010 for AMERCO.

Accounts denominated in non-U.S. currencies have been translated into U.S. dollars. Certain amounts reported in previous years have been reclassified to conform to the current presentation.

Note 2. Principles of Consolidation

We apply Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 810 - *Consolidation* ("ASC 810") in our principles of consolidation. ASC 810 addresses arrangements where a company does not hold a majority of the voting or similar interests of a variable interest entity ("VIE"). A company is required to consolidate a VIE if it has determined it is the primary beneficiary. ASC 810 also addresses the policy when a company owns a majority of the voting or similar rights and exercises effective control.

As promulgated by ASC 810, a VIE is not self-supportive due to having one or both of the following conditions: (i) it has an insufficient amount of equity for it to finance its activities without receiving additional subordinated financial support or (ii) its owners do not hold the typical risks and rights of equity owners. This determination is made upon the creation of a variable interest and is re-assessed on an on-going basis should certain changes in the operations of a VIE, or its relationship with the primary beneficiary trigger a reconsideration under the provisions of ASC 810. After a triggering event occurs the most recent facts and circumstances are utilized in determining whether or not a company is a VIE, which other company(s) have a variable interest in the entity, and whether or not the company's interest is such that it is the primary beneficiary.

In fiscal 2003 and fiscal 2002, SAC Holding Corporation and its subsidiaries ("SAC Holding Corporation") and SAC Holding II Corporation and its subsidiaries ("SAC Holding II") (collectively, "SAC Holdings") were considered special purpose entities and were consolidated based on the provisions of Emerging Issues Task Force Issue 90-15, *Impact of Nonsubstantive Lessors, Residual Value Guarantees and Other Provisions in Leasing Transactions*. In fiscal 2004, we evaluated our interests in SAC Holdings and we concluded that SAC Holdings were VIE's and that we were the primary beneficiary. Accordingly, we continued to include SAC Holdings in our consolidated financial statements.

Triggering events in February and March of 2004 for SAC Holding Corporation required AMERCO to reassess its involvement in specific SAC Holding Corporation entities. During these reassessments it was concluded that AMERCO was no longer the primary beneficiary, resulting in the deconsolidation of SAC Holding Corporation in fiscal 2004.

In November 2007, Blackwater contributed additional capital to its wholly-owned subsidiary, SAC Holding II. This contribution was determined by us to be material with respect to the capitalization of SAC Holding II; therefore, triggering a requirement under FASB Interpretation 46(R) for us to reassess our involvement with those entities. This required reassessment led to the conclusion that SAC Holding II had the ability to fund its own operations and execute its business plan without any future subordinated financial support; therefore, the we were no longer the primary beneficiary of SAC Holding II as of the date of Blackwater's contribution.

Accordingly, at the date AMERCO ceased to be considered the primary beneficiary of SAC Holding II and its current subsidiaries, it deconsolidated these entities. The deconsolidation was accounted for as a distribution of SAC Holding II's interests to the sole shareholder of the SAC entities. Because of AMERCO's continuing involvement with SAC Holding II and its subsidiaries, the distribution did not qualify as discontinued operations.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

It is possible that SAC Holdings could take actions that would require us to re-determine whether SAC Holdings remains a VIE and we continually monitor whether we have become the primary beneficiary of SAC Holdings. None of the events delineated in ASC 810-10-35-4 which would require a redetermination occurred during the period being reported upon in this Annual Report on Form 10-K ("Annual Report"). Should we determine in the future that we are the primary beneficiary of SAC Holdings, we could be required to consolidate some or all of SAC Holdings within our financial statements.

Intercompany accounts and transactions have been eliminated.

Description of Legal Entities

AMERCO is the holding company for:

U-Haul International, Inc. ("U-Haul"),

Amerco Real Estate Company ("Real Estate"),

Repwest Insurance Company ("Repwest"), and

Oxford Life Insurance Company ("Oxford").

Unless the context otherwise requires, the term "Company," "we," "us" or "our" refers to AMERCO and all of its legal subsidiaries.

Description of Operating Segments

AMERCO has three reportable segments. They are Moving and Storage, Property and Casualty Insurance and Life Insurance.

The Moving and Storage operating segment includes AMERCO, U-Haul, and Real Estate and the wholly-owned subsidiaries of U-Haul and Real Estate. Operations consist of the rental of trucks and trailers, sales of moving supplies, sales of towing accessories, sales of propane, rental of self-storage spaces to the "do-it-yourself" mover and management of self-storage properties owned by others. Operations are conducted under the registered trade name U-Haul® throughout the United States and Canada.

The Property and Casualty Insurance operating segment includes Repwest and its wholly-owned subsidiaries and ARCOA risk retention group ("ARCOA"). Property and Casualty Insurance provides loss adjusting and claims handling for U-Haul through regional offices across North America. The Property and Casualty Insurance operating segment also underwrites components of the Safemove, Safetow, Super Safemove and Safestor protection packages to U-Haul customers. The business plan for the Property and Casualty Insurance operating segment includes offering property and casualty products in other U-Haul related programs. ARCOA is a group captive insurer owned by us and our wholly-owned subsidiaries whose purpose is to provide insurance products related to the moving and storage business.

The Life Insurance operating segment includes Oxford and its wholly-owned subsidiaries. Oxford provides life and health insurance products primarily to the senior market through the direct writing and reinsuring of life insurance, Medicare supplement and annuity policies.

Note 3. Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ("GAAP") in the United States requires management to make estimates and judgments that affect the amounts reported in the financial statements and accompanying notes. The accounting policies that we deem most critical to us and that require management's most difficult and subjective judgments include the principles of consolidation, the recoverability of property, plant and equipment, the adequacy of insurance reserves, the recognition and measurement of impairments for investments accounted for under ASC 320 - *Investments - Debt and Equity Securities* and the recognition and measurement of income tax assets and liabilities. The actual results experienced by us may differ from management's estimates.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Cash and Cash Equivalents

We consider cash equivalents to be highly liquid debt securities with insignificant interest rate risk with original maturities from the date of purchase of three months or less.

Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash deposits. Accounts at each United States financial institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. Accounts at each Canadian financial institution are insured by the Canada Deposit Insurance Corporation ("CDIC") up to \$100,000 CAD per account. At March 31, 2012 and March 31, 2011, we had \$294.6 million and \$343.9 million, respectively, in excess of insured limits. To mitigate this risk, we select financial institutions based on their credit ratings and financial strength.

Investments

Fixed Maturities and Marketable Equities. Fixed maturity investments consist of either marketable debt, equity or redeemable preferred stocks. As of the balance sheet dates, all of our investments in these securities were classified as available-for-sale. Available-for-sale investments are reported at fair value, with unrealized gains or losses recorded net of taxes and applicable adjustments to deferred policy acquisition costs in stockholders' equity. Fair value for these investments is based on quoted market prices, dealer quotes or discounted cash flows. The cost of investments sold is based on the specific identification method.

In determining if and when a decline in market value below carrying value is an other-than-temporary impairment, management makes certain assumptions or judgments in its assessment including but not limited to: ability to hold the security, quoted market prices, dealer quotes, discounted cash flows, industry factors, financial factors, and issuer specific information. Other-than-temporary impairments, to the extent of the decline, as well as realized gains or losses on the sale or exchange of investments are recognized in the current period operating results.

Mortgage Loans and Notes on Real Estate. Mortgage loans and notes on real estate are reported at their unpaid balance, net of any allowance for possible losses and any unamortized premium or discount.

Recognition of Investment Income. Interest income from bonds and mortgage notes is recognized when earned. Dividends on common and preferred stocks are recognized on the ex-dividend dates. Realized gains and losses on the sale or exchange of investments are recognized at the trade date.

Fair Values

Fair values of cash equivalents approximate carrying value due to the short period of time to maturity. Fair values of short-term investments, investments available-for-sale, long-term investments, mortgage loans and notes on real estate, and interest rate swap contracts are based on quoted market prices, dealer quotes or discounted cash flows. Fair values of trade receivables approximate their recorded value.

Our financial instruments that are exposed to concentrations of credit risk consist primarily of temporary cash investments, trade receivables, reinsurance recoverables and notes receivable. Limited credit risk exists on trade receivables due to the diversity of our customer base and their dispersion across broad geographic markets. We place our temporary cash investments with financial institutions and limits the amount of credit exposure to any one financial institution.

We have mortgage receivables, which potentially expose us to credit risk. The portfolio of notes is principally collateralized by self-storage facilities and commercial properties. We have not experienced any material losses related to the notes from individual notes or groups of notes in any particular industry or geographic area. The estimated fair values were determined using the discounted cash flow method and using interest rates currently offered for similar loans to borrowers with similar credit ratings.

The carrying amount of long-term debt and short-term borrowings are estimated to approximate fair value as the actual interest rate is consistent with the rate estimated to be currently available for debt of similar term and remaining maturity.

Other investments including short-term investments are substantially current or bear reasonable interest rates. As a result, the carrying values of these financial instruments approximate fair value.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Derivative Financial Instruments

Our objective for holding derivative financial instruments is to manage interest rate risk exposure primarily through entering interest rate swap agreements. An interest rate swap is a contractual exchange of interest payments between two parties. A standard interest rate swap involves the payment of a fixed rate times a notional amount by one party in exchange for a floating rate times the same notional amount from another party. As interest rates change, the difference to be paid or received is accrued and recognized as interest expense or income over the life of the agreement. We do not enter into these instruments for trading purposes. Counterparties to the our interest rate swap agreements are major financial institutions. In accordance with ASC 815 - *Derivatives and Hedging*, we recognize interest rate swap agreements on the balance sheet at fair value, which is classified as prepaid expenses (asset) or accrued expenses (liability). Derivatives that are not designated as cash flow hedges for accounting purposes must be adjusted to fair value through income. If the derivative qualifies and is designated as a cash flow hedge, changes in its fair value will either be offset against the change in fair value of the hedged item through earnings or recognized in other comprehensive income (loss) until the hedged item is recognized in earnings. See Note 11, Derivatives of the Notes to Consolidated Financial Statements.

Inventories, net

Inventories, net were as follows:

	March 31,	
	2012	2011
	(In thousands)	
Truck and trailer parts and accessories (a)	\$ 52,973	\$ 53,212
Hitches and towing components (b)	13,877	12,797
Moving supplies and propane (b)	7,156	7,822
Subtotal	74,006	73,831
Less: LIFO reserves	(14,541)	(13,294)
Less: excess and obsolete reserves	(730)	(595)
Total	<u>\$ 58,735</u>	<u>\$ 59,942</u>

(a) Primarily held for internal usage, including equipment manufacturing and repair

(b) Primarily held for retail sales

Inventories consist primarily of truck and trailer parts and accessories used to manufacture and repair rental equipment as well as products and accessories available for retail sale. Inventory is held at our owned locations; our independent dealers do not hold any of our inventory.

Inventory cost is primarily determined using the last-in first-out method ("LIFO"). Inventories valued using LIFO consisted of approximately 96% and 95% of the total inventories for March 31, 2012 and 2011, respectively. Had we utilized the first-in first-out method ("FIFO"), stated inventory balances would have been \$14.5 million and \$13.3 million higher at March 31, 2012 and 2011, respectively. In fiscal 2012, the positive effect on income due to liquidation of a portion of the LIFO inventory was \$0.8 million.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Interest expense incurred during the initial construction of buildings and rental equipment is considered part of cost. Depreciation is computed for financial reporting purposes using the straight line or an accelerated method based on a declining balance formula over the following estimated useful lives: rental equipment 2-20 years and buildings and non-rental equipment 3-55 years. We follow the deferral method of accounting based on ASC 908 - *Airlines* for major overhauls in which engine overhauls are capitalized and amortized over five years and transmission overhauls are capitalized and amortized over three years. Routine maintenance costs are charged to operating expense as they are incurred. Gains and losses on dispositions of property, plant and equipment are netted against

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

depreciation expense when realized. The net amount of (gains) or losses netted against depreciation expense were (\$20.9) million, (\$23.1) million and (\$2.0) million during fiscal 2012, 2011 and 2010, respectively. Equipment depreciation is recognized in amounts expected to result in the recovery of estimated residual values upon disposal, i.e., minimize gains or losses. In determining the depreciation rate, historical disposal experience, holding periods and trends in the market for vehicles are reviewed.

We regularly perform reviews to determine whether facts and circumstances exist which indicate that the carrying amount of assets, including estimates of residual value, may not be recoverable or that the useful life of assets are shorter or longer than originally estimated. Reductions in residual values (i.e., the price at which we ultimately expect to dispose of revenue earning equipment) or useful lives will result in an increase in depreciation expense over the life of the equipment. Reviews are performed based on vehicle class, generally subcategories of trucks and trailers. We assess the recoverability of our assets by comparing the projected undiscounted net cash flows associated with the related asset or group of assets over their estimated remaining lives against their respective carrying amounts. We consider factors such as current and expected future market price trends on used vehicles and the expected life of vehicles included in the fleet. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. In fiscal 2010, we reduced the carrying value of certain older trucks by \$9.1 million or \$0.47 per share before income taxes, in which the tax effect was \$0.17 per share. If asset residual values are determined to be recoverable, but the useful lives are shorter or longer than originally estimated, the net book value of the assets is depreciated over the newly determined remaining useful lives.

In fiscal 2006, management performed an analysis of the expected economic value of new rental trucks and determined that additions to the fleet resulting from purchase should be depreciated on an accelerated method based upon a declining formula. The salvage value and useful life assumptions of the rental truck fleet remain unchanged. Under the declining balances method (2.4 times declining balance), the book value of a rental truck is reduced approximately 16%, 13%, 11%, 9%, 8%, 7%, and 6% during years one through seven, respectively and then reduced on a straight line basis an additional 10% by the end of year fifteen. Whereas, a standard straight line approach would reduce the book value by approximately 5.3% per year over the life of the truck. For the affected equipment, the accelerated depreciation was \$54.6 million, \$44.8 million and \$49.1 million greater than what it would have been if calculated under a straight line approach for fiscal 2012, 2011 and 2010, respectively.

Although we intend to sell our used vehicles for prices approximating book value, the extent to which we realize a gain or loss on the sale of used vehicles is dependent upon various factors including but not limited to, the general state of the used vehicle market, the age and condition of the vehicle at the time of its disposal and the depreciation rates with respect to the vehicle. We typically sell our used vehicles at our sales centers throughout North America, on our web site at uhaul.com/trucksales or by phone at 1-866-404-0355. Additionally, we sell a large portion of our pickup and cargo van fleet at automobile dealer auctions.

The carrying value of surplus real estate, which is lower than market value at the balance sheet date, was \$14.8 million and \$9.7 million for fiscal 2012 and 2011, respectively, and is included in Investments, other.

Receivables

Accounts receivable include trade accounts from moving and self-storage customers and dealers, insurance premiums and amounts due from re-insurers, less management's estimate of uncollectible accounts.

Insurance premiums receivable for policies that are billed through contracted agents are recorded net of commission's payable. A commission payable is recorded as a separate liability for those premiums that are billed direct.

Reinsurance recoverables include case reserves and actuarial estimates of claims incurred but not reported. These receivables are not expected to be collected until after the associated claim has been adjudicated and billed to the re-insurer. The reinsurance recoverables may have little or no allowance for doubtful accounts due to the fact that reinsurance is typically procured from carriers with strong credit ratings. Furthermore, we do not cede losses to a re-insurer if the carrier is deemed financially unable to perform on the contract. Reinsurance recoverables also include insurance ceded to other insurance companies.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Notes and mortgage receivables include accrued interest and are reduced by discounts and amounts considered by management to be uncollectible.

Policy Benefits and Losses, Claims and Loss Expenses Payable

Life Insurance's liabilities for life insurance and certain annuity and health policies are established to meet the estimated future obligations of policies in force, and are based on mortality, morbidity and withdrawal assumptions from recognized actuarial tables which contain margins for adverse deviation. Liabilities for health, disability and other policies include estimates of payments to be made on insurance claims for reported losses and estimates of losses incurred, but not yet reported. Oxford's liabilities for deferred annuity contracts consist of contract account balances that accrue to the benefit of the policyholders.

Repwest's liability for reported and unreported losses is based on Repwest's historical data along with industry averages. The liability for unpaid loss adjustment expenses is based on historical ratios of loss adjustment expenses paid to losses paid. Amounts recoverable from re-insurers on unpaid losses are estimated in a manner consistent with the claim liability associated with the re-insured policy. Adjustments to the liability for unpaid losses and loss expenses as well as amounts recoverable from re-insurers on unpaid losses are charged or credited to expense in the periods in which they are made.

Due to the nature of the underlying risks and high degree of uncertainty associated with the determination of the liability for future policy benefits and claims, the amounts to be ultimately paid to settle these liabilities cannot be precisely determined and may vary significantly from the estimated liability, especially for long-tailed casualty lines of business such as excess workers' compensation. As a result of the long-tailed nature of the excess workers' compensation policies written by Repwest during 1983 through 2002, and similar policies assumed by Repwest during 2001 through 2003, it may take a number of years for claims to be fully reported and finally settled.

On a regular basis insurance reserve adequacy is reviewed by management to determine if existing assumptions need to be updated. In the third quarter of fiscal 2012, Repwest conducted a more in-depth review of its excess workers' compensation claims as new information regarding recent loss trends emerged. This review also included a review of reinsured claims handled by a third party administrator related to the same line of business. Based upon these reviews Repwest strengthened its reserves for its excess workers' compensation business by \$48.3 million in the third quarter of fiscal 2012. After the estimated tax effect of \$16.9 million this reduced earnings per share for fiscal 2012 by \$1.61 per share. While management is continually monitoring the status of expected losses through a rolling review of the claim inventory and regularly reviews the adequacy of the established liability for unpaid claims and claims adjustment expense, there can be no assurance that our loss reserves will not develop adversely and have a material adverse effect on our results of operations. As a result of our review during the third quarter of fiscal 2012, it was determined that there was a need to strengthen loan loss reserves, reflecting adverse development in prior accident years in lines of business with long reporting tails. The excess workers' compensation line comprises a majority of the total charge. These adjustments represent management's current best estimate of the ultimate losses of the underlying claims and were recognized in the third quarter of fiscal 2012 based upon the timing of when the information developed.

In determining the assumptions for calculating workers' compensation reserves, management considers multiple factors including the following:

- Claimant longevity
- Cost trends associated with claimant treatments
- Changes in ceding entity and third party administrator reporting practices
- Changes in environmental factors including legal and regulatory
- Current conditions affecting claim settlements
- Future economic conditions including inflation

Significant variables that led to the third quarter reserve strengthening were cost trends associated with claimant treatments, changes related to ceding entity and third party administrator reporting practices, projected longevity of claimants terms and assumptions for future claim settlements.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

As part of this latest review, we have reserved each claim based upon the accumulation of current claim costs projected through the claimants' life expectancy, and then adjusted for applicable reinsurance arrangements. Management reviews each claim bi-annually to determine if the estimated life-time claim costs have increased and then adjusts the reserve estimate accordingly at that time. We have factored in an estimate of what the potential cost increases could be in our IBNR liability. We have not assumed settlement of the existing claims in calculating the reserve amount, unless it is in the final stages of completion.

Continued increases in claim costs, including medical inflation and new treatments and medications could lead to future adverse development resulting in additional reserve strengthening. Conversely, settlement of existing claims or if injured workers return to work or expire prematurely, could lead to future positive development.

Self-Insurance Reserves

U-Haul retains the risk for certain public liability and property damage programs related to the rental equipment. The consolidated balance sheets include \$380.1 million and \$397.4 million of liabilities related to these programs as of March 31, 2012 and 2011, respectively. These liabilities are recorded in Policy benefits and losses, claims and loss expenses payable. Management takes into account losses incurred based upon actuarial estimates, past experience, current claim trends, as well as social and economic conditions. This liability is subject to change in the future based upon changes in the underlying assumptions including claims experience, frequency of incidents, and severity of incidents. Based upon additional claims information obtained through the passage of time, we reduced our self-insurance reserve balance associated with prior accident years by \$20 million and \$15 million in fiscal 2012 and 2011, respectively.

Additionally, as of March 31, 2012 and 2011, the consolidated balance sheets include liabilities of \$6.7 million and \$6.9 million, respectively, related to our provided medical plan benefits for eligible employees. We estimate this liability based on actual claims outstanding as of the balance sheet date as well as an actuarial estimate of claims incurred but not reported. This liability is reported net of estimated recoveries from excess loss reinsurance policies with unaffiliated insurers of \$0.1 million and \$0.3 million for fiscal 2012 and 2011, respectively. These amounts are recorded in Accounts payable and accrued expenses on the consolidated balance sheets.

Revenue Recognition

Self-moving rentals are recognized for the period that trucks and moving equipment are rented. Self-storage revenues, based upon the number of paid storage contract days, are recognized as earned during the period. Sales of self-moving and self-storage related products are recognized at the time that title passes and the customer accepts delivery. Property and casualty, traditional life and Medicare supplement insurance premiums are recognized as revenue over the policy periods. For products where premiums are due over a significantly shorter duration than the period over which benefits are provided, such as our single premium whole life product, premiums are recognized when received and excess profits are deferred and recognized in relation to the insurance in force. Interest and investment income are recognized as earned.

Amounts collected from customers for sales tax are recorded on a net basis.

Advertising

All advertising costs are expensed as incurred. Advertising expense was \$10.3 million, \$14.9 million and \$20.2 million in fiscal 2012, 2011 and 2010, respectively.

Deferred Policy Acquisition Costs

Commissions and other costs that fluctuate with and are primarily related to the acquisition or renewal of certain insurance premiums are deferred. For the Life Insurance operating segment's life and health insurance products, these costs are amortized, with interest, in relation to revenue such that costs are realized as a constant percentage of revenue. For its annuity insurance products the costs are amortized, with interest, in relation to the present value of actual and expected gross profits.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Environmental Costs

Liabilities are recorded when environmental assessments and remedial efforts, if applicable, are probable and the costs can be reasonably estimated. The amount of the liability is based on management's best estimate of undiscounted future costs. Certain recoverable environmental costs related to the removal of underground storage tanks or related contamination are capitalized and amortized over the estimated useful lives of the properties. These costs improve the safety or efficiency of the property or are incurred in preparing the property for sale.

Income Taxes

AMERCO files a consolidated tax return with all of its legal subsidiaries. In accordance with ASC 740 - *Income Taxes* ("ASC 740"), the provision for income taxes reflects deferred income taxes resulting from changes in temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of net earnings, foreign currency translation adjustments, unrealized gains and losses on investments, the change in fair value of cash flow hedges and the change in postretirement benefit obligation.

Recent Accounting Pronouncements

In October 2010, the FASB issued ASU 2010-26, *Financial Services – Insurance (Topic 944)* which amended FASB ASC 944-30 to provide further guidance regarding the capitalization of costs relating to the acquisition or renewal of insurance contracts. Specifically, only qualifying costs associated with successful contract acquisitions are permitted to be deferred. The amended guidance is effective for fiscal years beginning after December 15, 2011 (and for interim periods within such years), with early adoption permitted as of the beginning of the entity's annual reporting period. The amended guidance should be applied prospectively, but retrospective application for all prior periods is allowed. We do not believe that the adoption of this statement will have a material impact on our financial statements.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ("IFRS")* ("ASU 2011-04"). This pronouncement was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and IFRS. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance will require prospective application. We do not believe that the adoption of this statement will have a material impact on our financial statements.

In June 2011, the FASB issued ASU 2011-05, *Presentation of Comprehensive Income* ("ASU 2011-05"). ASU 2011-05 requires the presentation of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. In December 2011, the FASB issued ASU 2011-12, *Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05* ("ASU 2011-12"), which defers the requirement within ASU 2011-05 to present on the face of the financial statements the effects of reclassifications out of accumulated other comprehensive income on the components of net income and other comprehensive income for all periods presented. During the deferral, entities should continue to report reclassifications out of accumulated other comprehensive income consistent with the presentation requirements in effect prior to the issuance of ASU 2011-05. The standards will be effective for public companies during the interim and annual periods beginning after December 15, 2011, with early adoption permitted. The adoption of the standards did not have a material effect on our consolidated financial statements.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

From time to time, new accounting pronouncements are issued by the FASB or the SEC that are adopted by us as of the specified effective date. Unless otherwise discussed, these ASU's entail technical corrections to existing guidance or affect guidance related to specialized industries or entities and therefore will have minimal, if any, impact on our financial position or results of operations upon adoption.

Note 4. Earnings Per Share

Net earnings for purposes of computing earnings per common share are net earnings less preferred stock dividends paid, adjusted for the price paid by us for the redemption of our preferred stock less its carrying value on our balance sheet. Preferred stock dividends include accrued dividends of AMERCO. Preferred stock dividends paid to or accrued for entities that are part of the consolidated group are eliminated in consolidation.

The weighted average common shares outstanding exclude post-1992 shares of the employee stock ownership plan that have not been committed to be released. The unreleased shares, net of shares committed to be released, were 110,504; 153,069; and 199,363 as of March 31, 2012, 2011, and 2010, respectively.

On June 1, 2011, we redeemed all 6,100,000 shares of our issued and outstanding Series A 8½% Preferred Stock ("Series A Preferred") at a redemption price of \$25 per share plus accrued dividends through that date. Pursuant to ASC 260 – *Earnings Per Share* ("ASC 260"), for earnings per share purposes, we recognized the deficit of the carrying amount of the Series A Preferred over the consideration paid to redeem the shares.

The Series A Preferred was recorded in our Additional Paid-In Capital account, net of original issue costs at \$146.3 million prior to the redemption. We paid \$152.5 million to redeem the shares on June 1, 2011, of which \$7.7 million was paid to our insurance subsidiaries in exchange for their holdings. The difference between what was paid to redeem the shares less their carrying amount on our balance sheet, reduced by our insurance subsidiaries holdings was \$5.9 million. This amount was recognized as a reduction to our earnings available to our common shareholders for the purposes of computing earnings per share for fiscal 2012.

From January 1, 2009 through March 31, 2011, our insurance subsidiaries purchased 308,300 shares of our Series A Preferred on the open market for \$7.2 million. Pursuant to ASC 260 we recognized \$0.2 million charge to net earnings for fiscal 2011 in connection with these purchases, and we recognized a \$0.4 million gain as the amount paid was less than our adjusted carrying value.

Note 5. Reinsurance Recoverables and Trade Receivables, Net

Reinsurance recoverables and trade receivables, net were as follows:

	March 31,	
	2012	2011
	(In thousands)	
Reinsurance recoverable	\$ 240,824	\$ 183,786
Trade accounts receivable	37,323	19,615
Paid losses recoverable	1,124	1,048
Accrued investment income	9,911	7,963
Premiums and agents' balances	1,717	1,297
Independent dealer receivable	402	424
Other receivable	7,801	7,853
	<u>299,102</u>	<u>221,986</u>
Less: Allowance for doubtful accounts	(1,128)	(1,336)
	<u><u>\$ 297,974</u></u>	<u><u>\$ 220,650</u></u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 6. Investments

Expected maturities may differ from contractual maturities as borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

We deposit bonds with insurance regulatory authorities to meet statutory requirements. The adjusted cost of bonds on deposit with insurance regulatory authorities was \$16.1 million and \$13.9 million at March 31, 2012 and 2011, respectively.

Available-for-Sale Investments

Available-for-sale investments at March 31, 2012 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses More than 12 Months	Gross Unrealized Losses Less than 12 Months	Estimated Market Value
			(In thousands)		
U.S. treasury securities and government obligations	\$ 29,152	\$ 2,964	\$ (18)	\$ (9)	\$ 32,089
U.S. government agency mortgage-backed securities	48,938	4,866	(1)	(7)	53,796
Obligations of states and political subdivisions	142,824	9,435	-	(147)	152,112
Corporate securities	445,433	33,350	(619)	(2,236)	475,928
Mortgage-backed securities	11,572	282	(38)	(5)	11,811
Redeemable preferred stocks	24,370	1,066	(1,627)	(632)	23,177
Common stocks	27,736	37	(9,720)	(174)	17,879
	<u>\$ 730,025</u>	<u>\$ 52,000</u>	<u>\$ (12,023)</u>	<u>\$ (3,210)</u>	<u>\$ 766,792</u>

Available-for-sale investments at March 31, 2011 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses More than 12 Months	Gross Unrealized Losses Less than 12 Months	Estimated Market Value
			(In thousands)		
U.S. treasury securities and government obligations	\$ 34,522	\$ 2,021	\$ (20)	\$ (4)	\$ 36,519
U.S. government agency mortgage-backed securities	74,721	6,208	-	(4)	80,925
Obligations of states and political subdivisions	79,020	1,203	(389)	(3,113)	76,721
Corporate securities	389,167	21,559	(794)	(1,177)	408,755
Mortgage-backed securities	6,740	223	(108)	(7)	6,848
Redeemable preferred stocks	31,190	1,910	(934)	(86)	32,080
Common stocks	28,293	8,153	(108)	(10,380)	25,958
Less: Preferred stock of AMERCO held by subsidiaries	(7,190)	(807)	-	-	(7,997)
	<u>\$ 636,463</u>	<u>\$ 40,470</u>	<u>\$ (2,353)</u>	<u>\$ (14,771)</u>	<u>\$ 659,809</u>

The tables above include gross unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position.

We sold available-for-sale securities with a fair value of \$141.1 million, \$134.7 million and \$168.6 million in fiscal 2012, 2011 and 2010, respectively. The gross realized gains on these sales totaled \$5.9 million, \$2.0 million and \$2.8 million in fiscal 2012, 2011 and 2010, respectively. We realized gross losses on these sales of \$0.2 million, \$0.2 million and \$2.0 million in fiscal 2012, 2011 and 2010, respectively.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The unrealized losses of more than twelve months in the table on the previous page are considered temporary declines. The majority of this unrealized loss is related to the our long term investments in 1.8 million shares of Bank of America common stock. We track each investment with an unrealized loss and evaluate them on an individual basis for other-than-temporary impairments including obtaining corroborating opinions from third party sources, performing trend analysis and reviewing management's future plans. Certain of these investments may have declines determined by management to be other-than-temporary and we recognized these write-downs through earnings. We recognized other-than-temporary impairments of \$0.1 million, \$0.8 million and \$2.2 million in fiscal 2012, 2011 and 2010, respectively.

The investment portfolio primarily consists of corporate securities and U.S. government securities. We believe we monitor our investments as appropriate. Our methodology of assessing other-than-temporary impairments is based on security-specific analysis as of the balance sheet date and considers various factors including the length of time to maturity, the extent to which the fair value has been less than the cost, the financial condition and the near-term prospects of the issuer, and whether the debtor is current on its contractually obligated interest and principal payments. Nothing has come to management's attention that would lead to the belief that each issuer would not have the ability to meet the remaining contractual obligations of the security, including payment at maturity. We have the ability and intent not to sell its fixed maturity and common stock investments for a period of time sufficient to allow us to recover our costs.

The portion of other-than-temporary impairment related to a credit loss is recognized in earnings. The significant inputs utilized in the evaluation of mortgage backed securities credit losses include ratings, delinquency rates, and prepayment activity. The significant inputs utilized in the evaluation of asset backed securities credit losses include the time frame for principal recovery and the subordination and value of the underlying collateral.

Credit losses recognized in earnings for which a portion of an other-than-temporary impairment was recognized in other comprehensive income were as follows:

	Credit Loss
	(In thousands)
Balance at March 31, 2011	\$ 552
Additions:	
Other-than-temporary impairment not previously recognized	-
Balance at March 31, 2012	<u>\$ 552</u>

The adjusted cost and estimated market value of available-for-sale investments at March 31, 2012 and 2011, respectively, by contractual maturity, were as follows:

	March 31, 2012		March 31, 2011	
	Amortized Cost	Estimated Market Value	Amortized Cost	Estimated Market Value
	(In thousands)			
Due in one year or less	\$ 40,219	\$ 40,688	\$ 45,149	\$ 45,760
Due after one year through five years	157,444	165,852	153,389	161,685
Due after five years through ten years	176,694	188,225	128,973	136,343
Due after ten years	291,990	319,160	249,919	259,132
	666,347	713,925	577,430	602,920
Mortgage backed securities	11,572	11,811	6,740	6,848
Redeemable preferred stocks	24,370	23,177	31,190	32,080
Equity securities	27,736	17,879	28,293	25,958
Less: Preferred stock of AMERCO held by subsidiaries	-	-	(7,190)	(7,997)
	<u>\$ 730,025</u>	<u>\$ 766,792</u>	<u>\$ 636,463</u>	<u>\$ 659,809</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Investments, other

The carrying value of other investments was as follows:

	March 31,	
	2012	2011
	(In thousands)	
Mortgage loans, net	\$ 166,249	\$ 94,554
Short-term investments	57,319	77,745
Real estate	20,032	18,777
Policy loans	15,677	4,404
Other equity investments	6,354	6,388
	<u>\$ 265,631</u>	<u>\$ 201,868</u>

Short-term investments consist primarily of investments in money market funds, mutual funds and any other investments with short-term characteristics that have original maturities of less than one year at acquisition. These investments are recorded at cost, which approximates fair value.

Mortgage loans are carried at the unpaid balance, less an allowance for probable losses and any unamortized premium or discount. The allowance for probable losses was \$0.4 million as of March 31, 2012 and 2011. The estimated fair value of these loans as of March 31, 2012 and 2011 approximated the carrying value. These loans represent first lien mortgages held by us.

Real estate obtained through foreclosure and held for sale is carried at the lower of fair value at time of foreclosure or current estimated fair value less cost to sell. Equity investments are carried at cost and assessed for impairment.

Insurance policy loans are carried at their unpaid balance.

Note 7. Other Assets

Other assets were as follows:

	March 31,	
	2012	2011
	(In thousands)	
Deposits (debt-related)	\$ 61,154	\$ 103,191
Cash surrender value of life insurance policies	29,785	28,784
Excess of loss reinsurance recoverable	15,000	15,000
Deferred charges	10,647	13,076
Income taxes recoverable	470	2,850
Other	3,469	3,732
	<u>\$ 120,525</u>	<u>\$ 166,633</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 8. Net Investment and Interest Income

Net investment and interest income, were as follows:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Fixed maturities	\$ 41,439	\$ 32,782	\$ 31,234
Real estate	81	361	(56)
Insurance policy loans	489	259	262
Mortgage loans	7,002	5,249	5,226
Short-term, amounts held by ceding reinsurers, net and other investments	1,084	749	1,110
Investment income	50,095	39,400	37,776
Less: investment expenses	(1,338)	(1,269)	(1,020)
Less: interest credited on annuity policies	(9,352)	(10,084)	(11,000)
Investment income - Related party	24,795	24,614	24,233
Net investment and interest income	<u>\$ 64,200</u>	<u>\$ 52,661</u>	<u>\$ 49,989</u>

Note 9. Borrowings

Long-Term Debt

Long-term debt was as follows:

	2012 Rate (a)	Maturities	March 31,	
			2012	2011
			(In thousands)	
Real estate loan (amortizing term)	6.93%	2018	\$ 245,000	\$ 255,000
Real estate loan (revolving credit)	-	2018	-	-
Real estate loan (amortizing term)	2.14%	2016	25,451	11,222
Real estate loan (revolving credit)	1.74%	2013	23,920	-
	5.47% -			
Senior mortgages	5.75%	2015	459,822	476,783
Working capital loan (revolving credit)	-	2013	-	-
	3.52% -			
Fleet loans (amortizing term)	7.95%	2012-2018	384,888	325,591
	4.90% -			
Fleet loan (securitization)	5.56%	2014-2017	228,655	271,290
	3.00% -			
Other obligations	9.57%	2012-2042	118,475	57,956
Total notes, loans and leases payable			<u>\$ 1,486,211</u>	<u>\$ 1,397,842</u>

(a) Interest rate as of March 31, 2012, including the effect of applicable hedging instruments

Real Estate Backed Loans

Real Estate Loan

Amerco Real Estate Company and certain of its subsidiaries and U-Haul Company of Florida are borrowers under a Real Estate Loan. The loan has a final maturity date of August 2018. The loan is comprised of a term loan facility with initial availability of \$300.0 million and a revolving credit facility with current availability of \$198.8 million. As of March 31, 2012, the outstanding balance on the Real Estate Loan was \$245.0 million and we had the full \$198.8 million available to be drawn. U-Haul International, Inc. is a guarantor of this loan.

The amortizing term portion of the Real Estate Loan requires monthly principal and interest payments, with the unpaid loan balance and accrued and unpaid interest due at maturity. The revolving credit portion of the Real Estate Loan requires monthly interest payments when drawn, with the unpaid loan balance and any accrued and unpaid interest due at maturity. The Real Estate

Loan is secured by various properties owned by the borrowers.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The interest rate for the amortizing term portion, per the provisions of the amended loan agreement, is the applicable London Inter-Bank Offer Rate ("LIBOR") plus the applicable margin. At March 31, 2012, the applicable LIBOR was 0.25% and the applicable margin was 1.50%, the sum of which was 1.75%. The rate on the term facility portion of the Real Estate Loan is hedged with an interest rate swap fixing the rate at 6.93% based on current margin.

The interest rate for the revolving credit facility, per the provision of the amended loan agreement, is the applicable LIBOR plus the applicable margin. The margin ranges from 1.50% to 2.00%.

The default provisions of the Real Estate Loan include non-payment of principal or interest and other standard reporting and change-in-control covenants. There are limited restrictions regarding our use of the funds.

Amerco Real Estate Company and a subsidiary of U-Haul International, Inc. entered into a revolving credit construction loan effective June 29, 2006. This loan was modified and extended on June 27, 2011. The loan is now comprised of a term loan facility with an initial availability of \$26.1 million and a final maturity of June 2016. As of March 31, 2012, the outstanding balance was \$25.5 million.

This Real Estate Loan requires monthly principal and interest payments, with the unpaid loan balance and any accrued and unpaid interest due at maturity. The interest rate, per the provision of this loan agreement, is the applicable LIBOR plus a margin of 1.90%. At March 31, 2012, the applicable LIBOR was 0.24% and the margin was 1.90%, the sum of which was 2.14%. U-Haul International, Inc. and AMERCO are guarantors of this loan. The default provisions of the loan include non-payment of principal or interest and other standard reporting and change-in-control covenants.

On April 29, 2011, Amerco Real Estate Company and U-Haul Company of Florida entered into a revolving credit agreement for \$100.0 million. This agreement was amended in March 2012 and the maturity extended to April 2013 with an option for a one year extension. As of March 31, 2012, we had \$76.1 million available to be drawn. The interest rate is the applicable LIBOR plus a margin of 1.50%. At March 31, 2012, the applicable LIBOR was 0.24% and the margin was 1.50%, the sum of which was 1.74%. The amended agreement decreased the margin to 1.25% for any subsequent borrowings on the revolving credit facility. AMERCO and U-Haul International, Inc. are guarantors of this facility. The default provisions of the loan include non-payment of principal or interest and other standard reporting and change-in-control covenants.

Senior Mortgages

Various subsidiaries of Amerco Real Estate Company and U-Haul International, Inc. are borrowers under certain senior mortgages. These senior mortgage loan balances as of March 31, 2012 were in the aggregate amount of \$459.8 million and mature in 2015. The senior mortgages require average monthly principal and interest payments with the unpaid loan balance and accrued and unpaid interest due at maturity. The senior mortgages are secured by certain properties owned by the borrowers. The interest rates, per the provisions of the senior mortgages, range between 5.47% and 5.75%. Amerco Real Estate Company and U-Haul International, Inc. have provided limited guarantees of the senior mortgages. The default provisions of the senior mortgages include non-payment of principal or interest and other standard reporting and change-in-control covenants. There are limited restrictions regarding our use of the funds.

Working Capital Loans

Amerco Real Estate Company is a borrower under an asset backed working capital loan. The maximum amount that can be drawn at any one time is \$25.0 million. At March 31, 2012, we had the full \$25.0 million available to be drawn. This loan is secured by certain properties owned by the borrower. This loan agreement provides for revolving loans, subject to the terms of the loan agreement. This agreement was amended in March 2012 and the maturity extended to November 2013 with an option for a one year extension. This loan requires monthly interest payments with the unpaid loan balance and accrued and unpaid interest due at maturity. U-Haul International, Inc. and AMERCO are the guarantors of this loan. The default provisions of the loan include non-payment of principal or interest and other standard reporting and change-in-control covenants. The interest rate, per the provision of this loan agreement, is the applicable LIBOR plus a margin of 1.25%.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Fleet Loans

Rental Truck Amortizing Loans

U-Haul International, Inc. and several of its subsidiaries are borrowers under amortizing term loans. The balance of the loans as of March 31, 2012 was \$269.9 million with the final maturities between April 2012 and December 2018.

The Amortizing Loans require monthly principal and interest payments, with the unpaid loan balance and accrued and unpaid interest due at maturity. These loans were used to purchase new trucks. The interest rates, per the provision of the Loan Agreements, are the applicable LIBOR plus a margin between 0.90% and 2.63%. At March 31, 2012, the applicable LIBOR was between 0.24% and 0.25% and applicable margins were between 0.90% and 2.63%. The interest rates are hedged with interest rate swaps fixing the rates between 3.85% and 6.92% based on current margins. Additionally, \$25.6 million of these loans are carried at a fixed rate ranging between 3.94% and 7.95%.

AMERCO and U-Haul International, Inc. are guarantors of these loans. The default provisions of these loans include non-payment of principal or interest and other standard reporting and change-in-control covenants.

On December 31, 2009, a subsidiary of U-Haul International, Inc. entered into an \$85.0 million term note that was used to fund cargo van and pickup acquisitions for the past two years. This term note was amended on August 26, 2011. The amount of the term note was increased to \$95.0 million. On December 22, 2011, we entered into another term loan for \$20.0 million. The final maturity date of these notes is August 2016. The agreement contains options to extend the maturity through May 2017. These notes are secured by the purchased equipment and the corresponding operating cash flows associated with their operation. These notes have fixed interest rates between 3.52% and 3.53%. At March 31, 2012, the outstanding balance was \$115.0 million.

AMERCO and U-Haul International, Inc. are guarantors of these loans. The default provisions of these loans include non-payment of principal or interest and other standard reporting and change-in-control covenants.

Rental Truck Securitizations

U-Haul S Fleet and its subsidiaries (collectively, "USF") issued a \$217.0 million asset-backed note ("2007 Box Truck Note") on June 1, 2007. USF is a bankruptcy-remote special purpose entity wholly-owned by U-Haul International, Inc. The net proceeds from the securitized transaction were used to finance new box truck purchases throughout fiscal 2008. U.S. Bank, NA acts as the trustee for this securitization.

The 2007 Box Truck Note has a fixed interest rate of 5.56% with an expected final maturity of February 2014. At March 31, 2012, the outstanding balance was \$100.0 million. The note is secured by the box trucks that were purchased and the corresponding operating cash flows associated with their operation.

The 2007 Box Truck Note has the benefit of a financial guaranty insurance policy which guarantees the timely payment of interest on and the ultimate payment of the principal of this note.

2010 U-Haul S Fleet and its subsidiaries (collectively, "2010 USF") issued a \$155.0 million asset-backed note ("2010 Box Truck Note") on October 28, 2010. 2010 USF is a bankruptcy-remote special purpose entity wholly-owned by U-Haul International, Inc. The net proceeds from the securitized transaction were used to finance new box truck purchases. U.S. Bank, NA acts as the trustee for this securitization.

The 2010 Box Truck Note has a fixed interest rate of 4.90% with an expected final maturity of October 2017. At March 31, 2012, the outstanding balance was \$128.6 million. The note is secured by the box trucks being purchased and the corresponding operating cash flows associated with their operation.

The 2007 Box Truck Note and 2010 Box Truck Note are subject to certain covenants with respect to liens, additional indebtedness of the special purpose entities, the disposition of assets and other customary covenants of bankruptcy-remote special purpose entities. The default provisions of these notes include non-payment of principal or interest and other standard reporting and change-in-control covenants.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Other Obligations

We entered into capital leases for new equipment between April 2008 and March 2012, with terms of the leases between 3 and 7 years. At March 31, 2012, the balance of these leases was \$110.3 million.

In February 2011, the Company and US Bank, National Association (the "Trustee") entered into the U-Haul Investors Club Indenture. The Company and the Trustee entered into this indenture to provide for the issuance of notes ("U-Notes") by us directly to investors over our proprietary website, uhaulinvestorsclub.com. The U-Notes are secured by various types of collateral including rental equipment and real estate. U-Notes are issued in smaller series that vary as to principal amount, interest rate and maturity. U-Notes are obligations of the Company and secured by the associated collateral; they are not guaranteed by any of the Company's affiliates or subsidiaries.

At March 31, 2012 the aggregate outstanding principal balance of the U-Notes issued was \$13.5 million of which \$5.3 million is with our insurance subsidiaries with interest rates between 3.00% and 8.00% and maturity dates between 2013 and 2042.

Annual Maturities of Notes, Loans and Leases Payable

The annual maturities of long-term debt as of March 31, 2012 for the next five years and thereafter are as follows:

	March 31,					
	2013	2014	2015	2016	2017	Thereafter
	(In thousands)					
Notes, loans and leases payable, secured	\$ 182,949	\$ 215,273	\$ 75,822	\$ 485,986	\$ 259,829	\$ 266,352

Note 10. Interest on Borrowings

Interest Expense

Components of interest expense include the following:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Interest expense	\$ 63,523	\$ 60,701	\$ 63,516
Capitalized interest	(221)	(425)	(609)
Amortization of transaction costs	4,428	4,249	5,198
Interest expense resulting from derivatives	22,641	23,856	25,242
Total interest expense	\$ 90,371	\$ 88,381	\$ 93,347

Interest paid in cash, including payments related to derivative contracts, amounted to \$87.0 million, \$84.7 million and \$89.8 million for fiscal 2012, 2011 and 2010, respectively.

Interest Rates

Interest rates and our borrowings were as follows:

	Revolving Credit Activity Years Ended March 31,		
	2012	2011	2010
	(In thousands, except interest rates)		
Weighted average interest rate during the year	1.73%	1.75%	1.79%
Interest rate at year end	1.74%	-%	1.74%
Maximum amount outstanding during the year	\$ 38,920	\$ 111,000	\$ 207,280
Average amount outstanding during the year	\$ 24,494	\$ 36,942	\$ 184,036
Facility fees	\$ 521	\$ 227	\$ 906

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 11. Derivatives

We manage exposure to changes in market interest rates. Our use of derivative instruments is limited to highly effective interest rate swaps to hedge the risk of changes in cash flows (future interest payments) attributable to changes in LIBOR swap rates, the designated benchmark interest rate being hedged on certain of our LIBOR indexed variable rate debt and a variable rate operating lease. The interest rate swaps effectively fix our interest payments on certain LIBOR indexed variable rate debt. We monitor our positions and the credit ratings of its counterparties and does not currently anticipate non-performance by the counterparties. Interest rate swap agreements are not entered into for trading purposes.

Original variable rate debt and lease amount	Agreement Date	Effective Date	Expiration Date	Designated cash flow hedge date
(In millions)				
\$ 142.3 (a), (b)	11/15/2005	5/10/2006	4/10/2012	5/31/2006
50.0 (a)	6/21/2006	7/10/2006	7/10/2013	6/9/2006
144.9 (a), (b)	6/9/2006	10/10/2006	10/10/2012	6/9/2006
300.0 (a)	8/16/2006	8/18/2006	8/10/2018	8/4/2006
30.0 (a)	2/9/2007	2/12/2007	2/10/2014	2/9/2007
20.0 (a)	3/8/2007	3/12/2007	3/10/2014	3/8/2007
20.0 (a)	3/8/2007	3/12/2007	3/10/2014	3/8/2007
19.3 (a), (b)	4/8/2008	8/15/2008	6/15/2015	3/31/2008
19.0 (a)	8/27/2008	8/29/2008	7/10/2015	4/10/2008
30.0 (a)	9/24/2008	9/30/2008	9/10/2015	9/24/2008
15.0 (a), (b)	3/24/2009	3/30/2009	3/30/2016	3/25/2009
14.7 (a), (b)	7/6/2010	8/15/2010	7/15/2017	7/6/2010
25.0 (a), (b)	4/26/2011	6/1/2011	6/1/2018	6/1/2011
50.0 (a), (b)	7/29/2011	8/15/2011	8/15/2018	7/29/2011
20.0 (a), (b)	8/3/2011	9/12/2011	9/10/2018	8/3/2011
15.1 (a), (c)	3/27/2012	3/28/2012	3/28/2019	3/26/2012

(a) interest rate swap agreement

(b) forward swap

(c) operating lease

As of March 31, 2012, the total notional amount of our variable interest rate swaps on debt and an operating lease was \$498.8 million and \$15.1 million, respectively.

The derivative fair values located in Accounts payable and accrued expenses in the balance sheets were as follows:

	Liability Derivative Fair Value as of	
	March 31, 2012	March 31, 2011
	(In thousands)	
Interest rate contracts designated as hedging instruments	\$ 59,313	\$ 51,052

	The Effect of Interest Rate Contracts on the Statements of Operations	
	March 31, 2012	March 31, 2011
	(In thousands)	
Loss recognized in income on interest rate contracts	\$ 22,641	\$ 23,856
(Gain) loss recognized in AOCI on interest rate contracts (effective portion)	\$ 9,179	\$ (2,411)
Loss reclassified from AOCI into income (effective portion)	\$ 23,559	\$ 24,632
Gain recognized in income on interest rate contracts (ineffective portion and amount excluded from effectiveness testing)	\$ (918)	\$ (775)

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Gains or losses recognized in income on derivatives are recorded as interest expense in the statement of operations. At March 31, 2012, we expect to reclassify \$19.2 million of net losses on interest rate contracts from accumulated other comprehensive income to earnings that will offset interest payments over the next twelve months. Please see Note 3, Accounting Policies in the Notes to Consolidated Financial Statements.

Note 12. Stockholders' Equity

On June 1, 2011, we redeemed all 6,100,000 shares of our issued and outstanding Series A Preferred at a redemption price of \$25 per share plus accrued dividends through that date. Pursuant to ASC 260, for earnings per share purposes, we recognized the deficit of the carrying amount of the Series A Preferred over the consideration paid to redeem the shares.

The Series A Preferred was recorded in our Additional Paid-In Capital account, net of original issue costs at \$146.3 million prior to the redemption. We paid \$152.5 million to redeem the shares on June 1, 2011, of which \$7.7 million was paid to our insurance subsidiaries in exchange for their holdings. The difference between what was paid to redeem the shares less their carrying amount on our balance sheet, reduced by our insurance subsidiaries holdings was \$5.9 million. This amount was recognized as a reduction to our earnings available to our common shareholders for the purposes of computing earnings per share for fiscal 2012.

From January 1, 2009 through March 31, 2011, our insurance subsidiaries purchased 308,300 shares of our Series A Preferred on the open market for \$7.2 million.

On December 7, 2011, we declared a special cash dividend on our Common Stock of \$1.00 per share to holders of record on December 23, 2011. The dividend was paid on January 3, 2012.

Note 13. Comprehensive Income (Loss)

A summary of accumulated other comprehensive income (loss) components, net of taxes, were as follows:

	Foreign Currency Translation	Unrealized Gain (Loss) on Investments	Fair Market Value of Cash Flow Hedge	Postretirement Benefit Obligation Gain (Loss)	Accumulated Other Comprehensive Income (Loss)
	(In thousands)				
Balance at March 31, 2009	\$ (43,613)	\$ (7,323)	\$ (48,411)	\$ 1,347	\$ (98,000)
Foreign currency translation	14,471	-	-	-	14,471
Unrealized loss on investments	-	13,254	-	-	13,254
Change in fair value of cash flow hedge	-	-	14,478	-	14,478
Change in postretirement benefit obligation	-	-	-	(410)	(410)
Balance at March 31, 2010	(29,142)	5,931	(33,933)	937	(56,207)
Foreign currency translation	3,114	-	-	-	3,114
Unrealized gain on investments	-	4,930	-	-	4,930
Change in fair value of cash flow hedge	-	-	1,495	-	1,495
Change in postretirement benefit obligation	-	-	-	201	201
Balance at March 31, 2011	(26,028)	10,861	(32,438)	1,138	(46,467)
Foreign currency translation	(2,854)	-	-	-	(2,854)
Unrealized gain on investments	-	10,005	-	-	10,005
Change in fair value of cash flow hedge	-	-	(5,691)	-	(5,691)
Change in postretirement benefit obligation	-	-	-	(429)	(429)
Balance at March 31, 2012	<u>\$ (28,882)</u>	<u>\$ 20,866</u>	<u>\$ (38,129)</u>	<u>\$ 709</u>	<u>\$ (45,436)</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 14. Change in Excess Workers' Compensation Reserves Estimate

Our policy is to regularly review the adequacy of loss reserves associated with the lines of business of its insurance subsidiaries. A current review of the underlying claims of Repwest's excess workers' compensation business indicated that claims have been developing more adversely than previously anticipated based on a combination of issues including medical inflation, additional treatments, longer claim terms and changes in ceding entity and third party administrator reporting practices. As a result, Repwest adjusted its estimate for excess workers' compensation reserves in the third quarter of fiscal 2012. The effect of this change increased benefits and losses expense by \$48.3 million and decreased net earnings by \$31.4 million, or \$1.61 per share, for fiscal 2012.

Note 15. Provision for Taxes

Earnings before taxes and the provision for taxes consisted of the following:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Pretax earnings:			
U.S.	\$ 302,748	\$ 270,695	\$ 89,350
Non-U.S.	22,888	18,619	10,840
Total pretax earnings	<u>\$ 325,636</u>	<u>\$ 289,314</u>	<u>\$ 100,190</u>
Current provision (benefit)			
Federal	\$ 10,899	\$ 14,784	\$ (23,965)
State	5,514	7,475	1,965
Non-U.S.	4,786	3,861	34
	<u>21,199</u>	<u>26,120</u>	<u>(21,966)</u>
Deferred provision (benefit)			
Federal	89,327	70,653	53,174
State	8,310	7,300	3,472
Non-U.S.	1,433	1,666	(113)
	<u>99,070</u>	<u>79,619</u>	<u>56,533</u>
Provision for income tax expense	<u>\$ 120,269</u>	<u>\$ 105,739</u>	<u>\$ 34,567</u>
Income taxes paid (net of income tax refunds received)	\$ 10,739	\$ 14,265	\$ 1,558

The difference between the tax provision at the statutory federal income tax rate and the tax provision attributable to income before taxes was as follows:

	Years Ended March 31,		
	2012	2011	2010
	(In percentages)		
Statutory federal income tax rate	35.00%	35.00%	35.00%
Increase (reduction) in rate resulting from:			
State taxes, net of federal benefit	2.70%	3.24%	3.50%
Foreign rate differential	(0.55)%	(0.34)%	(1.17)%
Federal tax credits	(0.21)%	(0.18)%	(0.46)%
Interest on deferred tax	0.12%	0.13%	0.52%
Dividend received deduction	(0.06)%	(0.08)%	(0.09)%
Change in valuation allowance	-%	-%	(2.70)%
Other	(0.07)%	(1.22)%	(0.10)%
Actual tax expense of operations	<u>36.93%</u>	<u>36.55%</u>	<u>34.50%</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Significant components of our deferred tax assets and liabilities were as follows:

	March 31,	
	2012	2011
	(In thousands)	
Deferred tax assets:		
Net operating loss and credit carry forwards	\$ 3,080	\$ 3,559
Accrued expenses	126,361	132,140
Policy benefit and losses, claims and loss expenses payable, net	15,493	10,355
Unrealized gains	6,649	8,834
Other	-	583
Total deferred tax assets	<u>\$ 151,583</u>	<u>\$ 155,471</u>
Deferred tax liabilities:		
Property, plant and equipment	\$ 519,409	\$ 421,521
Deferred policy acquisition costs	2,838	5,207
Other	328	-
Total deferred tax liabilities	<u>522,575</u>	<u>426,728</u>
Net deferred tax liability	<u>\$ 370,992</u>	<u>\$ 271,257</u>

The net operating loss and credit carry-forwards in the above table are primarily attributable to \$27.7 million of state net operating losses that will begin to expire March 31, 2013 if not utilized.

ASC 740 prescribes a minimum recognition and measurement methodology that a tax position is required to meet before being recognized in the financial statements. The total amount of unrecognized tax benefits at April 1, 2011 was \$9.5 million. This entire amount of unrecognized tax benefits if resolved in our favor, would favorably impact our effective tax rate. During the current year we recorded tax expense (net of settlements), resulting from uncertain tax positions in the amount of \$2.3 million. At March 31, 2012, the amount of unrecognized tax benefits and the amount that would favorably affect our effective tax rate was \$11.8 million.

A reconciliation of the total amounts of unrecognized tax benefits at the beginning and end of the period are as follows:

	Unrecognized Tax Benefits
	(In thousands)
Unrecognized tax benefits as of March 31, 2011	\$ 9,503
Additions based on tax positions related to the current year	2,424
Reductions for tax positions of prior years	-
Settlements	(147)
Unrecognized tax benefits as of March 31, 2012	<u>\$ 11,780</u>

We recognize interest related to unrecognized tax benefits as interest expense, and penalties as operating expenses. At April 1, 2011, the amount of interest and penalties accrued on unrecognized tax benefits was \$3.8 million, net of tax. During the current year we recorded expense from interest in the amount of \$0.2 million, net of tax. At March 31, 2012, the amount of interest and penalties accrued on unrecognized tax benefits was \$4.0 million, net of tax.

We file income tax returns in the U.S. federal jurisdiction, and various states and foreign jurisdictions. With some exceptions, we are no longer subject to audit for years prior to the fiscal year ended March 31, 2009.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 16. Employee Benefit Plans

Profit Sharing Plans

We provides tax-qualified profit sharing retirement plans for the benefit of eligible employees, former employees and retirees in the U.S. and Canada. The plans are designed to provide employees with an accumulation of funds for retirement on a tax-deferred basis and provide for annual discretionary employer contributions. Amounts to be contributed are determined by the President and Chairman of the Board of the Company under the delegation of authority from the Board, pursuant to the terms of the Profit Sharing Plan. No contributions were made to the profit sharing plan during fiscal 2012, 2011 or 2010.

We also provide an employee savings plan which allows participants to defer income under Section 401(k) of the Internal Revenue Code of 1986.

ESOP Plan

We sponsor a leveraged ESOP that generally covers all employees with one year or more of service. The ESOP shares initially were pledged as collateral for its debt which was originally funded by U-Haul. As the debt is repaid, shares are released from collateral and allocated to active employees, based on the proportion of debt service paid in the year. When shares are scheduled to be released from collateral, prorated over the year, we report compensation expense equal to the current market price of the shares scheduled to be released, and the shares become outstanding for earnings per share computations. ESOP compensation expense was \$4.4 million, \$3.9 million and \$2.4 million for fiscal 2012, 2011 and 2010, respectively. Listed below is a summary of these financing arrangements as of fiscal year-end:

Financing Date	Outstanding as of	Interest Payments		
	March 31, 2012	2012	2011	2010
		(In thousands)		
June, 1991	\$ 3,464	\$ 299	\$ 386	\$ 443
March, 1999	-	-	-	1
February, 2000	-	-	6	12
April, 2001	-	5	9	8
July, 2009	493	15	5	-

Shares are released from collateral and allocated to active employees based on the proportion of debt service paid in the plan year. Contributions to the Plan Trust during fiscal 2012, 2011 and 2010 were \$2.0 million, \$2.1 million and \$2.0 million, respectively.

Shares held by the Plan were as follows:

	Years Ended March 31,	
	2012	2011
	(In thousands)	
Allocated shares	1,372	1,387
Unreleased shares	124	194
Fair value of unreleased shares	\$ 12,841	\$ 16,252

The fair value of unreleased shares issued prior to 1992 is defined as the historical cost of such shares. The fair value of unreleased shares issued subsequent to December 31, 1992 is defined as the trading value of such shares as of March 31, 2012 and March 31, 2011, respectively.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Post Retirement and Post Employment Benefits

We provide medical and life insurance benefits to its eligible employees and their dependents upon retirement from the Company. The retirees must have attained age sixty-five and earned twenty years of full-time service upon retirement for coverage under the medical plan. The medical benefits are capped at a \$20,000 lifetime maximum per covered person. The benefits are coordinated with Medicare and any other medical policies in force. Retirees who have attained age sixty-five and earned at least ten years of full-time service upon retirement from the Company are entitled to group term life insurance benefits. The life insurance benefit is \$2,000 plus \$100 for each year of employment over ten years. The plan is not funded and claims are paid as they are incurred. We use a March 31 measurement date for our post retirement benefit disclosures.

The components of net periodic post retirement benefit cost were as follows:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Service cost for benefits earned during the period	\$ 515	\$ 462	\$ 420
Interest cost on accumulated postretirement benefit	568	567	603
Other components	(16)	(39)	(104)
Net periodic postretirement benefit cost	<u>\$ 1,067</u>	<u>\$ 990</u>	<u>\$ 919</u>

The fiscal 2012 and fiscal 2011 post retirement benefit liability included the following components:

	Years Ended March 31,	
	2012	2011
	(In thousands)	
Beginning of year	\$ 11,103	\$ 10,787
Service cost for benefits earned during the period	515	462
Interest cost on accumulated post retirement benefit	568	567
Net benefit payments and expense	(369)	(350)
Actuarial loss (gain)	676	(363)
Accumulated postretirement benefit obligation	<u>12,493</u>	<u>11,103</u>
Current liabilities	503	596
Non-current liabilities	11,990	10,507
Total post retirement benefit liability recognized in statement of financial position	12,493	11,103
Components included in accumulated other comprehensive income:		
Unrecognized net gain	1,179	1,871
Cumulative net periodic benefit cost (in excess of employer contribution)	<u>\$ 13,672</u>	<u>\$ 12,974</u>

The discount rate assumptions in computing the information above were as follows:

	Years Ended March 31,		
	2012	2011	2010
	(In percentages)		
Accumulated postretirement benefit obligation	4.17%	5.00%	5.41%

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

In December 2003, the Medicare Prescription Drug Improvement and Modernization Act of 2003 became law. Amounts shown above include the effect of the subsidy. The discount rate represents the expected yield on a portfolio of high grade (AA to AAA rated or equivalent) fixed income investments with cash flow streams sufficient to satisfy benefit obligations under the plan when due. Fluctuations in the discount rate assumptions primarily reflect changes in U.S. interest rates. The assumed health care cost trend rate used to measure the accumulated postretirement benefit obligation as of the end of fiscal 2012 was 8.1% in the initial year and was projected to decline annually to an ultimate rate of 4.5% in fiscal 2030. The assumed health care cost trend rate used to measure the accumulated postretirement benefit obligation as of the end of fiscal 2011 (and used to measure the fiscal 2012 net periodic benefit cost) was 8.4% in the initial year and was projected to decline annually to an ultimate rate of 4.5% in fiscal 2030.

If the estimated health care cost trend rate assumptions were increased by one percent, the accumulated post retirement benefit obligation as of fiscal year-end would increase by \$147,064 and the total of the service cost and interest cost components would increase by \$11,388. A decrease in the estimated health care cost trend rate assumption of one percent would decrease the accumulated post retirement benefit obligation as of fiscal year-end by \$164,096 and the total of the service cost and interest cost components would decrease by \$12,748.

Post employment benefits provided by us, other than upon retirement, are not material.

Future net benefit payments are expected as follows:

	Future Net Benefit Payments
	(In thousands)
Year-ended:	
2013	\$ 503
2014	582
2015	676
2016	783
2017	896
2018 through 2022	6,187
Total	<u>\$ 9,627</u>

Note 17. Fair Value Measurements

Fair values of cash equivalents approximate carrying value due to the short period of time to maturity. Fair values of short term investments, investments available-for-sale, long term investments, mortgage loans and notes on real estate, and interest rate swap contracts are based on quoted market prices, dealer quotes or discounted cash flows. Fair values of trade receivables approximate their recorded value.

Our financial instruments that are exposed to concentrations of credit risk consist primarily of temporary cash investments, trade receivables, reinsurance recoverables and notes receivable. Limited credit risk exists on trade receivables due to the diversity of our customer base and their dispersion across broad geographic markets. We place our temporary cash investments with financial institutions and limits the amount of credit exposure to any one financial institution.

We have mortgage receivables, which potentially expose us to credit risk. The portfolio of notes is principally collateralized by self-storage facilities and commercial properties. We have not experienced any material losses related to the notes from individual or groups of notes in any particular industry or geographic area. The estimated fair values were determined using the discounted cash flow method and using interest rates currently offered for similar loans to borrowers with similar credit ratings.

The carrying amount of long term debt and short term borrowings are estimated to approximate fair value as the actual interest rate is consistent with the rate estimated to be currently available for debt of similar term and remaining maturity.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Other investments including short term investments are substantially current or bear reasonable interest rates. As a result, the carrying values of these financial instruments approximate fair value.

Assets and liabilities are recorded at fair value on the condensed consolidated balance sheets and are measured and classified based upon a three tiered approach to valuation. ASC 820 - *Fair Value Measurements and Disclosures* ("ASC 820") requires that financial assets and liabilities recorded at fair value be classified and disclosed in one of the following three categories:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices for identical or similar financial instruments in markets that are not considered to be active, or similar financial instruments for which all significant inputs are observable, either directly or indirectly, or inputs other than quoted prices that are observable, or inputs that are derived principally from or corroborated by observable market data through correlation or other means;

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and are unobservable. These reflect management's assumptions about the assumptions a market participant would use in pricing the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following table represents the financial assets and liabilities on the condensed consolidated balance sheet at March 31, 2012, that are subject to ASC 820 and the valuation approach applied to each of these items.

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(In thousands)		
Assets				
Short-term investments	\$ 322,576	\$ 322,576	\$ -	\$ -
Fixed maturities - available for sale	725,736	633,953	90,578	1,205
Preferred stock	23,178	23,178	-	-
Common stock	17,878	17,878	-	-
Total	<u>\$ 1,089,368</u>	<u>\$ 997,585</u>	<u>\$ 90,578</u>	<u>\$ 1,205</u>
Liabilities				
Guaranteed residual values of TRAC leases	\$ -	\$ -	\$ -	\$ -
Derivatives	59,313	-	59,313	-
Other obligations	-	-	-	-
Total	<u>\$ 59,313</u>	<u>\$ -</u>	<u>\$ 59,313</u>	<u>\$ -</u>

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The following tables represent the fair value measurements for our assets at March 31, 2012 using significant unobservable inputs (Level 3).

	Fixed Maturities - Asset Backed Securities
	(In thousands)
Balance at March 31, 2011	\$ 1,377
Fixed Maturities - Asset Backed Securities gain (unrealized)	126
Fixed Maturities - Asset Backed Securities loss (unrealized)	(166)
Fixed Maturities - Asset Backed Securities OTTI	(132)
Balance at March 31, 2012	\$ 1,205

Note 18. Reinsurance and Policy Benefits and Losses, Claims and Loss Expenses Payable

During their normal course of business, our insurance subsidiaries assume and cede reinsurance on both a coinsurance and a risk premium basis. They also obtain reinsurance for that portion of risks exceeding their retention limits. The maximum amount of life insurance retained on any one life is \$110,000.

	<u>Direct Amount (a)</u>	<u>Ceded to Other Companies</u>	<u>Assumed from Other Companies</u>	<u>Net Amount (a)</u>	<u>Percentage of Amount Assumed to Net</u>
	(In thousands)				
Year ended December 31, 2011					
Life insurance in force	\$ 761,070	\$ 14,868	\$ 1,142,247	\$ 1,888,449	60%
Premiums earned:					
Life	\$ 63,396	\$ 6,909	\$ 94,982	\$ 151,469	63%
Accident and health	115,599	503	3,635	118,731	3%
Annuity	9,049	1,920	233	7,362	3%
Property and casualty	30,145	-	2,486	32,631	8%
Total	<u>\$ 218,189</u>	<u>\$ 9,332</u>	<u>\$ 101,336</u>	<u>\$ 310,193</u>	
Year ended December 31, 2010					
Life insurance in force	\$ 668,740	\$ 3,567	\$ 884,932	\$ 1,550,105	57%
Premiums earned:					
Life	\$ 77,721	\$ -	\$ 37,300	\$ 115,021	32%
Accident and health	88,441	575	3,815	91,681	4%
Annuity	-	-	290	290	100%
Property and casualty	28,179	68	2,593	30,704	8%
Total	<u>\$ 194,341</u>	<u>\$ 643</u>	<u>\$ 43,998</u>	<u>\$ 237,696</u>	
Year ended December 31, 2009					
Life insurance in force	\$ 543,236	\$ 4,100	\$ 943,371	\$ 1,482,507	64%
Premiums earned:					
Life	\$ 49,335	\$ 37	\$ 5,108	\$ 54,406	9%
Accident and health	74,271	(803)	4,582	79,656	6%
Annuity	140	-	143	283	51%
Property and casualty	23,260	13	4,378	27,625	16%
Total	<u>\$ 147,006</u>	<u>\$ (753)</u>	<u>\$ 14,211</u>	<u>\$ 161,970</u>	

(a) Balances are reported net of inter-segment transactions.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

To the extent that a reinsurer is unable to meet its obligation under the related reinsurance agreements, Repwest would remain liable for the unpaid losses and loss expenses. Pursuant to certain of these agreements, Repwest holds letters of credit at year end in the amount of \$1.8 million from re-insurers and has issued letters of credit in the amount of \$5.6 million in favor of certain ceding companies.

Policy benefits and losses, claims and loss expenses payable for Property and Casualty Insurance were as follows:

	Years Ended December 31,	
	2011	2010
	(In thousands)	
Unpaid losses and loss adjustment expense	\$ 382,328	\$ 276,355
Reinsurance losses payable	611	367
Unearned premiums	-	4
Total	<u>\$ 382,939</u>	<u>\$ 276,726</u>

Activity in the liability for unpaid losses and loss adjustment expenses for Property and Casualty Insurance is summarized as follows:

	Years Ended December 31,		
	2011	2010	2009
	(In thousands)		
Balance at January 1	\$ 276,355	\$ 271,677	\$ 287,501
Less: reinsurance recoverable	167,315	162,711	173,098
Net balance at January 1	109,040	108,966	114,403
Incurred related to:			
Current year	9,297	9,453	8,043
Prior years	56,445	7,832	6,516
Total incurred	65,742	17,285	14,559
Paid related to:			
Current year	5,049	4,971	3,974
Prior years	11,270	12,240	16,022
Total paid	16,319	17,211	19,996
Net balance at December 31	158,463	109,040	108,966
Plus: reinsurance recoverable	223,865	167,315	162,711
Balance at December 31	<u>\$ 382,328</u>	<u>\$ 276,355</u>	<u>\$ 271,677</u>

The liability for incurred losses and loss adjustment expenses (net of reinsurance recoverable of \$223.9 million) increased by \$49.4 million in 2011.

Note 19. Contingent Liabilities and Commitments

We lease a portion of its rental equipment and certain of its facilities under operating leases with terms that expire at various dates substantially through 2018. As of March 31, 2012, AMERCO has guaranteed \$145.3 million of residual values for these rental equipment assets at the end of the respective lease terms. Certain leases contain renewal and fair market value purchase options as well as mileage and other restrictions. At the expiration of the lease, we have the option to renew the lease, purchase the asset for fair market value, or sell the asset to a third party on behalf of the lessor. AMERCO has been leasing equipment since 1987 and has experienced no material losses relating to these types of residual value guarantees.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Lease expenses were as follows:

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Lease expense	\$ 131,215	\$ 150,809	\$ 156,951

Lease commitments for leases having terms of more than one year were as follows:

	Property, Plant and Equipment	Rental Equipment (In thousands)	Total
Year-ended March 31:			
2012	\$ 14,435	\$ 98,068	\$ 112,503
2013	12,991	80,399	93,390
2014	2,818	56,868	59,686
2015	645	28,993	29,638
2016	542	10,993	11,535
Thereafter	5,612	13,019	18,631
Total	\$ 37,043	\$ 288,340	\$ 325,383

Note 20. Contingencies

Shoen

In September 2002, Paul F. Shoen filed a shareholder derivative lawsuit in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Paul F. Shoen vs. SAC Holding Corporation et al., CV 02-05602, seeking damages and equitable relief on behalf of AMERCO from SAC Holdings and certain current and former members of the AMERCO Board of Directors, including Edward J. Shoen, Mark V. Shoen and James P. Shoen as Defendants. AMERCO is named as a nominal Defendant in the case. The complaint alleges breach of fiduciary duty, self-dealing, usurpation of corporate opportunities, wrongful interference with prospective economic advantage and unjust enrichment and seeks the unwinding of sales of self-storage properties by subsidiaries of AMERCO to SAC prior to the filing of the complaint. The complaint seeks a declaration that such transfers are void as well as unspecified damages. In October 2002, the Defendants filed motions to dismiss the complaint. Also in October 2002, Ron Belec filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned Ron Belec vs. William E. Carty, et al., CV 02-06331 and in January 2003, M.S. Management Company, Inc. filed a derivative action in the Second Judicial District Court of the State of Nevada, Washoe County, captioned M.S. Management Company, Inc. vs. William E. Carty, et al., CV 03-00386. Two additional derivative suits were also filed against these parties. Each of these suits is substantially similar to the Paul F. Shoen case. The Court consolidated the five cases and thereafter dismissed these actions in May 2003, concluding that the AMERCO Board of Directors had the requisite level of independence required in order to have these claims resolved by the Board. Plaintiffs appealed this decision and, in July 2006, the Nevada Supreme Court reversed the ruling of the trial court and remanded the case to the trial court for proceedings consistent with its ruling, allowing the Plaintiffs to file an amended complaint and plead in addition to substantive claims, demand futility.

In November 2006, the Plaintiffs filed an amended complaint. In December 2006, the Defendants filed motions to dismiss, based on various legal theories. In March 2007, the Court denied AMERCO's motion to dismiss regarding the issue of demand futility, stating that "Plaintiffs have satisfied the heightened pleading requirements of demand futility by showing a majority of the members of the AMERCO Board of Directors were interested parties in the SAC transactions." The Court heard oral argument on the remainder of the Defendants' motions to dismiss, including the motion ("Goldwasser Motion") based on the fact that the subject matter of the lawsuit had been settled and dismissed in earlier litigation known as Goldwasser v. Shoen, C.V.N.-94-00810-ECR (D.Nev), Washoe County, Nevada. In addition, in September and October 2007, the Defendants filed

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Motions for Judgment on the Pleadings or in the Alternative Summary Judgment, based on the fact that the stockholders of the Company had ratified the underlying transactions at the 2007 annual meeting of stockholders of AMERCO. In December 2007, the Court denied this motion. This ruling does not preclude a renewed motion for summary judgment after discovery and further proceedings on these issues. On April 7, 2008, the litigation was dismissed, on the basis of the Goldwasser Motion. On May 8, 2008, the Plaintiffs filed a notice of appeal of such dismissal to the Nevada Supreme Court. On May 20, 2008, AMERCO filed a cross appeal relating to the denial of its Motion to Dismiss in regard to demand futility.

On May 12, 2011, the Nevada Supreme Court affirmed in part, reversed in part, and remanded the case for further proceedings. First, the Court ruled that the Goldwasser settlement did not release claims that arose after the agreement and, therefore, reversed the trial court's dismissal of the Complaint on that ground. Second, the Court affirmed the district court's determination that the in pari delicto defense is available in a derivative suit and reversed and remanded to the district court to determine if the defense applies to this matter. Third, the Court remanded to the district court to conduct an evidentiary hearing to determine whether demand upon the AMERCO Board was, in fact, futile. Fourth, the Court invited AMERCO to seek a ruling from the district court as to the legal effect of the AMERCO Shareholders' 2008 ratification of the underlying AMERCO/SAC transactions.

Last, as to individual claims for relief, the Court affirmed the district court's dismissal of the breach of fiduciary duty of loyalty claims as to all defendants except Mark Shoen. The Court affirmed the district court's dismissal of the breach of fiduciary duty: ultra vires Acts claim as to all defendants. The Court reversed the district court's dismissal of aiding and abetting a breach of fiduciary duty and unjust enrichment claims against the SAC entities. The Court reversed the trial court's dismissal of the claim for wrongful interference with prospective economic advantage as to all defendants.

On remand, on July 22, 2011, AMERCO filed a Motion for Summary Judgment based upon the Shareholder's Ratification of the SAC transactions. In addition, on August 29, 2011, certain defendants filed a Motion to Dismiss Plaintiffs' Claim for Wrongful Interference with Prospective Economic Advantage. On August 31, 2011, the trial court held a status conference and entered an order setting forth the briefing schedule for the two motions. On December 23, 2011, the trial court denied AMERCO's motion for summary judgment and certain defendants' motion to dismiss. The court has set a discovery schedule on the limited issue of demand futility. A four day evidentiary hearing on demand futility is scheduled to begin on August 20, 2012.

Environmental

Compliance with environmental requirements of federal, state and local governments may significantly affect Real Estate's business operations. Among other things, these requirements regulate the discharge of materials into the air, land and water and govern the use and disposal of hazardous substances. Real Estate is aware of issues regarding hazardous substances on some of its properties. Real Estate regularly makes capital and operating expenditures to stay in compliance with environmental laws and has put in place a remedial plan at each site where it believes such a plan is necessary. Since 1988, Real Estate has managed a testing and removal program for underground storage tanks.

Based upon the information currently available to Real Estate, compliance with the environmental laws and its share of the costs of investigation and cleanup of known hazardous waste sites are not expected to result in a material adverse effect on AMERCO's financial position or results of operations.

Other

We are named as a defendant in various other litigation and claims arising out of the normal course of business. In management's opinion, none of these other matters will have a material effect on our financial position and results of operations.

Note 21. Related Party Transactions

As set forth in the Audit Committee Charter and consistent with NASDAQ Listing Rules, the Company's Audit Committee (the "Audit Committee") reviews and maintains oversight over related party transactions which are required to be disclosed under the Securities and Exchange Commission ("SEC") rules and regulations. Accordingly, all such related party transactions are submitted to the Audit Committee for ongoing review and oversight. Our internal processes ensure that our legal and finance departments identify and monitor potential related party transactions which may require disclosure and Audit Committee oversight.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

AMERCO has engaged in related party transactions and has continuing related party interests with certain major stockholders, directors and officers of the consolidated group as disclosed below. Management believes that the transactions described below and in the related notes were completed on terms substantially equivalent to those that would prevail in arm's-length transactions.

SAC Holdings was established in order to acquire self-storage properties. These properties are being managed by us pursuant to management agreements. In the past, we sold various self-storage properties to SAC Holdings, and such sales provided significant cash flows to us.

Management believes that the sales of self-storage properties to SAC Holdings has provided a unique structure for us to earn moving equipment rental revenues and property management fee revenues from the SAC Holdings self-storage properties that we manage.

Related Party Revenues

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
U-Haul interest income revenue from SAC Holdings	\$ 19,364	\$ 19,163	\$ 18,900
U-Haul interest income revenue from Private Mini	5,431	5,451	5,333
U-Haul management fee revenue from SAC Holdings	18,306	16,873	16,321
U-Haul management fee revenue from Private Mini	2,226	2,174	2,202
U-Haul management fee revenue from Mercury	2,734	3,085	3,109
	<u>\$ 48,061</u>	<u>\$ 46,746</u>	<u>\$ 45,865</u>

During fiscal 2012, subsidiaries of the Company held various junior unsecured notes of SAC Holdings. Substantially all of the equity interest of SAC Holdings is controlled by Blackwater Investments, Inc. ("Blackwater"). Blackwater is wholly-owned by Mark V. Shoen, a significant shareholder of AMERCO. We do not have an equity ownership interest in SAC Holdings. We received cash interest payments of \$17.8 million, \$15.8 million and \$13.9 million, from SAC Holdings during fiscal 2012, 2011 and 2010, respectively. The largest aggregate amount of notes receivable outstanding during fiscal 2012 was \$196.2 million and the aggregate notes receivable balance at March 31, 2012 was \$195.4 million. In accordance with the terms of these notes, SAC Holdings may prepay the notes without penalty or premium at any time. The scheduled maturities of these notes are between 2019 and 2024. Due to repayments in April 2012 and May 2012 the total notes receivable balance decreased by \$113.5 million.

Interest accrues on the outstanding principal balance of junior notes of SAC Holdings that we hold at a 9.0% rate per annum. A fixed portion of that basic interest is paid on a monthly basis. Additional interest can be earned on notes totaling \$122.1 million of principal depending upon the amount of remaining basic interest and the cash flow generated by the underlying property. After the April 2012 and May 2012 repayments this amount has been reduced to \$8.7 million. This amount is referred to as the "cash flow-based calculation."

To the extent that this cash flow-based calculation exceeds the amount of remaining basic interest, contingent interest would be paid on the same monthly date as the fixed portion of basic interest. To the extent that the cash flow-based calculation is less than the amount of remaining basic interest, the additional interest payable on the applicable monthly date is limited to the amount of that cash flow-based calculation. In such a case, the excess of the remaining basic interest over the cash flow-based calculation is deferred. In addition, subject to certain contingencies, the junior notes provide that the holder of the note is entitled to receive a portion of the appreciation realized upon, among other things, the sale of such property by SAC Holdings. To date, no excess cash flows related to these arrangements have been earned or paid.

During fiscal 2012, AMERCO and U-Haul held various junior notes issued by Private Mini Storage Realty, L.P. ("Private Mini"). The equity interests of Private Mini are ultimately controlled by Blackwater. We received cash interest payments of \$5.4 million, \$5.5 million and \$5.3 million, from Private Mini during fiscal 2012, 2011 and 2010, respectively. The largest aggregate amount outstanding during fiscal 2012 was \$66.7 million. The balance of notes receivable from Private Mini at March 31, 2012 was \$66.3 million.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

We currently manage the self-storage properties owned or leased by SAC Holdings, Mercury Partners, L.P. ("Mercury"), Four SAC Self-Storage Corporation ("4 SAC"), Five SAC Self-Storage Corporation ("5 SAC"), Galaxy Investments, L.P. ("Galaxy") and Private Mini pursuant to a standard form of management agreement, under which we receive a management fee of between 4% and 10% of the gross receipts plus reimbursement for certain expenses. We received management fees, exclusive of reimbursed expenses, of \$22.5 million, \$22.0 million and \$22.6 million from the above mentioned entities during fiscal 2012, 2011 and 2010, respectively. This management fee is consistent with the fee received for other properties we previously managed for third parties. SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini are substantially controlled by Blackwater. Mercury is substantially controlled by Mark V. Shoen. James P. Shoen, a significant shareholder and director of AMERCO, has an interest in Mercury.

Related Party Costs and Expenses

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
U-Haul lease expenses to SAC Holdings	\$ 2,430	\$ 2,491	\$ 2,446
U-Haul commission expenses to SAC Holdings	39,167	34,858	32,621
U-Haul commission expenses to Private Mini	2,523	2,399	2,116
	<u>\$ 44,120</u>	<u>\$ 39,748</u>	<u>\$ 37,183</u>

We lease space for marketing company offices, vehicle repair shops and hitch installation centers from subsidiaries of SAC Holdings, 5 SAC and Galaxy. The terms of the leases are similar to the terms of leases for other properties owned by unrelated parties that are leased to us.

At March 31, 2012, subsidiaries of SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini acted as U-Haul independent dealers. The financial and other terms of the dealership contracts with the aforementioned companies and their subsidiaries are substantially identical to the terms of those with our other independent dealers whereby commissions are paid by us based upon equipment rental revenue.

These agreements and notes with subsidiaries of SAC Holdings, 4 SAC, 5 SAC, Galaxy and Private Mini, excluding Dealer Agreements, provided revenues of \$45.3 million, expenses of \$2.4 million and cash flows of \$41.8 million during fiscal 2012. Revenues and commission expenses related to the Dealer Agreements were \$194.1 million and \$41.7 million, respectively for fiscal 2012.

We adopted ASU 2009-17, which amends the FASB ASC for the issuance of FASB Statement 167, *Amendments to FASB Interpretation 46(R)*, as of April 1, 2010. Management determined that the junior notes of SAC Holdings and Private Mini and the management agreements with SAC Holdings, Mercury, 4 SAC, 5 SAC, Galaxy, and Private Mini represent potential variable interests for us. Management evaluated whether it should be identified as the primary beneficiary of one or more of these VIE's using a two step approach in which management (i) identified all other parties that hold interests in the VIE's, and (ii) determined if any variable interest holder has the power to direct the activities of the VIE's that most significantly impact their economic performance.

Management determined that they do not have a variable interest in the holding entities Mercury, 4 SAC, 5 SAC, or Galaxy through management agreements which are with the individual operating entities or through the issuance of junior debt therefore we are precluded from consolidating these entities, which is consistent with the accounting treatment immediately prior to adopting ASU 2009-17.

We have junior debt with the holding entities SAC Holding Corporation, SAC Holding II Corporation, and Private Mini which represents a variable interest in each individual entity. Though we have certain protective rights within these debt agreements, we have no present influence or control over these holding entities unless their protective rights become exercisable, which management considers unlikely based on their payment history. As a result, we have no basis under ASC 810 - *Consolidation* ("ASC 810") to consolidate these entities, which is consistent with the accounting treatment immediately prior to adopting ASU 2009-17.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

We do not have the power to direct the activities that most significantly impact the economic performance of the individual operating entities which have management agreements with U-Haul. Through control of the holding entities assets, and its ability and history of making key decisions relating to the entity and its assets, Blackwater, and its owner, are the variable interest holder with the power to direct the activities that most significantly impact each of the individual holding entities and the individual operating entities' performance. As a result, we have no basis under ASC 810 to consolidate these entities, which is consistent with the accounting treatment immediately prior to adopting ASU 2009-17.

We have not provided financial or other support explicitly or implicitly during the fiscal year ended March 31, 2012 to any of these entities that it was not previously contractually required to provide. The carrying amount and classification of the assets and liabilities in our balance sheets that relate to our variable interests in the aforementioned entities are as follows, which approximate the maximum exposure to loss as a result of our involvement with these entities:

Related Party Assets

	March 31,	
	2012	2011
	(In thousands)	
U-Haul notes, receivables and interest from Private Mini	\$ 68,798	\$ 69,201
U-Haul notes receivable from SAC Holdings	195,426	196,191
U-Haul interest receivable from SAC Holdings	18,667	17,096
U-Haul receivable from SAC Holdings	30,297	16,346
U-Haul receivable from Mercury	3,195	3,534
Other (a)	(226)	(400)
	<u>\$ 316,157</u>	<u>\$ 301,968</u>

(a) Timing differences for intercompany balances with insurance subsidiaries.

Between January 1, 2009 and March 31, 2011 our insurance subsidiaries purchased 308,300 shares of Series A Preferred on the open market for \$7.2 million.

In April 2012, we received \$52.2 million from SAC Holding Corporation as full repayment of principal and accrued interest for one of its junior notes. Also in April 2012 and May 2012, we received \$46.0 million and \$20.4 million, respectively from SAC Holding II Corporation as partial repayment on its junior note.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 22. Statutory Financial Information of Insurance Subsidiaries

Applicable laws and regulations of the State of Arizona require Property and Casualty Insurance and Life Insurance to maintain minimum capital and surplus determined in accordance with statutory accounting principles. Audited statutory net income (loss) and statutory capital and surplus for the years ended are listed below:

	Years Ended December 31,		
	2011	2010	2009
	(In thousands)		
Repwest:			
Audited statutory net income (loss)	\$ (37,417)	\$ 6,946	\$ 6,016
Audited statutory capital and surplus	77,285	125,102	118,447
NAFCIC*:			
Audited statutory net income (loss)	-	-	(6)
Audited statutory capital and surplus	-	-	3,019
ARCOA:			
Audited statutory net income (loss)	(362)	(773)	96
Audited statutory capital and surplus	2,469	2,769	3,566
Oxford:			
Audited statutory net income	1,677	4,640	3,277
Audited statutory capital and surplus	129,445	129,173	133,867
CFLIC:			
Audited statutory net income	8,513	4,347	6,439
Audited statutory capital and surplus	36,200	32,799	39,784
NAI:			
Audited statutory net income (loss)	(4,151)	(857)	847
Audited statutory capital and surplus	11,564	11,265	9,301
DGLIC:			
Audited statutory net income	1,828	796	347
Audited statutory capital and surplus	7,276	5,966	5,115

* Dissolved in August 2010.

The amount of dividends that can be paid to shareholders by insurance companies domiciled in the State of Arizona is limited. Any dividend in excess of the limit requires prior regulatory approval. The statutory surplus for Repwest at December 31, 2011 that could be distributed as ordinary dividends was \$7.7 million. Repwest distributed a dividend of \$6.8 million in property to AMERCO in December 2011. The statutory surplus for Oxford at December 31, 2011 that could be distributed as ordinary dividends was \$3.2 million. Oxford did not pay a dividend to AMERCO in 2011.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 23. Financial Information by Geographic Area

	<u>United States</u>	<u>Canada</u>	<u>Consolidated</u>
	(All amounts are in thousands U.S. \$'s)		
Fiscal Year Ended March 31, 2012			
Total revenues	\$ 2,355,208	\$ 147,467	\$ 2,502,675
Depreciation and amortization, net of (gains) losses on disposal	214,800	7,892	222,692
Interest expense	89,730	641	90,371
Pretax earnings	302,748	22,888	325,636
Income tax expense	114,050	6,219	120,269
Identifiable assets	4,518,772	135,279	4,654,051

	<u>United States</u>	<u>Canada</u>	<u>Consolidated</u>
	(All amounts are in thousands U.S. \$'s)		
Fiscal Year Ended March 31, 2011			
Total revenues	\$ 2,110,513	\$ 130,762	\$ 2,241,275
Depreciation and amortization, net of (gains) losses on disposal	192,328	6,432	198,760
Interest expense	87,717	664	88,381
Pretax earnings	270,695	18,619	289,314
Income tax expense	100,212	5,527	105,739
Identifiable assets	4,061,648	129,785	4,191,433

	<u>United States</u>	<u>Canada</u>	<u>Consolidated</u>
	(All amounts are in thousands U.S. \$'s)		
Fiscal Year Ended March 31, 2010			
Total revenues	\$ 1,886,990	\$ 115,015	\$ 2,002,005
Depreciation and amortization, net of (gains) losses on disposal	229,136	6,062	235,198
Interest expense	92,756	591	93,347
Pretax earnings	89,350	10,840	100,190
Income tax expense (benefit)	34,646	(79)	34,567
Identifiable assets	3,646,684	115,770	3,762,454

Note 23A. Consolidating Financial Information by Industry Segment

AMERCO's three reportable segments are:

- Moving and Storage, comprised of AMERCO, U-Haul, and Real Estate and the subsidiaries of U-Haul and Real Estate,
- Property and Casualty Insurance, comprised of Repwest and its subsidiaries and ARCOA,
- Life Insurance, comprised of Oxford and its subsidiaries.

Management tracks revenues separately, but does not report any separate measure of the profitability for rental vehicles, rentals of self-storage spaces and sales of products that are required to be classified as a separate operating segment and accordingly does not present these as separate reportable segments. Deferred income taxes are shown as liabilities on the condensed consolidating statements.

The information includes elimination entries necessary to consolidate AMERCO, the parent, with its subsidiaries.

Investments in subsidiaries are accounted for by the parent using the equity method of accounting.

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 23A. Financial Information by Consolidating Industry Segment:

Consolidating balance sheets by industry segment as of March 31, 2012 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
Assets:									
Cash and cash equivalents	\$ 201,502	\$ 106,951	\$ 775	\$ -	\$ 309,228	\$ 15,462	\$ 25,410	\$ -	\$ 350,100
Reinsurance recoverables and trade receivables, net	-	37,103	-	-	37,103	231,211	29,660	-	297,974
Inventories, net	-	58,735	-	-	58,735	-	-	-	58,735
Prepaid expenses	9,496	32,051	311	-	41,858	-	-	-	41,858
Investments, fixed maturities and marketable equities	17,028	-	-	-	17,028	132,270	617,494	-	766,792
Investments, other	-	9,880	42,453	-	52,333	81,837	131,461	-	265,631
Deferred policy acquisition costs, net	-	-	-	-	-	-	63,914	-	63,914
Other assets	483	91,761	26,571	-	118,815	1,507	203	-	120,525
Related party assets	1,201,385	261,341	9	(1,144,545) (c)	318,190	7,542	482	(10,057) (c)	316,157
	<u>1,429,894</u>	<u>597,822</u>	<u>70,119</u>	<u>(1,144,545)</u>	<u>953,290</u>	<u>469,829</u>	<u>868,624</u>	<u>(10,057)</u>	<u>2,281,686</u>
Investment in subsidiaries	8,168	-	-	331,461 (b)	339,629	-	-	(339,629) (b)	-
Property, plant and equipment, at cost:									
Land	-	67,558	213,582	-	281,140	-	-	-	281,140
Buildings and improvements	-	162,351	924,768	-	1,087,119	-	-	-	1,087,119
Furniture and equipment	138	289,601	18,381	-	308,120	-	-	-	308,120
Rental trailers and other rental equipment	-	255,010	-	-	255,010	-	-	-	255,010
Rental trucks	-	1,856,433	-	-	1,856,433	-	-	-	1,856,433
	138	2,630,953	1,156,731	-	3,787,822	-	-	-	3,787,822
Less: Accumulated depreciation	(115)	(1,056,854)	(358,488)	-	(1,415,457)	-	-	-	(1,415,457)
Total property, plant and equipment	<u>23</u>	<u>1,574,099</u>	<u>798,243</u>	<u>-</u>	<u>2,372,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,372,365</u>
Total assets	<u>\$ 1,438,085</u>	<u>\$ 2,171,921</u>	<u>\$ 868,362</u>	<u>\$ (813,084)</u>	<u>\$ 3,665,284</u>	<u>\$ 469,829</u>	<u>\$ 868,624</u>	<u>\$ (349,686)</u>	<u>\$ 4,654,051</u>

(a) Balances as of December 31, 2011

(b) Eliminate investment in subsidiaries

(c) Eliminate intercompany receivables and payables

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating balance sheets by industry segment as of March 31, 2012 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
Liabilities:									
Accounts payable and accrued expenses	\$ 1,875	\$ 319,780	\$ 3,611	\$ -	\$ 325,266	\$ -	\$ 10,060	\$ -	\$ 335,326
Notes, loans and leases payable	-	769,497	716,714	-	1,486,211	-	-	-	1,486,211
Policy benefits and losses, claims and loss expenses payable	-	380,140	-	-	380,140	382,939	382,864	-	1,145,943
Liabilities from investment contracts	-	-	-	-	-	-	240,961	-	240,961
Other policyholders' funds and liabilities	-	-	-	-	-	3,438	3,835	-	7,273
Deferred income	-	31,525	-	-	31,525	-	-	-	31,525
Deferred income taxes	397,992	-	-	-	397,992	(41,945)	14,945	-	370,992
Related party liabilities	-	855,016	297,859	(1,144,545) (c)	8,330	1,555	172	(10,057) (c)	-
Total liabilities	399,867	2,355,958	1,018,184	(1,144,545)	2,629,464	345,987	652,837	(10,057)	3,618,231
Stockholders' equity :									
Series preferred stock:									
Series A preferred stock	-	-	-	-	-	-	-	-	-
Series B preferred stock	-	-	-	-	-	-	-	-	-
Series A common stock	-	-	-	-	-	-	-	-	-
Common stock	10,497	540	1	(541) (b)	10,497	3,301	2,500	(5,801) (b)	10,497
Additional paid-in capital	433,953	121,230	147,941	(269,171) (b)	433,953	89,620	26,271	(116,101) (b)	433,743
Accumulated other comprehensive income (loss)	(45,436)	(66,302)	-	66,302 (b)	(45,436)	2,255	23,888	(26,143) (b)	(45,436)
Retained earnings (deficit)	1,316,854	(237,107)	(297,764)	534,871 (b)	1,316,854	28,666	163,128	(191,584) (b)	1,317,064
Cost of common shares in treasury, net	(525,653)	-	-	-	(525,653)	-	-	-	(525,653)
Cost of preferred shares in treasury, net	(151,997)	-	-	-	(151,997)	-	-	-	(151,997)
Unearned employee stock ownership plan shares	-	(2,398)	-	-	(2,398)	-	-	-	(2,398)
Total stockholders' equity (deficit)	1,038,218	(184,037)	(149,822)	331,461	1,035,820	123,842	215,787	(339,629)	1,035,820
Total liabilities and stockholders' equity	\$ 1,438,085	\$ 2,171,921	\$ 868,362	\$ (813,084)	\$ 3,665,284	\$ 469,829	\$ 868,624	\$ (349,686)	\$ 4,654,051

(a) Balances as of December 31, 2011

(b) Eliminate investment in subsidiaries

(c) Eliminate intercompany receivables and payables

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating balance sheets by industry segment as of March 31, 2011 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
Assets:									
Cash and cash equivalents	\$ 250,104	\$ 72,634	\$ 757	\$ -	\$ 323,495	\$ 14,700	\$ 37,301	\$ -	\$ 375,496
Reinsurance recoverables and trade receivables, net	-	19,210	-	-	19,210	173,256	28,184	-	220,650
Inventories, net	-	59,942	-	-	59,942	-	-	-	59,942
Prepaid expenses	15,966	41,533	125	-	57,624	-	-	-	57,624
Investments, fixed maturities and marketable equities	22,946	-	-	-	22,946	126,240	518,620	(7,997) (d)	659,809
Investments, other	-	10,385	18,605	-	28,990	90,615	82,263	-	201,868
Deferred policy acquisition costs, net	-	-	-	-	-	-	52,870	-	52,870
Other assets	2,863	134,330	28,251	-	165,444	877	312	-	166,633
Related party assets	1,146,296	247,024	72	(1,089,457) (c)	303,935	2,801	-	(4,768) (c)	301,968
	<u>1,438,175</u>	<u>585,058</u>	<u>47,810</u>	<u>(1,089,457)</u>	<u>981,586</u>	<u>408,489</u>	<u>719,550</u>	<u>(12,765)</u>	<u>2,096,860</u>
Investment in subsidiaries	(138,714)	-	-	482,025 (b)	343,311	-	-	(343,311) (b)	-
Property, plant and equipment, at cost:									
Land	-	46,651	192,526	-	239,177	-	-	-	239,177
Buildings and improvements	-	150,585	874,084	-	1,024,669	-	-	-	1,024,669
Furniture and equipment	203	292,242	18,226	-	310,671	-	-	-	310,671
Rental trailers and other rental equipment	-	249,700	-	-	249,700	-	-	-	249,700
Rental trucks	-	1,611,763	-	-	1,611,763	-	-	-	1,611,763
	203	2,350,941	1,084,836	-	3,435,980	-	-	-	3,435,980
Less: Accumulated depreciation	(176)	(996,192)	(345,039)	-	(1,341,407)	-	-	-	(1,341,407)
Total property, plant and equipment	27	1,354,749	739,797	-	2,094,573	-	-	-	2,094,573
Total assets	<u>\$ 1,299,488</u>	<u>\$ 1,939,807</u>	<u>\$ 787,607</u>	<u>\$ (607,432)</u>	<u>\$ 3,419,470</u>	<u>\$ 408,489</u>	<u>\$ 719,550</u>	<u>\$ (356,076)</u>	<u>\$ 4,191,433</u>

(a) Balances as of December 31, 2010

(b) Eliminate investment in subsidiaries

(c) Eliminate intercompany receivables and payables

(d) Eliminate intercompany preferred stock investment

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating balance sheets by industry segment as of March 31, 2011 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
Liabilities:									
Accounts payable and accrued expenses	\$ 854	\$ 294,387	\$ 3,729	\$ -	\$ 298,970	\$ -	\$ 5,036	\$ -	\$ 304,006
Notes, loans and leases payable	-	693,801	704,041	-	1,397,842	-	-	-	1,397,842
Policy benefits and losses, claims and loss expenses payable	-	397,381	-	-	397,381	276,726	260,127	-	934,234
Liabilities from investment contracts	-	-	-	-	-	-	255,134	-	255,134
Other policyholders' funds and liabilities	-	-	-	-	-	4,820	3,911	-	8,731
Deferred income	-	27,209	-	-	27,209	-	-	-	27,209
Deferred income taxes	294,518	-	-	-	294,518	(29,519)	6,541	(283)	271,257
Related party liabilities	-	858,655	233,618	(1,089,457) (c)	2,816	1,816	136	(4,768) (c)	-
Total liabilities	295,372	2,271,433	941,388	(1,089,457)	2,418,736	253,843	530,885	(5,051)	3,198,413
Stockholders' equity:									
Series preferred stock:									
Series A preferred stock	-	-	-	-	-	-	-	-	-
Series B preferred stock	-	-	-	-	-	-	-	-	-
Series A common stock	-	-	-	-	-	-	-	-	-
Common stock	10,497	540	1	(541) (b)	10,497	3,301	2,500	(5,801) (b)	10,497
Additional paid-in capital	432,611	121,230	147,941	(269,171) (b)	432,611	89,620	26,271	(123,290) (b,d)	425,212
Accumulated other comprehensive loss	(45,942)	(57,328)	-	57,328 (b)	(45,942)	2,707	9,951	(13,183) (b,d)	(46,467)
Retained earnings (deficit)	1,139,792	(392,686)	(301,723)	694,409 (b)	1,139,792	59,018	149,943	(208,751) (b,d)	1,140,002
Cost of common shares in treasury, net	(525,653)	-	-	-	(525,653)	-	-	-	(525,653)
Cost of preferred shares in treasury, net	(7,189)	-	-	-	(7,189)	-	-	-	(7,189)
Unearned employee stock ownership plan shares	-	(3,382)	-	-	(3,382)	-	-	-	(3,382)
Total stockholders' equity (deficit)	1,004,116	(331,626)	(153,781)	482,025	1,000,734	154,646	188,665	(351,025)	993,020
Total liabilities and stockholders' equity	\$ 1,299,488	\$ 1,939,807	\$ 787,607	\$ (607,432)	\$ 3,419,470	\$ 408,489	\$ 719,550	\$ (356,076)	\$ 4,191,433

- (a) Balances as of December 31, 2010
(b) Eliminate investment in subsidiaries
(c) Eliminate intercompany receivables and payables
(d) Eliminate intercompany preferred stock investment

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating statements of operations by industry segment for period ending March 31, 2012 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
	(In thousands)								
Revenues:									
Self-moving equipment rentals	\$ -	\$ 1,679,963	\$ -	\$ -	\$ 1,679,963	\$ -	\$ -	\$ (1,707) (c)	\$ 1,678,256
Self-storage revenues	-	133,070	1,306	-	134,376	-	-	-	134,376
Self-moving & self-storage products & service sales	-	213,854	-	-	213,854	-	-	-	213,854
Property management fees	-	23,266	-	-	23,266	-	-	-	23,266
Life insurance premiums	-	-	-	-	-	-	277,562	-	277,562
Property and casualty insurance premiums	-	-	-	-	-	32,631	-	-	32,631
Net investment and interest income	5,857	20,577	698	-	27,132	9,955	28,775	(1,662) (b,e)	64,200
Other revenue	228	83,894	80,318	(86,108) (b)	78,332	-	1,585	(1,387) (b)	78,530
Total revenues	6,085	2,154,624	82,322	(86,108)	2,156,923	42,586	307,922	(4,756)	2,502,675
Costs and expenses:									
Operating expenses	9,081	1,121,681	9,468	(86,108) (b)	1,054,122	13,270	28,885	(3,087) (b,c)	1,093,190
Commission expenses	-	212,190	-	-	212,190	-	-	-	212,190
Cost of sales	-	116,542	-	-	116,542	-	-	-	116,542
Benefits and losses	-	-	-	-	-	65,742	245,097	-	310,839
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	13,791	-	13,791
Lease expense	93	132,286	23	-	132,402	-	-	(1,187) (b)	131,215
Depreciation, net of (gains) losses on disposals	5	195,469	13,427	-	208,901	-	-	-	208,901
Total costs and expenses	9,179	1,778,168	22,918	(86,108)	1,724,157	79,012	287,773	(4,274)	2,086,668
Earnings (loss) from operations before equity in earnings of subsidiaries	(3,094)	376,456	59,404	-	432,766	(36,426)	20,149	(482)	416,007
Equity in earnings of subsidiaries	149,160	-	-	(159,538) (d)	(10,378)	-	-	10,378 (d)	-
Earnings (loss) from operations	146,066	376,456	59,404	(159,538)	422,388	(36,426)	20,149	9,896	416,007
Interest income (expense)	94,278	(132,781)	(52,022)	-	(90,525)	-	-	154 (b)	(90,371)
Pretax earnings (loss)	240,344	243,675	7,382	(159,538)	331,863	(36,426)	20,149	10,050	325,636
Income tax benefit (expense)	(34,649)	(88,096)	(3,423)	-	(126,168)	12,863	(6,964)	-	(120,269)
Net earnings (loss)	205,695	155,579	3,959	(159,538)	205,695	(23,563)	13,185	10,050	205,367
Less: Excess of redemption value over carrying value of preferred shares redeemed	(5,908)	-	-	-	(5,908)	-	-	-	(5,908)
Less: Preferred stock dividends	(3,241)	-	-	-	(3,241)	-	-	328 (e)	(2,913)
Earnings (loss) available to common shareholders	\$ 196,546	\$ 155,579	\$ 3,959	\$ (159,538)	\$ 196,546	\$ (23,563)	\$ 13,185	\$ 10,378	\$ 196,546
(a) Balances for the year ended December 31, 2011									
(b) Eliminate intercompany lease / interest income									
(c) Eliminate intercompany premiums									
(d) Eliminate equity in earnings of subsidiaries									
(e) Eliminate preferred stock dividends paid to affiliates									

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating statements of operations by industry segment for period ending March 31, 2011 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
Revenues:									
Self-moving equipment rentals	\$ -	\$ 1,549,058	\$ -	\$ -	\$ 1,549,058	\$ -	\$ -	\$ (2,043) (c)	\$ 1,547,015
Self-storage revenues	-	119,359	1,339	-	120,698	-	-	-	120,698
Self-moving & self-storage products & service sales	-	205,570	-	-	205,570	-	-	-	205,570
Property management fees	-	22,132	-	-	22,132	-	-	-	22,132
Life insurance premiums	-	-	-	-	-	-	206,992	-	206,992
Property and casualty insurance premiums	-	-	-	-	-	30,704	-	-	30,704
Net investment and interest income	5,140	20,562	-	-	25,702	7,959	20,738	(1,738) (b,e)	52,661
Other revenue	20	60,230	77,947	(83,531) (b)	54,666	-	2,181	(1,344) (b)	55,503
Total revenues	5,160	1,976,911	79,286	(83,531)	1,977,826	38,663	229,911	(5,125)	2,241,275
Costs and expenses:									
Operating expenses	7,489	1,050,921	9,473	(83,531) (b)	984,352	15,824	29,754	(3,353) (b,c)	1,026,577
Commission expenses	-	190,981	-	-	190,981	-	-	-	190,981
Cost of sales	-	106,024	-	-	106,024	-	-	-	106,024
Benefits and losses	-	-	-	-	-	17,201	173,228	-	190,429
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	9,494	-	9,494
Lease expense	90	151,918	22	-	152,030	-	-	(1,221) (b)	150,809
Depreciation, net of (gains) losses on disposals	9	177,116	12,141	-	189,266	-	-	-	189,266
Total costs and expenses	7,588	1,676,960	21,636	(83,531)	1,622,653	33,025	212,476	(4,574)	1,863,580
Earnings (loss) from operations before equity in earnings of subsidiaries	(2,428)	299,951	57,650	-	355,173	5,638	17,435	(551)	377,695
Equity in earnings of subsidiaries	132,570	-	-	(117,643) (d)	14,927	-	-	(14,927) (d)	-
Earnings from operations	130,142	299,951	57,650	(117,643)	370,100	5,638	17,435	(15,478)	377,695
Interest income (expense)	85,584	(129,516)	(44,449)	-	(88,381)	-	-	-	(88,381)
Pretax earnings (loss)	215,726	170,435	13,201	(117,643)	281,719	5,638	17,435	(15,478)	289,314
Income tax benefit (expense)	(31,600)	(60,342)	(5,651)	-	(97,593)	(1,831)	(6,315)	-	(105,739)
Net earnings (loss)	184,126	110,093	7,550	(117,643)	184,126	3,807	11,120	(15,478)	183,575
Less: Excess of redemption value over carrying value of preferred shares redeemed	-	-	-	-	-	-	-	(178)	(178)
Less: Preferred stock dividends	(12,963)	-	-	-	(12,963)	-	-	551 (e)	(12,412)
Earnings (loss) available to common shareholders	\$ 171,163	\$ 110,093	\$ 7,550	\$ (117,643)	\$ 171,163	\$ 3,807	\$ 11,120	\$ (15,105)	\$ 170,985
(a) Balances for the year ended December 31, 2010									
(b) Eliminate intercompany lease income									
(c) Eliminate intercompany premiums									
(d) Eliminate equity in earnings of subsidiaries									
(e) Elimination of preferred stock dividend paid to affiliate									

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating statements of operations by industry segment for period ending March 31, 2010 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Eliminations	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Eliminations	AMERCO Consolidated
	(In thousands)								
Revenues:									
Self-moving equipment rentals	\$ -	\$ 1,421,331	\$ -	\$ -	\$ 1,421,331	\$ -	\$ -	\$ (1,605) (c)	\$ 1,419,726
Self-storage revenues	-	109,047	1,322	-	110,369	-	-	-	110,369
Self-moving & self-storage products & service sales	-	198,785	-	-	198,785	-	-	-	198,785
Property management fees	-	21,632	-	-	21,632	-	-	-	21,632
Life insurance premiums	-	-	-	-	-	-	134,345	-	134,345
Property and casualty insurance premiums	-	-	-	-	-	27,625	-	-	27,625
Net investment and interest income	4,390	21,665	-	-	26,055	6,765	18,463	(1,294) (b,e)	49,989
Other revenue	-	43,836	74,481	(80,167) (b)	38,150	-	2,917	(1,533) (b)	39,534
Total revenues	4,390	1,816,296	75,803	(80,167)	1,816,322	34,390	155,725	(4,432)	2,002,005
Costs and expenses:									
Operating expenses	8,120	1,050,844	8,064	(80,167) (b)	986,861	13,552	24,752	(3,104) (b,c)	1,022,061
Commission expenses	-	169,104	-	-	169,104	-	-	-	169,104
Cost of sales	-	104,049	-	-	104,049	-	-	-	104,049
Benefits and losses	-	-	-	-	-	14,559	106,546	-	121,105
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	7,569	-	7,569
Lease expense	85	158,079	8	-	158,172	-	-	(1,221) (b)	156,951
Depreciation, net of (gains) losses on disposals	17	214,625	12,987	-	227,629	-	-	-	227,629
Total costs and expenses	8,222	1,696,701	21,059	(80,167)	1,645,815	28,111	138,867	(4,325)	1,808,468
Earnings (loss) from operations before equity in earnings of subsidiaries	(3,832)	119,595	54,744	-	170,507	6,279	16,858	(107)	193,537
Equity in earnings of subsidiaries	7,208	-	-	7,614 (d)	14,822	-	-	(14,822) (d)	-
Earnings from operations	3,376	119,595	54,744	7,614	185,329	6,279	16,858	(14,929)	193,537
Interest income (expense)	96,274	(155,519)	(34,102)	-	(93,347)	-	-	-	(93,347)
Pretax earnings (loss)	99,650	(35,924)	20,642	7,614	91,982	6,279	16,858	(14,929)	100,190
Income tax benefit (expense)	(33,920)	16,368	(8,700)	-	(26,252)	(1,796)	(6,519)	-	(34,567)
Net earnings (loss)	65,730	(19,556)	11,942	7,614	65,730	4,483	10,339	(14,929)	65,623
Less: Excess of redemption value over carrying value of preferred shares redeemed	-	-	-	-	-	-	-	388	388
Less: Preferred stock dividends	(12,963)	-	-	-	(12,963)	-	-	107 (e)	(12,856)
Earnings (loss) available to common shareholders	\$ 52,767	\$ (19,556)	\$ 11,942	\$ 7,614	\$ 52,767	\$ 4,483	\$ 10,339	\$ (14,434)	\$ 53,155
(a) Balances for the year ended December 31, 2009									
(b) Eliminate intercompany lease income									
(c) Eliminate intercompany premiums									
(d) Eliminate equity in earnings of subsidiaries									
(e) Elimination of preferred stock dividend paid to affiliate									

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating cash flow statements by industry segment for the year ended March 31, 2012, are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from operating activities:	(In thousands)								
Net earnings (loss)	\$ 205,695	\$ 155,579	\$ 3,959	\$ (159,538)	\$ 205,695	\$ (23,563)	\$ 13,185	\$ 10,050	\$ 205,367
Earnings from consolidated entities	(149,160)	-	-	159,538	10,378	-	-	(10,378)	-
Adjustments to reconcile net earnings to the cash provided by operations:									
Depreciation	5	216,116	13,668	-	229,789	-	-	-	229,789
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	13,791	-	13,791
Change in allowance for losses on trade receivables	-	(206)	-	-	(206)	-	(2)	-	(208)
Change in allowance for inventory reserve	-	1,382	-	-	1,382	-	-	-	1,382
Net gain on sale of real and personal property	-	(20,647)	(241)	-	(20,888)	-	-	-	(20,888)
Net gain on sale of investments	(488)	-	-	-	(488)	(810)	(4,281)	-	(5,579)
Deferred income taxes	109,680	-	-	-	109,680	(12,181)	6,861	-	104,360
Net change in other operating assets and liabilities:									
Reinsurance recoverables and trade receivables	-	(17,683)	-	-	(17,683)	(57,955)	(1,477)	-	(77,115)
Inventories	-	(173)	-	-	(173)	-	-	-	(173)
Prepaid expenses	6,470	9,464	(186)	-	15,748	-	-	-	15,748
Capitalization of deferred policy acquisition costs	-	-	-	-	-	-	(23,166)	-	(23,166)
Other assets	2,380	1,852	2,282	-	6,514	(630)	108	-	5,992
Related party assets	-	(14,301)	63	-	(14,238)	(4,730)	(479)	(5,237)(b)	(24,684)
Accounts payable and accrued expenses	4,163	14,215	(228)	-	18,150	-	1,319	-	19,469
Policy benefits and losses, claims and loss expenses payable	-	(16,621)	-	-	(16,621)	106,213	122,738	-	212,330
Other policyholders' funds and liabilities	-	-	-	-	-	(1,382)	(76)	-	(1,458)
Deferred income	-	4,367	-	-	4,367	-	-	-	4,367
Related party liabilities	-	5,514	-	-	5,514	(272)	39	-	5,281
Net cash provided (used) by operating activities	178,745	338,858	19,317	-	536,920	4,690	128,560	(5,565)	664,605
Cash flows from investing activities:									
Purchases of:									
Property, plant and equipment	(1)	(524,298)	(65,500)	-	(589,799)	-	-	-	(589,799)
Short term investments	-	-	-	-	-	(63,126)	(228,496)	5,237 (b)	(286,385)
Fixed maturities investments	-	-	-	-	-	(34,965)	(185,139)	-	(220,104)
Equity securities	(8,855)	-	-	-	(8,855)	(193)	-	-	(9,048)
Preferred stock	-	-	-	-	-	(2,717)	-	-	(2,717)
Real estate	-	-	(5,064)	-	(5,064)	(165)	(2,600)	-	(7,829)
Mortgage loans	-	(8,758)	(64,469)	-	(73,227)	(45,189)	(33,184)	24,437 (b)	(127,163)
Proceeds from sales of:									
Property, plant and equipment	-	168,386	526	-	168,912	-	-	-	168,912
Short term investments	-	-	-	-	-	95,971	204,860	-	300,831
Fixed maturities investments	-	-	-	-	-	22,982	105,504	-	128,486
Equity securities	8,800	-	-	-	8,800	1,422	-	-	10,222
Preferred stock	-	-	-	-	-	7,352	2,708	(7,708)(b)	2,352
Real estate	-	-	-	-	-	310	130	-	440
Mortgage loans	-	9,263	45,685	-	54,948	14,390	9,939	(24,437)(b)	54,840
Net cash provided (used) by investing activities	(56)	(355,407)	(88,822)	-	(444,285)	(3,928)	(126,278)	(2,471)	(576,962)

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(a) Balance for the period ended December 31, 2011

(b) Eliminate intercompany investments

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Continuation of consolidating cash flow statements by industry segment for the year ended March 31, 2012, are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from financing activities:	(In thousands)								
Borrowings from credit facilities	-	153,860	83,920	-	237,780	-	-	-	237,780
Principal repayments on credit facilities	-	(130,641)	(71,247)	-	(201,888)	-	-	-	(201,888)
Debt issuance costs	-	(1,402)	(602)	-	(2,004)	-	-	-	(2,004)
Capital lease payments	-	(8,328)	-	-	(8,328)	-	-	-	(8,328)
Leveraged Employee Stock Ownership Plan - repayments from loan	-	984	-	-	984	-	-	-	984
Securitization deposits	-	42,088	-	-	42,088	-	-	-	42,088
Proceeds from (repayment of) intercompany loans	(52,051)	(5,401)	57,452	-	-	-	-	-	-
Preferred stock redemption paid	(151,997)	-	-	-	(151,997)	-	-	7,708 (b)	(144,289)
Preferred stock dividends paid	(3,241)	-	-	-	(3,241)	-	-	328 (c)	(2,913)
Common stock dividends paid	(19,484)	-	-	-	(19,484)	-	-	-	(19,484)
Contribution to related party	(518)	-	-	-	(518)	-	-	-	(518)
Investment contract deposits	-	-	-	-	-	-	13,854	-	13,854
Investment contract withdrawals	-	-	-	-	-	-	(28,027)	-	(28,027)
Net cash provided (used) by financing activities	(227,291)	51,160	69,523	-	(106,608)	-	(14,173)	8,036	(112,745)
Effects of exchange rate on cash	-	(294)	-	-	(294)	-	-	-	(294)
Increase (decrease) in cash and cash equivalents	(48,602)	34,317	18	-	(14,267)	762	(11,891)	-	(25,396)
Cash and cash equivalents at beginning of period	250,104	72,634	757	-	323,495	14,700	37,301	-	375,496
Cash and cash equivalents at end of period	<u>\$ 201,502</u>	<u>\$ 106,951</u>	<u>\$ 775</u>	<u>\$ -</u>	<u>\$ 309,228</u>	<u>\$ 15,462</u>	<u>\$ 25,410</u>	<u>\$ -</u>	<u>\$ 350,100</u>

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(a) Balance for the period ended December 31, 2011

(b) Eliminate intercompany investments

(c) Eliminate preferred stock dividends paid to affiliate

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating cash flow statements by industry segment for the year ended March 31, 2011, are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from operating activities:									
Net earnings	\$ 184,126	\$ 110,093	\$ 7,550	\$ (117,643)	\$ 184,126	\$ 3,807	\$ 11,120	\$ (15,478)	\$ 183,575
Earnings from consolidated subsidiaries	(132,570)	-	-	117,643	(14,927)	-	-	14,927	-
Adjustments to reconcile net earnings to the cash provided by operations:									
Depreciation	9	198,991	13,324	-	212,324	-	-	-	212,324
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	9,494	-	9,494
Change in allowance for losses on trade receivables	-	30	-	-	30	-	(2)	-	28
Change in allowance for inventory reserve	-	(674)	-	-	(674)	-	-	-	(674)
Net gain on sale of real and personal property	-	(21,875)	(1,183)	-	(23,058)	-	-	-	(23,058)
Net (gain) loss on sale of investments	(65)	(11)	-	-	(76)	285	(1,344)	-	(1,135)
Deferred income taxes	73,790	-	-	-	73,790	1,960	5,148	-	80,898
Net change in other operating assets and liabilities:									
Reinsurance recoverables and trade receivables	-	(1,443)	-	-	(1,443)	(5,137)	614	-	(5,966)
Inventories	-	(6,431)	-	-	(6,431)	-	-	-	(6,431)
Prepaid expenses	(15,966)	11,773	(51)	-	(4,244)	-	-	-	(4,244)
Capitalization of deferred policy acquisition costs	-	-	-	-	-	-	(25,239)	-	(25,239)
Other assets	34,937	(6,695)	238	-	28,480	30	205	-	28,715
Related party assets	273	55	(64)	-	264	(351)	-	-	(87)
Accounts payable and accrued expenses	(8,603)	18,923	(486)	-	9,834	-	2,713	-	12,547
Policy benefits and losses, claims and loss expenses payable	-	10,994	-	-	10,994	4,288	94,052	-	109,334
Other policyholders' funds and liabilities	-	-	-	-	-	(789)	1,355	-	566
Deferred income	-	1,967	-	-	1,967	-	-	-	1,967
Related party liabilities	-	83	-	-	83	157	9	-	249
Net cash provided (used) by operating activities	135,931	315,780	19,328	-	471,039	4,250	98,125	(551)	572,863
Cash flows from investing activities:									
Purchases of:									
Property, plant and equipment	(5)	(407,526)	(72,887)	-	(480,418)	-	-	-	(480,418)
Short term investments	-	-	-	-	-	(76,381)	(184,385)	-	(260,766)
Fixed maturities investments	-	-	-	-	-	(34,580)	(181,351)	-	(215,931)
Equity securities	(8,253)	-	-	-	(8,253)	(3,297)	-	-	(11,550)
Preferred stock	-	-	-	-	-	(11,644)	(2,708)	-	(14,352)
Real estate	-	-	-	-	-	(76)	(117)	-	(193)
Mortgage loans	-	(13,117)	(8,692)	-	(21,809)	(13,244)	(7,395)	3,890 (b)	(38,558)
Other investments	-	-	-	-	-	-	(2,000)	-	(2,000)
Proceeds from sales of:									
Property, plant and equipment	-	179,043	1,368	-	180,411	-	-	-	180,411
Short term investments	-	-	-	-	-	99,112	211,083	-	310,195
Fixed maturities investments	-	-	-	-	-	23,275	108,706	-	131,981
Equity securities	1,065	-	-	-	1,065	133	-	-	1,198
Preferred stock	-	-	-	-	-	1,914	-	-	1,914
Real estate	-	-	125	-	125	309	1,491	-	1,925
Mortgage loans	-	5,412	2,995	-	8,407	6,106	4,533	(3,890)(b)	15,156
Net cash provided (used) by investing activities	(7,193)	(236,188)	(77,091)	-	(320,472)	(8,373)	(52,143)	-	(380,988)

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(a) Balance for the period ended December 31, 2010

(b) Eliminate intercompany investments

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Continuation of consolidating cash flow statements by industry segment for the year ended March 31, 2011, are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from financing activities:									
Borrowings from credit facilities	-	257,728	64,134	-	321,862	-	-	-	321,862
Principal repayments on credit facilities	-	(90,084)	(198,798)	-	(288,882)	-	-	-	(288,882)
Debt issuance costs	-	(1,987)	-	-	(1,987)	-	-	-	(1,987)
Capital lease payments	-	(11,522)	-	-	(11,522)	-	-	-	(11,522)
Leveraged Employee Stock Ownership Plan - repayments from loan	-	1,172	-	-	1,172	-	-	-	1,172
Securitization deposits	-	(46,031)	-	-	(46,031)	-	-	-	(46,031)
Proceeds from (repayment of) intercompany loans	30,566	(223,746)	193,180	-	-	-	-	-	-
Preferred stock dividends paid	(12,963)	-	-	-	(12,963)	-	-	551 (b)	(12,412)
Dividend from (to) related party	3,303	-	-	-	3,303	(3,303)	-	-	-
Investment contract deposits	-	-	-	-	-	-	11,580	-	11,580
Investment contract withdrawals	-	-	-	-	-	-	(34,548)	-	(34,548)
Net cash provided (used) by financing activities	20,906	(114,470)	58,516	-	(35,048)	(3,303)	(22,968)	551	(60,768)
Effects of exchange rate on cash	-	271	-	-	271	-	-	-	271
Increase (decrease) in cash and cash equivalents	149,644	(34,607)	753	-	115,790	(7,426)	23,014	-	131,378
Cash and cash equivalents at beginning of period	100,460	107,241	4	-	207,705	22,126	14,287	-	244,118
Cash and cash equivalents at end of period	\$ 250,104	\$ 72,634	\$ 757	\$ -	\$ 323,495	\$ 14,700	\$ 37,301	\$ -	\$ 375,496

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(a) Balance for the period ended December 31, 2010

(b) Eliminate preferred stock dividends paid to affiliates

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidating cash flow statements by industry segment for the year ended March 31, 2010 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from operating activities:									
Net earnings (loss)	\$ 65,730	\$ (19,556)	\$ 11,942	\$ 7,614	\$ 65,730	\$ 4,483	\$ 10,339	\$ (14,929)	\$ 65,623
Earnings from consolidated subsidiaries	(7,208)	-	-	(7,614)	(14,822)	-	-	14,822	-
Adjustments to reconcile net earnings to cash provided by operations:									
Depreciation	17	216,685	12,887	-	229,589	-	-	-	229,589
Amortization of deferred policy acquisition costs	-	-	-	-	-	-	7,569	-	7,569
Change in allowance for losses on trade receivables	-	(158)	-	-	(158)	-	(5)	-	(163)
Change in allowance for losses on mortgage notes	-	(6)	-	-	(6)	-	-	-	(6)
Change in allowance for inventory reserve	-	1,153	-	-	1,153	-	-	-	1,153
Net (gain) loss on sale of real and personal property	-	(2,060)	100	-	(1,960)	-	-	-	(1,960)
Net (gain) loss on sale of investments	-	-	-	-	-	710	(378)	-	332
Deferred income taxes	7,828	-	-	-	7,828	1,876	5,793	-	15,497
Net change in other operating assets and liabilities:									
Reinsurance recoverables and trade receivables	-	625	31	-	656	16,793	663	-	18,112
Inventories	-	16,759	-	-	16,759	-	-	-	16,759
Prepaid expenses	1,129	(304)	(3)	-	822	-	-	-	822
Capitalization of deferred policy acquisition costs	-	-	-	-	-	-	(13,934)	-	(13,934)
Other assets	5,187	28,076	1,573	-	34,836	(65)	(145)	-	34,626
Related party assets	665	899	34	-	1,598	771	-	-	2,369
Accounts payable and accrued expenses	11,604	(7,188)	(3,305)	-	1,111	-	(4,207)	-	(3,096)
Policy benefits and losses, claims and loss expenses payable	-	24,228	-	-	24,228	(16,011)	25,154	-	33,371
Other policyholders' funds and liabilities	-	-	-	-	-	(4,167)	356	-	(3,811)
Deferred income	-	396	-	-	396	-	-	-	396
Related party liabilities	-	(62)	-	-	(62)	(742)	77	-	(727)
Net cash provided (used) by operating activities	84,952	259,487	23,259	-	367,698	3,648	31,282	(107)	402,521
Cash flows from investing activities:									
Purchases of:									
Property, plant and equipment	(3)	(233,136)	(26,352)	-	(259,491)	-	-	-	(259,491)
Short term investments	-	-	-	-	-	(130,977)	(191,689)	-	(322,666)
Fixed maturities investments	-	-	-	-	-	(37,071)	(112,675)	-	(149,746)
Equity securities	(17,745)	-	-	-	(17,745)	(70)	-	-	(17,815)
Preferred stock	-	-	-	-	-	(2,185)	-	-	(2,185)
Real estate	-	(1,752)	-	-	(1,752)	-	(558)	-	(2,310)
Mortgage loans	-	-	-	-	-	(1,364)	(137)	-	(1,501)
Proceeds from sales of:									
Property, plant and equipment	-	141,788	1,081	-	142,869	-	-	-	142,869
Short term investments	-	-	-	-	-	139,593	179,665	-	319,258
Fixed maturities investments	-	-	-	-	-	31,719	131,935	-	163,654
Preferred stock	-	-	-	-	-	4,061	1,016	-	5,077
Real estate	-	-	707	-	707	64	-	-	771
Mortgage loans	-	-	-	-	-	75	6,032	-	6,107
Net cash provided (used) by investing activities	(17,748)	(93,100)	(24,564)	-	(135,412)	3,845	13,589	-	(117,978)

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(a) Balance for the period ended December 31, 2009

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Continuation of consolidating cash flow statements by industry segment for the year ended March 31, 2010 are as follows:

	Moving & Storage				AMERCO Legal Group				
	AMERCO	U-Haul	Real Estate	Elimination	Moving & Storage Consolidated (In thousands)	Property & Casualty Insurance (a)	Life Insurance (a)	Elimination	AMERCO Consolidated
Cash flows from financing activities:									
Borrowings from credit facilities	-	42,794	29,359	-	72,153	-	-	-	72,153
Principal repayments on credit facilities	-	(187,410)	(114,556)	-	(301,966)	-	-	-	(301,966)
Debt issuance costs	-	(2,129)	(216)	-	(2,345)	-	-	-	(2,345)
Capital lease payments	-	(4,057)	-	-	(4,057)	-	-	-	(4,057)
Leveraged Employee Stock Ownership Plan - repayments from loan	-	1,111	-	-	1,111	-	-	-	1,111
Proceeds from (repayment of) intercompany loans	38,417	(125,139)	86,722	-	-	-	-	-	-
Preferred stock dividends paid	(12,963)	-	-	-	(12,963)	-	-	107 (b)	(12,856)
Dividend from (to) related party	7,764	-	-	-	7,764	(4,564)	(3,200)	-	-
Investment contract deposits	-	-	-	-	-	-	12,856	-	12,856
Investment contract withdrawals	-	-	-	-	-	-	(48,552)	-	(48,552)
Net cash provided (used) by financing activities	33,218	(274,830)	1,309	-	(240,303)	(4,564)	(38,896)	107	(283,656)
Effects of exchange rate on cash	-	2,644	-	-	2,644	-	-	-	2,644
Increase (decrease) in cash and cash equivalents	100,422	(105,799)	4	-	(5,373)	2,929	5,975	-	3,531
Cash and cash equivalents at beginning of period	38	213,040	-	-	213,078	19,197	8,312	-	240,587
Cash and cash equivalents at end of period	\$ 100,460	\$ 107,241	\$ 4	\$ -	\$ 207,705	\$ 22,126	\$ 14,287	\$ -	\$ 244,118

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(a) Balance for the period ended December 31, 2009

(b) Eliminate preferred stock dividends paid to affiliate

AMERCO AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Note 24. Subsequent Events

Our management has evaluated subsequent events occurring after March 31, 2012, the date of our most recent balance sheet date, through the date our financial statements were issued. We do not believe any other subsequent events have occurred that would require further disclosure or adjustment to our financial statements than those stated below.

Related Party

In April 2012, we received \$52.2 million from SAC Holding Corporation as full repayment of principal and accrued interest for one of its junior notes. Also in April 2012 and May 2012, we received \$46.0 million and \$20.4 million, respectively from SAC Holding II Corporation as partial repayment on its junior note.

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF AMERCO
BALANCE SHEETS

	March 31,	
	2012	2011
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$ 201,502	\$ 250,104
Investment in subsidiaries	8,168	(138,714)
Related party assets	1,201,385	1,146,296
Other assets	27,030	41,802
Total assets	<u>\$ 1,438,085</u>	<u>\$ 1,299,488</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Other liabilities	<u>\$ 399,867</u>	<u>\$ 295,372</u>
	399,867	295,372
Stockholders' equity:		
Preferred stock	-	-
Common stock	10,497	10,497
Additional paid-in capital	433,953	432,611
Accumulated other comprehensive loss	(45,436)	(45,942)
Retained earnings:		
Beginning of period	1,139,792	968,629
Net earnings	205,695	184,126
Excess of redemption value over carrying value of preferred shares redeemed	(5,908)	-
Dividends	<u>(22,725)</u>	<u>(12,963)</u>
End of period	1,316,854	1,139,792
Cost of common shares in treasury	(525,653)	(525,653)
Cost of preferred shares in treasury	<u>(151,997)</u>	<u>(7,189)</u>
Total stockholders' equity	<u>1,038,218</u>	<u>1,004,116</u>
Total liabilities and stockholders' equity	<u>\$ 1,438,085</u>	<u>\$ 1,299,488</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED FINANCIAL INFORMATION OF AMERCO

STATEMENTS OF OPERATIONS

	Years Ended March 31,		
	2012	2011	2010
	(In thousands, except share and per share data)		
Revenues:			
Net interest income from subsidiaries	\$ 6,085	\$ 5,160	\$ 4,390
Expenses:			
Operating expenses	9,081	7,489	8,120
Other expenses	98	99	102
Total expenses	9,179	7,588	8,222
Equity in earnings of subsidiaries	149,160	132,570	7,208
Interest income	94,278	85,584	96,274
Pretax earnings	240,344	215,726	99,650
Income tax expense	(34,649)	(31,600)	(33,920)
Net earnings	205,695	184,126	65,730
Less: Excess of redemption value over carrying value of preferred shares redeemed	(5,908)	-	-
Less: Preferred stock dividends	(3,241)	(12,963)	(12,963)
Earnings available to common shareholders	\$ 196,546	\$ 171,163	\$ 52,767
Basic and diluted earnings per common share	\$ 10.09	\$ 8.81	\$ 2.72
Weighted average common shares outstanding: Basic and diluted	19,476,187	19,432,781	19,386,791

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED FINANCIAL INFORMATION OF AMERCO

STATEMENTS OF CASH FLOW

	Years Ended March 31,		
	2012	2011	2010
	(In thousands)		
Cash flows from operating activities:			
Net earnings	\$ 205,695	\$ 184,126	\$ 65,730
Change in investments in subsidiaries	(149,160)	(132,570)	(7,208)
Adjustments to reconcile net earnings to cash provided by operations:			
Depreciation	5	9	17
Net gain on sale of investments	(488)	(65)	-
Deferred income taxes	109,680	73,790	7,828
Net change in other operating assets and liabilities:			
Prepaid expenses	6,470	(15,966)	1,129
Other assets	2,380	34,937	5,187
Related party assets	-	273	665
Accounts payable and accrued expenses	4,163	(8,603)	11,604
Net cash provided by operating activities	<u>178,745</u>	<u>135,931</u>	<u>84,952</u>
Cash flows from investing activities:			
Purchases of property, plant and equipment	(1)	(5)	(3)
Purchases of equity securities	(8,855)	(8,253)	(17,745)
Proceeds of equity securities	8,800	1,065	-
Net cash used by investing activities	<u>(56)</u>	<u>(7,193)</u>	<u>(17,748)</u>
Cash flows from financing activities:			
Proceeds from (repayments) of intercompany loans	(52,051)	30,566	38,417
Preferred stock redemption paid	(151,997)	-	-
Preferred stock dividends paid	(3,241)	(12,963)	(12,963)
Common stock dividends paid	(19,484)	-	-
Dividend from related party	-	3,303	7,764
Contribution to related party	(518)	-	-
Net cash provided (used) by financing activities	<u>(227,291)</u>	<u>20,906</u>	<u>33,218</u>
Increase (decrease) in cash and cash equivalents	(48,602)	149,644	100,422
Cash and cash equivalents at beginning of period	250,104	100,460	38
Cash and cash equivalents at end of period	<u>\$ 201,502</u>	<u>\$ 250,104</u>	<u>\$ 100,460</u>

Income taxes paid, net of income taxes refunds received, amounted to \$10.7 million, \$14.3 million and \$1.6 million for fiscal 2012, 2011 and 2010, respectively.

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED FINANCIAL INFORMATION OF AMERCO

NOTES TO CONDENSED FINANCIAL INFORMATION

MARCH 31, 2012, 2011, AND 2010

1. Summary of Significant Accounting Policies

AMERCO, a Nevada corporation, was incorporated in April, 1969, and is the holding Company for U-Haul International, Inc., Amerco Real Estate Company, Repwest Insurance Company and Oxford Life Insurance Company. The financial statements of the Registrant should be read in conjunction with the Consolidated Financial Statements and notes thereto included in this Annual Report.

AMERCO is included in a consolidated Federal income tax return with all of its U.S. subsidiaries. Accordingly, the provision for income taxes has been calculated for Federal income taxes of AMERCO and subsidiaries included in the consolidated return of the Registrant. State taxes for all subsidiaries are allocated to the respective subsidiaries.

The financial statements include only the accounts of AMERCO, which include certain of the corporate operations of AMERCO. The interest in AMERCO's majority owned subsidiaries is accounted for on the equity method. The intercompany interest income and expenses are eliminated in the Consolidated Financial Statements.

2. Guarantees

AMERCO has guaranteed performance of certain long-term leases and other obligations. See Note 19, Contingent Liabilities and Commitments and Note 21, Related Party Transactions of the Notes to Consolidated Financial Statements.

SCHEDULE II

AMERCO AND CONSOLIDATED SUBSIDIARIES VALUATION AND QUALIFYING ACCOUNTS

Years Ended March 31, 2012, 2011 and 2010

	<u>Balance at Beginning of Year</u>	<u>Additions Charged to Costs and Expenses</u>	<u>Additions Charged to Other Accounts</u>	<u>Deductions</u>	<u>Balance at Year End</u>
Year ended March 31, 2012 (In thousands)					
Allowance for doubtful accounts					
(deducted from trade receivable)	\$ 1,336	\$ 1,485	\$ -	\$ (1,693)	\$ 1,128
Allowance for doubtful accounts					
(deducted from notes and mortgage receivable)	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for obsolescence					
(deducted from inventory)	\$ 595	\$ 135	\$ -	\$ -	\$ 730
Allowance for probable losses					
(deducted from mortgage loans)	\$ 370	\$ -	\$ -	\$ -	\$ 370
Year ended March 31, 2011					
Allowance for doubtful accounts					
(deducted from trade receivable)	\$ 1,308	\$ 2,611	\$ -	\$ (2,583)	\$ 1,336
Allowance for doubtful accounts					
(deducted from notes and mortgage receivable)	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for obsolescence					
(deducted from inventory)	\$ 2,600	\$ -	\$ -	\$ (2,005)	\$ 595
Allowance for probable losses					
(deducted from mortgage loans)	\$ 370	\$ -	\$ -	\$ -	\$ 370
Year ended March 31, 2010					
Allowance for doubtful accounts					
(deducted from trade receivable)	\$ 1,471	\$ 2,141	\$ -	\$ (2,304)	\$ 1,308
Allowance for doubtful accounts					
(deducted from notes and mortgage receivable)	\$ 6	\$ -	\$ -	\$ (6)	\$ -
Allowance for obsolescence					
(deducted from inventory)	\$ 941	\$ 1,659	\$ -	\$ -	\$ 2,600
Allowance for probable losses					
(deducted from mortgage loans)	\$ 621	\$ -	\$ -	\$ (251)	\$ 370

SCHEDULE V

AMERCO AND CONSOLIDATED SUBSIDIARIES SUPPLEMENTAL INFORMATION (FOR PROPERTY-CASUALTY INSURANCE OPERATIONS) Years Ended December 31, 2011, 2010 AND 2009

Fiscal Year	Affiliation with Registrant	Deferred Policy Acquisition Cost	Reserves for Unpaid Claims and Adjustment Expenses	Discount if any, Deducted	Unearned Premiums	Net Earned Premiums (1)	Net Investment Income (2)	Claim and Claim Adjustment Expenses Incurred Related to Current Year	Claim and Claim Adjustment Expenses Incurred Related to Prior Year	Amortization of Deferred Policy Acquisition Costs	Paid Claims and Claim Adjustment Expense	Net Premiums Written (1)
(In thousands)												
2012	Consolidated property casualty entity	\$ -	\$ 382,328	N/A	\$ -	\$ 32,631	\$ 9,664	\$ 9,297	\$ 56,445	\$ -	\$ 16,319	\$ 32,627
2011	Consolidated property casualty entity	\$ -	\$ 276,355	N/A	\$ 4	\$ 30,704	\$ 8,234	\$ 9,453	\$ 7,832	\$ -	\$ 17,211	\$ 30,706
2010	Consolidated property casualty entity	-	271,677	N/A	2	27,625	7,411	8,043	6,516	-	19,996	27,608

(1) The earned and written premiums are reported net of intersegment transactions. There were no earned premiums eliminated for the years ended December 31, 2011, 2010 and 2009, respectively.

(2) Net Investment Income excludes net realized (gains) losses on investments of (\$0.3) million, \$0.3 million and \$0.6 million for the years ended December 31, 2011, 2010 and 2009, respectively.

SIGNATURES

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

AMERCO

Date: June 6, 2012

/s/ Edward J. Shoen

Edward J. Shoen
President and Chairman of the Board
(Duly Authorized Officer)

Date: June 6, 2012

/s/ Jason A. Berg

Jason A. Berg
Chief Accounting Officer
(Principal Financial Officer)

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Edward J. Shoen his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act or things requisite and necessary to be done in and about the premises, as fully and to all intents and purposes as he might or could do in person hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Edward J. Shoen</u> Edward J. Shoen	President and Chairman of the Board (Principal Executive Officer)	June 6, 2012
<u>/s/ Jason A. Berg</u> Jason A. Berg	Chief Accounting Officer (Principal Financial Officer)	June 6, 2012
<u>/s/ Charles J. Bayer</u> Charles J. Bayer	Director	June 6, 2012
<u>/s/ John P. Brogan</u> John P. Brogan	Director	June 6, 2012
<u>/s/ John M. Dodds</u> John M. Dodds	Director	June 6, 2012
<u>/s/ Michael L. Gallagher</u> Michael L. Gallagher	Director	June 6, 2012
<u>/s/ M. Frank Lyons</u> M. Frank Lyons	Director	June 6, 2012
<u>/s/ Daniel R. Mullen</u> Daniel R. Mullen	Director	June 6, 2012
<u>/s/ James P. Shoen</u> James P. Shoen	Director	June 6, 2012

AMERCO,
Issuer

to

U.S. BANK NATIONAL ASSOCIATION,
Trustee

EIGHTH SUPPLEMENTAL
INDENTURE

Dated as of
April 12, 2011

TO

U-HAUL INVESTORS CLUB INDENTURE

Dated as of
February 14, 2011

7% SECURED NOTES SERIES UIC-12A DUE TWELVE YEARS FROM ISSUE DATE

THIS EIGHTH SUPPLEMENTAL INDENTURE, dated as of April 12, 2011 (the "Supplemental Indenture"), is entered into between AMERCO, a corporation duly organized and existing under the laws of the State of Nevada (hereinafter called the "Company"), having its principal executive office located at 1325 Airmotive Way, Suite 100, Reno, Nevada 89502, and U.S. Bank National Association, a national banking association (hereinafter called the "Trustee").

RECITALS

The Company and the Trustee entered into the U-Haul Investors Club Indenture, dated as of February 14, 2011 (the "Base Indenture", and together with the Supplemental Indenture, the "Indenture"), to provide for the issuance by the Company from time to time of its debentures, notes or other evidences of indebtedness (hereinafter called the "Securities"), unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series.

The Company has duly authorized, and desires to cause to be established, a series of its notes to be known as its "7% Secured Notes Series UIC-12A due Twelve Years From Issue Date" (the "Notes"), the form and substance of and the terms, provisions and conditions thereof to be set forth as provided in the Base Indenture and this Supplemental Indenture.

The Executive Finance Committee of the Board of Directors of the Company has duly authorized the issuance of the Notes and the other amendments to the Indenture provided for in this Supplemental Indenture, and has authorized the proper officers of the Company to execute any and all appropriate documents necessary or appropriate to effect each such issuance.

This Supplemental Indenture is being entered into pursuant to the provisions of Sections 301 and 901 of the Base Indenture. All terms used in this Supplemental Indenture that are not otherwise defined herein will have the meanings assigned to such terms in the Base Indenture.

The Company has requested that the Trustee execute and deliver this Supplemental Indenture, and do all things necessary to make this Supplemental Indenture a valid agreement of the Company, in accordance with its terms.

NOW THEREFORE, in consideration of the premises and the purchase and acceptance of the Notes by the Holders thereof, and for the purpose of setting forth, as provided in the Indenture, the forms and terms of the Notes, the Company covenants and agrees, with the Trustee, as follows:

ARTICLE ONE

GENERAL TERMS AND CONDITIONS OF THE NOTES

Section 1.01 Designation.

The Notes, designated as the "7% Secured Notes Series UIC-12A due Twelve Years from Issue Date", are hereby authorized and established a series of Securities under the Indenture.

Section 1.02 Form and Denomination of Notes.

The Notes will be issued as Book-entry Securities. Therefore, the Notes will not be certificated, and will be registered in the name of the Holders in book-entry form only with the Securities Registrar. For the avoidance of doubt, the Notes will be issued without coupons, and all references to “Global Securities”, “Bearer Securities” and “Coupons” do not apply to the Notes and will be disregarded.

The Notes will be issued in denominations of \$100 and integral multiples of \$100 in excess thereof.

The Notes will be issued over a period of time in sub-series, with each such sub-series of the Notes consisting of up to \$100,000 in aggregate principal amount of Notes, and with each such sub-series being collateralized by its own distinct pool of collateral.

Section 1.03 Principal, Maturity and Interest; Payment Amortization Schedule.

The Notes accrue interest at a rate of 7% per year on the outstanding principal amount, and have such other terms as are stated herein, in the form of definitive Notes or in the Indenture.

The Notes are fully amortizing. Payments of principal and interest on the Notes will be credited to each Holder’s U-Haul Investors Club account, in arrears every three months, throughout the term, commencing three months after the date of issue with respect to the applicable sub-series of the Notes, and ending twelve years from the date of issue of such respective sub-series of the Notes (each such date, a “Credit Date”). Interest on the Notes is calculated based upon the outstanding balance of principal of the Notes at the time interest is due, as reflected in the following principal and interest installment amortization schedule. The following schedule illustrates an investment of \$100 in these notes.

Payment Number	U-Note Balance	Principal	Interest	Payout
1	\$ 100.00	\$ 2.08	\$ 1.75	\$ 3.83
2	\$ 97.92	\$ 2.08	\$ 1.71	\$ 3.79
3	\$ 95.84	\$ 2.08	\$ 1.68	\$ 3.76
4	\$ 93.76	\$ 2.08	\$ 1.64	\$ 3.72
5	\$ 91.68	\$ 2.08	\$ 1.60	\$ 3.68
6	\$ 89.60	\$ 2.08	\$ 1.57	\$ 3.65
7	\$ 87.52	\$ 2.08	\$ 1.53	\$ 3.61
8	\$ 85.44	\$ 2.08	\$ 1.50	\$ 3.58
9	\$ 83.36	\$ 2.08	\$ 1.46	\$ 3.54
10	\$ 81.28	\$ 2.08	\$ 1.42	\$ 3.50
11	\$ 79.20	\$ 2.08	\$ 1.39	\$ 3.47
12	\$ 77.12	\$ 2.08	\$ 1.35	\$ 3.43
13	\$ 75.04	\$ 2.08	\$ 1.31	\$ 3.39
14	\$ 72.96	\$ 2.08	\$ 1.28	\$ 3.36
15	\$ 70.88	\$ 2.08	\$ 1.24	\$ 3.32
16	\$ 68.80	\$ 2.08	\$ 1.20	\$ 3.28
17	\$ 66.72	\$ 2.08	\$ 1.17	\$ 3.25
18	\$ 64.64	\$ 2.08	\$ 1.13	\$ 3.21
19	\$ 62.56	\$ 2.08	\$ 1.09	\$ 3.17

20	\$	60.48	\$	2.08	\$	1.06	\$	3.14
21	\$	58.40	\$	2.08	\$	1.02	\$	3.10
22	\$	56.32	\$	2.08	\$	0.99	\$	3.07
23	\$	54.24	\$	2.08	\$	0.95	\$	3.03
24	\$	52.16	\$	2.08	\$	0.91	\$	2.99
25	\$	50.08	\$	2.08	\$	0.88	\$	2.96
26	\$	48.00	\$	2.08	\$	0.84	\$	2.92
27	\$	45.92	\$	2.08	\$	0.80	\$	2.88
28	\$	43.84	\$	2.08	\$	0.77	\$	2.85
29	\$	41.76	\$	2.08	\$	0.73	\$	2.81
30	\$	39.68	\$	2.08	\$	0.69	\$	2.77
31	\$	37.60	\$	2.08	\$	0.66	\$	2.74
32	\$	35.52	\$	2.08	\$	0.62	\$	2.70
33	\$	33.44	\$	2.08	\$	0.59	\$	2.67
34	\$	31.36	\$	2.08	\$	0.55	\$	2.63
35	\$	29.28	\$	2.08	\$	0.51	\$	2.59
36	\$	27.20	\$	2.08	\$	0.48	\$	2.56
37	\$	25.12	\$	2.08	\$	0.44	\$	2.52
38	\$	23.04	\$	2.08	\$	0.40	\$	2.48
39	\$	20.96	\$	2.08	\$	0.37	\$	2.45
40	\$	18.88	\$	2.08	\$	0.33	\$	2.41
41	\$	16.80	\$	2.08	\$	0.29	\$	2.37
42	\$	14.72	\$	2.08	\$	0.26	\$	2.34
43	\$	12.64	\$	2.08	\$	0.22	\$	2.30
44	\$	10.56	\$	2.08	\$	0.18	\$	2.26
45	\$	8.48	\$	2.08	\$	0.15	\$	2.23
46	\$	6.40	\$	2.08	\$	0.11	\$	2.19
47	\$	4.32	\$	2.08	\$	0.08	\$	2.16
48	\$	2.24	\$	2.24	\$	0.04	\$	2.28
Total			\$	100.00	\$	42.94	\$	142.94

The Regular Record Date for installments of principal and interest payments on the Notes is the first day of the month preceding the related Credit Date; *provided, however*, that if a Credit Date falls on a day that is not a Business Day, the required payment installment payment of principal and interest will be made on the next Business Day as if made on the applicable Credit Date, and no interest will accrue on that payment for the period from and after the applicable Credit Date to the next Business Day.

Section 1.04 Limit on Amount of Series.

The Notes will be limited to \$1,200,000 in aggregate principal amount.

Section 1.05 Ranking.

The Notes are the obligations of the Company only. The Notes are not guaranteed by any of the Company's Subsidiaries or Affiliates, and will be structurally subordinated to all of the existing and future liabilities of the Company's Subsidiaries. The Notes are secured in the Collateral (as defined in Section 1.06 below) and will rank equally among themselves.

Section 1.06 Security Agreement; Events of Default.

The Company, the Trustee, U-Haul Leasing & Sales Co., a subsidiary of the Company ("UHLS"), and U-Haul Co. of Michigan, a subsidiary of the Company ("UHC MI", and together with UHLS, "Pledgor") will enter into a Pledge and Security Agreement, substantially in the form attached hereto as Exhibit A (the "Pledge and Security Agreement"), concurrently with the execution of this Supplemental Indenture. The Trustee is hereby directed to execute the Pledge and Security Agreement and to perform its duties as specified therein. Pursuant to the Pledge and Security Agreement, the obligations of the Company with respect to each sub-series of the Notes will be initially secured by a first-priority lien, equally and ratably, on a specified pool of assets owned by Pledgor (as fully described in the Pledge and Security Agreement, the "Collateral"). As new sub-series of the Notes are issued, new schedules to the Pledge and Security Agreement will be added thereto, to identify the specific Collateral being pledged under such sub-series of the Notes. Pursuant to the Pledge and Security Agreement, the Collateral is being pledged by Pledgor to the Trustee, for the benefit of the Holders of the Notes. Subject to certain conditions set forth therein, the Company has the right, in its sole discretion, to make Collateral substitutions. The Pledge and Security Agreement describes, without limitation, the Company's right to make Collateral substitutions and the release of the Trustee's security interest in the Collateral.

With respect to the Notes, "Event of Default", in addition to the meaning given in Section 501 of the Base Indenture, shall include (i) the Company's or Pledgor's default in the performance, or breach of any covenant or representation and warranty in the Pledge and Security Agreement, and continuance of such default or breach (without such default or breach having been waived in accordance of the provisions of this Indenture) for a period of 90 days after there has been given, by registered or certified mail, to the Company and the Pledgor by the Trustee if it has notice or actual knowledge of such event of default or to the Company, the Pledgor and the Trustee by the Holders of at least 51% in principal amount of the Outstanding Notes a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture, (ii) the repudiation or disaffirmation by the Company or the Pledgor of its material obligations under the Pledge and Security Agreement, and (iii) the determination in a judicial proceeding that the Pledge and Security Agreement is unenforceable or invalid against the Pledgor for any reason with respect to a material portion of the Collateral.

Section 1.07 Maturity Date.

Each sub-series of the Notes will mature twelve years following its respective issue date.

Section 1.08 Further Issues.

Without the consent of Holders of not less than 51% of the principal amount of the outstanding Notes, the Company will not issue additional Notes secured by the Collateral. However, the Company has the right, from time to time, without the consent of the Holders of the Notes, but in compliance with the terms of the Indenture, issue other Securities.

Section 1.09 Optional Redemption; Sinking Fund.

The Notes, including any sub-series thereof, may be redeemed by the Company in its sole discretion at any time, in whole or in part, without any penalty, premium or fee, at a price equal to 100% of the principal amount then outstanding, plus accrued and unpaid interest, if any, through the date of redemption. The Company is obligated to use commercially reasonable efforts redeem the Notes from the Holders on a pro rata basis; provided, however, that the Company will not be obligated to redeem fractions of Notes. In the event of a redemption, the Company will cause notices of redemption to be emailed to the email address associated with each respective Holder's U-Haul Investors Club account in accordance with the terms and conditions set forth in the Base Indenture.

The Note are not subject to any sinking fund, and the Company is not obligated to repay any principal and interest due on the Notes before such payments become due. For the avoidance of doubt, Articles XII and XIII contained in the Indenture will not be applicable to the Notes.

Section 1.10 Payment.

Principal and interest payments on the Notes, including without limitation the payment due on each date of Stated Maturity with respect to the Notes, will be credited to each Holder's U-Haul Investors Club account, in U.S. dollars. For the avoidance of doubt, Article XIV of the Indenture will not be applicable to the Notes.

Principal and interest payments on the Notes will be deposited by or on behalf of the Company into one or more segregated accounts maintained by Servicer (as defined in Section 1.16 below) (collectively, the "Investment Account") with a third party financial institution. Servicer, on behalf of the Company, will maintain sub-accounts under the Investment Account for each Holder, which are referred to as "U-Haul Investors Club accounts". The U-Haul Investors Club accounts are record-keeping sub-accounts under the Investment Account that are purely administrative and reflect balances and transactions concerning the funds of each Holder with respect to the Notes. Funds in the Investment Account will always be maintained at an FDIC member financial institution.

Cash funds may remain in a Holder's U-Haul Investors Club account indefinitely and will not earn interest. Upon request by a Holder, made through the U-Haul Investors Club website and such Holder's U-Haul Investors Club account, but subject to specified hold periods as disclosed in the Terms of Use, the Company will transfer, or will cause Servicer to transfer, funds in such Holder's U-Haul Investors Club account to such Holder's linked U.S. outside bank account, by a transfer through the ACH System, provided such funds are not already committed to the purchase of other Securities, or to offset any fees payable by such Holder, pursuant to the U-Haul Investors Club.

Section 1.11 Restrictions on Transfer.

The Notes are not transferable except between members of the U-Haul Investors Club through privately negotiated transactions, as to which neither the Company, the Servicer, the

Trustee, nor any of their respective affiliates will have any involvement. The Notes are not being listed on any securities exchange, and there is no anticipated public market for the Notes.

Upon a transfer of one or more Notes following a privately negotiated transaction with another member of the Company's U-Haul Investors Club, the transferor the transferee and must notify the Company through the U-Haul Investors Club website. Thereafter, the Company will recognize the transfer and re-register the applicable notes in the name of the transferee.

Section 1.12 Fees.

The Company will charge a transfer fee for a Note transfer permitted by Section 1.11 of this Supplemental Indenture equal to \$25.00 per transaction, assessed to the transferor. Such fee will be automatically deducted from the funds in such Holder's U-Haul Investor Club account.

Section 1.13 Company and Trustee Notices.

Holders of the Notes agree to receive all documents, communications, notices, contracts, securities offering materials, account statements, agreements and tax documents, including IRS Form 1099s, arising from the U-Haul Investors Club, or required to be delivered by the Indenture or any Security Documents applicable to the Notes, and to submit all documents, statements, communications, records and notices due from the Holders to the Company, electronically through the U-Haul Investors Club website and the Holders' U-Haul Investors Club accounts. In addition, the Security Registrar agrees to deliver on behalf of the Trustee, and the Holders of the Notes agree to receive, electronically through the U-Haul Investors Club website and the Holders' U-Haul Investors Club accounts, all reports of the Trustee required to be delivered to the Holders of the Notes pursuant to the Indenture (including, without limitation, Section 703 of the Base Indenture) or any Security Documents applicable to the Notes.

Section 1.14 Place of Payment.

Notwithstanding anything contained in the Indenture to the contrary, no Place of Payment for the Notes shall be maintained by the Company. The Notes may only be presented or surrendered for payment, surrendered for registration of transfer or exchange, or surrendered in connection with an optional redemption by the Company described in Section 1.09 of this Supplemental Indenture, electronically through the Company's U-Haul Investors Club website.

Section 1.15 Security Registrar and Paying Agent.

The Security Registrar and Paying Agent shall be the Company's Affiliate, U-Haul International, Inc., a Nevada corporation, or its designee (in such capacity, "Servicer").

Section 1.16 Non-Applicable Provisions.

The Notes will not (i) be convertible into and/or exchangeable for Common Stock or other securities or property, (ii) be issuable upon the exercise of warrants, or (iii) be guaranteed by any Person on the date of issuance. The Company will not pay Additional Amounts on such Securities.

ARTICLE TWO

ORIGINAL ISSUE OF NOTES

Section 2.01 Original Issue of Notes.

The Notes may, upon execution of this Supplemental Indenture, be issued by the Company in the form provided in Section 1.02.

ARTICLE THREE

MISCELLANEOUS

Section 3.01 Arbitration.

In the event that the Company, on the one hand, and one or more of the Holders, or the Trustee on behalf of one or more of the Holders, on the other hand, are unable to resolve any dispute, claim or controversy between them ("Dispute") related to the Indenture, the Notes or the U-Haul Investors Club, as applicable, such parties agree to submit the Dispute to binding arbitration in accordance with the following terms:

(a) Any party in its reasonable discretion may give written notice to the other applicable parties that the Dispute be submitted to arbitration for final resolution. Within fifteen (15) calendar days after receipt of such notice, the receiving parties shall submit a written response. If the Dispute remains following the exchange of the written notice and response, the parties involved in the Dispute shall mutually select one arbitrator within fifteen (15) calendar days of receipt of the response and shall submit the matter to that arbitrator to be settled in accordance with this Section 3.01(a). If these parties cannot mutually agree on a single arbitrator during such fifteen (15) day period, these parties shall no later than the expiration of that fifteen (15) day period jointly submit the matter to the American Arbitration Association ("AAA") for expedited arbitration proceedings to be conducted at the AAA offices, or at another mutually agreeable location, in Phoenix, Arizona pursuant to the Association Commercial Arbitration Rules then in effect (the "Rules"). The AAA will follow the Rules to select a single arbitrator within fifteen (15) calendar days from the date the matter is jointly submitted to the AAA. The arbitrator (whether selected by the parties or by the AAA) shall hold a hearing within forty-five (45) calendar days following the date that the arbitrator is selected and shall provide a timeline for the parties to submit arguments and supporting materials with sufficient advance notice to enable the arbitrator to hold the hearing within that forty-five (45) day period. The arbitrator shall issue a tentative ruling with findings of fact and law within fifteen (15) calendar days after the date of the hearing. The arbitrator shall provide the parties an opportunity to comment on the tentative ruling within a timeframe established by the arbitrator, provided that the arbitrator shall render a final ruling within thirty (30) calendar days after the date of the hearing. The arbitrator shall have the authority to grant any equitable and legal remedies that would be available in any judicial proceeding to resolve a disputed claim, including, without limitations, the authority to impose sanctions, including attorneys' fees and costs, to the same extent as a competent court of law or equity.

(b) The Company, Trustee and each of the Holders agree that judgment upon any award rendered by the arbitrator may be entered in the courts of the State of Arizona or in the United States District Courts located in Arizona. Such court may enforce the provisions of this Section 3.01(b), and the party seeking enforcement shall be entitled to an award of all costs and fees, including reasonable attorneys' fees, to be paid by the party against whom enforcement is ordered. The parties involved in a Dispute may terminate any arbitration proceeding by mutually resolving any Dispute prior to the issuance of a final arbitration ruling pursuant to this Section 3.01.

(c) For the avoidance of doubt, where a dispute arises related to the Indenture, the Notes, the U-Haul Investors Club or the Security Documents applicable to the Notes between (i) the Trustee and the Company (other than with respect to when the Trustee is acting on behalf of one or more of the Holders), (ii) the Trustee and one or more of the Holders, or (iii) the Trustee and any third party, then in no event will the arbitration provisions set forth in this Section 3.01 apply to such dispute.

Section 3.02 Ratification of Indenture.

The Indenture, as supplemented by this Supplemental Indenture, is in all respects ratified and confirmed, and this Supplemental Indenture will be deemed part of the Indenture in the manner and to the extent herein and therein provided; *provided* that the provisions of this Supplemental Indenture apply solely with respect to the Notes and not to any other Securities that may be issued pursuant to the U-Haul Investors Club. To the extent there is a conflict between the Indenture and this Supplemental Indenture with respect to the Notes, the terms of this Supplemental Indenture will govern.

Section 3.03 Trustee Not Responsible for Recitals.

The recitals herein contained are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture, the Pledge and Security Agreement or the Collateral (as defined in the Pledge and Security Agreement).

Section 3.04 Governing Law.

This Supplemental Indenture and the Notes will be governed by and construed in accordance with the laws of the State of New York.

Section 3.05 Separability.

In case any one or more of the provisions contained in this Supplemental Indenture, the Notes will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions of this Supplemental Indenture or of the Notes, but this Supplemental Indenture and the Notes will be construed as if such invalid or illegal or unenforceable provision had never been contained herein or therein.

Section 3.06 Counterparts.

This Supplemental Indenture may be executed in any number of counterparts each of which will be an original; but such counterparts will together constitute but one and the same instrument. This Supplemental Indenture will be effective when one or more counterparts has been signed by the parties hereto and delivered (including by electronic transmission) to the other parties.

[***Signature Pages Follow***]

[Signature page to Eighth Supplemental Indenture; Series UIC-12A]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, as of the day and year first above written.

AMERCO, as the Company

By: _____

Name: Jason A. Berg

Title: Principal Accounting Officer

U.S. BANK NATIONAL ASSOCIATION, as the Trustee

By: _____

Name:

Title:

Series UIC-12A

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT (this “**Agreement**”) is entered into as of April 12, 2011, by and among AMERCO, a Nevada corporation (the “**Company**”), U-Haul Leasing & Sales Co., a Nevada corporation and indirect subsidiary of the Company (“**UHLS**”), U-Haul Co. of Michigan, a Michigan corporation and indirect subsidiary of the Company (“**UHC MI**”), and together with UHLS, “**Pledgor**”), and U.S. Bank National Association, a national banking association in its capacity as Trustee under the Indenture (the “**Trustee**”).

RECITALS

A. Pursuant to the terms of the U-Haul Investors Club Indenture, dated as of February 14, 2011, by and between the Company and the Trustee (the “**Base Indenture**”), and the Eighth Supplemental Indenture relating to the 7% Secured Notes due Twelve Years from the Issue Date, dated as of the date hereof, by and between the Company and the Trustee (the “**Supplemental Indenture**”; the Base Indenture and the Supplemental Indenture collectively the “**Indenture**”), the Company is authorized to issue from time to time a series of its notes to be known as its “7% Secured Notes Series UIC-12A due Twelve Years from the Issue Date” (collectively the “**Notes**”), such Notes to be issued in sub-series from time to time, as determined by the Company. Capitalized terms not defined in this Agreement shall have the meanings given to them in the Indenture.

B. Under the Indenture, a condition of issuance of the Notes is that the Company’s obligations under the Notes be secured by a first priority lien, equally and ratably, on the assets owned by Pledgor described in **Exhibit A** hereto, as such Exhibit A shall be supplemented from time to time.

C. The Pledgor is willing to grant the Trustee, for the benefit of the holders of the Notes (the “**Holders**”), such first priority lien on such equipment, on the terms and conditions set forth herein.

NOW, THEREFORE, BE IT AGREED THAT:

1. Definitions and Terms .

(a) **Definitions** . For purposes of this Agreement, the following terms shall have the following definitions:

“**Collateral**” means (i) the property of Pledgor described in **Exhibit A**, as amended or supplemented from time in accordance with the terms hereof, and (ii) all Proceeds of such property.

“**Company**” shall include both of the named Company and any other Person at any time assuming or otherwise becoming primarily liable for all or any part of the Obligations under the Financing Documents, including the trustee and the debtor-in-possession in any bankruptcy or similar proceeding involving the named Company.

“ **Financing Documents** ” means this Agreement, the Indenture, the Notes and all other documents entered into by the Company or the Pledgor with respect to the Obligations.

“ **Insolvency Proceeding** ” means any proceeding commenced by or against any Person under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extension generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

“ **Lien** ” means any mortgage, deed of trust, deed to secure debt, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement, encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or assets, conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing; provided that in no event shall an operating lease be deemed to constitute a Lien.

“ **Obligations** ” means (i) all principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the Notes and the Indenture and all other obligations, liabilities and indebtedness of every kind, nature and description owing by the Company under the Notes and the Indenture, in each case whether now or hereafter existing, direct or indirect, absolute or contingent, due or not due, primary or secondary, liquidated or unliquidated, renewed or restructured, whether or not from time to time decreased or extinguished and later increased, including all such obligations which would become due but for the operation of the (A) automatic stay under Section 362(a) of the Bankruptcy Code, (B) Section 502(b) of the Bankruptcy Code, or (C) Section 506(b) of the Bankruptcy Code, including interest accruing under the Notes and the Indenture after the commencement of an Insolvency Proceeding, whether or not allowed or allowable as a claim in such Insolvency Proceeding, and (ii) all other obligations, liabilities and indebtedness of every kind, nature and description owing by the Pledgor hereunder, in each case whether now or hereafter existing, direct or indirect, absolute or contingent, due or not due, primary or secondary, liquidated or unliquidated, renewed or restructured, whether or not from time to time decreased or extinguished and later increased, including all such obligations which would become due but for the operation of the (A) automatic stay under Section 362(a) of the Bankruptcy Code, (B) Section 502(b) of the Bankruptcy Code, or (C) Section 506(b) of the Bankruptcy Code, including interest accruing hereunder after the commencement of an Insolvency Proceeding, whether or not allowed or allowable as a claim in such Insolvency Proceeding.

“ **Permitted Liens** ” means:

- (a) Liens for taxes, fees, assessments or other government charges or levies, either not delinquent or being contested in good faith and for which the Pledgor maintains adequate reserves in accordance with GAAP; and
- (b) Materialmen’s, mechanic’s, repairmen’s or other like Liens arising in the ordinary course of business and which are not delinquent for more than 45 days or are being contested in good faith by appropriate proceedings.

“ **Proceeds** ” has the meaning specified in Section 9-102(a) of the UCC.

“ **Required Holders** ” means the Holders of not less than a majority in principal amount of the Notes.

“ **UCC** ” means the Uniform Commercial Code, as in effect from time to time, of the State of New York or of any other state the laws of which are required as a result of such law to be applied in connection with perfection of security interests.

- (b) **Other Terms** . All other capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Grant of Security Interest . As an inducement for the Holders to purchase the Notes, and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all the Obligations, the Pledgor hereby unconditionally and irrevocably pledges and grants to the Trustee, for the benefit of the Holders of each individual sub-series of the Notes that may be issued from time to time, and to the Trustee, a continuing security interest in and to, and a Lien against the Collateral identified in the applicable schedule hereto with respect to the applicable sub-series of the Notes. The obligations of the Company with respect to each sub-series of the Notes will be initially secured by a first-priority lien, equally and ratably, on a specified pool of assets owned by Pledgor and identified on Exhibit A hereto. As new sub-series of the Notes are issued, new schedules hereto will be added, to identify the specific Collateral being pledged under such sub-series of the Notes. Notwithstanding any provision hereof or any of the other Financing Documents, none of the Company, the Pledgor or the Trustee has any obligation to maintain and keep the Collateral in good condition, repair and working order or to replace lost, stolen, damaged or destroyed Collateral or Collateral taken through condemnation or deed in lieu of condemnation. There shall be no obligation to repay the Notes with proceeds from any condemnation or deed in lieu of condemnation.

3. No Recourse to Pledgor . The Pledgor’s grant of the Lien against the Collateral is a guaranty of prompt and punctual payment of the Obligations, whether at stated maturity, by acceleration or otherwise, and is not merely a guaranty of collection. The Pledgor has and shall have no personal liability or obligation with respect to payment of the Obligations, which are payable solely by the Company.

4. Perfection of Security Interest . The Pledgor hereby authorizes the Company to file or cause the filing of financing statements and any other collateral documents as may be necessary or appropriate, without notice to the Pledgor, with all appropriate jurisdictions to perfect or protect the Trustee's interest or rights hereunder. The Pledgor shall take all actions reasonably requested by the Company to perfect and to give notice of the Trustee's Lien against the Collateral. To the extent perfection of the Trustee's interest or rights hereunder requires the modification of one or more certificates of title, if any, representing the Collateral, upon the request from time to time by the Trustee, the Pledgor shall provide the Trustee with a list of all such certificates of title issued in electronic form by the relevant governmental department, as well as any applications for such certificates of title submitted with the relevant governmental department and such other information as the Pledgor has in its possession related to such certificates of title.

5. Release of Security Interest; Substitution of Collateral . The Trustee's Lien against any equipment or property constituting Collateral shall be automatically released upon (i)

the sale or other disposition of such equipment or property to a buyer in the ordinary course of business, in accordance with Section 9-320 of the UCC, or (ii) a casualty loss of such equipment or property, provided that the Trustee's Lien attaches to the Proceeds, if any, of such disposition or loss. In addition, the Company shall have the right from time to time, so long as no Event of Default exists, to have the Trustee's Lien against any equipment, property or Proceeds constituting Collateral released by the Trustee; provided that the Company causes one or more of the Pledgor, and/or any other third parties or Affiliates of the Company (each, an " **Additional Pledgor** ") to pledge, in replacement of such Collateral, other equipment or property with a value, as determined by the Company in its reasonable discretion, that is not less than the value of such Collateral at the time of substitution; and provided further that if an Additional Pledgor pledges any such equipment or property in replacement thereof, then the Company, such Additional Pledgor and the Trustee shall promptly enter into separate pledge and security agreement in substantially the form of this Agreement, granting the Trustee, for the benefit of the Holders, a first priority lien, equitably and ratably, in such equipment or property, on such terms and conditions set forth therein (each, a " **New Pledge and Security Agreement** "). The Company shall exercise such right by delivering to the Trustee an officers' certificate in the form attached hereto as **Exhibit B** (the " **Officers' Certificate** "), which shall provide the Trustee with notice of the equipment, property or Proceeds constituting Collateral for which the Trustee's Lien is requested to be released, and shall describe the equipment or property that is requested to replace such Collateral, and which shall certify that the Company has determined, in accordance with this Section 5, that the value of such equipment or property is not less than the value of the Collateral to be released from the Trustee's Lien at the time of substitution. The Trustee, within five (5) days of receipt of the Company's Officer's Certificate, shall provide the Company and the Pledgor with a written notice acknowledging the release and substitution of equipment or property as Collateral under this Agreement and/or as collateral under a New Pledge and Security Agreement, as applicable. The Company shall amend **Exhibit A** to reflect each release of any such equipment or property as Collateral hereunder and each addition of equipment as Collateral hereunder pledged by the Pledgor, as applicable. The Pledgor shall take all actions reasonably requested by the Trustee to evidence and to give effect to the addition of equipment or property as Collateral hereunder, as applicable. The Company shall not be required to obtain any appraisal of equipment or property to be released from the Trustee's Lien or to be added as Collateral hereunder and/or as collateral under a New Pledge and Security Agreement, in connection with the Company's determination of the value of substitute equipment or property in accordance with this Section 5, and neither the Company nor the Pledgor shall have any liability to the Trustee or the Holders if the value of such substitute equipment or property is subsequently determined to be less than the value of the Collateral released from the Trustee's Lien in accordance with this Section 5. The Company's determination as to the value of substitute equipment or property as Collateral in accordance with this Section 5 shall be final and binding on the Trustee and the Holders, and the Trustee shall have no responsibility or liability to the Holders or any other person with respect thereto.

In addition, the Trustee's Lien against any equipment or property constituting Collateral shall be released upon the repayment in full of all Obligations and the delivery by the Company to the Trustee of an officer's certificate substantially in the form of Exhibit C hereto.

6. Termination of Security Interest . If this Agreement is terminated, the Trustee's Lien in the Collateral shall continue until the Obligations are repaid in full. Upon the crediting in

full of the Obligations to each Holder's U-Haul Investors Club account and the termination of the Notes and payment to the Trustee of all amounts due and owing to it, the Trustee shall, at the Pledgor's sole cost and expense, release its Liens in the Collateral and all rights therein shall revert to the Pledgor.

7. The Trustee's Rights . The Pledgor authorizes the Trustee, without giving notice to the Pledgor or obtaining the Pledgor's consent and without affecting the Pledgor's liability for the Obligations to the extent described herein, from time to time, to:

(a) compromise, settle, renew, extend the time for payment, change the manner or terms of payment, discharge the performance of, decline to enforce, or release all or any of the Obligations; grant other indulgences to the Company in respect thereof; or modify in any manner any documents (other than this Agreement) relating to the Obligations, in each case (other than with respect to decisions not to enforce and to grant indulgences) in accordance with Financing Documents;

(b) declare all Obligations due and payable upon the occurrence of an Event of Default;

(c) take and hold security for the performance of the Obligations and exchange, enforce, waive and release any such security;

(d) apply and reapply such security and direct the order or manner of sale thereof as the Trustee, in its sole discretion, may determine;

(e) release, surrender or exchange any deposits or other property securing the Obligations or on which the Trustee at any time may have a Lien; release, substitute or add any one or more endorsers or guarantors of the Obligations; or compromise, settle, renew, extend the time for payment, discharge the performance of, decline to enforce, or release all or any obligations of any such endorser or the Pledgor or other Person who is now or may hereafter be liable on any Obligations or release, surrender or exchange any deposits or other property of any such Person; and

(f) apply payments received by the Trustee from the Company, if any, to any Obligations, in such order as the Trustee shall determine, in its sole discretion.

8. The Pledgor's Waivers .

(a) The Pledgor waives:

(i) any defense based upon any legal disability or other defense of the Company, or by reason of the cessation or limitation of the Company's liability from any cause (other than full payment of all Obligations), including failure of consideration, breach of warranty, statute of frauds, statute of limitations, accord and satisfaction, and usury;

(ii) any defense based upon any legal disability or other defense of any other Person;

(iii) any defense based upon any lack of authority of the officers, directors or agents acting or purporting to act on behalf of the Company or any defect in the formation of the Company;

(iv) any defense based upon the application by the Company of the proceeds of the Notes for purposes other than the purposes represented by the Company to the Trustee or the Holders;

(v) any defense based on the Pledgor's rights, under statute or otherwise, to require the Trustee to sue the Company or otherwise to exhaust its rights and remedies against the Company or any other Person or against any other collateral before seeking to enforce this Agreement;

(vi) any defense based on the Trustee's failure at any time to require strict performance by the Company of any provision of the Financing Documents or by the Pledgor of this Agreement. The Pledgor agrees that no such failure shall waive, alter or diminish any right of the Trustee thereafter to demand strict compliance and performance therewith. Nothing contained herein shall prevent the Trustee from foreclosing on the Lien of any other security agreement, or exercising any rights available to the Trustee thereunder, and the exercise of any such rights shall not constitute a legal or equitable discharge of the Pledgor;

(vii) any defense arising from any act or omission of the Trustee which changes the scope of the Pledgor's risks hereunder;

(viii) any defense based upon the Trustee's election of any remedy against the Pledgor or the Company or both; any defense based on the order in which the Trustee enforces its remedies;

(ix) any defense based on (A) the Trustee's surrender, release, exchange, substitution, dealing with or taking any additional collateral, (B) the Trustee's abstaining from taking advantage of or realizing upon any Lien or other guaranty, and (C) any impairment of collateral securing the Obligations, including, but not limited to, the Company's failure to perfect, or maintain the perfection or priority of, a Lien in such collateral;

(x) any defense based upon the Trustee's failure to disclose to the Pledgor any information concerning the Company's financial condition or any other circumstances bearing on the Company's ability to pay the Obligations;

(xi) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in any other respects more burdensome than that of a principal;

(xii) any defense based upon the Trustee's election, in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code or any successor statute;

(xiii) any defense based upon any borrowing or any grant of a Lien under Section 364 of the Bankruptcy Code;

(xiv) any defense based on the Trustee's failure to be diligent or to act in a commercially reasonable manner, or to satisfy any other standard imposed on a secured party, in exercising rights with respect to collateral securing the Obligations;

(xv) notice of acceptance hereof; notice of the existence, creation or acquisition of any Obligation; notice of any Event of Default; notice of the amount of the Obligations outstanding from time to time; notice of any other fact which might increase the Pledgor's risk; diligence; presentment; demand of payment; protest; filing of claims with a court in the event of the Company's Insolvency Proceeding and all other notices and demands to which the Pledgor might otherwise be entitled (and agrees the same shall not have to be made on the Company as a condition precedent to the Pledgor's obligations hereunder);

(xvi) any defense based on the Trustee's failure to seek relief from stay or adequate protection in the Company's Insolvency Proceeding or any other act or omission by the Trustee which impairs Pledgor's prospective subrogation rights;

(xvii) any defense based on legal prohibition of the Trustee's acceleration of the maturity of the Obligations during the occurrence of an Event of Default or any other legal prohibition on enforcement of any other right or remedy of the Trustee with respect to the Obligations and the security therefor; and

(xviii) the benefit of any statute of limitations affecting the Pledgor's liability hereunder or the enforcement hereof.

(b) The Pledgor agrees that the payment of all sums payable under the Financing Documents or any part thereof or other act which tolls any statute of limitations applicable to the Financing Documents shall similarly operate to toll the statute of limitations applicable to Pledgor's liability hereunder.

9. Subrogation . The Pledgor shall not exercise any rights which it may acquire by reason of any payment of the Obligations made hereunder through enforcement of the Lien against any of the Collateral, whether by way of subrogation, reimbursement or otherwise, until (i) the prior payment, in full and in cash, of all Obligations and (ii) the termination of the Notes.

10. The Pledgor's Representations and Warranties . The Pledgor represents and warrants to the Trustee that:

(a) the Pledgor's name as of the date hereof as it appears in official filings in the state of its incorporation is U-Haul Leasing & Sales Co., and its organizational identification number issued by the Pledgor's state of incorporation is C120-1968; and U-Haul Co. of Michigan, and its organizational identification number issued by the Pledgor's state of incorporation is 399060.

(b) the Pledgor's execution, delivery and performance of this Agreement (i) do not contravene any law or any contractual restriction binding on or affecting the Pledgor or by which the Pledgor's assets may be affected; and (ii) do not require any authorization or approval or other action by, or any notice to or filing with, any other Person except such as have been obtained or made;

(c) there are no conditions precedent to the effectiveness of this Agreement, and this Agreement shall be in full force and effect and binding on the Pledgor as of the date hereof, regardless of whether the Trustee or the Holders obtain collateral or any guaranties from other Persons or takes any other action contemplated by the Pledgor;

(d) this Agreement constitutes the legal, valid and binding obligation of the Pledgor, enforceable in accordance with its terms, except as the enforceability thereof may be subject to or limited by bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally and by general principles of equity; and

(e) the Pledgor has established adequate means of obtaining from sources other than the Trustee, on a continuing basis, financial and other information pertaining to the Company's financial condition and the status of Company's performance of obligations imposed by the Financing Documents, and the Pledgor agrees to keep adequately informed from such means of any facts, events or circumstances which might in any way affect the Pledgor's risks hereunder and neither the Trustee nor any of the Holders has made any representation or warranty to the Pledgor as to any such matters.

11. The Pledgor's and Company's Covenants . The Pledgor covenants with the Trustee that:

(a) The Pledgor shall not change its name or jurisdiction of organization without giving thirty (30) days' prior written notice to the Trustee; and

(b) The Collateral will not become subject to any Lien other than Permitted Liens and the Trustee's Lien.

(c) During the continuance of an Event of Default, the proceeds payable under any liability policy, to the extent that they relate to the Collateral, shall be payable to the Trustee on account of the Obligations. The foregoing notwithstanding, so long as no Event of Default has occurred and is continuing, the Pledgor shall have the option, but not the obligation, of applying such proceeds toward the replacement or repair of destroyed or damaged Collateral; provided that any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral, as determined by the Company in its reasonable judgment in accordance with Section 5, and (ii) shall be deemed Collateral in which the Trustee has been granted a first priority Lien.

(d) The Pledgor shall notify the Trustee and the Company in writing promptly, but in no event more than two business days after the occurrence of an event which constitutes a breach of its obligations or duties under this Agreement.

(e) The Company covenants with the Trustee that it will notify the Trustee and the Pledgor in writing promptly of an event which constitutes an Event of Default.

12. The Trustee's and Holders' Rights, Duties and Liabilities .

(a) Each Holder, by acceptance of its Note, appoints the Trustee to act as its agent under this Agreement. Each Holder hereby irrevocably authorizes the Trustee to take such action on its behalf under the provisions of this Agreement and the other documents relating to the Collateral (together with this Agreement, the “ **Security Documents** ”) and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Trustee by the terms hereof and thereof and such other powers as are reasonably incidental thereto and the Trustee shall hold all Collateral, charges and collections received pursuant to this Agreement, for the ratable benefit of the Holders. The Trustee may perform any of its duties hereunder by or through its agents or employees or a co-trustee. As to any matters not expressly provided for by this Agreement the Trustee shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Holders, and such instructions shall be binding; provided, however, that the Trustee shall not be required to take any action which in the Trustee’s reasonable discretion exposes it to liability or which is contrary to this Agreement, the Indenture or the other Security Documents or applicable law unless the Trustee is furnished with an indemnification by the Holders acceptable to the Trustee in its sole discretion with respect thereto and the Trustee shall not be responsible for any misconduct or negligence on the part of any of the agents appointed with due care by the Trustee. The Trustee shall have no duties or responsibilities except those expressly set forth in this Agreement. The Trustee shall not be under any obligation to any Holder to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any of the other Security Documents. The Trustee shall not have by reason of this Agreement a fiduciary relationship in respect of any Holder; and nothing in this Agreement, expressed or implied, is intended to or shall be so construed as to impose upon the Trustee any obligations in respect of this Agreement except as expressly set forth herein.

(b) The Pledgor assumes all responsibility and liability arising from or relating to the use, sale, license or other disposition of the Collateral. The Obligations shall not be affected by any failure to take any steps to perfect the Trustee’s Liens or to collect or realize upon the Collateral, nor shall loss of or damage to the Collateral release the Company from any of the Obligations or the Pledgor from its obligations hereunder.

(c) The Pledgor shall remain liable under each of its contracts and each of its licenses relating to the Collateral. Neither the Trustee nor any Holder shall have any obligation or liability under any such contract or license by reason of or arising out of this Agreement. Neither the Trustee nor any Holder shall be required or obligated in any manner to perform or fulfill any of the Pledgor’s obligations under or pursuant to any such contract or license or to enforce any of the Pledgor’s rights under or pursuant to any contract or license.

(d) In no event shall the Trustee or any Holder be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(e) In acting hereunder, the Trustee shall be entitled to all of the rights, protections, privileges and immunities afforded to the Trustee under the Indenture, and all such

rights, protections, privileges and immunities are incorporated by reference herein and shall inure to the benefit of the trustee herein.

(f) No provision of this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or any exercise of any rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it and none of the provisions contained in this Agreement shall require the Trustee to perform or be responsible for the performance of any of the obligations of the Company or the Pledgor.

(g) The Trustee shall not be deemed to have notice of any matter including without limitation any default or Event of Default or any breach by the Pledgor or the Company unless one of its Responsible Officers has actual knowledge thereof or written notice thereof is received by the trustee and such notice references this Agreement or the Indenture.

(h) For the avoidance of doubt, notwithstanding anything herein or in the Indenture to the contrary, the Trustee shall only be liable to the extent of obligations specifically imposed upon and undertaken by the trustee as pledgee hereunder and the Trustee shall only be liable to the extent of its gross negligence or willful misconduct in connection with its duties hereunder.

13. Remedies and Rights During Event of Default .

(a) In addition to all other rights and remedies granted to it under this Agreement, the Indenture, and under any other instrument or agreement securing, evidencing or relating to any of the Obligations, during the continuance of any Event of Default, the Trustee may exercise all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Pledgor expressly agrees that in any such event the Trustee or any agent acting on behalf of the Trustee, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Pledgor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith enter upon the premises of the Pledgor where any Collateral is located through self-help, without judicial process, without first obtaining a final judgment or giving the Pledgor or any other Person notice and opportunity for a hearing on the Trustee's claim or action and may collect, receive, assemble, process, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, license, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, in one or more parcels at a public or private sale or sales, at any exchange at such prices as it may deem acceptable, for cash or on credit or for future delivery without assumption of any credit risk. The Trustee or any Holder shall have the right but not the obligation upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Trustee and Holders, the whole or any part of the Collateral so sold, free of any right or equity of redemption, which equity of redemption the Pledgor hereby releases. Such sales may be adjourned and continued from time to time with or without notice. The Trustee shall have the right to conduct such sales

on the Pledgor's premises or elsewhere and shall have the right to use the Pledgor's premises without charge for such time or times as the Trustee reasonably deems necessary or advisable.

(b) The Pledgor further agrees, at the Trustee's request, to provide such information as may be needed to enable the Trustee to assemble the Collateral and, to the extent required by the UCC, to make it available to the Trustee at a place or places designated by the Trustee which are reasonably convenient to the Trustee and the Pledgor, whether at the Pledgor's premises or elsewhere. Until the Trustee is able to effect a sale, lease, or other disposition of Collateral, the Trustee shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving the Collateral or its value or for any other purpose deemed appropriate by the Trustee. The Trustee shall have no obligation to the Pledgor to maintain or preserve the rights of the Pledgor as against third parties with respect to Collateral while Collateral is in the Trustee's possession. The Trustee may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Trustee's remedies (for the benefit of the Trustee and the Holders), with respect to such appointment without prior notice or hearing as to such appointment. The Trustee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale to the Obligations as provided herein and in the Indenture, and only after so paying over such net proceeds, and after the payment by the Trustee of any other amount required by any provision of law, need the Trustee account for the surplus, if any, to the Pledgor. To the maximum extent permitted by applicable law, the Pledgor waives all claims, damages, and demands against the Trustee or any Holder arising out of the repossession, retention or sale of the Collateral except such as determined by a court of competent jurisdiction in a final nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of the Trustee or such Holder. The Pledgor agrees that ten (10) days' prior written notice by the Trustee of the time and place of any public sale or of the time after which a private sale may take place is reasonable notification of such matters. The Company shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Obligations, including any reasonable attorneys' fees or other out-of-pocket expenses actually incurred by the Trustee or any Holder to collect such deficiency.

(c) Except as otherwise specifically provided herein, the Pledgor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Agreement or any Collateral.

(d) To the extent that applicable law imposes duties on the Trustee to exercise remedies in a commercially reasonable manner, the Pledgor acknowledges and agrees that it is not commercially unreasonable for the Trustee (i) to fail to incur expenses reasonably deemed significant by the Trustee to prepare Collateral for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to remove Liens on or any adverse claims against Collateral, (iv) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (v) to contact other Persons, whether or not in the same business as the Pledgor, for expressions of interest in acquiring all or any portion of such Collateral, (vi) to hire one or more professional auctioneers to assist in the disposition of Collateral, (vii) to dispose of Collateral by utilizing Internet sites that provide for

the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (viii) to dispose of Collateral in wholesale rather than retail markets, (ix) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (x) to purchase insurance to insure the Trustee against risks of loss, collection or disposition of Collateral or to provide to the Trustee a guaranteed return from the disposition of Collateral, or (xi) to the extent deemed appropriate by the Trustee, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Trustee in the collection or disposition of any of the Collateral. The Pledgor acknowledges that the purpose of this Section 13(d) is to provide non-exhaustive indications of what actions or omissions by the Trustee would not be commercially unreasonable in the Trustee's exercise of remedies against the Collateral and that other actions or omissions by the Trustee shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 13(d). Without limitation upon the foregoing, nothing contained in this Section 13(d) shall be construed to grant any rights to the Pledgor or to impose any duties on the Trustee that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 13(d).

(e) Notwithstanding any provision to the contrary contained in this Agreement, the Trustee shall not be required to obtain title to any Collateral that constitutes real property as a result of or in lieu of foreclosure or otherwise acquire possession of, or take any other action with respect to, any such Collateral if, as a result of any such action, the Trustee for itself or on behalf of the Holders would be considered to hold title to, to be a "mortgagee-in-possession" of, or to be an "owner" or "operator" of such Collateral within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, or any comparable law, unless the Trustee has previously determined based on its reasonable judgment and a report prepared by an independent Person who regularly conducts environmental audits using customary industry standards, that:

(i) such Collateral is in compliance with applicable environmental laws or, if not, that it would be in the best economic interest of the Holders to take such actions as are necessary to bring the Collateral into compliance therewith; and

(ii) there are no circumstances present at such Collateral relating to the use, management or disposal of any hazardous substances, hazardous materials, hazardous wastes, or petroleum-based materials for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any federal, state or local law or regulation, or that if any such materials are present for which such action could be required, that it would be in the best economic interest of the Holders to take such actions with respect to the affected Collateral.

The cost of the environmental audit report contemplated by this Section shall be advanced by the Company.

During the continuance of an Event of Default, if the Trustee determines that it is in the best economic interest of the Holders to take such actions as are necessary to bring any such Collateral into compliance with applicable environmental laws, or to take such action with respect to the containment, clean-up or remediation of hazardous substances, hazardous

materials, hazardous wastes, or petroleum-based materials affecting any such Collateral, then the Trustee shall take such action as it deems to be in the best economic interest of the Holders. The cost of any such compliance, containment, cleanup or remediation shall be advanced by the Company.

14. Power of Attorney . The Pledgor hereby irrevocably appoints the Trustee as its lawful attorney-in-fact, exercisable during the continuance of an Event of Default, to: (a) make, settle, and adjust all claims under the Pledgor's insurance policies with respect to the Collateral, if any; (b) pay, contest or settle any Lien or adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (c) transfer the Collateral into the name of the Trustee or a third party as the UCC permits. The Pledgor hereby appoints the Company as its lawful attorney-in-fact to sign the Pledgor's name on any documents necessary to perfect or continue the perfection of any security interest regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full, in cash, and the Notes have terminated. The Company's foregoing appointment as the Pledgor's attorney in fact, and all of the Company's rights and powers, coupled with an interest, are irrevocable until all Obligations have been satisfied in full, in cash and the Notes have terminated.

15. Cost and Expenses; Indemnification .

(a) The Company agrees to pay to the Trustee, for its benefit, on demand, (i) all fees, costs and expenses that the Trustee pays or incurs as provided in that fee letter dated January 26, 2011 between the Company and the Trustee; and (ii) sums paid or incurred to pay any amount or take any action required of the Pledgor under this Agreement that the Pledgor fails to pay or take; and (iii) costs and expenses of preserving and protecting the Collateral or taking any other action contemplated or required by this Agreement or the other Security Documents. The foregoing shall not be construed to limit any other directly contrary provisions of this Agreement regarding costs and expenses to be paid by the Pledgor or the Company.

(b) The Company will save, indemnify and keep the Trustee, and the Trustee's officers, employees, directors and agents, and the Holders harmless from and against all expense (including reasonable attorneys' fees and expenses), loss, claim, liability or damage arising out of their actions or inaction hereunder or in connection with the Collateral, the Indenture or any Security Document, except to the extent such expense, loss, claim, liability or damage is determined by a court of competent jurisdiction in a final nonappealable judgment to have resulted from the gross negligence or willful misconduct of the Trustee or the Holders as finally determined by a court of competent jurisdiction. This Section 15(b) shall be expressly construed to include, but not be limited to, such indemnities, compensation, expenses, disbursements, advances, losses, liabilities, damages and the like, as may pertain or relate to any environmental law or environmental matter.

The benefits of this Section 15 shall survive the termination of this Agreement or the removal or resignation of the Trustee.

16. Limitation on the Trustee's and the Holders' Duties with Respect to the Collateral .

(a) Neither the Trustee nor any Holder shall have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Trustee or such Holder.

(b) The Trustee shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any security interest in the Collateral. The Trustee shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property and shall not be liable or responsible for any loss or diminution in the value of any of the Collateral, by reason of the act or omission of any agent or bailee selected by the Trustee in good faith.

(c) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of the Pledgor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral.

(d) The Pledgor bears all risk of loss for damage or destruction of the Collateral.

17. No Waiver; Remedies Cumulative . The Trustee's failure, at any time or times, to require strict performance by the Pledgor of any provision of this Agreement or any other Financing Document shall not waive, affect, or diminish any right of the Trustee thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the Trustee and then is only effective for the specific instance and purpose for which it is given. The Trustee's rights and remedies under this Agreement and the other Financing Documents are cumulative. The Trustee has all rights and remedies provided under the UCC, by law, or in equity. The Trustee's exercise of one right or remedy is not an election, and the Trustee's waiver of any Event of Default is not a continuing waiver. The Trustee's delay in exercising any remedy is not a waiver, election, or acquiescence.

18. Marshaling of Assets . The Trustee shall be under no obligation to marshal any assets in favor of Pledgor, the Company or any other Person liable for the Obligations or against or in payment of any Obligations.

19. Independent Obligations . This Agreement is independent of the Company's obligations under the Financing Documents. The Trustee may bring a separate action to enforce the provisions hereof against the Pledgor without taking action against the Company or any other Person or joining the Company or any other Person as a party to such action.

20. Term; Revival .

(a) This Agreement is irrevocable by the Pledgor. It shall terminate only upon the full satisfaction of the Obligations and termination of the Notes. If, notwithstanding the

foregoing, the Pledgor shall have any nonwaivable right under applicable law or otherwise to terminate or revoke this Agreement, the Pledgor agrees that such termination or revocation shall not be effective until the Trustee receives written notice of such termination or revocation. Such notice shall not affect the Trustee's right and power to enforce rights arising prior to receipt thereof.

(b) The Pledgor's pledge hereunder of the Collateral shall be reinstated and revived, and the Trustee's rights shall continue, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. If any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

21. Notices . Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desire to give and serve upon the other party any communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and, in the case of the Company and the Trustee, shall be given in the manner, and deemed received, as provided for in the Indenture and in the case of the Pledgor shall be mailed, first-class postage prepaid, to the Pledgor's Treasurer at the address of its principal office specified below its signature block herein or at any other address previously furnished in writing to the Trustee by the Pledgor.

22. Miscellaneous .

(a) **Arbitration .** In the event that the Company or the Pledgor, on the one hand, and one or more of the Holders, or the Trustee as pledgee on behalf of one or more of the Holders, on the other hand, are unable to resolve any dispute, claim or controversy between them ("Dispute") related to this Agreement, such parties agree to submit the Dispute to binding arbitration in accordance with the following terms:

(i) Any party in its reasonable discretion may give written notice to the other applicable parties that the Dispute be submitted to arbitration for final resolution. Within fifteen (15) calendar days after receipt of such notice, the receiving parties shall submit a written response. If the Dispute remains following the exchange of the written notice and response, the parties involved in the Dispute shall mutually select one arbitrator within fifteen (15) calendar days of receipt of the response and shall submit the matter to that arbitrator to be settled in accordance with this Section 22(a). If these parties cannot mutually agree on a single arbitrator during such fifteen (15) day period, these parties shall no later than the expiration of that fifteen (15) day period jointly submit the matter to the American Arbitration Association ("AAA") for expedited arbitration proceedings to be conducted at the AAA offices, or at another mutually agreeable location, in Phoenix, Arizona pursuant to the Association Commercial Arbitration Rules then in effect (the "Rules"). The AAA will follow the Rules to select a single arbitrator within fifteen (15) calendar days from the date the matter is jointly submitted to the AAA. The

arbitrator (whether selected by the parties or by the AAA) shall hold a hearing within forty-five (45) calendar days following the date that the arbitrator is selected and shall provide a timeline for the parties to submit arguments and supporting materials with sufficient advance notice to enable the arbitrator to hold the hearing within that forty-five (45) day period. The arbitrator shall issue a tentative ruling with findings of fact and law within fifteen (15) calendar days after the date of the hearing. The arbitrator shall provide the parties an opportunity to comment on the tentative ruling within a timeframe established by the arbitrator, provided that the arbitrator shall render a final ruling within thirty (30) calendar days after the date of the hearing. The arbitrator shall have the authority to grant any equitable and legal remedies that would be available in any judicial proceeding to resolve a disputed claim, including, without limitations, the authority to impose sanctions, including attorneys' fees and costs, to the same extent as a competent court of law or equity.

(ii) The Company, the Pledgor, Trustee and each of the Holders agree that judgment upon any award rendered by the arbitrator may be entered in the courts of the State of Arizona or in the United States District Courts located in Arizona. Such court may enforce the provisions of this Section 22(a)(ii), and the party seeking enforcement shall be entitled to an award of all costs and fees, including reasonable attorneys' fees, to be paid by the party against whom enforcement is ordered. The parties involved in a Dispute may terminate any arbitration proceeding by mutually resolving any Dispute prior to the issuance of a final arbitration ruling pursuant to this Section 22(a).

(iii) For the avoidance of doubt, where a dispute arises related to this Pledge and Security Agreement between (x) the Trustee and the Company or the Pledgor, (y) the Trustee and one or more of the Holders, or (z) the Trustee and any third party, then in no event will the arbitration provisions set forth in this Section 22 apply to such dispute.

(b) **No Waiver; Cumulative Remedies** . Neither the Trustee nor any Holder shall by any act, delay or omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Trustee and then only to the extent therein set forth. A waiver by the Trustee of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Trustee would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Trustee or any Holder, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

(c) **Limitation by Law** . All rights, remedies and powers provided in this Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not render this Agreement invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

(d) **Headings** . All headings appearing in this Agreement are for convenience only and shall be disregarded in construing this Agreement.

(e) **Governing Law** . This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said State.

(f) **Waiver of Jury Trial** . EACH OF THE PLEDGOR, THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(g) **Successor Person Substituted for the Pledgor** . Upon any consolidation by the Pledgor with or merger of the Pledgor into any other Person or any sale, assignment, transfer, lease or conveyance of all or substantially all of the properties and assets of the Pledgor to any Person in accordance with Section 801 of the Base Indenture, the successor Person formed by such consolidation or into which the Pledgor is merged or to which such sale, assignment, transfer, lease or other conveyance is made shall succeed to, and be substituted for, and may exercise every right and power of, the Pledgor under this Agreement with the same effect as if such successor Person had been named as the Pledgor herein; and thereafter the predecessor Person shall be released from all obligations and covenants under this Agreement.

(h) **Assignment; Binding Effect** . Except as provided in Section 22(g), the Pledgor may not assign this Agreement without the Trustee's prior written consent. This Agreement shall be binding upon the Pledgor, its successors, permitted transferees and permitted assigns, and shall inure to the benefit of the Trustee and its successors, transferees and assigns under the Indenture.

(i) **Entire Agreement; Modifications** . This Agreement is intended by the Pledgor, the Company and the Trustee to be the final, complete, and exclusive expression of the agreement among them with respect to the subject matter hereof. This Agreement supersedes all prior and contemporaneous oral and written agreements relating to such subject matter. No modification, rescission, waiver, release, or amendment of any provision of this Agreement shall be made, except by a written agreement signed by the Pledgor, the Company and the Trustee; provided, however, that the Trustee may not enter into any such written agreement except with the written consent of the Required Holders, by Act of such Holders delivered to the Company, the Pledgor and the Trustee (such restriction shall not apply to the Trustee's right to amend **Exhibit A** in accordance with Section 5.

(j) **Severability** . If any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that portion shall be deemed severed from this Agreement and the remaining parts shall remain in full force as though the invalid, illegal or unenforceable portion had never been part of this Agreement.

(k) **Incorporation by Reference** . All of the rights, protections, immunities and privileges granted to the Trustee under the Indenture are incorporated by reference herein and shall inure to the benefit of the Trustee herein.

(l) **Counterparts** . This Agreement may be authenticated in any number of separate counterparts, each of which shall collectively and separately constitute one and the same agreement. This Agreement may be authenticated by manual signature, facsimile or, if approved in writing by the Trustee, electronic means, all of which shall be equally valid.

[**Signature Pages Follow**]

[Signature page to Pledge and Security Agreement, Series UIC-12A]

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned as of the date first written above.

AMERCO, as the Company

By: _____
Jason A. Berg, Principal Accounting Officer

U-Haul Leasing & Sales Co., as a Pledgor

By: _____
Jennifer M. Settles, Secretary

U-Haul Co. of Michigan, as a Pledgor

By: _____
Jennifer M. Settles, Secretary

Address for Notices:
c/o U-Haul international, Inc.
2727 N. Central Avenue
Phoenix, AZ 85004
Attn: Legal Department

U.S. BANK NATIONAL ASSOCIATION, as the Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

COLLATERAL

The Collateral consists of all of the Pledgor's right, title and interest in and to the following property. This Exhibit A shall be supplemented from time to time, to identify the Collateral being pledged under each sub-series of the Notes, as such sub-series will be issued hereafter from time to time.

EXHIBIT B

FORM OFFICERS' CERTIFICATE – COLLATERAL SUBSTITUTION

The undersigned, _____, _____ of AMERCO, a Nevada corporation (the "Company"), hereby certifies to U. S. Bank National Association, as trustee under the U-Haul Investors Club Base Indenture dated as of February 14, 2011 (the "Base Indenture"), as follows:

1. Pursuant to Section 5 of the Pledge Agreement dated as of _____ ("Pledge Agreement"), the equipment, property or Proceeds constituting Collateral under the _____ Supplemental Indenture dated as of _____ to the Base Indenture (the "_____ Supplement") and identified on Exhibit A hereto ("Initial Collateral") is to be released from the Lien created pursuant to the Pledge Agreement, such release to be effective as of _____ (such date, the "Date of Substitution").

2. The equipment, property or other asset identified on Exhibit B hereto ("Replacement Collateral") shall replace such Initial Collateral, pursuant to Section 5 of the Pledge Agreement.

3. The Company has determined, in accordance with Section 5 of the Pledge Agreement, that the value of such Replacement Collateral is not less than the value of the Initial Collateral as of the Date of Substitution.

4. I have read the conditions set forth in the Pledge Agreement and the _____ Supplement relating to the substitution of Collateral, and all conditions thereto have been satisfied. In my opinion, I have made such examination and investigation as is necessary to enable me to express an informed opinion with respect thereto.

IN WITNESS WHEREOF, the undersigned executes this Officer's Certificate as of _____.

AMERCO, a Nevada corporation

By: _____

Its: _____

EXHIBIT C

FORM OF OFFICER'S CERTIFICATE - LIEN RELEASE UPON REPAYMENT IN FULL

The undersigned, _____, _____ of AMERCO, a Nevada corporation (the "Company"), hereby certifies to U. S. Bank National Association, as trustee under the U-Haul Investors Club Base Indenture dated as of February 14, 2011 (the "Base Indenture"), as follows:

1. All conditions precedent set forth in the Base Indenture and in the _____ Supplemental Indenture thereto dated _____ (the "Indenture Supplement") to the release of the Trustee's Lien on the Collateral securing the obligations under the Indenture Supplement have been satisfied.

2. To the extent the Collateral includes box trucks or trailers evidenced by certificates of title, such Collateral is identified by VIN on the attachment hereto and the certificates of title with respect to such Collateral shall be sent by you to the following address: _____.

We acknowledge that the Trustee is not responsible for determining whether the conditions to the release of Liens on the Collateral have been satisfied.

IN WITNESS WHEREOF, the undersigned executes this Officer's Certificate as of _____.

AMERCO, a Nevada corporation

By: _____

Its: _____

AMERCO
1325 Airmotive Way Suite 100
Reno, Nevada 89502-3239

April 12, 2011

Ladies and Gentlemen:

I am Secretary of AMERCO, a Nevada corporation (the “**Company**”), and have served as counsel to the Company in connection with the registration under the Securities Act of 1933, as amended (the “**Act**”), of the Company’s \$1,200,000 Fixed Rate Secured Notes Series UIC-12A (the “**Series UIC-12A Notes**”). As the Company’s counsel, I have examined such corporate records, certificates and other documents, and such questions of law, as I have considered necessary or appropriate for the purposes of this opinion.

Upon the basis of such examination, I advise you that, in my opinion, the Series UIC-12A Notes constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights and to general equity principles.

The foregoing opinion is limited to the laws of the States of Nevada and New York, and I am expressing no opinion as to the effect of the laws of any other jurisdiction.

I have relied as to certain factual matters on information obtained from public officials, officers of the Company and other sources believed by me to be responsible, and I have assumed that the Base Indenture dated February 14, 2011 (the “**Base Indenture**”) by and between the Company and U.S. Bank National Association, as trustee (the “**Trustee**”), the Eighth Supplemental Indenture dated April 12, 2011 by and between the Company and the Trustee (which amended and supplemented the Base Indenture) under which the Series UIC-12A Notes were issued have been duly authorized, executed and delivered by the Trustee thereunder.

I hereby consent to the filing of this opinion as an exhibit to a Current Report on Form 8-K to be incorporated by reference into the Registration Statement on Form S-3, as amended, filed with the Securities and Exchange Commission on October 7, 2010 (File No. 333-169832) (the “**Registration Statement**”) and to all references to me, if any, included in or made a part of the Registration Statement. In giving such consent, I do not thereby admit that I am in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Jennifer M. Settles
Jennifer M. Settles, Secretary

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of _____, 2011 among Eighteen SAC Self-Storage Corporation, a Nevada corporation ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business

and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or

emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any

mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan

Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue (except for U-Move Commissions) in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or in part by Owner, the cost of such

inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the " Manager Trade Marks ") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a " Defaulting Party ") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to

terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Eighteen SAC Self-Storage Corporation,
a Nevada corporation

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of California, a California corporation
U-Haul Co. of Utah, Inc., a Utah corporation
U-Haul Co. of Colorado, a Colorado corporation
U-haul Co. of Minnesota, a Minnesota corporation
U-Haul Co. of Texas, a Texas corporation
U-Haul Co. of Rhode Island, a Rhode Island corporation
U-Haul Co. of Massachusetts and Ohio, Inc., a Massachusetts corporation
U-Haul Co. of New York and Vermont, Inc., a New York corporation
U-Haul Co. of Pennsylvania, a Pennsylvania corporation
U-Haul Co. of New Jersey, Inc., a New Jersey corporation
U-Haul Co. of Nevada, a Nevada corporation
U-Haul Co. of Arizona, an Arizona corporation

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

717082	U-Haul Moving & Storage of Miramar	9650 Camino Ruiz	SAN DIEGO	CA	92126
816075	U-Haul Moving & Storage of Cathedral City	68075 Ramon Rd	CATHEDRAL CITY	CA	92234
720059	U-Haul Moving & Storage of Salt Lake	55 E 3900 S	SALT LAKE CITY	UT	84107
834044	U-Haul Moving & Storage at South Havana	615 S Havana	AURORA	CO	80012
729023	U-Haul Moving & Storage at Coon Rapids	3401 Coon Rapids Blvd	COON RAPIDS	MN	55433
733034	U-Haul Moving & Storage of East Plano	1100 Los Rios	PLANO	TX	75074
836032	U-Haul Moving & Storage of Denton	164 N I 35 E	DENTON	TX	76205
796051	U-Haul Moving & Storage at North Broadway	740 N Broadway	EAST PROVIDENCE	RI	2914
837051	U-Haul Moving & Storage at Central Square	844 Main St	CAMBRIDGE	MA	2139
803080	U-Haul Moving & Storage at Bronx Park	2800 White Plains Rd	BRONX	NY	10467
810051	U-Haul Moving & Storage at Macarthur Rd	3001 MacArthur Rd	WHITEHALL	PA	18052
813047	U-Haul Moving & Storage of Cinnaminson	2101 US Hwy 130 S	CINNAMINSON	NJ	8077
706086	U-Haul Moving & Storage of South Meadows	10400 S Virginia St	RENO	NV	89511
723030	U-Haul Moving & Storage at Kyrene Rd	6190 W Chandler Blvd	CHANDLER	AZ	85226
746072	U-Haul Moving & Storage of Alief Saigon	11332 Bellaire Blvd	HOUSTON	TX	77072

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of December 12, 2011 among Twenty SAC Self-Storage Corporation, a Nevada corporation ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth. Any prior property management agreement between Owner and Manager is hereby terminated.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however,

that Manager agrees to secure the prior written approval of Owner on all such expenditures in excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner

shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one

year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue. All funds shall be deposited and applied as required pursuant to Owner's loan documents with Lender.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or in part by Owner, the cost of such

inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the " Manager Trade Marks ") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a " Defaulting Party ") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to

terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty SAC Self-Storage Corporation,
a Nevada corporation

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Arizona, Inc., an Arizona corporation
U-Haul Co. of California, Inc., a California corporation
U-Haul Co. of Georgia, Inc., a Georgia corporation
U-Haul Co. of New Jersey, Inc., a New Jersey corporation
U-Haul Co. of Oregon, Inc., an Oregon corporation
U-Haul Co. of Rhode Island, Inc., a Rhode Island corporation
U-Haul Co. of Texas, Inc., a Texas corporation
U-Haul Co. of Virginia, Inc., a Virginia corporation

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

723082	U-Haul Moving & Storage at Main & Lindsay	2947 E Main St	MESA	AZ	85213
717068	U-Haul Moving & Storage of Lemon Grove	1805 Massachusetts Av	LEMON GROVE	CA	91945
776053	U-Haul Moving & Storage at Peters St	300 Peters St SW	ATLANTA	GA	30313
817020	U-Haul Moving & Storage at Route 37	68 Rte 37 E	TOMS RIVER	NJ	08753
700026	U-Haul Moving & Storage of Bend	63370 N Hwy 97	BEND	OR	97701
796058	U-Haul Moving & Storage of Warwick	279 Oakland Beach Ave	WARWICK	RI	02889
744080	U-Haul Moving & Storage at San Pedro	5810 San Pedro	SAN ANTONIO	TX	78212
835044	U-Haul Moving & Storage of Arlington	2315 W Division	ARLINGTON	TX	76012
825067	U-Haul Moving & Storage at Airline Blvd	2855 Airline Blvd	PORTSMOUTH	VA	23701

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of December 12, 2011 among Twenty-One SAC Self-Storage Corporation, a Nevada corporation ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth. Any prior property management agreement between Owner and Manager is hereby terminated.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any

mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager

becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue. All funds shall be deposited and applied as required pursuant to Owner's loan documents with Lender.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-One SAC Self-Storage Corporation,
a Nevada corporation

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Arizona, Inc., an Arizona corporation
U-Haul Co. of California, Inc., a California corporation
U-Haul Co. of Michigan, Inc., a Michigan corporation
U-Haul Co. of Massachusetts and Ohio, Inc., a Massachusetts corporation
U-Haul Co. of Tennessee, Inc., a Tennessee corporation
U-Haul Co. of Texas, Inc., a Texas corporation

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

721058	U-Haul Moving & Storage at 51st & Glendale	5024 W Glendale Ave	GLENDALE	AZ	85301
707075	U-Haul Moving & Storage of Thornton	4833 Thornton Ave	FREMONT	CA	94536
708078	U-Haul Moving & Storage of Belmont	554 El Camino Real	BELMONT	CA	94002
712032	U-Haul Moving & Storage of Downtown	1836 S Arapahoe St	LOS ANGELES	CA	90006
752069	U-Haul Moving & Storage of Inkster	29500 Michigan Ave	INKSTER	MI	48141
770054	U-Haul Moving & Storage of Dayton	1340 E Third St	DAYTON	OH	45403
772061	U-Haul Moving & Storage of Hendersonville	208 W Main St	HENDERSONVILLE	TN	37075
741081	U-Haul Moving & Storage at Northwest Highway	9929 Harry Hines Blvd	DALLAS	TX	75220
744068	U-Haul Moving & Storage at Austin Hwy	2390 Austin Hwy	SAN ANTONIO	TX	78218

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of December 12, 2011 among Twenty-Two SAC Self-Storage Corporation, a Nevada corporation ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth. Any prior property management agreement between Owner and Manager is hereby terminated.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be

prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set

forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue. All funds shall be deposited and applied as required pursuant to Owner's loan documents with Lender.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Two SAC Self-Storage Corporation,
a Nevada corporation

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Arizona, Inc., an Arizona corporation
U-Haul Co. of Kansas, Inc., a Kansas corporation
U-Haul Co. of Louisiana, Inc., a Louisiana corporation
U-Haul Co. of Maine, Inc., a Maine corporation
U-Haul Co. of Massachusetts and Ohio, Inc., a Massachusetts corporation
U-Haul Co. of Michigan, Inc., a Michigan corporation
U-Haul Co. of Minnesota, Inc., a Minnesota corporation
U-Haul Co. of Texas, Inc., a Texas corporation
U-Haul Co. of Virginia, Inc., a Virginia corporation

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

828059	U-Haul Moving & Storage at Automall	4655 N Oracle Rd	TUCSON	AZ	85705
828068	U-Haul Moving & Storage of Marana	4040 W Ina Rd	TUCSON	AZ	85741
734024	U-Haul Moving & Storage at State Ave	5200 State Ave	KANSAS CITY	KS	66102
747069	U-Haul Moving & Storage at Causeway Blvd	3800 N Causeway Blvd	METAIRIE	LA	70002
790066	U-Haul Moving & Storage at Rte 295	411 Marginal Wy	PORTLAND	ME	04101
791023	U-Haul Moving & Storage of Springfield	914 Boston Rd	SPRINGFIELD	MA	01119
751022	U-Haul Moving & Storage at Jolly & Cedar	5020 S Cedar	LANSING	MI	48910
729023	U-Haul Moving & Storage at Coon Rapids	3401 Coon Rapids Blvd	COON RAPIDS	MN	55433
836033	U-Haul Moving & Storage of S Fort Worth - Westcreek	3019 Alta Mesa Blvd	FORT WORTH	TX	76133
795028	U-Haul Moving & Storage of Manassas Park	8537 Centreville Rd	MANASSAS PARK	VA	20111

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of December 12, 2011 among Twenty-Three SAC Self-Storage Corporation, a Nevada corporation ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth. Any prior property management agreement between Owner and Manager is hereby terminated.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be

prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set

forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue. All funds shall be deposited and applied as required pursuant to Owner's loan documents with Lender.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or in part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Three SAC Self-Storage Corporation,
a Nevada corporation

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Arkansas, Inc., an Arkansas corporation
U-Haul Co. of Arizona, Inc., an Arizona corporation
U-Haul Co. of California, Inc., a California corporation
U-Haul Co. of Louisiana, Inc., a Louisiana corporation
U-Haul Co. of Maryland, Inc., a Maryland corporation
U-Haul Co. of Missouri, Inc., a Missouri corporation
U-Haul Co. of New York and Vermont, Inc., a New York corporation
U-Haul Co. of Oklahoma, Inc., an Oklahoma corporation
U-Haul Co. of Texas, Inc., a Texas corporation
U-Haul Co. of South Dakota, Inc.

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

742054	U-Haul Moving & Storage at Kanis Rd	7618 Kanis Rd	LITTLE ROCK	AR	72204
721021	U-Haul Moving & Storage at 19th & Bell	1935 W Bell Rd	PHOENIX	AZ	85023
710077	U-Haul Moving & Storage at Florin Rd	3026 Florin Rd	SACRAMENTO	CA	95822
747074	U-Haul Moving & Storage of Gentilly	6210 Chef Menteur Hwy	NEW ORLEANS	LA	70126
820022	U-Haul Moving & Storage at Pulaski Hwy	4301 Pulaski Hwy	BALTIMORE	MD	21224
736071	U-Haul Moving & Storage of Hazelwood	8961 Dunn Rd	HAZELWOOD	MO	63042
806024	U-Haul Moving & Storage of Coram	532 Mdl Country Rd	CORAM	NY	11727
738057	U-Haul Moving & Storage of Bricktown	100 SE 2nd St	OKLAHOMA CITY	OK	73129
733035	U-Haul Moving & Storage of Addison	2735 Beltline Rd	CARROLLTON	TX	75006
744070	U-Haul Moving & Storage of Naco - Perrin	12534 Nacgodoches	SAN ANTONIO	TX	78217
725069	U-Haul Moving & Storage of Rapid City	20 Deadwood Avenue	RAPID CITY	SD	57702

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of March 30, 2012 among Twenty-Four SAC Self-Storage Limited Partnership, a Nevada limited partnership ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any

mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager

becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue (except for U-Move Commissions) in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Four SAC Self-Storage Limited Partnership,
a Nevada limited partnership

By: Twenty-Four SAC Self-Storage GP Corporation,
Its General Partner

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Wisconsin, Inc.
U-Haul Co. of Washington
U-Haul Co. of Virginia
U-Haul Co. of Utah, Inc.
U-Haul Co. of Texas
U-Haul Co. of Tennessee
U-Haul Co. of South Carolina, Inc.
U-Haul Co. of Massachusetts and Ohio, Inc.
U-Haul Co. of New York and Vermont, Inc.
U-Haul Co. of New Hampshire, Inc.
U-Haul Co. of Nevada, Inc.
U-Haul Co. of Nebraska
U-Haul Co. of Maryland, Inc.
U-Haul Co. of Florida
U-Haul Co. of Colorado
U-Haul Co. of California

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

750083U-Haul Moving & Storage at Capitol Dr	MILWAUKEE	WI
701065U-Haul Moving & Storage of West Seattle	SEATTLE	WA
883069U-Haul Moving & Storage at Oaklawn Blvd	PRINCE GEORGE	VA
824020U-Haul Moving & Storage at Airport	ROANOKE	VA
720058U-Haul Moving & Storage of Bountiful	BOUNTIFUL	UT
741046U-Haul Moving & Storage of Mesquite	MESQUITE	TX
740068U-Haul Moving & Storage of Wichita Falls	WICHITA FALLS	TX
774062U-Haul Moving & Storage at Hixson Pike	CHATTANOOGA	TN
768058U-Haul Moving & Storage at Dorchester Rd	NORTH CHARLESTON	SC
770082U-Haul Moving & Storage of Northgate	CINCINNATI	OH
803064U-Haul Moving & Storage of Yonkers	YONKERS	NY
798055U-Haul Moving & Storage at Dan Webster	NASHUA	NH
706081U-Haul Moving & Storage of Carson City	CARSON CITY	NV
730063U-Haul Moving & Storage of 48 & Vine	LINCOLN	NE
819072U-Haul Moving & Storage at Randolph Rd	ROCKVILLE	MD
778056U-Haul Moving & Storage at Beal Pkwy	FORT WALTON BEACH	FL
834024U-Haul Moving & Storage at South Federal	DENVER	CO
717081U-Haul Moving & Storage of Poway	POWAY	CA
715075U-Haul Moving & Storage of Westminster	WESTMINSTER	CA

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of March 30, 2012 among Twenty-Five SAC Self-Storage Limited Partnership, a Nevada limited partnership ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be

prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set

forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue (except for U-Move Commissions) in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Five SAC Self-Storage Limited Partnership,
a Nevada limited partnership

By: Twenty-Five SAC Self-Storage GP Corporation,
Its General Partner

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Virginia
U-Haul Co. of Texas
U-Haul Co. of Oklahoma, Inc.
U-Haul Co. of Michigan
U-Haul Co. of Louisiana
U-Haul Co. of Iowa, Inc.
U-Haul Co. of Georgia
U-Haul Co. of Florida
U-Haul Co. of Colorado
U-Haul Co. of California
U-Haul Co. of Arizona

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

883070U-Haul Moving & Storage at Prince George	PRINCE GEORGE	VA
825051U-Haul Moving & Storage at Town Center	VIRGINIA BEACH	VA
836048U-Haul Moving & Storage of Westside	FORT WORTH	TX
836031U-Haul Moving & Storage of Haltom City E	HALTON CITY	TX
737025U-Haul Moving & Storage of Rundberg	AUSTIN	TX
761074U-Haul Moving & Storage at Peoria Plaza	TULSA	OK
752026U-Haul Moving & Storage of Ann Arbor	ANN ARBOR	MI
743056U-Haul Moving & Storage of Northside	SHEVEPORT	LA
793074U-Haul Moving & Storage of Southeast	DES MOINES	IA
776069U-Haul Moving & Storage at Covington Hwy	DECATUR	GA
763054U-Haul Moving & Storage of Forest Park	FOREST PARK	GA
829070U-Haul Moving & Storage of Altamonte Springs	ALTAMONTE SPRINGS	FL
788080U-Haul Moving & Storage of Five Points	WILTON MANOR	FL
834021U-Haul Moving & Storage at Santa Fe Dr	LITTLETON	CO
714046U-Haul Moving & Storage of Canyon Country	CANYON COUNTRY	CA
714042U-Haul Moving & Storage of Altadena	ALTADENA	CA
713021U-Haul Moving & Storage at Leffingwell Rd	WHITTIER	CA
723024U-Haul Moving & Storage at Gilbert & Houston	GILBERT	AZ

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of April 1, 2012 among Twenty-Six SAC Self-Storage Limited Partnership, a Nevada limited partnership ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be

prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set

forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue (except for U-Move Commissions) in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

(c) **Inspection of Books and Records** . Owner shall have the right, upon prior reasonable notice to Manager, to inspect Manager's books and records with respect to the Property, to assure that proper fees and charges are assessed hereunder. Manager shall cooperate with any such inspection. Owner shall bear the cost of any such inspection; provided, however, that if it is clearly demonstrated that Manager has overcharged Owner by more than 5% in any given quarter and such overcharge was not caused in whole or part by Owner, the cost of such inspection shall be borne by Manager. Manager shall promptly reimburse Owner for any overpayment.

5. Use of Trademarks, Service Marks and Related Items.

Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

13. Governing Law.

The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Six SAC Self-Storage Limited Partnership,
a Nevada limited partnership

By: Twenty-Six SAC Self-Storage GP Corporation,
a Nevada corporation, its General Partner

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of California, a California corporation
U-Haul Co. of Florida, a Florida corporation

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

26 SAC	786069U-Haul Moving & Storage of Pinellas County	CLEARWATER	FL
26 SAC	785057U-Haul Moving & Storage at S Orange Ave	ORLANDO	FL
26 SAC	716024U-Haul Moving & Storage at Garey Ave	POMONA	CA
26 SAC	708066U-Haul Moving & Storage at Candlestick	SAN FRANCISCO	CA

PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is entered into as of March 30, 2012 among Twenty-Seven SAC Self-Storage Limited Partnership, a Nevada limited partnership ("Owner"), and the subsidiaries of U-Haul International, Inc. set forth on the signature block hereto (collectively or individually, as the case may be, "Manager").

RECITALS

A. Owner owns the real property and all improvements thereon and appurtenances thereto located at the street addresses identified on Exhibit A hereto (hereinafter, collectively the "Property").

B. Owner intends that the Property be rented on a space-by-space retail basis to corporations, partnerships, individuals and/or other entities for use as self-storage facilities.

C. Owner desires that Manager manage the Property and Manager desires to act as the property manager for the Property, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows.

1. Employment.

(a) Owner hereby retains Manager, and Manager agrees to act as manager of the Property upon the terms and conditions hereinafter set forth.

(b) Owner acknowledges that Manager, and/or Manager affiliates, is in the business of managing self-storage facilities and businesses conducted thereat, including, but not limited to, the sale of packing supplies and rental of trucks and equipment, both for its own account and for the account of others. It is hereby expressly agreed that notwithstanding this Agreement, Manager and such affiliates may continue to engage in such activities, may manage facilities other than those presently managed by Manager and its affiliates (whether or not such other facilities may be in direct or indirect competition with Owner) and may in the future engage in other business which may compete directly or indirectly with activities of Owner.

(c) In the performance of its duties under this Agreement, Manager shall occupy the position of an independent contractor with respect to Owner. Nothing contained herein shall be construed as making the parties hereto (or any of them) partners or co-parties to a joint venture, nor construed as making Manager an employee of Owner.

2. Duties and Authority of Manager.

Subject to the terms and conditions of this Agreement, on behalf of, and as agent of, the Owner:

(a) **General Duties and Authority** . Manager shall have the sole and exclusive duty and authority to fully manage the Property and supervise and direct the business and affairs associated or related to the daily operation thereof, to collect on behalf of Owner all revenues related to the Property, to pay on behalf of Owner all expenses of the Property, and to execute on behalf of Owner such documents and instruments as, in the sole judgment of Manager, are reasonably necessary or advisable under the circumstances in order to fulfill Manager's duties hereunder. Such duties and authority shall include, without limitation, those set forth below. Notwithstanding the foregoing or any other term or provision herein, upon notice to Manager, Owner shall have the right to assume responsibility for the direct payment of certain expenses of Owner, as may be determined by Owner. In such event, Owner shall provide an accounting of such costs to Manager. In the event Owner fails to provide such accounting to Manager, Manager shall assume no liability for nonpayment for such expenses so assumed by Owner. The parties acknowledge and agree that Owner will retain title to, ownership of, and exclusive right to control the Property, subject to the terms of this Agreement, and that portion of the Gross Revenue (as hereinafter defined) owned by Owner ("Owner's Revenue"); and that Manager will not acquire title to, any interest in, or any income or revenues from the Property or Owner's Revenue. For purposes of this Agreement, Owner's Revenue consists of the revenue from storage operations, retail sales, miscellaneous income and the commissions ("U-Move Commissions") paid to Owner pursuant to the terms of that Dealer Contract between Owner and Manager dated as of the date hereof (the "Dealer Contract"), in each case with respect to the Property. In performing its services and making any payments hereunder, Manager will make known to third parties that Manager is acting solely as the agent of Owner. Under no circumstances will Manager represent or hold itself out to any third party as having any title to or property interest in the Property or Owner's Revenue.

(b) **Renting of the Property** . Manager shall establish policies and procedures for the marketing activities for the Property, and shall advertise the Property through such media as Manager deems advisable. Manager's marketing activities for the Property shall be consistent with the scope and quality implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall have the sole discretion, which discretion shall be exercised in good faith, to establish the terms and conditions of occupancy by the tenants of the Property, and Manager is hereby authorized to enter into rental agreements on behalf and for the account of Owner with such tenants and to collect rent from such tenants on behalf and for the account of Owner. Manager may jointly advertise the Property with other properties owned or managed by Manager or its Affiliates, and in that event, Manager shall reasonably allocate the cost of such advertising among such properties.

(c) **Repair, Maintenance and Improvements** . Manager shall make, execute, supervise and have control over the making and executing of all decisions concerning the acquisition of furniture, fixtures and supplies for the Property, and may purchase, lease or otherwise acquire the same and which items shall be owned by Manager. Manager shall make and execute, or supervise and have control over the making and executing of all decisions concerning the maintenance, repair and landscaping of the Property, provided, however, that such maintenance, repair and landscaping shall be consistent with the maintenance, repair and landscaping implemented by Manager and its affiliates at any other properties operated by Manager or its affiliates. Manager shall, on behalf of Owner, negotiate and contract for and supervise the installation of all capital improvements related to the Property; provided, however, that Manager agrees to secure the prior written approval of Owner on all such expenditures in

excess of \$10,000.00 for any one item, except monthly or recurring operating charges and/or emergency repairs if in the opinion of Manager such emergency repairs are necessary to protect the Property from damage or to maintain services to the Owner or any customers. In the event such emergency repairs exceed \$10,000, Manager shall notify Owner and the insurer as applicable of the cost estimate for such work.

(d) **Personnel** . Manager shall select all vendors, suppliers, contractors, subcontractors and employees with respect to the Property and shall hire, discharge and supervise all labor and employees required for the operation and maintenance of the Property. Any employees so hired shall be employees of Manager, and shall be carried on the payroll of Manager. Employees may include, but need not be limited to, on-site resident managers, on-site assistant managers, and relief managers located, rendering services, or performing activities on the Property in connection with its operation and management. The cost of employing such persons shall not exceed prevailing rates for comparable persons performing the same or similar services with respect to real estate similar to the Property in the general vicinity of each respective Property. Manager shall be responsible for all legal and insurance requirements relating to its employees.

(e) **Service Agreements** . Manager shall negotiate and execute on behalf of Owner such agreements which Manager deems necessary or advisable for the furnishing of utilities, services, concessions and supplies, for the maintenance, repair and operation of the Property and such other agreements which may benefit the Property or be incidental to the matters for which Manager is responsible hereunder.

(f) **Other Decisions** . Manager shall make the decisions in connection with the day-to-day operations of the Property.

(g) **Regulations and Permits** . Manager shall comply in all respects with any statute, ordinance, law, rule, regulation or order of any governmental or regulatory body pertaining to the Property (collectively, "Laws"), respecting the use of the Property or the maintenance or operation thereof, the non-compliance with which could reasonably be expected to have a material adverse effect on Owner or any Property. Manager shall apply for and obtain and maintain, on behalf of Owner, all licenses and permits required or advisable (in the reasonable judgment of Manager) in connection with the management and operation of the Property. Notwithstanding the foregoing, Manager shall be permitted to contest any Applicable Laws to the extent and pursuant to the same conditions that Owner is permitted to contest any Laws. To the extent that Manager does not comply, Manager will be responsible for the costs and penalties incurred as a result of the non-compliance.

(h) **Records and Reports of Disbursements and Collections** . Manager shall establish, supervise, direct and maintain the operation of a system of cash record keeping and bookkeeping with respect to all receipts and disbursements and all business activities and operations conducted by Manager in connection with the management and operation of the Property. Manager shall be responsible for cash shortages and discrepancies incurred in the normal course of management operations. The books, records and accounts shall be maintained at the Manager's office or at Owner's office, or at such other location as Manager and Owner shall determine, and shall be available and open to examination and audit quarterly by Owner, its representatives, its lender, if any ("Lender"), and as provided by Owner, and, subject to any

mortgagee of the Property, and such mortgagee's representative. Manager shall cause to be prepared and delivered to Owner a monthly statement on a per-Property basis, of receipts, expenses and charges, and any other information as reasonably required by Owner to prepare its financials statements, together with a statement, on a per-Property basis, of the disbursements made by Manager during such period on Owner's behalf, which shall include separate lines for prepaid items and inventory. Manager shall provide Owner with rent rolls and occupancy reports if requested.

(i) **Collection** . Manager shall be responsible for the billing and collection of all receipts and for payment of all expenses with respect to the Property and shall be responsible for establishing policies and procedures to minimize the amount of bad debts. Bad debt incurred as a result of non compliance with management policies and procedures (such as improper verifications or acceptance of bad credit cards or bad checks) will be the responsibility of Manager.

(j) **Legal Actions** . Manager shall cause to be instituted, on behalf and in its name or in the name of Owner as appropriate, any and all legal actions or proceedings Manager deems necessary or advisable in connection with the Property, including, without limitation, to collect charges, rent or other income due to Owner with respect to the Property and to oust or dispossess tenants where appropriate or other persons unlawfully in possession under any lease, license, concession agreement or otherwise, and to collect damages for breach thereof or default thereunder by such Owner, licensee, concessionaire or occupant.

(k) **Insurance** . Manager will insure, on its Master Policy, against all liabilities at the Property at Manager's sole cost and expense ("General Liability Insurance"). Any deductibles or self-insured retentions with respect to the General Liability Insurance shall be at Manager's (or Manager's U-Haul affiliates') responsibility and sole cost and expense. Manager will insure equipment at Manager's cost, as determined by Manager. If requested by Owner, Manager will obtain for Owner, at Owner's sole cost and expense, a policy of property insurance ("Property and Casualty Insurance"). Any such Property & Casualty Insurance shall meet Lender's required coverage, to include earthquake, flood and other Lender requirements, as the case may be, and shall be the cost of Owner.

(l) **Taxes** . During the term of this Agreement, Manager shall pay on behalf of Owner, prior to delinquency, real estate taxes, personal property taxes, and other taxes assessed to, or levied upon, the Property, but only in the event requested by Owner. If requested, Manager will charge to Owner an expense monthly equal to 1/12 of annual- real property taxes.

(m) **Limitations on Manager Authority** . Notwithstanding anything to the contrary set forth in this Section 2, Manager shall not, without obtaining the prior written consent of Owner, (i) rent storage space in the Property by written lease or agreement for a stated term in excess of one year unless such lease or agreement is terminable by the giving of not more than thirty (30) days written notice, (ii) alter the building or other structures of the Property in violation of loan documents executed by Owner in connection with the Property ("Loan Documents"); (iii) enter on behalf of Owner any other agreements which exceed a term of one year and are not terminable on thirty day's notice at the will of Owner, without penalty, payment or surcharge; (iv) act in violation of any Law, (v) violate any term or condition of the Loan Documents; (vi) fail to correct any misunderstanding of any third party of which Manager

becomes aware as to the separateness of Owner and Manager; or (vii) except as explicitly set forth in this Agreement, exercise any authority to act on behalf of, or hold itself out as having authority to act on behalf of, Owner.

(n) **Shared Expenses** . Owner acknowledges that certain economies may be achieved with respect to certain expenses to be incurred by Manager on behalf of Owner hereunder if materials, supplies, insurance or services are purchased by Manager in quantity for use not only in connection with Owner's business at the Property but in connection with other properties owned or managed by Manager or its affiliates. Manager shall have the right to purchase such materials, supplies, insurance (subject to the terms of this Agreement) and/or services in its own name and charge Owner a pro rata allocable share of the cost of the foregoing; provided, however, that the pro rata cost of such purchase to Owner shall not result in expenses that are either inconsistent with the expenses of other "U-Haul branded" locations in the general vicinity of the applicable Property or greater than would otherwise be incurred at competitive prices and terms available in the area where the Property is located; and provided further, Manager shall give Owner access to records (at no cost to Owner) so Owner may review any such expenses incurred.

(o) **Deposit of Gross Revenues** . All revenue from operations at the Property ("Gross Revenue") shall be deposited daily by Manager into (i) a bank account that has been established for the benefit of Owner (the "Deposit Account") and maintained by Manager (or its parent company); or (ii) a collective bank account (the "Collective Account") maintained by Manager (or its parent company) for the benefit of multiple property owners. In either case, although the account may be in Owner's name, Owner's right to the proceeds therein only extends to Owner's Revenue. On a daily basis, Manager shall transfer Owner's Revenue (except for U-Move Commissions) in the Deposit Account or Collective Account, as the case may be, to Owner's separately identified depository account pledged to Lender ("Blocked Account"). To the extent that Gross Revenue is deposited into a Collective Account, Manager (or its parent company) shall on a daily basis reconcile such Collective Account and maintain such records as shall clearly identify the respective interest of each property owner in such account. Manager shall not, and shall not permit any other property owner or any affiliate of Manager to borrow, lend or use Owner's Revenue while it is in a Collective Account. The payment of Owner's U-Move Commissions shall be governed by the terms of the Dealer Contract. Nothing in this Section shall be construed to limit Owner's access to Owner's Revenue.

(p) **Obligations under Loan Documents and other Material Contracts** . Manager shall take such actions as are necessary or appropriate under the circumstances to ensure, to the extent Manager is privy to the information, that Owner is in compliance with the terms of the Loan Documents and any other material agreement relating to the Property to which Owner is a party and for which Manager is privy to the information. Notwithstanding the foregoing, nothing herein contained shall be deemed to obligate Manager to fund from its own resources any payments owed by Owner under the Loan Documents or otherwise be deemed to make Manager a direct obligor under the Loan Documents.

(q) **Obligations notwithstanding other Tenancy at the Property** . Manager shall perform all of its obligations under this Agreement in a professional manner consistent with the standards it employs at all of its managed locations.

(r) **Segregation** . Owner and Manager shall maintain the Property and Owner's Revenue in such a manner that it is not costly or difficult to segregate, ascertain or identify Owner's individual assets from those of Manager or any other person.

3. Duties of Owner.

Owner shall cooperate with Manager in the performance of Manager's duties under this Agreement and to that end, upon the request of Manager, shall provide, at such rental charges, if any, as are deemed appropriate, reasonable office space for Manager employees on the premises of the Property (to the extent available). Owner shall not unreasonably withhold or delay any consent or authorization to Manager required or appropriate under this Agreement. Owner shall provide Manager with copies of all Loan Documents and any amendments thereto.

4. Compensation of Manager.

(a) **Reimbursement of Expenses** . Manager shall be entitled to request and receive timely reimbursement for all timely authorized out-of-pocket reasonable and customary expenses ("Expenses") actually incurred by Manager in the discharge of its duties hereunder. Such expense reimbursement shall be due by the last business day of each month, for all expenses billed during such month, unless a written request is received by Manager detailing a legitimate dispute as to a billed amount. Such reimbursement shall be the obligation of Owner, whether or not Owner's Revenues are sufficient to pay such amounts. Unpaid balances shall accrue interest at the rate of the 30 day libor + 100 basis points, commencing as of the first day of the month following the due date therefor, or the first day of the month following resolution of the dispute.

(b) **Management Fee** . Owner shall pay to Manager as the full amount due for the services herein provided a monthly fee (the "Management Fee") which shall be six percent (6%) of the Property's current month Owner's Revenue, as determined on a cash basis. The Management Fee payment shall be included with the reimbursement of Expenses pursuant to Section 4(a) above, for the same month. The invoice for the management fee shall be itemized and shall include reasonable detail to explain the expenses incurred.

Except as provided in this Section 4, it is further understood and agreed that Manager shall not be entitled to additional compensation of any kind in connection with the performance by it of its duties under this Agreement.

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Owner acknowledges the significant value of the "U-Haul" name in the operations of Owner's property and it is therefore understood and agreed that the name, trademark and

service mark "U-Haul", and related marks, slogans, caricatures, designs and other trade or service items (the "Manager Trade Marks") shall be utilized for the non-exclusive benefit of Owner in the rental and operation of the Property, and in comparable operations elsewhere. It is further understood and agreed that this name and all such marks, slogans, caricatures, designs and other trade or service items shall remain and be at all times the property of Manager and its affiliates, and that, except as expressly provided in this Agreement, Owner shall have no right whatsoever therein. Owner agrees that during the term of this agreement the sign faces at the property will have the name "U-Haul." Upon termination of this agreement at any time for any reason, all such use by and for the benefit of Owner of any such name, mark, slogan, caricature, design or other trade or service item in connection with the Property shall be terminated and any signs bearing any of the foregoing shall be removed from view and no longer used by Owner. In addition, upon termination of this Agreement at any time for any reason, Owner shall not enter into any new leases of Property using the Manager lease form or use other forms prepared by Manager. It is understood and agreed that Manager will use and shall be unrestricted in its use of such name, mark, slogan, caricature, design or other trade or service item in the management and operation of other storage facilities both during and after the expiration or termination of the term of this Agreement.

6. Default; Termination.

(a) Any material failure by Manager or Owner (a "Defaulting Party") to perform its respective duties or obligations hereunder (other than a default by Owner under Section 4 of this Agreement), which material failure is not cured within thirty (30) calendar days after receipt of written notice of such failure from the non-defaulting party, shall constitute an event of default hereunder; provided, however, the foregoing shall not constitute an event of default hereunder in the event the Defaulting Party commences cure of such material failure within such thirty (30) day period and diligently prosecutes the cure of such material failure thereafter but in no event shall such extended cure period exceed ninety (90) days from the date of receipt by the non-defaulting party of written notice of such material default; provided further, however, that in the event such material failure constitutes a default under the terms of the Loan Documents and the cure period for such matter under the Loan Documents is shorter than the cure period specified herein, the cure period specified herein shall automatically shorten such that it shall match the cure period for such matter as specified under the Loan Documents. In addition, following notice to Manager of the existence of any such material failure by Manager, Owner shall have the right to cure any such material failure by Manager, and any sums so expended in curing shall be owed by Manager to such curing party and may be offset against any sums owed to Manager under this Agreement.

(b) Any material failure by Owner to perform its duties or obligations under Section 4, which material failure is not cured within ten (10) calendar days after receipt of written notice of such failure from Manager, shall constitute an event of default hereunder.

(c) Subject to the terms of the Loan Documents, either party hereto shall have the right to terminate this Agreement, with or without cause, by giving not less than ninety (90) days' written notice to the other party hereto, pursuant to Section 14 hereof.

(d) Upon termination of this Agreement, (x) Manager shall promptly return to Owner all monies, books, records and other materials held by Manager for or on behalf of Owner and shall otherwise cooperate with Owner to promote and ensure a smooth transition to the new

manager and (y) Manager shall be entitled to receive its Management Fee and reimbursement of expenses through the effective date of such termination, including the reimbursement of any prepaid expenses for periods beyond the date of termination (such as Yellow Pages advertising).

7. Indemnification.

Manager hereby agrees to indemnify, defend and hold Owner, all persons and companies affiliated with Owner, and all officers, shareholders, directors, employees and agents of Owner and of any affiliated companies or persons (collectively, the "Indemnified Persons") harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, judgments, damages, and claims in connection with the management of the Property and operations thereon (including the loss of use thereof following any damage, injury or destruction), arising from any cause or matter whatsoever, including, without limitation, any environmental condition or matter caused by Manager's operation of the Property, except to the extent attributable to the willful misconduct or negligence on the part of the Indemnified Persons.

8. Assignment.

Manager shall not assign this Agreement, or any portion hereof of the duties hereunder, to any party without the consent of Owner.

9. Standard for Property Manager's Responsibility.

Manager agrees that it will perform its obligations hereunder according to industry standards, in good faith, and in a commercially reasonable manner.

10. Estoppel Certificate.

Each of Owner and Manager agree to execute and deliver to one another, from time to time, within ten (10) business days of the requesting party's request, a statement in writing certifying, to the extent true, that this Agreement is in full force and effect, and acknowledging that there are not, to such parties knowledge, any uncured defaults or specifying such defaults if they are claimed and any such other matters as may be reasonably requested by such requesting party.

11. Term; Scope.

Subject to the provisions hereof, this Agreement shall have an initial term (such term, as extended or renewed in accordance with the provisions hereof, being called the "Term") commencing on the date hereof (the "Commencement Date") and ending on the later of (i) the last day of the two hundred and fortieths (240th) calendar month next following the date hereof or (ii) the maturity date, repayment or prepayment of the applicable Loan Documents (the "Expiration Date"); provided however, the parties shall have the right upon mutual agreement to terminate this Agreement with respect to any individual Property no longer subject to the Loan Documents (for instance due to a significant casualty or condemnation of such Property).

12. Headings.

The headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

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The validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties shall be governed by the internal laws of the State of Nevada.

14. Notices.

Any notice required or permitted herein shall be in writing and shall be personally delivered or mailed first class postage prepaid or delivered by an overnight delivery service to the respective addresses of the parties set forth above on the first page of this Agreement, or to such other address as any party may give to the other in writing. Any notice required by this Agreement will be deemed to have been given when personally served or one day after delivery to an overnight delivery service or five days after deposit in the first class mail. Any notice to Owner shall be to the attention of c/o SAC Holding Corporation, 1250 E. Missouri, Phoenix, AZ 85014, Attn: Secretary. Any notice to Manager shall be to the attention of c/o U-Haul International, Inc., 2721 North Central Avenue, Phoenix, AZ 85004, Attn: Chief Financial Officer.

15. Severability.

Should any term or provision hereof be deemed invalid, void or unenforceable either in its entirety or in a particular application, the remainder of this Agreement shall nonetheless remain in full force and effect and, if the subject term or provision is deemed to be invalid, void or unenforceable only with respect to a particular application, such term or provision shall remain in full force and effect with respect to all other applications.

16. Successors.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their permitted assigns and successors in interest.

17. Attorneys' Fees.

If it shall become necessary for any party hereto to engage attorneys to institute legal action for the purpose of enforcing their respective rights hereunder or for the purpose of defending legal action brought by the other party hereto, the party or parties prevailing in such litigation shall be entitled to receive all costs, expenses and fees (including reasonable attorneys' fees) incurred by it in such litigation (including appeals).

18. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned execute this Agreement as of the date set forth above.

Owner :

Twenty-Seven SAC Self-Storage Limited Partnership,
a Nevada limited partnership

By: Twenty-Seven SAC Self-Storage GP Corporation,
Its General Partner

By: _____
Bruce Brockhagen, Secretary

Manager :

U-Haul Co. of Wisconsin, Inc.
U-Haul Co. of Virginia
U-Haul Co. of Texas
U-Haul Co. of Tennessee
U-Haul Co. of Rhode Island
U-Haul Co. of Pennsylvania
U-Haul Co. of North Carolina
U-Haul Co. of New York and Vermont, Inc.
U-Haul Co. of New Mexico, Inc.
U-Haul Co. of New Hampshire, Inc.
U-Haul Co. of Maryland, inc.
U-Haul Co. of Georgia
U-Haul Co. of Florida
U-Haul Co. of California
U-Haul Co. of Arizona

By: _____
Gary B. Horton, Treasurer

Exhibit A

List of Properties

27 SAC	749072U-Haul Moving & Storage of W Towne	MADISON	WI
27 SAC	825064U-Haul Moving & Storage at Greenbrier	CHESAPEAKE	VA
27 SAC	746086U-Haul Moving & Storage of Meyerland Area	HOUSTON	TX
27 SAC	744079U-Haul Moving & Storage of South Park	SAN ANTONIO	TX
27 SAC	772021U-Haul Moving & Storage at Mt Juliet	OLD HICKORY	TN
27 SAC	796063U-Haul Moving & Storage of Newport	NEWPORT	RI
27 SAC	812021U-Haul Moving & Storage at Allegheny	PHILADELPHIA	PA
27 SAC	774056U-Haul Moving & Storage of E Asheville	ASHEVILLE	NC
27 SAC	802073U-Haul Moving & Storage of Bellerose	BELLEROSE	NY
27 SAC	724085U-Haul Ctr San Mateo	ALBUQUERQUE	NM
27 SAC	790061U-Haul Moving & Storage of Concord	CONCORD	NH
27 SAC	820025U-Haul Moving & Storage at Washington Blvd	BALTIMORE	MD
27 SAC	776037U-Haul Moving & Storage of Athens	ATHENS	GA
27 SAC	787071U-Haul Moving & Storage of Hialeah	HIALEAH	FL
27 SAC	784067U-Haul Moving & Storage at Phillips & University	JACKSONVILLE	FL
27 SAC	808086U-Haul Moving & Storage of Wilmington	WILMINGTON	DE
27 SAC	716058U-Haul Moving & Storage at D St	SAN BERNARDINO	CA
27 SAC	713044U-Haul Moving & Storage of Charter Oaks	COVINA	CA
27 SAC	706067U-Haul Moving & Storage of Citrus Heights	SACRAMENTO	CA
27 SAC	882064U-Haul Moving & Storage of Downtown Phoenix	PHOENIX	AZ

AMENDMENT TO CREDIT AGREEMENT

This AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is dated as of March 15, 2012 (the "Amendment Date"), by and between AMERCO REAL ESTATE COMPANY, a Nevada corporation, and U-HAUL CO. OF FLORIDA, a Florida corporation (collectively, "Borrower Sponsors") and JPMORGAN CHASE BANK, N.A. ("Lender").

PREMISES

Borrower Sponsors and Lender are party to that certain Credit Agreement dated as of April 29, 2011 (the "Credit Agreement"), pursuant to which and subject to which Lender provided Borrower Sponsors with a Commitment to make the Loans, as such terms are defined in the Credit Agreement. Capitalized terms not specifically defined herein have the meanings specified in the Credit Agreement.

Borrower Sponsors has requested that Lender extend the Expiration Date of the Credit Agreement and lower the Applicable Margin, as referenced therein, governing the future Loans to be made pursuant to the Credit Agreement.

Now, therefore, the parties hereto agree as follows:

ARTICLE I
Definitions

SECTION 1.01. Existing Defined Terms. The following defined terms set forth in the Credit Agreement are amended and restated from the Credit Agreement:

"Applicable Margin" means 1.25%.

"Expiration Date" means April 30, 2013, as the same may be extended pursuant to Section 2.06.

SECTION 1.02. Additional Defined Terms. The following defined terms are added to the Credit Agreement:

"Amendment Affirmation" means that certain Affirmation Agreement, from Master Guarantor for the benefit of Lender, of even date with the Amendment to Credit Agreement.

SECTION 1.03. Use of Certain Terms. For purposes of clarification, the defined terms of the Credit Agreement generally are hereby interpreted to encompass such changes as are necessary to effectuate the terms and intent of this Amendment.

SECTION 1.04. No Effect on Past Loans. Nothing herein shall modify the Maturity Date or the terms of Loans previously advanced to SPE Subsidiaries pursuant to the Credit Agreement.

ARTICLE II
Conditions to Effectiveness

SECTION 2.01. Effective Date. This Amendment shall not become effective

until the date on which Lender shall have received:

- (a) either (i) a counterpart of this Amendment signed on behalf of each of the Borrower Sponsors or (ii) written evidence satisfactory to Lender (which may include telecopy transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment;
- (b) a fully executed Amendment Affirmation;
- (c) such documents and certificates as the Lender or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower Sponsors, the authorization of the Transactions all in form and substance satisfactory to the Lender and its counsel;
- (d) at the time of and immediately after giving effect to this Amendment, no Default shall have occurred and be continuing; and
- (e) Borrower Sponsors shall have paid to Lender a fee equal to \$150,000.

In addition to the foregoing, Borrower Sponsors shall pay Lender's legal fees and out-of-pocket costs in negotiating and completing this Amendment and the transactions represented hereby.

ARTICLE III Representations and Warranties

The Borrower Sponsors hereby restates the representations and warranties to Lender as set forth in Article 3 of the Credit Agreement.

ARTICLE IV Miscellaneous

SECTION 4.01. Counterparts; Integration; Effectiveness. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single document. This Amendment and any separate letter agreements with respect to fees payable to Lender constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Amendment shall become effective when it shall have been executed by Lender and when Lender shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Amendment by telecopy shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 4.02. Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 4.03. Governing Law; Jurisdiction; Consent to Service of Process. Section 8.09 of the Credit Agreement is incorporated herein as though fully set forth herein.

SECTION 4.04. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 4.05. USA PATRIOT Act. The following notification is provided to Borrower Sponsors pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for Borrower Sponsors: When Borrower Sponsors opens an account, if Borrower Sponsors is an individual Lender will ask for Borrower Sponsor's name, taxpayer identification number, residential address, date of birth, and other information that will allow Lender to identify Borrower Sponsors, and if Borrower Sponsors is not an individual Lender will ask for Borrower Sponsor's name, taxpayer identification number, business address, and other information that will allow Lender to identify Borrower Sponsors. Lender may also ask, if Borrower Sponsors is an individual to see Borrower Sponsor's driver's license or other identifying documents, and if Borrower Sponsors is not an individual to see Borrower Sponsor's legal organizational documents or other identifying documents.

SECTION 4.06. Information. The Borrower Sponsors agrees that Lender may provide any information or knowledge Lender may have about the Borrower Sponsors or about any matter relating to this Agreement or the Loan Documents to JPMorgan Chase & Co., or any of its Affiliates or their successors, or to any one or more purchasers or potential purchasers of this Agreement or the Loan Documents. The Borrower Sponsors agrees that Lender may at any time sell, assign or transfer one or more interests or participations in all or any part of its rights and obligations in this Agreement and the Loan Documents to one or more purchasers whether or not related to Lender.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the Amendment Date.

AMERCO REAL ESTATE COMPANY,
a Nevada corporation

By _____
Name:
Title:

U-HAUL CO. OF FLORIDA,
a Florida corporation

By _____
Name:
Title:

JPMORGAN CHASE BANK, N.A.

By _____
Name:
Title:

Signature Page to Amendment to Credit Agreement

EFFECTIVE DATE: MONTH _____ DAY _____ YEAR _____

DEALERSHIP CONTRACT ADDENDUM

THIS ADDENDUM is between **U-HAUL® CO. OF SEE THE ATTACHED LIST OF PARTICIPATING U-HAUL CO. ENTITIES** collectively hereinafter referred to as "U-Haul" and **SEE THE ATTACHED LIST OF PARTICIPATING "Dealer" ENTITIES AND LOCATIONS**, collectively hereinafter referred to as "Dealer".

RECITALS

U-Haul and Dealer previously entered into a Dealership Contract for the rental of the Equipment. (Any defined terms not defined herein shall have the same meaning as set forth in the Dealership Contract)

U-Haul and Dealer desire to modify the terms and conditions of the Dealership Contract as follows:

AGREEMENT

I. THE FOLLOWING LANGUAGE IS HEREBY ADDED TO THE DEALERSHIP CONTRACT:

1. Dealer's rental of U-Box(s) and U-Box Trailers:

U-Haul is in the business of renting portable moving and storage pods, hereinafter the "U-Box(s)". U-Haul is also in the business of renting trailers that are dedicated solely to the transportation of the U-Box(s), hereinafter the "U-Box Trailers".

U-Haul hereby appoints Dealer as an agent for the rental of the U-Box(s) and the U-Box Trailers for and on behalf of U-Haul. Dealer acknowledges that the U-Box(s) and the U-Box Trailers are consigned to Dealer and title to the U-Box(s) and the U-Box Trailers shall remain with U-Haul at all times.

U-Haul will provide to Dealer, for rental to the public, a certain number of U-Box(s) and U-Box Trailers as mutually agreed upon by U-Haul and Dealer.

For those U-Box(s) that U-Haul provides to Dealer, Dealer shall pay to U-Haul ten dollars (\$10.00) per month for each individual U-Box.

2. U-Box(s) Revenue Due Dealer from U-Haul :

(a.) For the rental of U-Box(s), Dealer will receive 80% of the rental revenue for those U-Box(s);

(b.) For the local delivery of U-Box(s), Dealer will receive 100% of the delivery fees revenue;

(c.) For the one-way shipping of U-Box(s), Dealer will receive 5% of the one-way shipping fees revenue;

(d.) For the rental of the U-Box Trailers, Dealer will receive 35% of the rental revenue for those U-Box Trailers.

(e.) For the load and unload of U-Box(s), Dealer will receive 100% of the load and unload fees revenue.

(f.) For those miscellaneous fees charged to, and received by, a customer for the U-Box(s), Dealer will receive 100% for those miscellaneous fees revenue.

(g.) Dealer agrees that it does not/will not receive any revenue from its sale of the SafeStor Mobile Storage Protection product.

(h.) U-Haul and Dealer agree that all gross revenue that is remitted by Dealer to U-Haul and that any revenue due Dealer from U-Haul will be done in accordance with the terms of the U-Haul Fast Pay Program as set forth in the Dealership Contract.

3. U-Haul's right to change revenue percentages.

Dealer expressly agrees that U-Haul in its sole discretion, upon thirty (30) days prior written notice to Dealer (including electronic notice), can change any or all of the revenue percentages in Section 2

(a.) – (f.) above. U-Haul agrees that any changes to the revenue percentages will not be made retroactive.

4. Hold Harmless with regard to U-Box(s) and U-Box Trailers.

U-Haul shall hold Dealer harmless from any and all liability incurred by Dealer solely in its capacity as a U-Haul dealer for property damage, personal injury or death to third parties involving the U-Box(s) and U-Box Trailers. U-Haul shall indemnify, hold harmless and defend Dealer against any claims, actions or suits arising against Dealer solely in its capacity as a U-Haul dealer. If U-Haul defends Dealer hereunder, U-Haul will hire, appoint and direct the attorney and Dealer agrees to fully cooperate with that attorney. This provision shall be effective only when the U-Box(s) and/or the U-Box Trailers are being rented or used under a valid U-Haul Rental Contract, when Dealer has complied with U-Haul rental requirements specifically including but not limited to the Meaningful Assurance requirements, when Dealer has complied with U-Haul hookup procedures and other instructions, when Dealer has collected the applicable rental and other fees prior to dispatching the U-Box(s) and/or U-Box Trailers, when Dealer has performed the U-Haul receiving and dispatching procedures, and; when Dealer has issued the appropriate User's Guide, U-Haul Rental Contract and its applicable Addendum. This provision shall not apply to the negligence or misconduct or intentional acts of Dealer, its employees, agents, affiliates, related entities or representatives.

5. Risk of Loss to U-Box(s) and U-Box Trailers.

Between U-Haul and Dealer, U-Haul shall assume all responsibility for loss of, or damage to, the U-Box(s) and U-Box Trailers, when damage is due to theft or vandalism while in the custody of Dealer; provided, however, that Dealer and its employees and agents shall not intentionally steal, damage or vandalize the U-Box(s) and U-Box Trailers. Dealer shall use best efforts to protect and preserve the Equipment and all other U-Haul property in its custody.

6. Dealer's restatement of its obligations to protect U-Haul's Intellectual property and other rights.

Dealer hereby restates and reaffirms its obligations in the Dealership Contract with regard to the confidential, proprietary and trade secret information of U-Haul and U-Haul's trademarks, copyrights, artwork and U-Haul's goodwill. Therefore, Dealer specifically and expressly agrees that Sections 4h and 4i of the Dealer Contract applies to its rental of U-Box(s) and U-Box Trailers.

7. Dealer's restatement of its obligations to mandatory arbitration of disputes.

Dealer hereby restates and reaffirms its obligations in the Dealership Contract with regard to the mandatory arbitration of disputes.

8. Consideration :

Each party represents that the respective obligations of the other party in this Addendum and in the Dealership Contract constitute good and valuable consideration.

9. Dealer Contract :

This Addendum is integrated into the Dealership Contract so as to be one agreement and all other terms and conditions of the Dealership Contract shall remain in place.

DEALER:

Signature:_____

Print Name:_____

Title:_____

Date:_____

U-HAUL CO:

Signature:_____

Print Name:_____

Title:_____

Date:_____

AMERCO (Nevada)
Consolidated Subsidiaries

Patriot Truck Leasing, LLC	NV
Picacho Peak Investments Co.	NV
ARCOA Risk Retention Group, Inc.	NV
Repwest Insurance Company	AZ
Republic Claims Service Company	AZ
Republic Western Syndicate, Inc.	NY
Ponderosa Insurance Agency, LLC	AZ
RWIC Investments, Inc.	AZ
Oxford Life Insurance Company	AZ
Oxford Life Insurance Agency, Inc.	AZ
North American Insurance Company	WI
Christian Fidelity Life Insurance Company	TX
Dallas General Life Insurance Company	TX
Amerco Real Estate Company	NV
Amerco Real Estate Company of Alabama, Inc.	AL
Amerco Real Estate Company of Texas, Inc.	TX
Amerco Real Estate Services, Inc.	NV
AREC 905, LLC	DE
Rainbow-Queen Properties, LLC	AZ
One PAC Company	NV
Two PAC Company	NV
Three PAC Company	NV
Four PAC Company	NV
Five PAC Company	NV
Six PAC Company	NV
Seven PAC Company	NV
Eight PAC Company	NV
Nine PAC Company	NV
Ten PAC Company	NV
Eleven PAC Company	NV
Twelve PAC Company	NV
Sixteen PAC Company	NV
Seventeen PAC Company	NV
Nationwide Commercial Co.	AZ
Yonkers Property Corporation	NY
PF&F Holdings Corporation	DE
Fourteen PAC Company	NV
Fifteen PAC Company	NV
AREC Holdings, LLC	DE
AREC 1, LLC	DE
AREC 2, LLC	DE

AREC 3, LLC	DE
AREC 4, LLC	DE
AREC 5, LLC	DE
AREC 6, LLC	DE
AREC 7, LLC	DE
AREC 8, LLC	DE
AREC 9, LLC	DE
AREC 10, LLC	DE
AREC 11, LLC	DE
AREC 12, LLC	DE
AREC 13, LLC	DE
AREC 14, LLC	NV
AREC RW MS, LLC	DE
U-Haul International, Inc.	NV
<u>United States:</u>	
INW Company	WA
A & M Associates, Inc	AZ
Web Team Associates, Inc.	NV
EMove, Inc.	NV
U-Haul Business Consultants, Inc	AZ
U-Haul Leasing & Sales Co.	NV
RTAC, LLC	NV
U-Haul S Fleet, LLC	NV
2007 DC-1, LLC	NV
2007 EL-1, LLC	NV
2007 TM-1, LLC	NV
U-Haul R Fleet, LLC	NV
2010 BE-BP-2, LLC	NV
2010 U-Haul S. Fleet, LLC	NV
2010 TM-1, LLC	NV
2010 TT-1, LLC	NV
2010 DC-1, LLC	NV
U-Box, LLC	NV
U-Haul Moving Partners, Inc.	NV
U-Haul Self-Storage Corporation	NV
U-Haul Self-Storage Management (WPC), Inc.	NV
U-Haul Co. of Alaska	AK
U-Haul Co. of Alabama, Inc.	AL
U-Haul Co. of Arkansas	AR
U-Haul Co. of Arizona	AZ
U-Haul Titling, LLC	NV
2010 U-Haul Tilting 2, LLC	NV
2010 U-Haul Tilting 3, LLC	NV
U-Haul Co. of California	CA
U-Haul Co. of Colorado	CO
U-Haul Co. of Connecticut	CT

U-Haul Co. of District of Columbia, Inc.	DC
U-Haul Co. of Florida	FL
U-Haul Co. of Florida 905, LLC	DE
U-Haul Co. of Georgia	GA
U-Haul of Hawaii, Inc.	HI
U-Haul Co. of Iowa, Inc.	IA
U-Haul Co. of Idaho, Inc.	ID
U-Haul Co. of Illinois, Inc.	IL
U-Haul Co. of Indiana, Inc.	IN
U-Haul Co. of Kansas, Inc.	KS
U-Haul Co. of Kentucky	KY
U-Haul Co. of Louisiana	LA
U-Haul Co. of Massachusetts and Ohio, Inc.	MA
Collegeboxes, LLC	MA
U-Haul Co. of Maryland, Inc.	MD
U-Haul Co. of Maine, Inc.	ME
U-Haul Co. of Michigan	MI
U-Haul Co. of Minnesota	MN
U-Haul Company of Missouri	MO
U-Haul Co. of Mississippi	MS
U-Haul Co. of Montana, Inc.	MT
U-Haul Co. of North Carolina	NC
U-Haul Co. of North Dakota	ND
U-Haul Co. of Nebraska	NE
U-Haul Co. of New Hampshire, Inc.	NH
U-Haul Co. of New Jersey, Inc.	NJ
U-Haul Co. of New Mexico, Inc.	NM
U-Haul Co. of Nevada, Inc.	NV
U-Haul Co. of New York and Vermont, Inc.	NY
U-Haul Co. of Oklahoma, Inc.	OK
U-Haul Co. of Oregon	OR
U-Haul Co. of Pennsylvania	PA
U-Haul Co. of Rhode Island	RI
U-Haul Co. of South Carolina, Inc.	SC
U-Haul Co. of South Dakota, Inc.	SD
U-Haul Co. of Tennessee	TN
U-Haul Co. of Texas	TX
U-Haul Co. of Utah, Inc.	UT
U-Haul Co. of Virginia	VA
U-Haul Co. of Washington	WA
U-Haul Co. of Wisconsin, Inc.	WI
U-Haul Co. of West Virginia	WV
U-Haul Co. of Wyoming, Inc.	WY

UHIL Holdings, LLC	DE
UHIL 1, LLC	DE
UHIL 2, LLC	DE
UHIL 3, LLC	DE
UHIL 4, LLC	DE
UHIL 5, LLC	DE
UHIL 6, LLC	DE
UHIL 7, LLC	DE
UHIL 8, LLC	DE
UHIL 9, LLC	DE
UHIL 10, LLC	DE
UHIL 11, LLC	DE
UHIL 12, LLC	DE
UHIL 13, LLC	DE
	NV

Canada:

U-Haul Co. (Canada) Ltd.	Ontario
U-Haul Co. (Canada) Ltee	B.C.
U-Haul Inspections, Ltd.	Alberta
U-Haul Realty Co. Ltd.	

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

AMERCO
Reno, Nevada

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 33-56571 and 333-169832) of AMERCO and consolidated subsidiaries (the "Company") of our reports dated June 6, 2012, relating to the consolidated financial statements and financial statement schedules, and the effectiveness of the Company's internal control over financial reporting, which appear in this Form 10-K.

/s/ BDO USA, LLP

Phoenix, Arizona
June 6, 2012

Refer to Exhibit 5.1.

Rule 13a-14(a)/15d-14(a) Certification

I, Edward J. Shoen, certify that:

1. I have reviewed this annual report on Form 10-K of AMERCO (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant's, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Edward J. Shoen
Edward J. Shoen
President and Chairman of the
Board of AMERCO

Date: June 6, 2012

Rule 13a-14(a)/15d-14(a) Certification

I, Jason A. Berg, certify that:

1. I have reviewed this annual report on Form 10-K of AMERCO (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant's, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Jason A. Berg
Jason A. Berg
Principal Financial Officer and
Chief Accounting Officer of AMERCO

Date: June 6, 2012

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Form 10-K for the year ended March 31, 2012 of AMERCO (the "Company"), as filed with the Securities and Exchange Commission on June 6, 2012 (the "Report"), I, Edward J. Shoen, President and Chairman of the Board of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

AMERCO,

a Nevada corporation

/s/ Edward J. Shoen

Edward J. Shoen

President and Chairman of the Board

Date: June 6, 2012

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Form 10-K for the year ended March 31, 2012 of AMERCO (the "Company"), as filed with the Securities and Exchange Commission on June 6, 2012 (the "Report"), I, Jason A. Berg, Chief Accounting Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

AMERCO,

a Nevada corporation

/s/ Jason A. Berg

Jason A. Berg

Principal Financial Officer and
Chief Accounting Officer

Date: June 6, 2012