

U-Store-It Trust
Form DEF 14A
April 04, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No. __)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

U-Store-It Trust

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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50 Public Square, Suite 2800

Cleveland, OH 44113

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on May 6, 2008

Dear Shareholder:

You are cordially invited to attend our 2008 annual meeting of shareholders to be held on Tuesday, May 6, 2008, at 8:00 a.m., Eastern Daylight Savings time, at The Ritz Carlton Hotel, 1515 West 3rd Street, Cleveland, Ohio 44113, for the following purposes:

1. To elect seven trustees to serve one-year terms expiring in 2009 or until their successors are duly elected;
 2. To ratify the appointment of Deloitte & Touche LLP as independent auditor; and
 3. To transact such other business as may properly come before the meeting or any adjournment or postponement of the meeting.
- Only shareholders of record at the close of business on March 24, 2008 will be entitled to notice of and to vote at the meeting.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE URGED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING PROXY CARD AND RETURN IT PROMPTLY IN THE POSTAGE-PAID ENVELOPE PROVIDED. IF YOU ATTEND THE MEETING, YOU MAY WITHDRAW YOUR PROXY AND VOTE IN PERSON, IF YOU DESIRE.

By Order of the Board of Trustees

KATHLEEN A. WEIGAND

Secretary

Cleveland, Ohio

April 4, 2008

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**Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to Be Held on Tuesday, May 6, 2008**
**This proxy statement and the 2007 Annual Report to Shareholders
are available at <http://ir.ustoreit.com>**

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50 Public Square

Suite 2800

Cleveland, OH 44113

**PROXY STATEMENT
FOR THE 2008 ANNUAL MEETING
OF SHAREHOLDERS**

ABOUT THE MEETING

Why am I receiving this proxy statement?

This proxy statement contains information related to the solicitation of proxies for use at our 2008 annual meeting of shareholders, to be held at 8:00 a.m., Eastern Daylight Savings time, on Tuesday, May 6, 2008 at The Ritz Carlton Hotel, 1515 West 3rd Street, Cleveland, Ohio 44113, for the purposes stated in the Notice of Annual Meeting of Shareholders. This solicitation is made by U-Store-It Trust on behalf of our Board of Trustees. We, our, us and the Company refer to U-Store-It Trust, a Maryland real estate investment trust and its subsidiaries. This proxy statement, the enclosed proxy card and our 2007 Annual Report to Shareholders and Form 10-K are first being mailed and made available electronically on our website at <http://ir.ustoreit.com> to shareholders beginning on or about April 4, 2008.

Who is entitled to vote at the annual meeting?

Only holders of record of our common shares at the close of business on March 24, 2008, the record date for the annual meeting, are entitled to receive notice of and to vote at the meeting or any adjournment or postponement of the annual meeting. Our common shares are the only class of securities entitled to vote at the meeting.

What are the voting rights of shareholders?

Each common share outstanding on the record date entitles its holder to cast one vote on each matter to be voted upon.

Who can attend the annual meeting?

All holders of our common shares at the close of business on March 24, 2008, the record date for the annual meeting, or their duly appointed proxies, are authorized to attend the annual meeting. If you attend the meeting, you may be asked to present valid picture identification, such as a driver's license or passport, before being admitted. Cameras, recording devices, and other electronic devices will not be permitted at the meeting. If you hold your shares in street name (that is, through a bank, broker or other nominee), you will need to bring a copy of the brokerage statement reflecting your stock ownership as of March 24, 2008, or a legal proxy from your bank or broker.

What will constitute a quorum at the annual meeting?

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The presence at the meeting, in person or by proxy, of the holders of a majority of the common shares outstanding at the close of business on March 24, 2008 will constitute a quorum, permitting the shareholders to conduct business at the meeting. We will include abstentions and broker non-votes in the number of shares present at the meeting for purposes of determining a quorum. A broker non-vote occurs when a nominee holding shares for a beneficial owner has not received instructions from the beneficial owner and does not have discretionary authority to vote the shares.

As of the record date, there were 57,840,178 common shares outstanding.

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How do I vote my shares that are held by my bank or broker?

If your shares are held by a bank or broker, you should follow the voting instructions provided to you by the bank or broker. Although most banks and brokers offer voting by mail, telephone and on the Internet, availability and specific procedures will depend on their voting arrangements.

How do I vote?

You or your duly authorized agent may vote by completing and returning the accompanying proxy card, or you may attend the meeting and vote in person.

May I change my vote after I return my proxy card?

Yes. You may revoke a previously granted proxy at any time before it is exercised by submitting to our Secretary a notice of revocation or a duly executed proxy bearing a later date, or by attending the meeting and voting in person.

How are proxy card votes counted?

If the accompanying proxy card is properly signed and returned to us, and not revoked, it will be voted as directed by you. Unless contrary instructions are given, the persons designated as proxy holders on the proxy card will vote **FOR** the election of all nominees for our Board of Trustees named in this proxy statement, **FOR** the ratification of Deloitte & Touche LLP as our independent auditor and, as recommended by our Board of Trustees with regard to any other matters which properly come before the annual meeting, or, if no such recommendation is given, the persons designated as proxy holders on the proxy card will vote in their own discretion.

Who pays the costs of soliciting proxies?

We will pay the costs of soliciting proxies. We hired Georgeson Inc. to serve as proxy solicitors for us at a cost of \$7,500. In addition to soliciting proxies by mail, our officers, trustees and other employees, without additional compensation, may solicit proxies personally or by other appropriate means. It is anticipated that banks, brokers, fiduciaries, custodians and nominees will forward proxy soliciting materials to their principals, and that we will reimburse such persons out-of-pocket expenses.

How can I find out the results of the voting at the annual meeting?

Preliminary voting results will be announced at the annual meeting. Final results will be published in the Company's quarterly report on Form 10-Q for the first quarter of 2008.

How can I obtain the Company's Annual Report and Form 10-K?

Our Annual Report to Shareholders and Form 10-K for the fiscal year ended December 31, 2007, is being mailed along with this proxy statement. These documents are also available electronically on our website at <http://ir.ustoreit.com>. Our 2007 Annual Report is not incorporated into this proxy statement and shall not be considered proxy solicitation material.

If you wish to have additional printed copies of our Annual Report to Shareholders and Form 10-K for the fiscal year ended December 31, 2007, as well as a copy of any exhibit specifically requested, we will mail these documents to you without charge. Requests should be sent to: The Secretary of the Company, U-Store-It Trust, 50 Public Square, Suite 2800, Cleveland, Ohio 44113. These materials have been filed with the Securities and Exchange Commission, or SEC, and may be accessed from the SEC's homepage at www.sec.gov.

Who should I contact if I have any questions?

If you have any questions about the annual meeting, these proxy materials or your ownership of our common shares, please contact our Secretary by telephone at (216) 274-1340 or by fax at (216) 274-1360.

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PROPOSAL 1: ELECTION OF TRUSTEES

Our Board of Trustees is currently comprised of eight trustees, each of whose term expires at the 2008 annual meeting. Thomas A. Commes will not stand for re-election at the annual meeting, and the Board of Trustees decreased the size of the Board to seven trustees, effective as of the date of the annual meeting. The Corporate Governance and Nominating Committee recommended to our Board of Trustees that the remaining seven trustees be nominated to stand for re-election. The Board of Trustees recommends that shareholders vote in favor of the re-election of each of the seven nominees to serve as trustees until the 2009 annual meeting of shareholders or until their successors are duly elected and qualified. Based on its review of the relationships between the trustee nominees and the Company, the Board of Trustees affirmatively determined that if these nominees are elected, six of the seven trustees—John C. Dannemiller, William M. Diefenderfer III, Harold S. Haller, Daniel B. Hurwitz, Marianne M. Keler and David J. LaRue, will be independent trustees under the rules of the New York Stock Exchange, or NYSE.

The Board of Trustees knows of no reason why any nominee would be unable to serve as a trustee. If any nominee is unavailable for election or service, the Board of Trustees may designate a substitute nominee and the persons designated as proxy holders on the proxy card will vote for the substitute nominee recommended by the Board of Trustees, or the Board of Trustees may decrease the size of our Board of Trustees, as permitted by our bylaws. Each nominee has consented to be named in this proxy statement and has agreed to serve if elected.

Nominees for Election for a Term Expiring at the 2009 Annual Meeting

Set forth below are descriptions of the backgrounds and principal occupations of each of our trustees, and the period during which he or she has served as a trustee.

William M. Diefenderfer III, 62, has served as our Chairman of the Board since February 2007 and as a trustee since our initial public offering in October 2004. Mr. Diefenderfer has been a partner in the law firm of Diefenderfer, Hoover, Boyle & Wood since 1991. He served as Chief Executive Officer and President of Enumerate Solutions Inc., a privately-owned technology company that he co-founded, from 2000 to 2002. From 1992 to 1996, Mr. Diefenderfer served as Treasurer and Chief Financial Officer of Icarus Aircraft, Inc., a privately-owned aviation technology company. Mr. Diefenderfer served a two-year term on the Public Company Accounting Oversight Board's Standing Advisory Group from 2004 through 2005. In October 2006, he accepted appointment to the Commission on the Future of American Veterans, the purpose of which is to formulate a clear plan to guide the U.S. Department of Veterans Affairs for the next twenty years. Mr. Diefenderfer serves as Vice-Chairman of the Board of Directors of Enumerate Solutions Inc., as well as chairman of its Audit Committee. He currently serves on the board of SLM Corporation, a publicly-traded company more commonly known as Sallie Mae, a leading provider of student loans and administrator of college savings plans. He chairs SLM's Audit Committee and is a member of its Nomination and Governance Committee and its Executive Committee.

John C. (Jack) Dannemiller, 69, has served as a trustee since our initial public offering in October 2004. From 1992 to 2000, Mr. Dannemiller served as the Chairman of the Board of Directors and Chief Executive Officer of Applied Industrial Technologies, Inc., a publicly-traded distributor of industrial, fluid power and engineered products and systems. He served as President of Applied Industrial Technologies, Inc. from 1996 to 1999, as Executive Vice President and Chief Operating Officer from 1988 to 1992, and served as a member of its Board of Directors from 1985 to 2000 (including his tenure as Chairman). Prior to joining Applied Industrial Technologies, Inc., he served as President and Chief Operating Officer of Leaseway Transportation, a privately-owned motor vehicle transportation company. Mr. Dannemiller currently serves on the boards of The Cleveland Clinic Foundation, Cleveland Clinic Western Region and Fairview Lutheran Foundation.

Harold S. Haller, Ph.D., 69, has served as a trustee since our initial public offering in October 2004. Dr. Haller has been a management consultant since 1967. He formed Harold S. Haller & Company in 1983 to help management of companies improve quality and productivity in production, marketing, business administration and research and development. Dr. Haller is also a lecturer and a writer of technical papers within his field. He has been an adjunct professor at Case Western Reserve University for 21 years and is currently the Director of the Case Statistical Consulting Center. Dr. Haller worked closely with Dr. W.E. Deming in Dr. Deming's four-day management seminars from 1985 until Dr. Deming's death in 1993. Dr. Haller is the principal consultant for Real World Quality System's NASA projects.

Daniel B. Hurwitz, 44, was recommended to the Corporate Governance and Nominating Committee by one of our non-management trustees, and he was appointed by the Board of Trustees on January 25, 2008. Mr. Hurwitz has been President and Chief Operating Officer of Developers Diversified Realty, a self-administered and self-managed real estate investment trust, or REIT, which acquires, develops, leases and manages shopping centers, since May 2007. Mr. Hurwitz is responsible for Developers Diversified's core revenue departments, in addition to management of the various disciplines related to the day-to-day operations of the company. Moreover, he is a member of Developers Diversified's executive management and investment committee. He previously served as Senior Executive Vice President and Chief Investment Officer of Developers Diversified from May 2005 to April 2007, and as Executive Vice President of Developers Diversified from June 1999 through April 2005.

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Dean Jernigan, 62, has been President and Chief Executive Officer of the Company since April 2006 and also has served as a member of our Board of Trustees since that time. From 2004 to April 2006, Mr. Jernigan served as President of Jernigan Property Group, LLC, a Memphis-based company that formerly owned and operated self-storage facilities in the United States. From 2002 to 2004, Mr. Jernigan was a private investor. From 1984 to 2002, he was Chairman of the Board and Chief Executive Officer of Storage USA, Inc., which was a publicly-traded self-storage REIT, from 1994 to 2002. Mr. Jernigan served as a member of the National Association of Real Estate Investment Trusts Board of Governors from 1995 to 2002, and as a member of its Executive Committee from 1998 to 2002. Mr. Jernigan currently serves on the board of Thomas & Betts, Inc., a publicly-traded electrical components and equipment company.

Marianne M. Keler, 53, has served as a trustee since March 2007. From 1985 to February 2006, Ms. Keler served in various positions with SLM Corporation, a publicly-traded company more commonly known as Sallie Mae. From 2005 to 2006, she served as Executive Vice President, Corporate Strategy, Consumer Lending and Administration, where she led several business lines, including SLM Financial. From 2001 to 2004, she was Executive Vice President and General Counsel for SLM. She is a partner of Keler-Kershow, LLC, a private law firm, and serves on various non-profit boards, including the American University of Bulgaria, Georgetown University Law Center, the National Student Clearinghouse and Building Hope, a charter school lender.

David J. LaRue, 46, has served as a trustee since our initial public offering in October 2004. Mr. LaRue has been President and Chief Operating Officer of Forest City Commercial Group, the largest strategic business unit of Forest City Enterprises, Inc., a publicly-traded real estate company, since 2003. Mr. LaRue is responsible for the execution of operating and development plans within the Commercial Group, which owns, develops, acquires and manages retail, office, hotel and mixed-use projects throughout the United States. Mr. LaRue served as Executive Vice President of Forest City Rental Properties from 1997 to 2003. Mr. LaRue has been with Forest City since 1986. Additionally, Mr. LaRue is involved as a board member of the following non-profit entities: the Greater Cleveland Sports Commission, the Friends of the Cleveland School of the Arts and Cleveland Leadership Center.

Vote Required and Recommendation of Our Board of Trustees

The affirmative vote of a plurality of all the votes cast at the annual meeting is necessary for the election of a trustee. Therefore, the seven individuals with the highest number of affirmative votes will be elected to the seven trusteeships. For purposes of the election of trustees, abstentions and other shares not voted (whether by broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the result of the vote.

OUR BOARD OF TRUSTEES RECOMMENDS A VOTE FOR EACH OF THE NOMINEES SET FORTH ABOVE.

CORPORATE GOVERNANCE

Committee Charters and Corporate Governance Documents

Our Board of Trustees maintains written charters for all Board committees and adopted corporate governance guidelines and a code of business conduct and ethics. To view the committee charters, corporate governance guidelines, and code of business conduct and ethics, please visit our website at www.ustoreit.com. Each of these documents is also available in print, free of charge, to any shareholder who requests them in writing to the Secretary, U-Store-It Trust, 50 Public Square, Suite 2800, Cleveland, Ohio 44113.

Independence of Trustees

NYSE listing standards require listed companies to have a majority of independent board members and to have each of the nominating/corporate governance, compensation and audit committees comprised solely of independent trustees. Under the NYSE listing standards, in order for a trustee to qualify as independent, our Board of Trustees must affirmatively determine that the trustee has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). In addition, the NYSE listing standards provide that a trustee is not independent in the following circumstances:

a trustee who is an employee, or whose immediate family member is an executive officer, of the Company is not independent until three years after the end of such employment relationship;

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a trustee who has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$100,000 in direct compensation from the Company, other than trustee and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

(a) a trustee who is, or whose immediate family member is, a current partner of a firm that is the Company's internal or external auditor;

(b) a trustee who is a current employee of such a firm;

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- (c) a trustee who has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or
- (d) a trustee who was, or whose immediate family member was, within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time;

a trustee who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the Company's present executive officers at the same time serve or served on the other company's compensation committee until three years after the end of such service or employment relationship; or

a trustee who is an employee, or whose immediate family member is an executive officer, of another company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2 percent of such other company's consolidated gross revenues.

For these purposes, an immediate family member includes a trustee's spouse, parents, children, siblings, mother and father-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares the trustee's home.

Our Board of Trustees evaluated the status of each trustee and has affirmatively determined, after broadly considering all facts and circumstances, that each of Messrs. Commes, Dannemiller, Diefenderfer, Haller, Hurwitz and LaRue and Ms. Keler is independent, under NYSE listing standards because each has no known relationship (material or otherwise) with us.

In making the foregoing determination, the Board of Trustees was aware that Mr. LaRue is the President and Chief Operating Officer of Forest City Commercial Group, a company from which we lease approximately 8,000 square feet of office space. The Board determined that this does not constitute a relationship, material or otherwise, between us and Mr. LaRue, because Mr. LaRue is not a party to this arrangement and does not derive any benefit from it, and the arrangement is not material to any of the parties.

Communications with the Board

Shareholders and other interested parties may communicate with the Board of Trustees by communicating directly with the Chairman of the Board. Please send any correspondence you may have in writing to the Chairman of the Board c/o Secretary of U-Store-It Trust, 50 Public Square, Suite 2800, Cleveland, Ohio 44113, who will then directly forward your correspondence to the Chairman of the Board. The Chairman of the Board will decide what action should be taken with respect to the communication, including whether such communication should be reported to the Board of Trustees.

MEETINGS AND COMMITTEES OF THE BOARD OF TRUSTEES

Board of Trustees Meetings

During 2007, the Board of Trustees met 17 times, including telephonic meetings. Each trustee is expected to attend, in person or by telephone, all Board meetings and meetings of committees on which he or she serves. Each trustee attended at least 75 percent of the Board and committee meetings on which he or she served. Pursuant to our corporate governance guidelines, all of our trustees are expected to attend our annual meetings of shareholders. All of our trustees, with the exception of Mr. Hurwitz, who was appointed as a trustee in January 2008, attended our annual meeting of shareholders last year.

Executive Sessions of Independent Trustees

Pursuant to our corporate governance guidelines and the NYSE listing standards, in order to promote open discussion among independent trustees, our Board of Trustees devotes a portion of each regularly scheduled Board meeting to sessions of independent trustees without management participation. The Chairman of the Board presides over these sessions.

Board Committees

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The Board of Trustees has a standing Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee. All members of these committees are independent of us as that term is defined in the NYSE listing standards.

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The table below provides current membership information for each of the Board committees and the number of meetings held by each committee during 2007:

Name (1)	Audit	Compensation	Corporate Governance and Nominating
T. A. Commes	ü	Chairman	
J. C. Dannemiller		ü	Chairman
H. S. Haller		ü	ü
D. B. Hurwitz	ü	ü	
M. M. Keler	ü		ü
D. J. LaRue (2)	Chairman		
Number of Meetings in 2007	8	4	7
-			

(1) Mr. Diefenderfer, our Chairman of the Board, serves as an ex officio member of each committee.

(2) D. J. LaRue has served as the Chairman of the Audit Committee since February 2007. Prior to that, Mr. Diefenderfer was Chairman of the Audit Committee.

Audit Committee

The principal purposes of the Audit Committee are to assist the Board of Trustees in the oversight of:

the integrity of our financial statements;

our compliance with legal and regulatory requirements;

the qualification and independence of our independent auditor; and

the performance of our internal audit function and independent auditor.

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of our independent auditor and is also responsible for reviewing with our independent auditor any audit problems or difficulties they encounter in the course of their audit. The Audit Committee is also charged with the tasks of reviewing our financial statements, any financial reporting issues and the adequacy of internal controls with management and our independent auditor.

Our Audit Committee's written charter requires that all members of the committee meet the independence, experience, financial literacy and expertise requirements of the NYSE, the Sarbanes-Oxley Act of 2002, the Securities Exchange Act of 1934, as amended, or Exchange Act, and applicable rules and regulations of the SEC, all as in effect from time to time. All of the members of the Audit Committee meet the foregoing requirements. The Board of Trustees determined that Mr. LaRue is an audit committee financial expert as defined by the rules and regulations of the SEC.

Compensation Committee

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The principal purposes of the Compensation Committee are to:

review and approve our corporate goals and objectives with respect to the compensation of our Chief Executive Officer, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and determine and approve, either as a committee or with our other independent trustees, the appropriate level and structure of the Chief Executive Officer's compensation;

determine and approve, either as a committee or together with our other independent trustees, the compensation of the other executive officers;

make recommendations to the Board of Trustees regarding compensation of trustees; and

recommend, implement and administer our incentive and equity-based compensation plans.

In carrying out its duties, the Compensation Committee has sole authority, pursuant to its charter, to retain advisors, including compensation consultants to advise the Compensation Committee on executive compensation matters. In August 2006, the Compensation Committee engaged Towers Perrin, an outside compensation consultant, to review and redesign our executive compensation and trustee compensation programs. The Compensation Committee also has authority to delegate to one or more subcommittees as it deems necessary and appropriate.

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The Chairman of the Compensation Committee sets the agenda for its meetings in consultation with our Secretary. Our Chief Executive Officer regularly attends meetings of the Compensation Committee and makes recommendations with respect to compensation of executive officers who report directly to him. The Board of Trustees has authority to approve grants of equity-based awards to our trustees. The Compensation Committee has authority to approve grants of equity-based awards to our executive officers and employees. The Board of Trustees delegated to our Chief Executive Officer the authority to make one-time grants of equity-based awards to non-executive new hires in an amount not to exceed the equivalent of \$100,000, and the Chief Executive Officer must regularly report to the Compensation Committee information concerning the grants that are made pursuant to this authority. The Board of Trustees has not delegated authority with respect to executive or trustee compensation to any other group or person.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee during 2007 or as of the date of this proxy statement is or has been an officer or employee of the Company and no executive officer of the Company served on the compensation committee or board of any company that employed any member of the Company's Compensation Committee or Board of Trustees.

Corporate Governance and Nominating Committee

The principal purposes of the Corporate Governance and Nominating Committee are to:

identify individuals that are qualified to serve as trustees;

recommend such individuals to the Board of Trustees, either to fill vacancies that occur on the Board of Trustees from time to time or in connection with the selection of trustee nominees for each annual meeting of shareholders;

periodically assess the size of the Board of Trustees to ensure it can effectively carry out its obligations;

develop, recommend, implement and monitor our corporate governance guidelines and our code of business conduct and ethics;

review any related party transactions and procedures for evaluating and approving such transactions;

oversee the evaluation of the Board of Trustees and management; and

ensure that we are in compliance with all NYSE corporate governance listing requirements.

The Board of Trustees adopted a policy to be used for considering potential trustee candidates to continue to ensure that our Board of Trustees consists of a diversified group of qualified individuals that function effectively as a group. The policy provides that qualifications and credentials for consideration as a trustee nominee may vary according to the particular areas of expertise being sought as a complement to the existing composition of the Board of Trustees. However, at a minimum, candidates for trustee must possess:

the highest professional and personal ethics and values;

a commitment to enhancing shareholder value;

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broad experience at the policy-making level in business, government, education, technology or public interest;

an ability to provide insights and practical wisdom based on experience and expertise;

a willingness and ability to devote adequate time and resources to diligently perform Board duties;

a reputation, both personal and professional, consistent with the image and reputation of the Company; and

an ability to exercise sound judgment and make independent analytical inquiries.

In addition to the aforementioned minimum qualifications, the Corporate Governance and Nominating Committee also believes that there are other qualities and skills that, while not a prerequisite for nomination, should be taken into account when considering whether to recommend a particular person. These factors include:

whether the person possesses specific expertise and familiarity with general issues affecting our business;

whether the person's nomination and election would enable the Board of Trustees to have a member that qualifies as an audit committee financial expert as such term is defined by the SEC;

whether the person would qualify as an independent trustee under the NYSE listing standards and our corporate governance guidelines;

the importance of continuity of the existing composition of the Board of Trustees; and

the importance of a diversified Board membership, in terms of both the individuals involved and their various experiences and areas of expertise.

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The Corporate Governance and Nominating Committee will seek to identify trustee candidates based on input provided by a number of sources, including (a) Corporate Governance and Nominating Committee members, (b) other members of the Board of Trustees and (c) our shareholders. The Corporate Governance and Nominating Committee also has the authority to consult with or retain advisors or search firms to assist in the identification of qualified trustee candidates; however, the Corporate Governance and Nominating Committee has not retained a search firm, nor have we paid a fee to any other third party, to locate qualified trustee candidates.

As part of the identification process, the Corporate Governance and Nominating Committee determines the optimal size of the Board, assessing the future needs based on anticipated trustee vacancies and willingness of existing trustees to continue to serve as trustees if re-nominated. Once a trustee candidate has been identified, the Corporate Governance and Nominating Committee will evaluate the candidate in light of his or her qualifications and credentials, and any additional factors that it deems necessary or appropriate. Existing trustees who are being considered for re-nomination are re-evaluated as part of the Corporate Governance and Nominating Committee's process of recommending trustee candidates. The Corporate Governance and Nominating Committee will consider all persons recommended by shareholders in the same manner as all other trustee candidates provided that such recommendations are submitted in accordance with the procedures set forth in our bylaws.

After completing the identification and evaluation process described above, the Corporate Governance and Nominating Committee recommends to the Board of Trustees the nomination of a number of candidates equal to the number of trustees expected to be elected at the next annual meeting of shareholders. The Board of Trustees selects the trustee nominees for shareholders to consider and vote upon at the annual meeting.

For nominations for election to the Board of Trustees or other business to be properly brought before an annual meeting by a shareholder, the shareholder must comply with the advance notice provisions and other requirements of Article II, Section 12 of our bylaws. These notice provisions require that nominations for trustees must be received no more than 120 days and no less than 90 days before the first anniversary of the date of mailing of the notice for the preceding year's annual meeting. In the event that the date of the mailing of the notice for the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the mailing of the notice for the preceding year's annual meeting, notice by the shareholder to be timely must be delivered not earlier than the close of business on the 120th day prior to the date of mailing of the notice for such annual meeting and not later than the close of business on the later of the 90th day prior to the date of mailing of the notice for such annual meeting or the 10th day following the day on which public announcement of the date of mailing of the notice for such meeting is first made by us. Such shareholder's notice must set forth:

as to each person whom the shareholder proposes to nominate for election or reelection as a trustee (1) the name, age, business address and residence address of such person, (2) the class and number of shares of beneficial interest of U-Store-It Trust that are beneficially owned or owned of record by such person, and (3) all other information relating to such person that is required to be disclosed in solicitations of proxies for election of trustees in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a trustee if elected);

as to any other business that the shareholder proposes to bring before the meeting, a description in reasonable detail of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such shareholder (including any anticipated benefit to the shareholder therefrom) and of each beneficial owner, if any, on whose behalf the proposal is made; and

as to the shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination or proposal is made, (1) the name and address of such shareholder, as they appear on our share ledger and current name and address, if different, of such beneficial owner, and (2) the class and number of shares of each class of beneficial interest of U-Store-It Trust that are owned beneficially and of record by such shareholder and owned beneficially by such beneficial owner.

Table of Contents**TRUSTEE COMPENSATION**

From January 1 through May 7, 2007, compensation to our independent trustees consisted of an annual retainer for service on the Board of \$25,000; an additional annual retainer for service as chairman of a committee of \$10,000 for the Audit Committee, \$7,500 for the Compensation Committee and \$5,000 for the Corporate Governance and Nominating Committee; an additional annual retainer for service as lead trustee of \$10,000; and a meeting attendance fee of \$1,000 per Board meeting and per committee meeting attended for the members of the committee.

Beginning May 8, 2007, cash compensation to our independent trustees consisted of an annual retainer for service on the Board of \$25,000; an additional annual retainer of \$25,000 for the Chairman of the Board; an additional annual retainer of \$10,000 for service as chairman for the Audit Committee and \$7,500 for each chairman of the Compensation Committee and the Corporate Governance and Nominating Committee; and an additional annual retainer of \$7,500 for each committee on which a trustee serves. In addition to the cash compensation paid to independent trustees for their Board service, we grant to each independent trustee a number of restricted shares equal to \$60,000 in value, which is adjusted using a valuation model based on the closing price for the Company's common shares on the date of grant, and which reflects factors such as risk of forfeiture, dividend yield and vesting term. As an employee of the Company, Mr. Jernigan does not receive compensation for his service as a trustee. Compensation paid to Mr. Jernigan can be found in the table captioned Summary Compensation Table. Barry L. Amsdell served as a trustee in 2007 through February 20, 2007, during which time he did not receive compensation for his services as a trustee. Robert J. Amsdell, who was a non-independent trustee, received compensation during the time in 2007 when he served as Chairman of the Board equal to his 2006 base annual salary of \$75,000. Mr. Hurwitz was not a trustee during 2007 and his name is omitted from the table below.

The table below shows the actual amounts earned by our trustees for their service during 2007.

Name (1)	(2) Fees Earned or Paid in Cash (\$)	(2) Stock Awards (\$)	(3) All Other Compensation (\$)	Total (\$)
R. J. Amsdell				
Chairman of the Board				
<i>From January 1 - February 13, 2007</i>	\$9,375	\$ -	\$21,096	\$30,471
T. A. Commes				
Chairman, Compensation Committee	\$54,420	\$41,158	\$2,028	\$97,606
J. C. Dannemiller				
Chairman, Corporate Governance and Nominating Committee				
	\$55,541	\$41,158	\$7,146	\$103,845
W. M. Diefenderfer III				
Chairman of the Board				
<i>Since February 14, 2007</i>				
Chairman, Audit Committee				
<i>From January 1 - February 13, 2007</i>	\$54,914	\$41,158	\$6,928	\$103,000
H. S. Haller				
Lead Trustee	\$51,390	\$41,158	\$7,274	\$99,822

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From January 1 - February 13, 2007

M. M. Keler

<i>Since March 22, 2007</i>	\$29,334	\$41,158	\$2,028	\$72,520
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D. J. LaRue

Chairman, Audit Committee

<i>Since February 14, 2007</i>	\$57,204	\$41,158	\$2,028	\$100,390
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- (1) Each person listed served as a trustee of the Company for all of 2007, except as otherwise indicated for Robert J. Amsdell and M. M. Keler. Each of W. M. Diefenderfer, H. S. Haller and D. J. LaRue served in the capacities indicated since or during the time periods indicated.

- (2) On May 8, 2007, each independent trustee was granted 3,497 restricted shares, which for each such trustee is the aggregate number of stock awards outstanding at December 31, 2007. The grant date fair value of each award, computed in accordance with Financial Accounting Standard (FAS) 123R, is \$63,121. The amounts listed in this column reflect the dollar amount recognized for financial statement reporting purposes in accordance with FAS 123R in the year ended December 31, 2007. Assumptions used in the calculation of these amounts are included in footnote 13 to our audited financial statements for fiscal year ended December 31, 2007, included in our Annual Report on Form 10-K filed with the SEC on February 29, 2008.

- (3) The amount listed in this column for Robert J. Amsdell reflects dividends paid to him during the first quarter 2007 on 72,745 restricted shares.

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Trustees Deferred Compensation Plan

In December 2006, our Board of Trustees approved the U-Store-It Trust Trustees Deferred Compensation Plan, and, in that connection, suspended new deferrals under the Deferred Trustees Plan, the former deferred compensation plan for indepen