



Yardi[®] Matrix

National Self Storage Report

April 2021



Monthly Supply and Rent Recap

Self storage continues to flourish through the first quarter

- Unlike many other commercial real estate asset types, self storage experienced a boost in demand due to the pandemic-related disruptions in 2020. The storage industry was still riding these demand tailwinds through the first quarter of 2021, with fundamentals performing very well. In March, street rates across the nation continued to trend upwards, and development has yet to experience a major slowdown, despite increasing construction material costs. While the outlook for storage appears to be bright, with the sector performing at or above pre-pandemic levels, some remain cautious in their optimism. As the economy continues to recover, it is uncertain if demand will be sustained, potentially intensifying the supply headwinds storage will likely face in the long term.

Street rate performance maintains momentum

- Street rates continued to rise nationwide in March as demand maintained momentum. National street rates for 10x10 non-climate-controlled (NON CC) units increased by 2.6% compared to March 2020, and rates nationwide for 10x10 climate-controlled (CC) units grew by 3.1% year-over-year. On a monthly basis, national street rates for 10x10 NON CC units remained flat, while rates for 10x10 CC units saw a slight 0.8% uptick.
- Annual street rate performance was positive in all but two of the top markets tracked by Yardi Matrix for 10x10 NON CC units in March, as street rates in Boston and Minneapolis decreased for this unit type.
- Nationally, Yardi Matrix tracks a total of 2,222 self storage properties in various stages of development—comprising 593 under construction, 1,199 planned and 430 prospective properties. The national new-supply pipeline as a percent of existing inventory increased by 0.2% month-over-month in March, and the share of existing projects in planning or construction stages was equal to 8.4% of existing inventory. This is a minor uptick compared to the 0.1% increase seen in the first two months of the year.
- Yardi Matrix also maintains operational profiles for 26,604 completed self storage facilities across the United States, bringing the total data set to 28,826.