



Yardi Matrix

National Self Storage Report

June 2021



Monthly Supply and Rent Recap

Self storage continues to see strong growth across the country

- As 2021 progresses, demand for storage does not appear to be decelerating. Pricing power continues to be exceedingly strong, and street rates improved nationwide again in May. National average rates for both 10x10 non-climate-controlled and climate-controlled units have bounced back to prices not seen since 2017, before the most recent supply boom began. Meanwhile, the new-supply pipeline has remained steady. As investor appetite grows for the strong-performing asset, development activity will likely continue to increase.

National street rate performance continues to improve

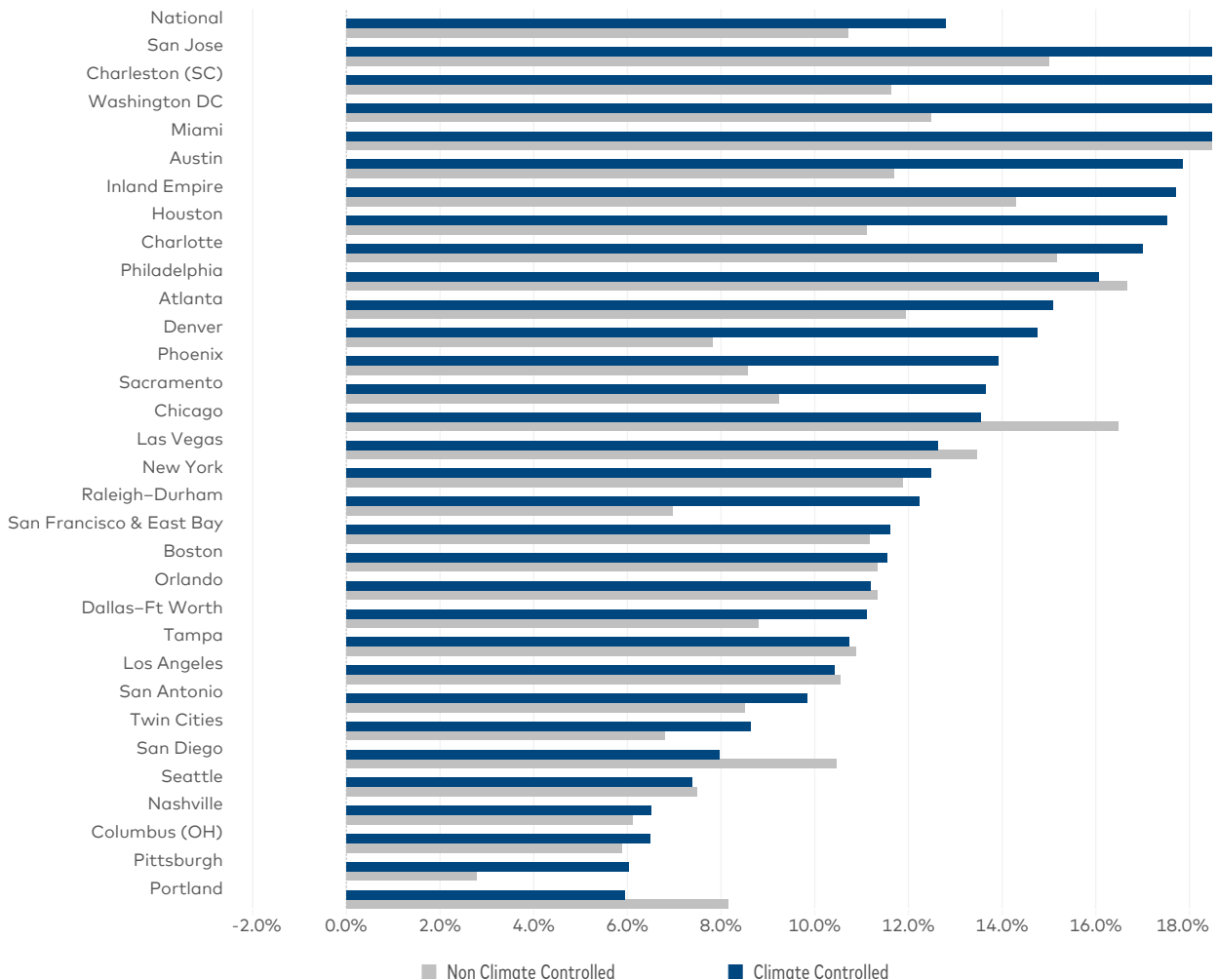
- Street rates continued to record strong growth nationally and in individual markets in May. Street rates on a national level for 10x10 non-climate-controlled (NON CC) units increased by 10.7% compared to May 2020, and rates for 10x10 climate-controlled (CC) units grew by 12.8% on an annual basis. On a monthly basis, national street rates for 10x10 NON CC units accelerated 1.6% to an average of \$124, while rates for 10x10 CC units performed even better, rising 2.2% month-over-month to an average of \$141.
- In May, street rate performance was positive in all of the top markets tracked by Yardi Matrix for 10x10 NON CC and 10x10 CC units on an annual and monthly basis. Rates for 10x10 NON CC units increased the most month-over-month in Philadelphia (2.9%) and Charlotte (2.2%), while migration hubs including Austin (3.1%) and Denver (2.9%) saw the largest growth in rates for similar-size CC units.
- Across the nation, Yardi Matrix tracks a total of 2,262 self storage properties in various stages of development—comprising 575 under construction, 1,223 planned and 464 prospective properties. In May, the national new-supply pipeline as a percent of existing inventory increased by 20 basis points month-over-month, and the share of existing projects in planning or under construction stages accounted for 8.3% of existing inventory.
- Yardi Matrix also maintains operational profiles for 26,732 completed self storage facilities across the United States, bringing the total data set to 28,994.

Monthly Rate Growth Update

Street rates continue to climb

- The self storage sector maintained its strength in May, with continued significant street rate improvements. National street rates for both NON CC and CC units saw substantial increases compared to May 2020, with rates rising 10.7% for 10x10 NON CC units and 12.8% for similar-size CC units. While rates nationwide have steadily recovered from the initial pandemic shock over the past year, they have also surpassed pre-pandemic levels. Compared to May 2019, national rates for 10x10 NON CC units were 6.0% higher in May 2021. Rates for 10x10 CC units saw a 4.4% increase over this same time frame.
- Despite having a modest 5.2 net rentable square feet (NRSF) of existing storage stock available per capita, annual street rate performance in Pittsburgh for 10x10 NON CC units trailed the top 31 markets. Pittsburgh did see rates for this unit type increase 2.8% year-over-year, which can be considered a feat after being on a steady downward trend since 2016. However, this rise was less than half the growth seen in the rest of the top markets for 10x10 NON CC units on an annual basis.

May 2021 Year-over-Year Rent Change for 10'x10' Units



Source: Yardi Matrix. Street rate data as of June 9, 2021

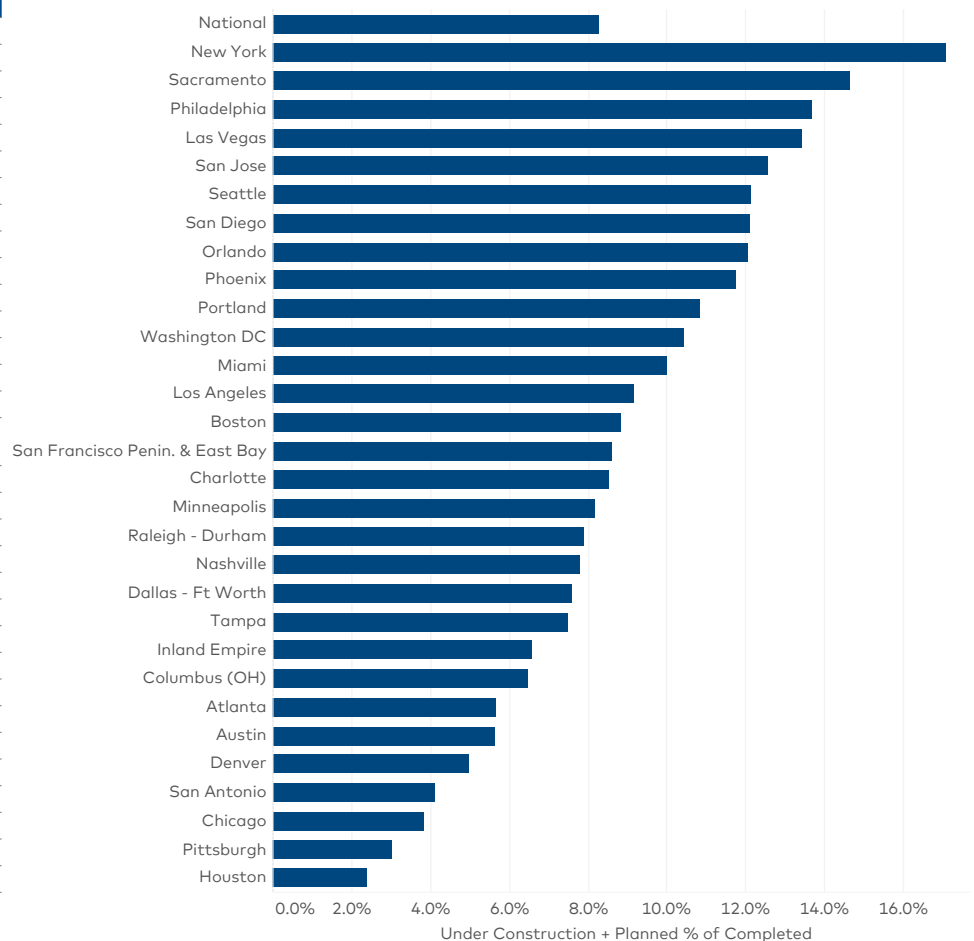
Monthly New Supply Update

Steady development activity nationwide

- Self storage properties under construction or in the planning stages across the U.S. accounted for 8.3% of existing inventory in May—a 20-basis-point uptick from April. Despite rapidly rising construction costs and initial concerns that the pandemic may hinder development activity, storage’s new-supply pipeline has not experienced a slowdown.
- With 239 new storage facilities being completed nationwide in the first five months of 2021, the U.S. storage market saw an acceleration in deliveries compared to the same period last year, when 199 properties were completed. New supply could continue to accelerate over the next few years as developments paused due to the pandemic come back online. In addition, rate growth and heightened demand have proven the sector to be a resilient investment opportunity, and investor interest in the sector has increased. As it becomes more difficult for investors to find existing acquisition opportunities, storage development will likely rise, especially if rent growth continues to outpace the impact of rising material costs.

Under Construction & Planned Percent of Existing Inventory

Metro	Apr-21	May-21	Change
NATIONAL	8.1%	8.3%	↑
New York	16.9%	17.1%	↑
Sacramento	14.6%	14.6%	▬
Philadelphia	13.0%	13.7%	↑
Las Vegas	12.9%	13.4%	↑
San Jose	12.6%	12.6%	▬
Seattle	12.1%	12.1%	▬
San Diego	12.1%	12.1%	▬
Orlando	11.8%	12.0%	↑
Phoenix	11.0%	11.8%	↑
Portland	10.8%	10.8%	▬
Washington DC	10.2%	10.5%	↑
Miami	9.8%	10.0%	↑
Los Angeles	9.2%	9.2%	▬
Boston	8.8%	8.8%	▬
San Francisco Penin. & East Bay	8.6%	8.6%	▬
Charlotte	8.5%	8.5%	▬
Minneapolis	7.6%	8.2%	↑
Raleigh-Durham	7.5%	7.9%	↑
Nashville	7.0%	7.8%	↑
Dallas-Ft Worth	7.6%	7.6%	▬
Tampa	7.5%	7.5%	▬
Inland Empire	6.6%	6.6%	▬
Columbus (OH)	6.5%	6.5%	▬
Atlanta	5.4%	5.7%	↑
Austin	5.6%	5.6%	▬
Denver	5.0%	5.0%	▬
San Antonio	4.1%	4.1%	▬
Chicago	3.8%	3.8%	▬
Charleston (SC)	3.3%	3.3%	▬
Pittsburgh	3.1%	3.0%	↓
Houston	2.2%	2.4%	↑



* Drawn from our national database of more than 28,990 stores, including some 2,262 projects in the new-supply pipeline as well as more than 26,730 completed stores.

Source: Yardi Matrix. Supply data as of June 9, 2021

Monthly Rate Recap

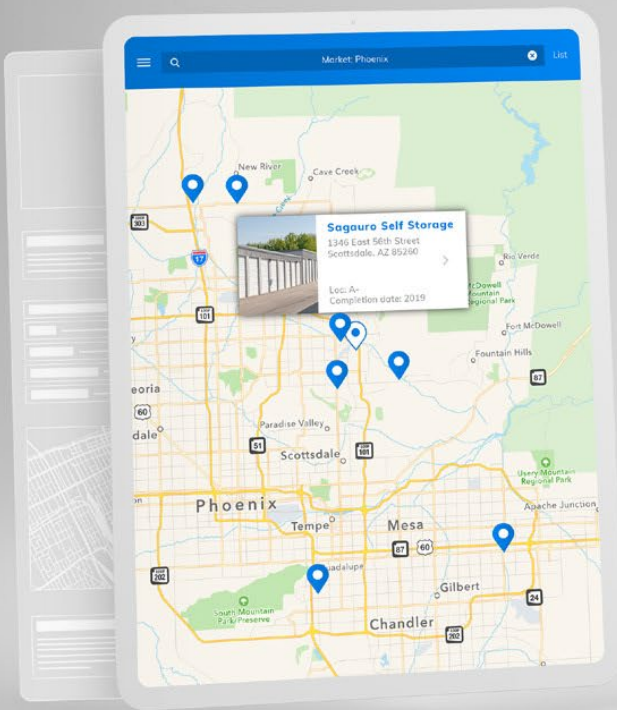
Market	Avg Metro Rate 10'x10' (non cc)	May 2021 YoY Rate Performance				
		5'x5' (non cc)	5'x10' (non cc)	10'x10' (non cc)	10'x10' (cc)	10'x20' (non cc)
National	124	10%	8%	11%	13%	11%
San Jose	184	12%	15%	15%	21%	11%
Charleston (SC)	96	14%	16%	12%	20%	13%
Washington DC	153	7%	11%	13%	20%	14%
Miami	147	16%	18%	19%	19%	21%
Austin	105	10%	10%	12%	18%	11%
Inland Empire	128	15%	14%	14%	18%	12%
Houston	90	6%	10%	11%	18%	11%
Charlotte	91	11%	13%	15%	17%	12%
Philadelphia	140	16%	16%	17%	16%	14%
Atlanta	103	7%	9%	12%	15%	14%
Denver	124	6%	9%	8%	15%	9%
Phoenix	114	7%	8%	9%	14%	12%
Sacramento	142	11%	13%	9%	14%	10%
Chicago	113	13%	14%	16%	14%	17%
Las Vegas	118	14%	15%	13%	13%	14%
New York	188	11%	12%	12%	13%	11%
Raleigh-Durham	92	5%	5%	7%	12%	8%
San Francisco Penin. & East Bay	209	11%	11%	11%	12%	11%
Boston	157	11%	12%	11%	12%	8%
Orlando	108	8%	10%	11%	11%	12%
Dallas-Ft Worth	99	8%	7%	9%	11%	9%
Tampa	112	8%	10%	11%	11%	12%
Los Angeles	199	10%	11%	11%	10%	10%
San Antonio	102	14%	7%	9%	10%	9%
Minneapolis	110	7%	8%	7%	9%	8%
San Diego	169	9%	11%	10%	8%	8%
Seattle	158	5%	8%	7%	7%	7%
Nashville	104	2%	1%	6%	7%	9%
Columbus (OH)	90	6%	4%	6%	6%	9%
Pittsburgh	112	6%	4%	3%	6%	8%
Portland	146	9%	8%	8%	6%	8%

Source: Yardi Matrix. Sorted according to 10x10 CC rent performance.



Yardi[®] Matrix

Power your business with the industry's leading source for originating, pre-underwriting and managing assets for profitable loans and investments.



Yardi Matrix Self Storage provides accurate data on storage facilities in 133 markets covering more than 29,000 properties nationwide.

Key features

- Gain new supply pipeline information at the asset, competitive set and market level
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Pierce the LLC with true ownership and contact info
- Leverage current buyer, seller, date and purchase price information
- Access trend reports on sales, rents and completions as well as portfolios of owners, managers, buyers and sellers

See how we can help you achieve your investment goals.
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