



Yardi Matrix

National Self Storage Report

August 2021



Monthly Supply and Rent Recap

Self storage continues to exceed expectations

- The self storage industry continued to see exceedingly strong performance through July, as short-term demand drivers boosted by the pandemic continued to contribute to performance. Street rates are still rising across the nation, with national rates in July for non-climate-controlled units surpassing previously recorded record highs. In addition, storage REITs reported exceptionally strong second quarters, seeing record-setting occupancies and improved outlooks for the remainder of 2021. However, as both developer interest in the asset type and the new-supply pipeline keep growing, the industry may begin to face stronger supply headwinds in the long term.

National street rates maintain positive growth

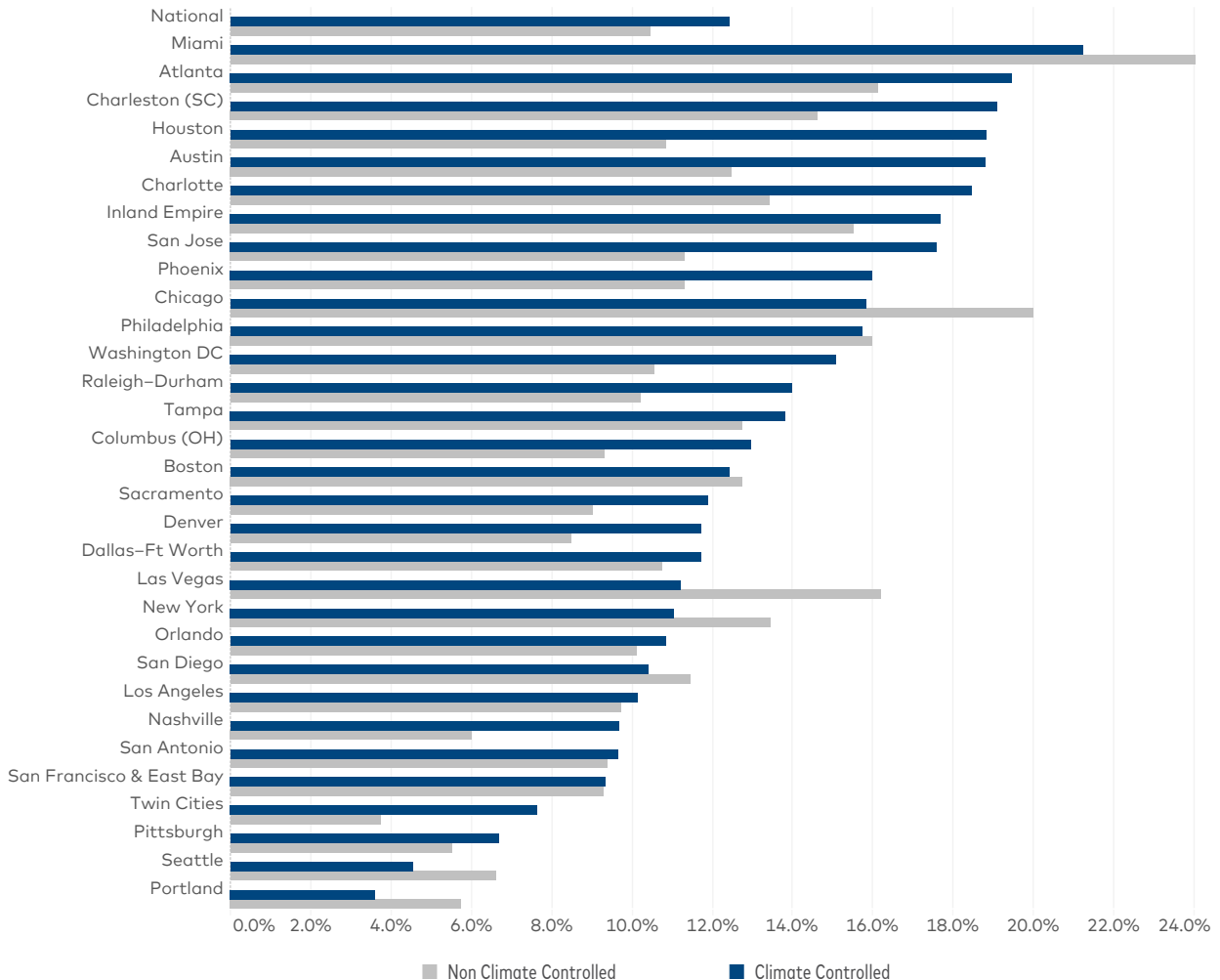
- In July, street rates across the nation and in many markets continued to grow, with storage benefiting from the tailwinds of heightened demand. National street rates for 10x10 non-climate-controlled (NON CC) units increased by 10.4% compared to July 2020, and rates nationwide for 10x10 climate-controlled (CC) units grew by 12.4% year-over-year. On a monthly basis, national street rates for 10x10 NON CC units saw a 0.8% uptick, while rates for 10x10 CC units accelerated 1.4% month-over-month.
- 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 basis in July. Miami saw rates increase the most year-over-year for both unit types—up 24.0% for 10x10 NON CC units and 21.2% for 10x10 CC units.
- On a national level, Yardi Matrix tracks a total of 2,357 self storage properties in various stages of development—comprising 582 under construction, 1,293 planned and 482 prospective properties. In July, 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 accounts for 8.5% of existing inventory.
- Yardi Matrix also maintains operational profiles for 26,861 completed self storage facilities across the United States, bringing the total data set to 29,218.
- Last month, Yardi Matrix added Fayetteville, N.C., to its data set of self storage markets, bringing our total coverage to 134 storage markets nationwide.

Monthly Rate Growth Update

Street rates reach record highs for non-climate-controlled units

- The upward momentum experienced by the self storage industry in recent months did not appear to be slowing down in July, as street rates continued to rise across the U.S. National street rates for both NON CC and CC units saw significant increases compared to July 2020, with rates rising 10.4% for 10x10 NON CC units and 12.4% for 10x10 CC units. Even more notable, street rates for standard-size 10x10 NON CC units reached a national average of \$127, the highest recorded price since Yardi started tracking rates in 2016. While the national average rate for similar-size CC units also increased, hitting \$145 in July, this price fell just short of the record high rate of \$147 experienced in August 2016.
- In July, Chicago recorded impressive rate performance for 10x10 NON CC units, with average rates for this unit type reaching \$120, the highest value recorded by Yardi Matrix. Year-over-year, rates for this unit type rose 20.0%, while on a monthly basis rates for this unit type increased 1.7% from June to July.

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



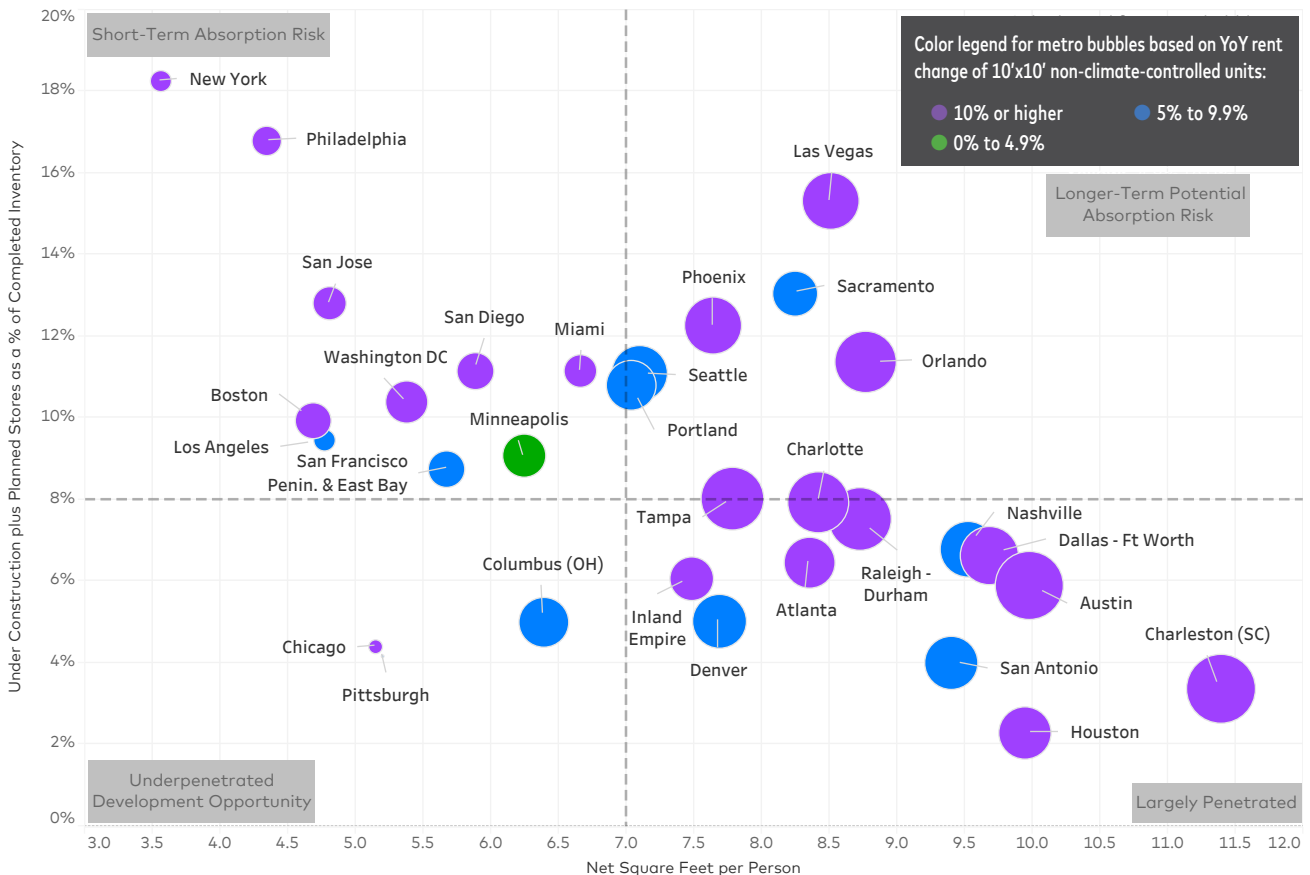
Source: Yardi Matrix. Street rate data as of Aug. 10, 2021

Monthly Rate Growth Update

Charleston and Austin see street rates recovering, despite significant supply

- Despite high penetration of storage inventory in the metro, equal to 11.4 net rentable square feet (NRSF) per person, rates in Charleston have continued to recover in 2021. Since January 2021, street rates in Charleston for 10x10 NON CC units rose 9.7% to an average of \$102 in July, while rates for 10x10 CC units fared even better over this period, increasing 12.0% over seven months to an average of \$131. Although still considered to be overpenetrated by self storage, Charleston seems to be helped by a growing population that's contributing enough demand to withstand the downward pressure felt on rates in recent years.
- Austin has also experienced a surplus of storage supply in recent years, with existing inventory equal to 10.0 NRSF per capita. However, similar to Charleston, Austin has seen street rates rebound in 2021. Year-over-year, rates for 10x10 NON CC units grew 12.5%, while rates for 10x10 CC units rose a significant 18.8% on an annual basis. Average rates for 10x10 NON CC (\$108) and CC (\$139) units recovered in July to levels not seen in Austin since 2016.

Self Storage Major Metro Summary
New-Supply Pipeline (y-axis) & Completed Inventory Per Capita (x-axis)
 (bubble size represents 2019 population growth rate, three-mile radius)



Sources: Yardi Matrix; U.S. Census Bureau. Supply data as of Aug. 10, 2021

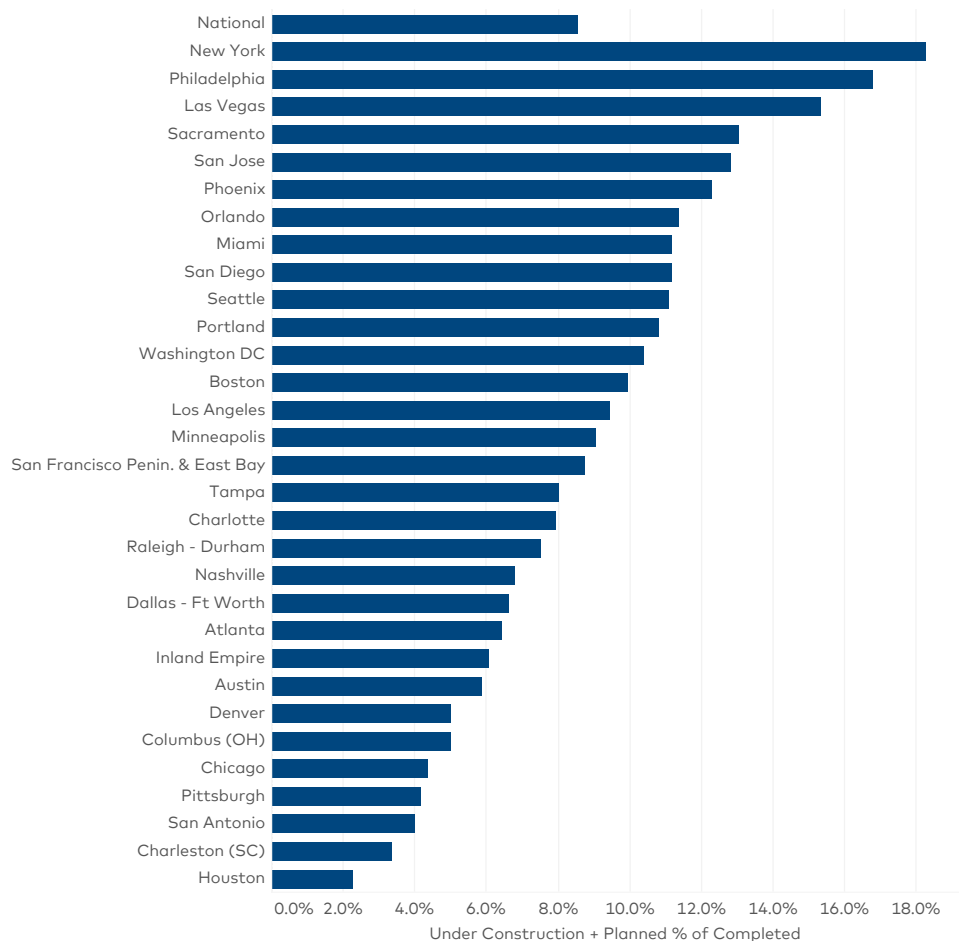
Monthly New Supply Update

Slight uptick in storage development nationwide

- In July, self storage properties under construction or in the planning stages across the nation accounted for 8.5% of existing inventory, marking a 20-basis-point increase from June. Month-over-month, 26 under construction and 24 planned projects were added to the national pipeline. It appears storage development activity has started to pick up slightly. Development may continue to accelerate as developers become more motivated by the asset type's continued strong performance.
- The New York metro once again led the top markets for development activity in July, with projects under construction or in the planning stages accounting for 18.3% of existing stock. Developers are likely drawn to the metro for its long-term absorption potential, with available storage stock equal to only 3.6 NRSF per capita.
- Orlando was the only top market to see a decrease in development activity month-over-month, and that was a minor 10-basis-point drop. In July, the metro's storage properties under construction or in the planning stages equaled a substantial 11.4% of existing stock.

Under Construction & Planned Percent of Existing Inventory

Metro	Jun-21	Jul-21	Change
NATIONAL	8.3%	8.5%	↑
New York	18.0%	18.3%	↑
Philadelphia	16.8%	16.8%	▬
Las Vegas	15.3%	15.3%	▬
Sacramento	13.1%	13.1%	▬
San Jose	12.8%	12.8%	▬
Phoenix	11.5%	12.3%	↑
Orlando	11.5%	11.4%	↓
Miami	11.0%	11.2%	↑
San Diego	11.2%	11.2%	▬
Seattle	10.7%	11.1%	↑
Portland	10.8%	10.8%	▬
Washington DC	10.4%	10.4%	▬
Boston	9.2%	9.9%	↑
Los Angeles	9.5%	9.5%	▬
Minneapolis	8.6%	9.1%	↑
San Francisco Penin. & East Bay	8.2%	8.7%	↑
Tampa	7.7%	8.0%	↑
Charlotte	7.5%	7.9%	↑
Raleigh-Durham	7.0%	7.5%	↑
Nashville	6.8%	6.8%	▬
Dallas-Ft Worth	6.6%	6.6%	▬
Atlanta	5.9%	6.5%	↑
Inland Empire	6.1%	6.1%	▬
Austin	5.9%	5.9%	▬
Denver	5.0%	5.0%	▬
Columbus (OH)	5.0%	5.0%	▬
Chicago	4.3%	4.4%	↑
Pittsburgh	4.2%	4.2%	▬
San Antonio	3.6%	4.0%	↑
Charleston (SC)	3.4%	3.4%	▬
Houston	2.3%	2.3%	▬



* Drawn from our national database of more than 29,218 stores, including some 2,357 projects in the new-supply pipeline as well as 26,861 completed stores.

Source: Yardi Matrix. Supply data as of Aug. 10, 2021

Monthly Rate Recap

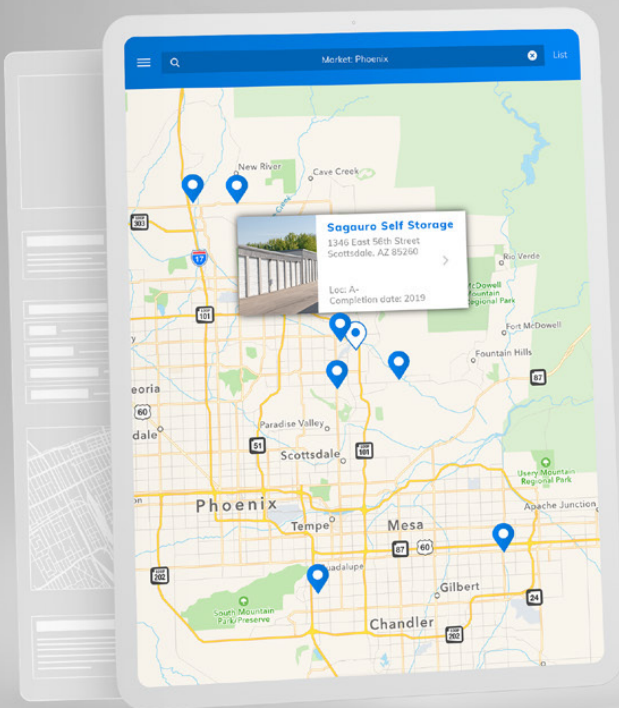
Market	Avg Metro Rate 10'x10' (non cc)	July 2021 YoY Rate Performance				
		5'x5' (non cc)	5'x10' (non cc)	10'x10' (non cc)	10'x10' (cc)	10'x20' (non cc)
National	127	10%	11%	10%	12%	12%
Miami	160	27%	27%	24%	21%	26%
Atlanta	108	12%	14%	16%	19%	14%
Charleston (SC)	102	19%	14%	15%	19%	14%
Houston	92	9%	10%	11%	19%	13%
Austin	108	13%	12%	13%	19%	13%
Charlotte	93	13%	13%	13%	18%	11%
Inland Empire	134	15%	17%	16%	18%	14%
San Jose	187	10%	12%	11%	18%	13%
Phoenix	118	10%	11%	11%	16%	14%
Chicago	120	23%	20%	20%	16%	21%
Philadelphia	145	17%	17%	16%	16%	15%
Washington DC	157	7%	10%	11%	15%	13%
Raleigh-Durham	97	5%	9%	10%	14%	8%
Tampa	115	7%	10%	13%	14%	13%
Columbus (OH)	94	6%	7%	9%	13%	9%
Boston	159	11%	13%	13%	12%	12%
Sacramento	145	11%	14%	9%	12%	11%
Denver	128	6%	7%	8%	12%	9%
Dallas-Ft Worth	103	8%	9%	11%	12%	9%
Las Vegas	122	17%	17%	16%	11%	15%
New York	194	12%	12%	13%	11%	13%
Orlando	109	10%	10%	10%	11%	11%
San Diego	175	10%	10%	11%	10%	8%
Los Angeles	203	8%	10%	10%	10%	9%
Nashville	106	2%	1%	6%	10%	9%
San Antonio	105	9%	10%	9%	10%	10%
San Francisco Penin. & East Bay	212	7%	9%	9%	9%	10%
Minneapolis	111	2%	5%	4%	8%	7%
Pittsburgh	115	6%	6%	6%	7%	8%
Seattle	161	5%	6%	7%	5%	6%
Portland	147	7%	7%	6%	4%	6%

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

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- 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
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