



Yardi Matrix

National Self Storage Report

November 2021



Monthly Supply and Rent Recap

Strong self storage performance continues in October

- Self storage street rates are gradually decelerating, but remain extremely high by historical standards. Rate growth in October fell from cycle-high peaks recorded in the summer, but gains are robust nonetheless. Demand is driven by many factors, including the strong economy, robust household formation, students returning to campus, increased consumer spending, and ongoing migration to rapidly growing markets in the Southeast, Southwest and West. We expect the above-average gains will slowly shrink back closer to the long-term average in coming months.

Nearly half of major markets see 10% or more jump in street rates

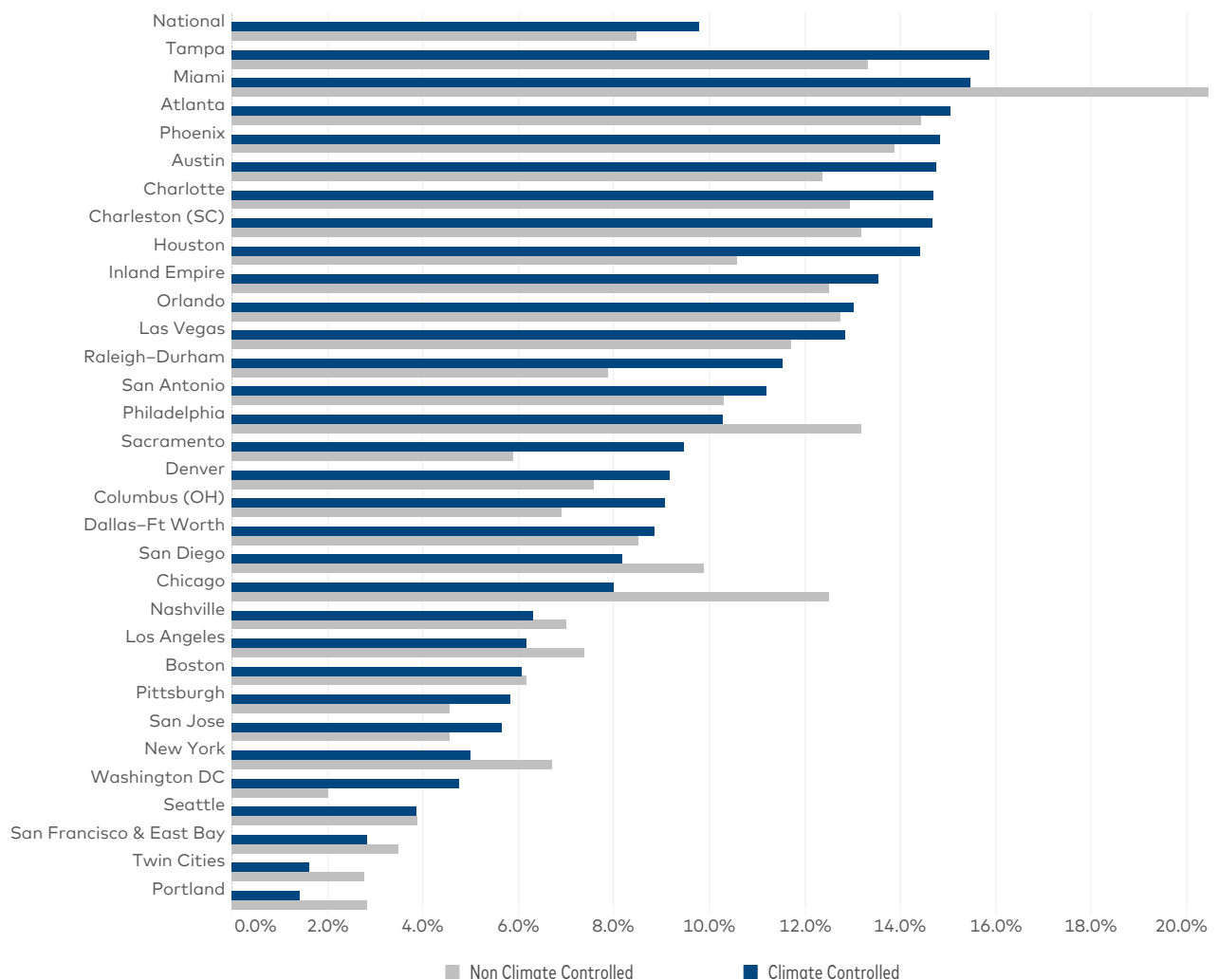
- Street rates for all segments of the market continue to impress. National street rates for 10x10 non-climate-controlled (NON CC) units increased 8.5% compared to October 2020, while rates for similar-size climate-controlled (CC) units fared slightly better, growing 9.8% over the same time period. The climate-controlled 10X10 rate dipped under double-digit gains for the first time in seven months.
- Street rates for standard-sized 10x10 NON CC and 10x10 CC units continued to be positive in October in all of the top markets tracked by Yardi Matrix. Nearly half (14) of the top 30 markets saw rates increase by at least 10% year-over-year, led by Tampa (16% year-over-year) in the CC unit category and by Miami (20%) in the non-CC unit category. Portland's growth has slipped in recent months and is barely positive in the non-CC category.
- Nationally, Yardi Matrix tracks a total of 2,399 self storage properties in various stages of development—comprising 663 under construction, 1,248 planned and 488 prospective properties. The new-supply pipeline as a percent of existing inventory increased by 20 basis points month-over-month, putting the share of existing projects in the planning or under-construction stages at 8.7% of existing stock.
- Yardi Matrix also maintains operational profiles for 27,117 completed self storage facilities across the United States, bringing the total data set to 29,516.

Monthly Rate Growth Update

Street rates have flattened, but are still well above 2020 levels

- Street rate growth is high compared to a year ago, but rates on an absolute basis have leveled off over the last few months. Street rates for 10x10 NON CC units were flat nationally at \$128 in October and have been basically unchanged for four months. National rates for 10x10 CC units saw a \$1 decline to \$146 in October from September, and that category has also been static for several months. The slowdown in absolute growth is a sign that big rate gains are probably going to be hard to achieve in most markets going forward.
- Year-over-year, national rates for 10x10 NON CC units rose 8.5% in October, a 90-basis points drop from the gain recorded in September. Meanwhile, rates for 10x10 CC units increased 9.8%, or 160 basis points below the gain registered a month ago. Given that growth has been unsustainably high, and that demand seems poised to remain robust in most of the top markets, the deceleration is likely not a cause for concern.

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



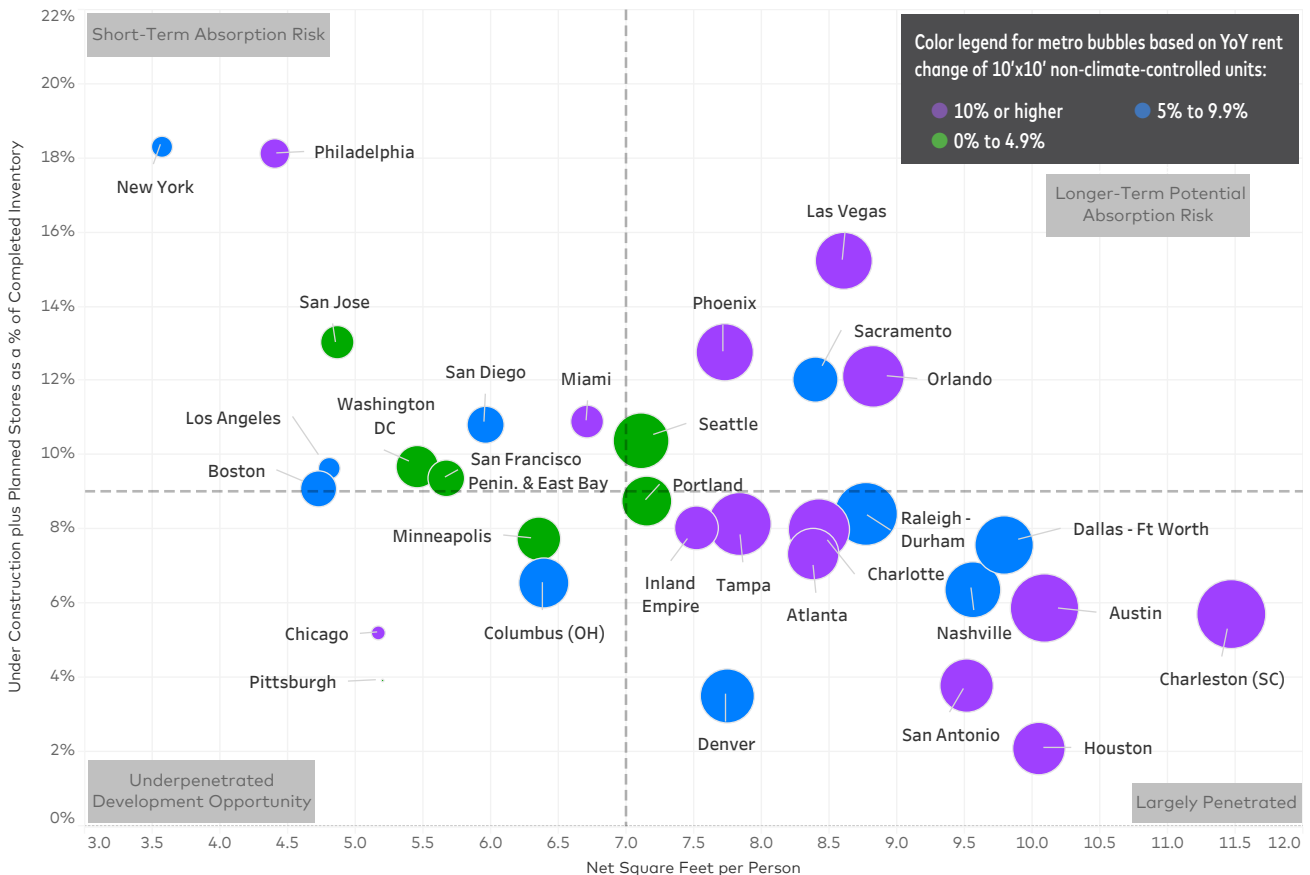
Source: Yardi Matrix. Street rate data as of Nov. 8, 2021

Monthly Rate Growth Update

In-migration drives gains in high-penetration self storage markets

- Self storage performance has remained exceptionally strong in markets that are largely penetrated, even in markets with an active new supply pipeline, in large part because of robust in-migration. The seven metros with year-over-year rate growth of 15% or more in 10X10 climate-controlled units are among the national leaders in multifamily rent growth, absorption and occupancy rate increases over the past year.
- The seven high-growth self storage markets (Tampa, Miami, Atlanta, Phoenix, Austin, Charlotte, and Charleston, S.C.) averaged 22.0% year-over multifamily rent growth as of October. The multifamily occupancy rate of apartments in those metros increased on average by 1.6% percentage points year-over-year through September. And in the 12 months ending September, those markets averaged absorption of 6.1% of multifamily stock. The influx of population and jobs has created a situation ripe for demand in most property types, including self storage.

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 Nov. 8, 2021

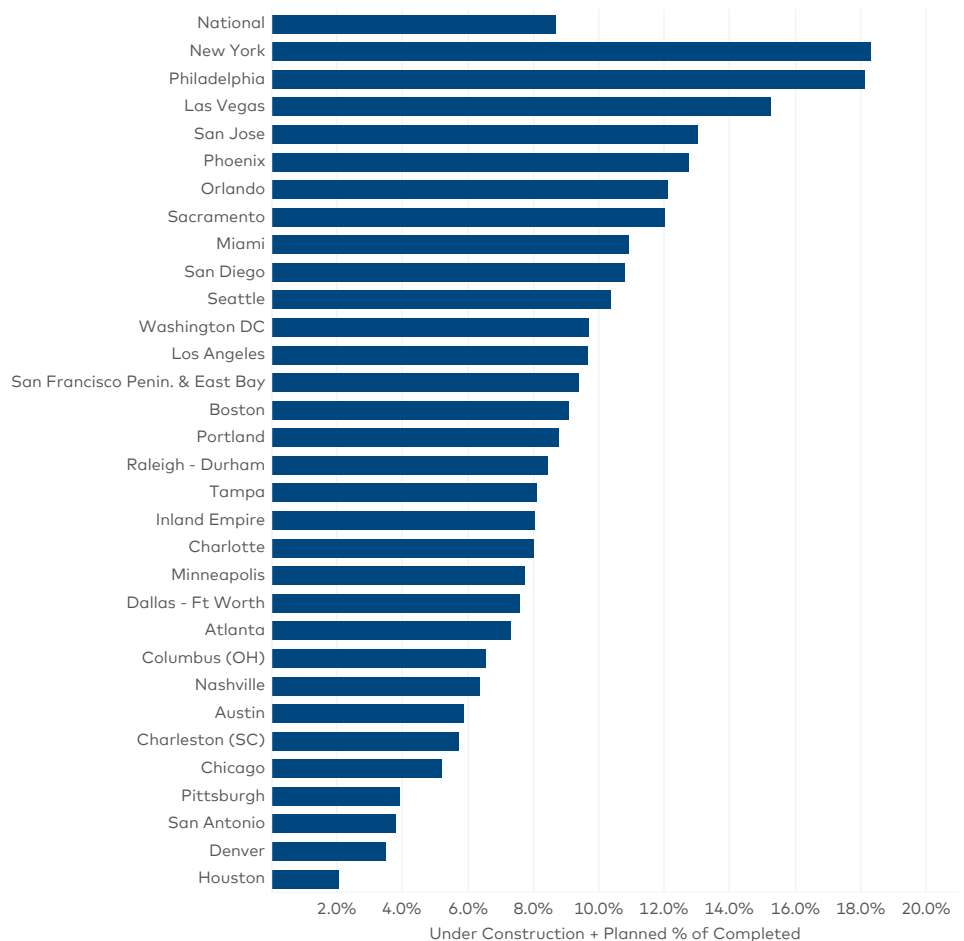
Monthly New Supply Update

New-supply pipeline inches up once again

- The national new-supply pipeline rose again in October, with properties under construction or in the planning stages of development equal to 8.7% of existing inventory, marking a 20-basis-point uptick from September. The number of storage projects in the works is now at an all-time high. The number of properties under construction nationwide increased by 20 to 695 and the number of projects in the planning stage increased by 23 to 1,256. Increased development activity is following the strong fundamental performance.
- On a percentage of stock basis, New York and Philadelphia—two Northeastern markets among the lowest in market penetration—lead in projects in the pipeline. In New York, storage properties under construction or in the planning stages are equal to 18.3% of existing inventory, while Philadelphia is at 18.1%.
- New York (12.9 million square feet), Los Angeles (6.5 million square feet) and Dallas (5.4 million square feet) have the largest supply pipelines on a square-foot basis.

Under Construction & Planned Percent of Existing Inventory

Metro	Sep-21	Oct-21	Change
NATIONAL	8.5%	8.7%	↑
New York	18.1%	18.3%	↑
Philadelphia	18.3%	18.1%	↓
Las Vegas	15.3%	15.2%	↓
San Jose	13.1%	13.1%	▬
Phoenix	12.8%	12.8%	▬
Orlando	12.1%	12.1%	▬
Sacramento	12.0%	12.0%	▬
Miami	10.5%	10.9%	↑
San Diego	10.9%	10.8%	↓
Seattle	10.4%	10.4%	▬
Washington DC	9.7%	9.7%	▬
Los Angeles	9.5%	9.6%	↑
San Francisco	9.4%	9.4%	▬
Penin. & East Bay			
Boston	9.1%	9.1%	▬
Portland	8.8%	8.8%	▬
Raleigh-Durham	8.0%	8.4%	↑
Tampa	7.6%	8.1%	↑
Inland Empire	8.0%	8.0%	▬
Charlotte	8.0%	8.0%	▬
Minneapolis	6.7%	7.7%	↑
Dallas-Ft Worth	7.1%	7.6%	↑
Atlanta	6.9%	7.3%	↑
Columbus (OH)	6.6%	6.6%	▬
Nashville	6.4%	6.4%	▬
Austin	5.7%	5.9%	↑
Charleston (SC)	4.1%	5.7%	↑
Chicago	4.7%	5.2%	↑
Pittsburgh	3.9%	3.9%	▬
San Antonio	3.8%	3.8%	▬
Denver	3.4%	3.5%	↑
Houston	2.1%	2.1%	▬



* Drawn from our national database of more than 29,610 stores, including some 2,439 projects in the new-supply pipeline as well as 27,171 completed stores.

Source: Yardi Matrix. Supply data as of Nov. 8, 2021

Monthly Rate Recap

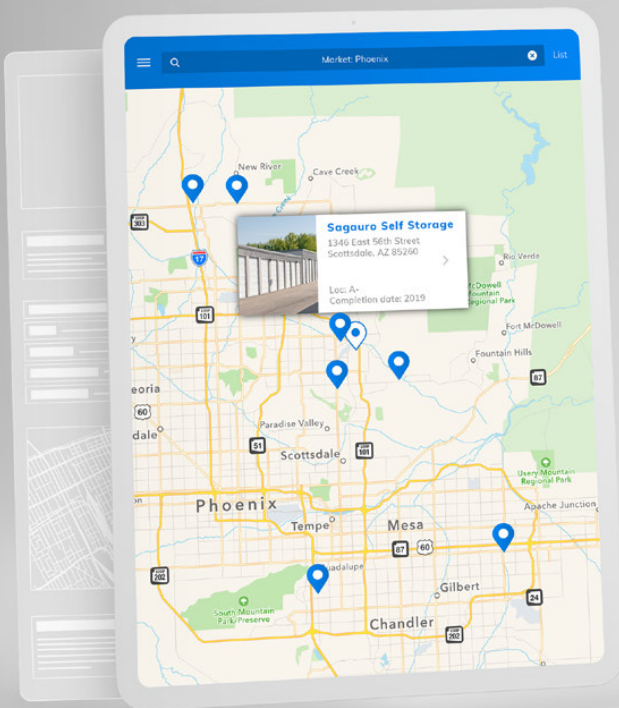
Market	Avg Metro Rate 10'x10' (non cc)	October 2021 YoY Rate Performance				
		5'x5' (non cc)	5'x10' (non cc)	10'x10' (non cc)	10'x10' (cc)	10'x20' (non cc)
National	\$128	8%	8%	8%	10%	9%
Tampa	\$119	10%	13%	13%	16%	14%
Miami	\$165	23%	23%	20%	15%	21%
Atlanta	\$111	12%	15%	14%	15%	14%
Phoenix	\$123	12%	13%	14%	15%	15%
Austin	\$109	10%	11%	12%	15%	12%
Charlotte	\$96	13%	13%	13%	15%	11%
Charleston (SC)	\$103	19%	12%	13%	15%	13%
Houston	\$94	9%	10%	11%	14%	11%
Inland Empire	\$135	14%	16%	13%	14%	12%
Orlando	\$115	10%	13%	13%	13%	13%
Las Vegas	\$124	14%	13%	12%	13%	14%
Raleigh-Durham	\$96	8%	7%	8%	12%	8%
San Antonio	\$107	14%	10%	10%	11%	9%
Philadelphia	\$146	13%	14%	13%	10%	12%
Sacramento	\$144	5%	6%	6%	9%	6%
Denver	\$128	6%	6%	8%	9%	8%
Columbus (OH)	\$93	6%	7%	7%	9%	8%
Dallas-Ft Worth	\$102	5%	9%	9%	9%	8%
San Diego	\$178	10%	10%	10%	8%	9%
Chicago	\$117	20%	13%	13%	8%	11%
Nashville	\$107	4%	4%	7%	6%	9%
Los Angeles	\$204	6%	7%	7%	6%	7%
Boston	\$155	6%	6%	6%	6%	6%
Pittsburgh	\$115	6%	6%	5%	6%	8%
San Jose	\$184	4%	3%	5%	6%	8%
New York	\$191	7%	7%	7%	5%	8%
Washington DC	\$152	4%	4%	2%	5%	4%
Seattle	\$161	3%	4%	4%	4%	5%
San Francisco Penin. & East Bay	\$208	2%	4%	3%	3%	6%
Minneapolis	\$112	4%	3%	3%	2%	4%
Portland	\$146	3%	2%	3%	1%	3%

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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