

# YARDI Self Storage Association – State of New Supply

Jeff Adler

Vice President

Yardi Matrix

[Jeff.adler@yardi.com](mailto:Jeff.adler@yardi.com)

[www.yardimatrix.com](http://www.yardimatrix.com)

# Yardi Matrix Covers...

- 99 Markets, another 25 in 2017- >80% of US population
- 22,639 Properties > 25,000 sq. ft. (Gross)
  - Smaller properties & 25 add'l markets being added in 2017
- 1.2 Billion Sq.Ft. of Storage Space (Gross)
  - Completed Properties
  - Under construction
  - Planned
  - Prospective
- 50 Full-time staff members dedicated to continued enhancement of the self storage database



# New Supply Summary- National

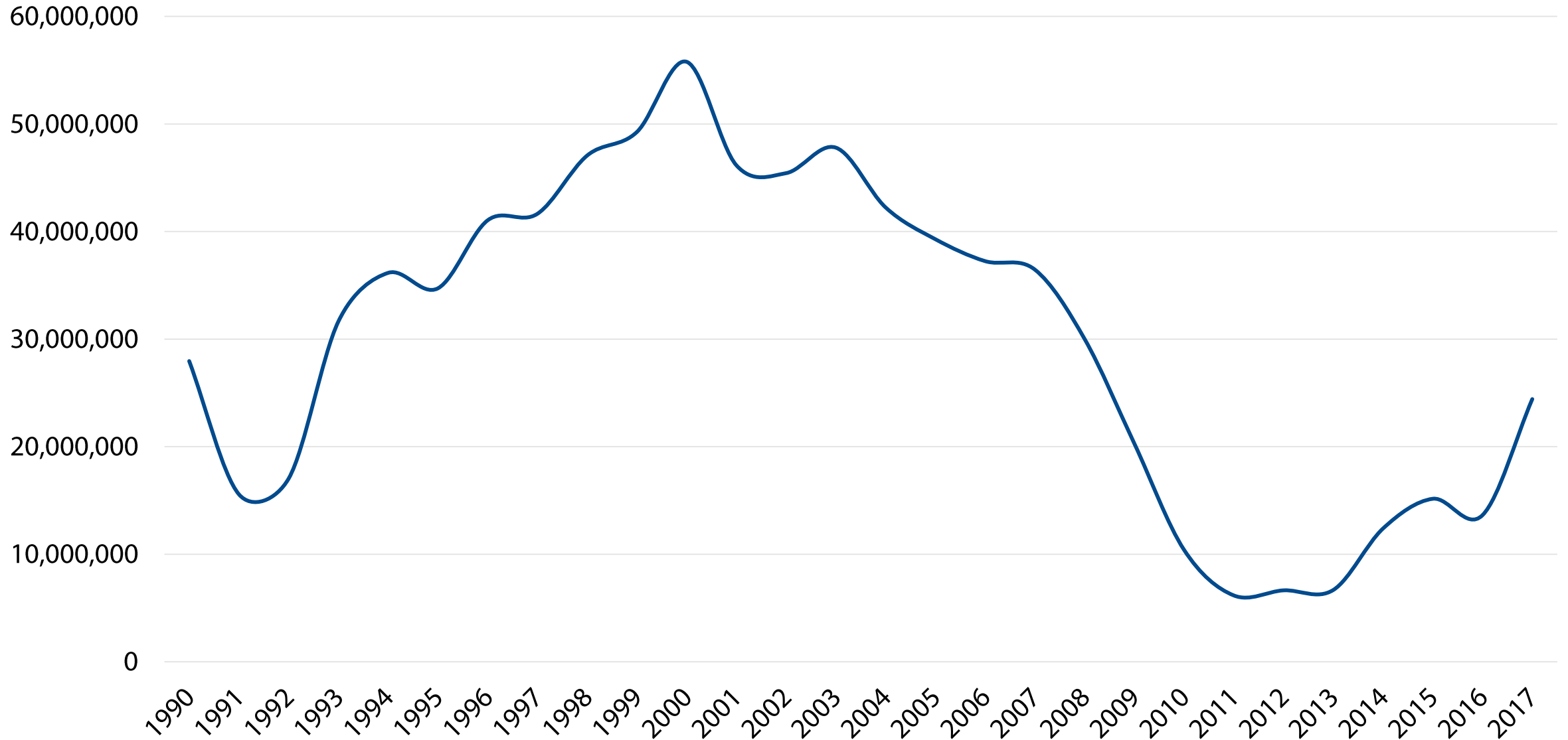
	Properties	Total Sq. Ft.	% of Stock
Under Construction	233	20,374,710	1.5%
Planned	399	~36,000,000	2.7%
Prospective	357	~34,000,000	2.6%
<b>Total</b>	<b>989</b>	<b>~90,000,000</b>	<b>6.8%</b>

Average Sq. Ft. of New Properties: 93,377

Average Sq. Ft. of Existing Properties: 54,403

**All Sq. Ft. Stats in Gross Square Feet Terms**

# Gross Square Feet of New Supply Since 1990



# Supply Takeaways

Overall, the concerns about oversupply seem a bit overdone

However, there are several markets that do face near term absorption pressures, and a handful where the problems could extend over a longer term.

A Deeper concern are many markets where a lot of supply is in the works (>9% of inventory), but not yet under construction.

# Deliveries – Absolute Sq. Ft. Doesn't Tell the Real Story

Market Name	Sq. Ft. Under Construction
<b>National</b>	<b>20,375,710</b>
Miami	1,203,511
Dallas-Fort Worth	1,183,085
Raleigh-Durham	1,152,919
Austin	1,026,484
Ft Lauderdale	754,619
Charlotte	723,699
Denver	604,344
Chicago	578,520
Atlanta	563,153
Brooklyn	510,761

# Three Part Analysis – Supply, Population, & Construction

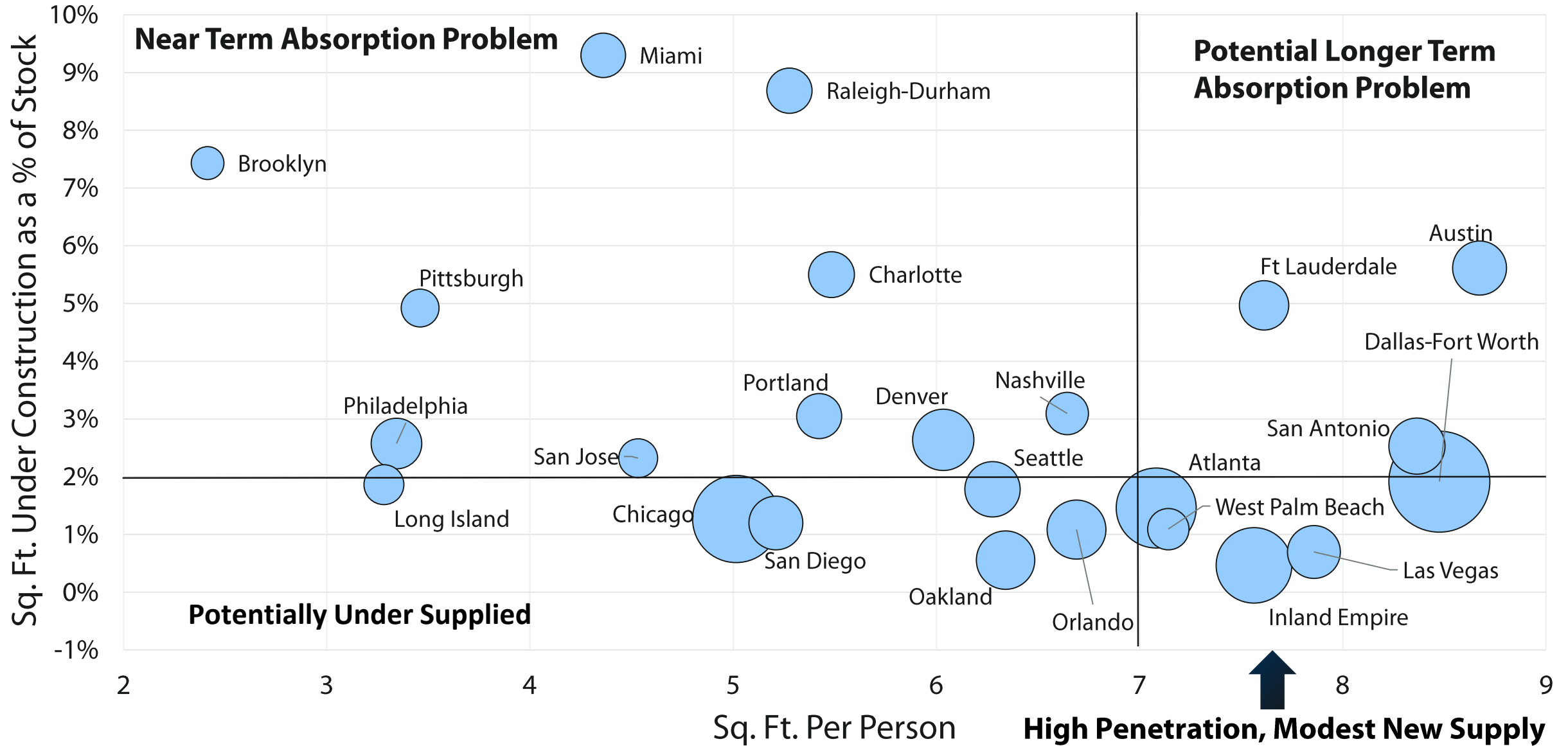
Market	Population	Sq. Ft. Total Inventory	Sq. Ft. Under Construction	Sq. Ft. Per Person	Sq. Ft. Under Construction as a % of Stock
Austin	1,989,901	17,258,755	1,026,484	<b>8.7</b>	5.6%
Dallas-Fort Worth	7,151,771	60,614,141	1,183,085	<b>8.5</b>	1.9%
Ft Lauderdale	1,896,425	14,435,832	754,619	<b>7.6</b>	5.0%
Atlanta	5,369,368	38,024,055	563,153	<b>7.1</b>	1.5%
Seattle	2,889,626	18,136,079	329,128	<b>6.3</b>	1.8%
Denver	3,696,077	22,302,016	604,344	<b>6.0</b>	2.6%
Charlotte	2,267,534	12,434,505	723,699	<b>5.5</b>	5.5%
Raleigh-Durham	2,297,454	12,122,465	1,152,919	<b>5.3</b>	8.7%
San Diego	3,299,521	17,189,386	208,490	<b>5.2</b>	1.2%
Miami	2,693,117	11,742,522	1,203,511	<b>4.4</b>	9.3%
Brooklyn	2,636,735	6,362,258	510,761	<b>2.4</b>	7.4%

Using Yardi® Matrix Data we determined markets that are:

- 1) currently well supplied with self storage facilities,
- 2) those that have the opportunity to absorb additional units, and
- 3) those that run the risk of oversupply.

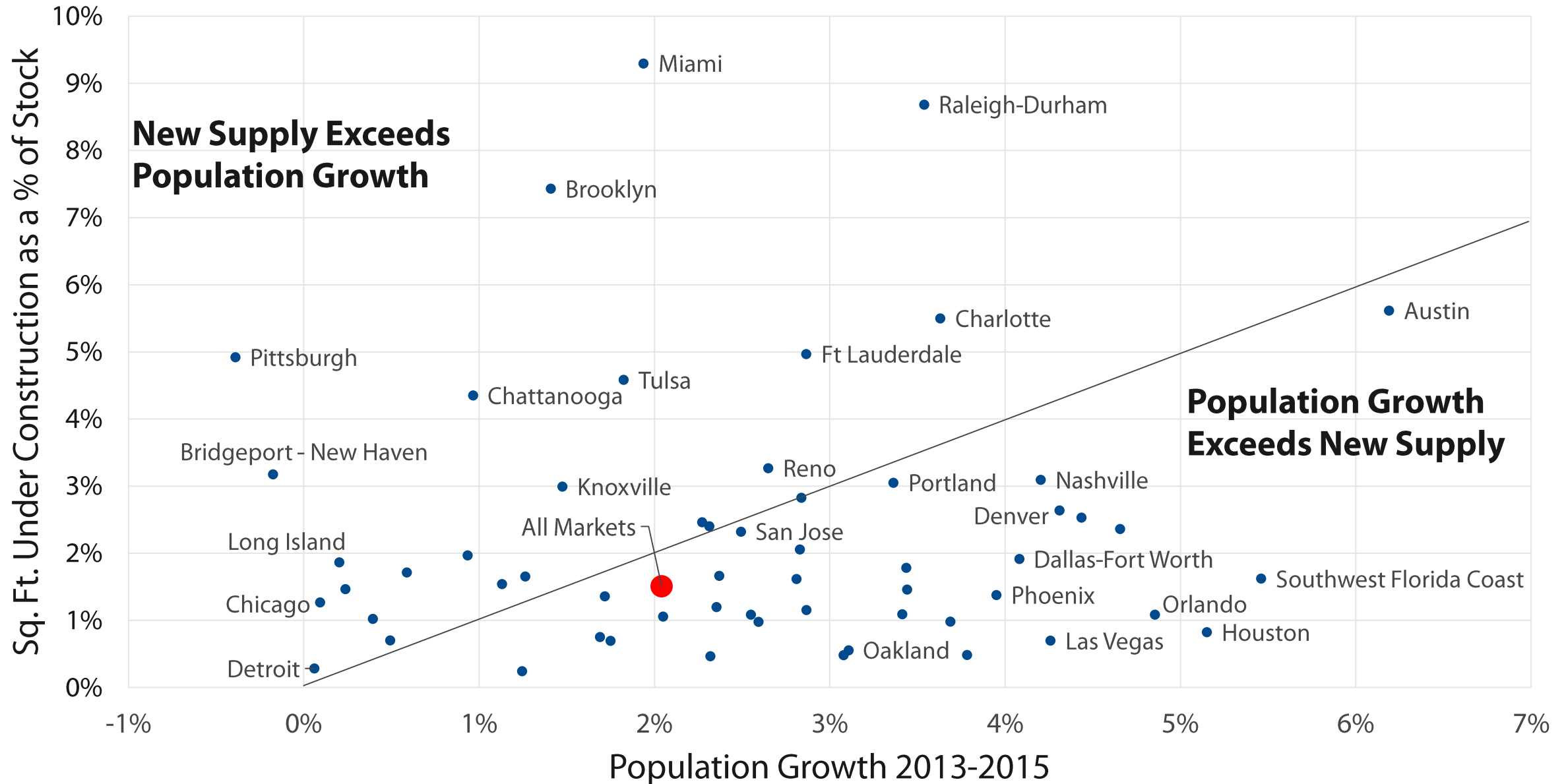


# New Construction vs. Existing Stock by Market Size



Source: Yardi® Matrix; U.S. Census Bureau (BOC): Population Estimates; Moody's Analytics

# New Construction vs Population Growth



Source: Yardi® Matrix; U.S. Census Bureau (BOC): Population Estimates; Moody's Analytics

# Deliveries – % of Inventory

Market Name	Sq. Ft. Under Construction as a of % Stock
<b>National</b>	<b>1.5%</b>
Miami	9.3%
Raleigh-Durham	8.7%
Brooklyn	7.4%
Austin	5.6%
Charlotte	5.5%
Ft Lauderdale	5.0%
Pittsburgh	4.9%
Tulsa	4.6%
Chattanooga	4.4%
Reno	3.3%

# Markets To Keep an Eye On

These high construction markets have low penetration, but could have near term absorption issues:

- Miami
- Raleigh-Durham
- Charlotte
- Brooklyn
- Pittsburgh

These few markets are cause for longer term concern as high penetration and new construction may lead to prolonged oversupply:

- Austin
- Fort Lauderdale

# But “Under Construction” is Only Part of the Story.....

Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction, Planned and Prospective
<b>All Markets</b>	<b>1.5%</b>	<b>4.2%</b>	<b>6.8%</b>
Miami	9.3%	<b>11.5%</b>	<b>13.9%</b>
Raleigh-Durham	8.7%	<b>11.5%</b>	<b>14.4%</b>
Brooklyn	7.4%	<b>9.3%</b>	<b>11.6%</b>
Austin	5.6%	7.6%	<b>10.5%</b>
Charlotte	5.5%	<b>14.1%</b>	<b>18.1%</b>
Ft Lauderdale	5.0%	<b>9.6%</b>	<b>12.5%</b>
Pittsburgh	4.9%	5.6%	5.6%
Portland ME	4.9%	7.8%	7.8%
Tulsa	4.6%	4.6%	5.4%
Chattanooga	4.4%	5.5%	7.3%
Reno	3.3%	4.8%	4.8%
Bridgeport	3.2%	4.2%	5.3%

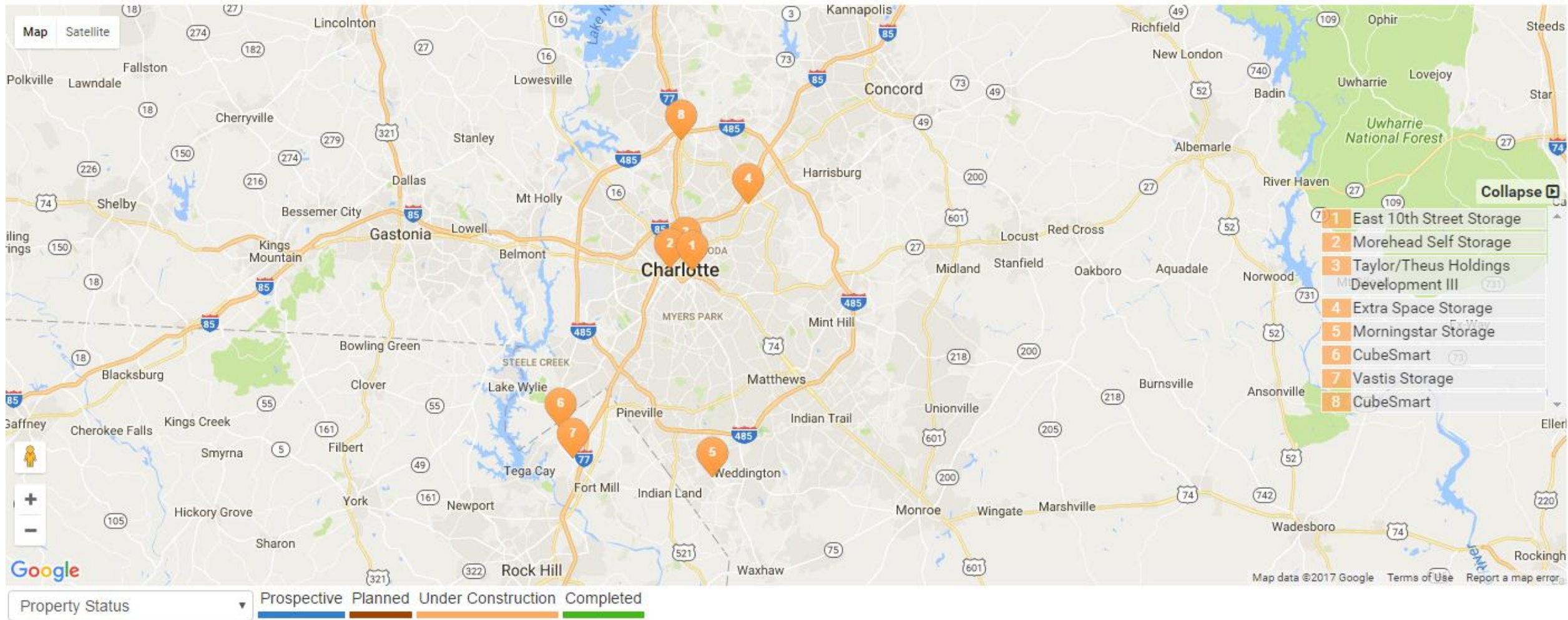
Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction, Planned, and Prospective
Nashville	3.1%	<b>11.2%</b>	<b>13.0%</b>
Portland	3.0%	<b>10.3%</b>	<b>13.4%</b>
Knoxville	3.0%	3.2%	3.2%
Denver	2.6%	<b>10.6%</b>	<b>15.4%</b>
Philadelphia	2.6%	3.3%	4.9%
San Antonio	2.5%	2.5%	2.7%
Charleston	2.4%	5.3%	5.3%
San Jose	2.3%	5.7%	8.7%
Dallas-Fort Worth	1.9%	4.6%	5.9%
Seattle	1.8%	6.1%	8.1%
Atlanta	1.5%	4.5%	6.5%
Tacoma	1.2%	3.4%	8.0%
West Palm Beach	1.1%	9.7%	<b>13.0%</b>

# Many Markets Appear to be Able to Absorb Future Supply

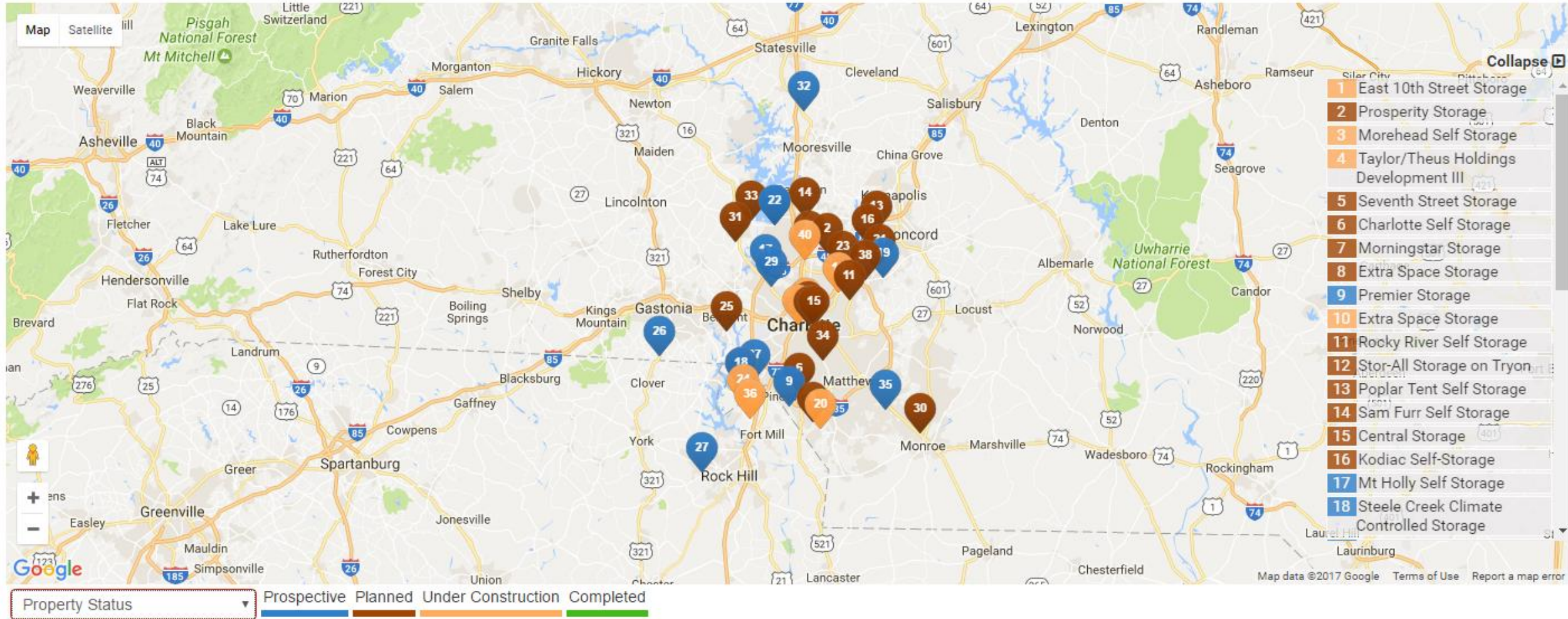
Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction, Planned and Prospective
<b>All Markets</b>	<b>1.5%</b>	<b>4.2%</b>	<b>6.8%</b>
Greenville	2.4%	3.2%	4.4%
North Central FL	2.1%	2.2%	2.2%
Northern NJ	2.0%	3.1%	4.8%
Long Island	1.9%	2.3%	4.8%
White Plains	1.8%	2.0%	3.5%
Central NJ	1.7%	3.9%	6.5%
Columbia	1.7%	3.3%	4.4%
Tucson	1.7%	2.4%	4.2%
Louisville	1.6%	1.9%	1.9%
SW Florida Coast	1.6%	2.2%	4.1%

Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction, Planned and Prospective
Tallahassee	1.5%	1.5%	1.5%
Boston	1.5%	2.8%	5.2%
Milwaukee	1.5%	3.6%	4.3%
Phoenix	1.4%	4.3%	5.9%
Greensboro	1.4%	2.2%	4.1%
Chicago	1.3%	2.9%	4.8%
San Diego	1.2%	4.3%	4.7%
Sacramento	1.1%	2.8%	2.8%
Orlando	1.1%	4.0%	7.8%
San Francisco	1.1%	3.3%	3.6%
Tampa	1.0%	3.7%	4.3%

# Under Construction – Charlotte

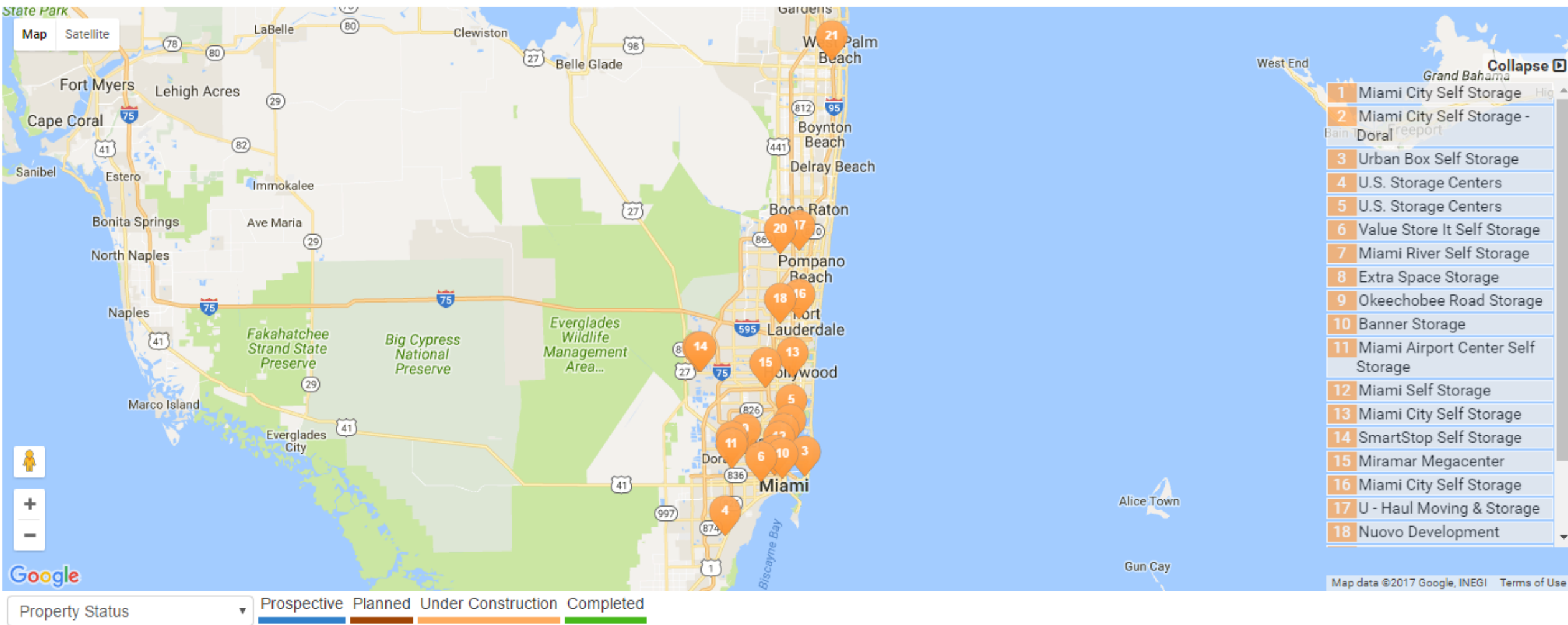


# Development Pipeline – Charlotte

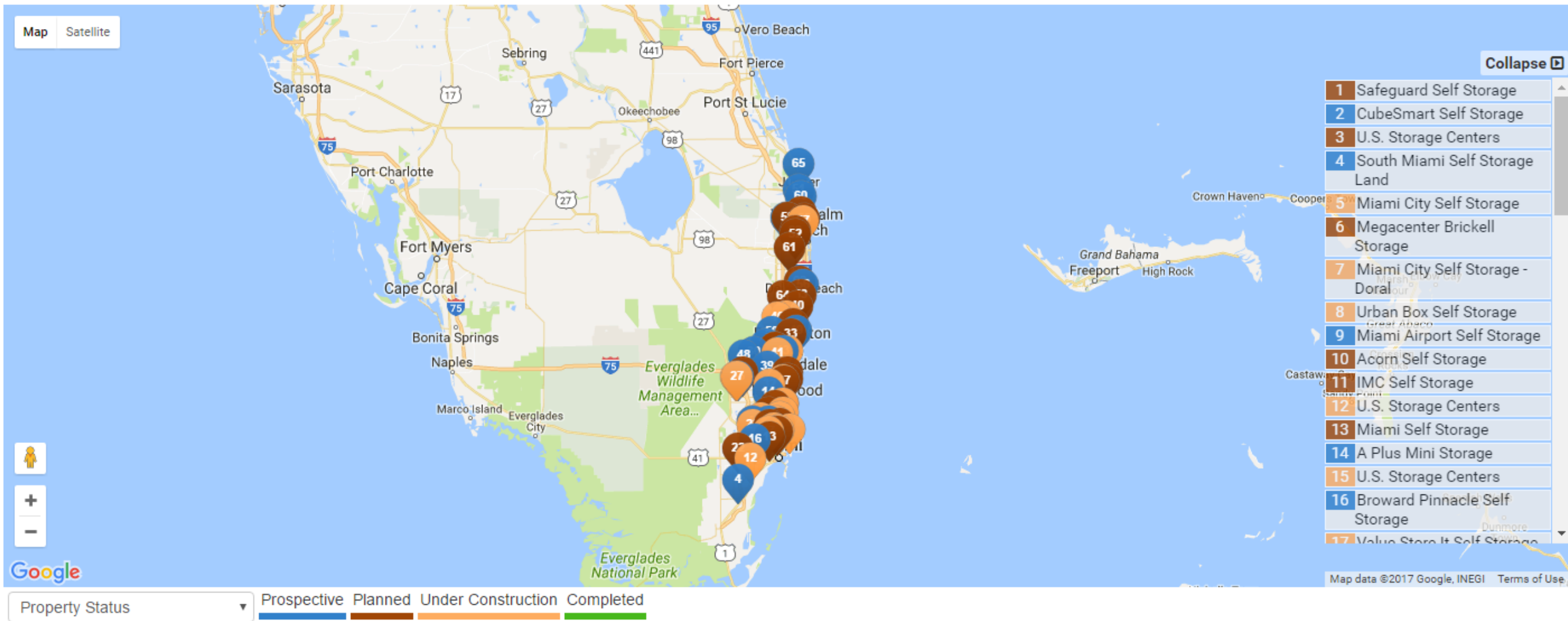




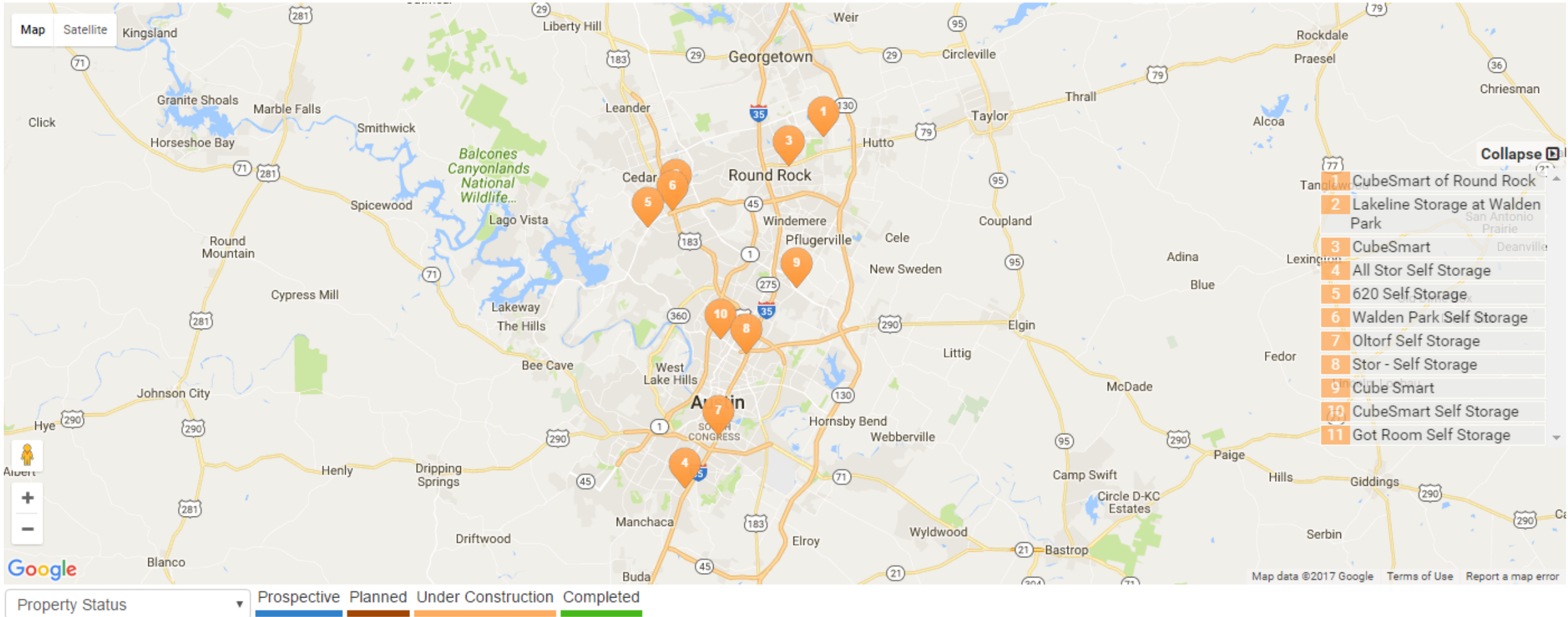
# Under Construction – South Florida



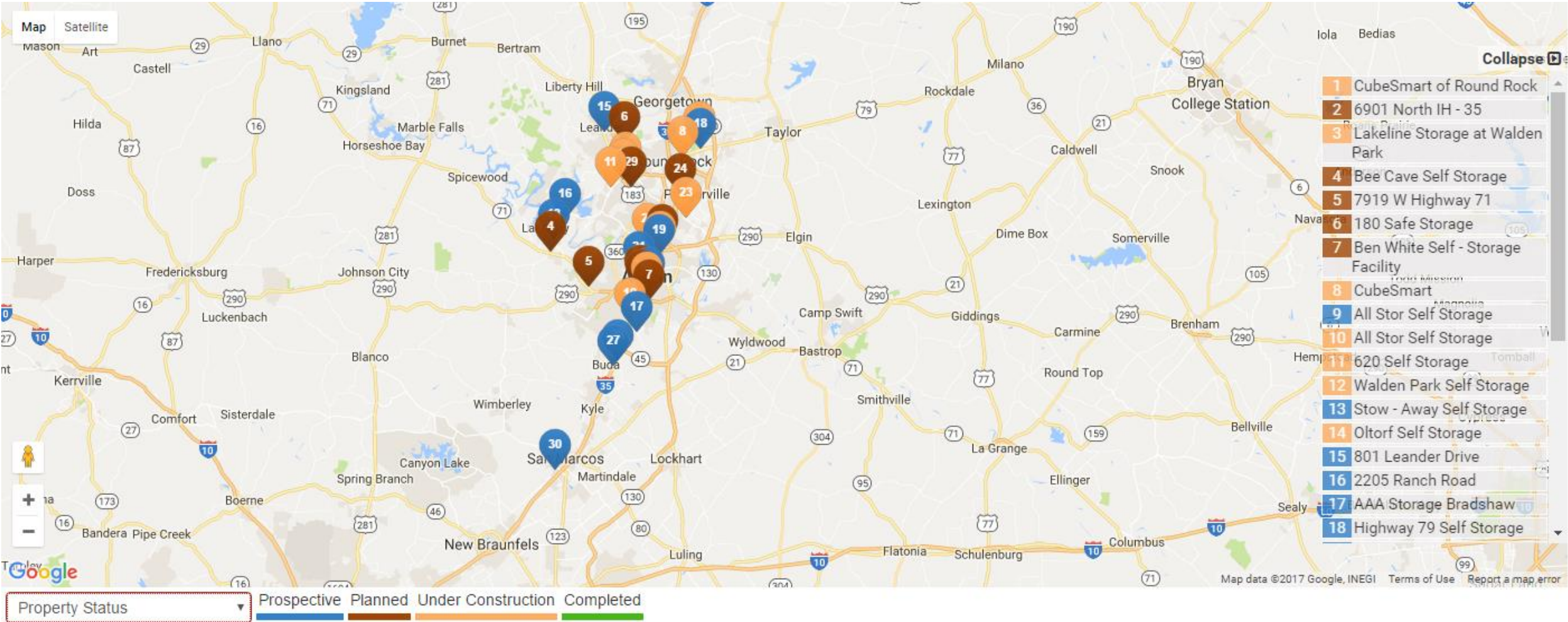
# Development Pipeline – South Florida



# Under Construction – Austin



# Development Pipeline – Austin



# Developers & Capital Sources Need to Look at it All

Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction, Planned and Prospective
<b>All Markets</b>	<b>1.5%</b>	<b>4.2%</b>	<b>6.8%</b>
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Seattle	1.8%	6.1%	8.1%
Atlanta	1.5%	4.5%	6.5%
Tacoma	1.2%	3.4%	8.0%
West Palm Beach	1.1%	9.7%	<b>13.0%</b>

# Markets To Keep an Eye On

High new supply,  
low penetration,  
markets:

- Miami
- Raleigh-Durham
- Charlotte
- Brooklyn
- Pittsburgh

High penetration,  
high new supply  
markets:

- Austin
- Fort Lauderdale

Very High Future  
new Supply  
Markets:

- Denver
- Portland
- Nashville
- West Palm Beach
- San Jose

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# Appendix-New Development by Market

Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction Planned, and Prospective
<b>All Markets</b>	<b>1.5%</b>	<b>4.2%</b>	<b>6.8%</b>
Columbus	1.0%	1.8%	4.3%
Houston	0.8%	1.7%	2.7%
Kansas City	0.8%	2.6%	3.4%
Lansing	0.7%	0.7%	1.4%
Albuquerque	0.7%	1.8%	1.8%
Las Vegas	0.7%	2.0%	2.0%
Indianapolis	0.7%	4.0%	4.3%
Oakland	0.6%	3.1%	4.0%
Jacksonville	0.5%	1.7%	4.9%
Salt Lake City	0.5%	1.5%	2.2%
Inland Empire	0.5%	1.6%	2.1%
Detroit	0.3%	1.5%	2.6%

Market	% Stock Under Construction	% Stock Under Construction and Planned	% Stock Under Construction Planned, and Prospective
Los Angeles	0.2%	0.8%	1.4%
Omaha	0.0%	4.8%	4.8%
Little Rock	0.0%	4.1%	4.1%
Central Valley	0.0%	1.6%	1.9%
Central Coast	0.0%	1.6%	5.9%
Amarillo	0.0%	1.5%	1.5%
Orange County	0.0%	1.2%	2.3%
Colorado Springs	0.0%	1.1%	1.1%
St Louis	0.0%	1.1%	2.3%
McAllen	0.0%	0.5%	0.5%
Twin Cities	0.0%	0.4%	0.5%
Baltimore	0.0%	0.0%	5.5%