



Yardi Matrix

National Self Storage Report

November 2024



Self Storage Supply and Rent Recap

Advertised rates improved year-over-year, despite weakened fundamentals

- The self storage REITs reported Q3 2024 results in line with their previous guidance. Negative occupancy and revenue growth are indicators of poor demand fundamentals, particularly due to the housing market. Average revenue growth for the four companies plus Life Storage was -1%, representing a 90-basis-point deceleration quarter-over-quarter, driven by a 60 bps decline in quarter-end occupancy, a reversal of improving trends the previous five quarters, and 1.1% decline in realized rents. Markets with high supply like Atlanta, Orlando and Phoenix posted the worst revenue growth in Q3, while Southwest Florida, including Tampa, seems poised to benefit from recent hurricanes, which could relieve some of the pressure from new supply. Other markets—like Washington, D.C., Chicago and San Francisco—are benefiting from years of little supply growth and a turnaround in out-migration patterns following the pandemic. Although advertised rates are declining month-over-month going into the slower winter season, advertised rate growth year-over-year continues to improve compared to aggressive rent drops at the end of last year, and should continue to improve going into 2025.

Advertised rates continue to decline, but have improved year-over-year

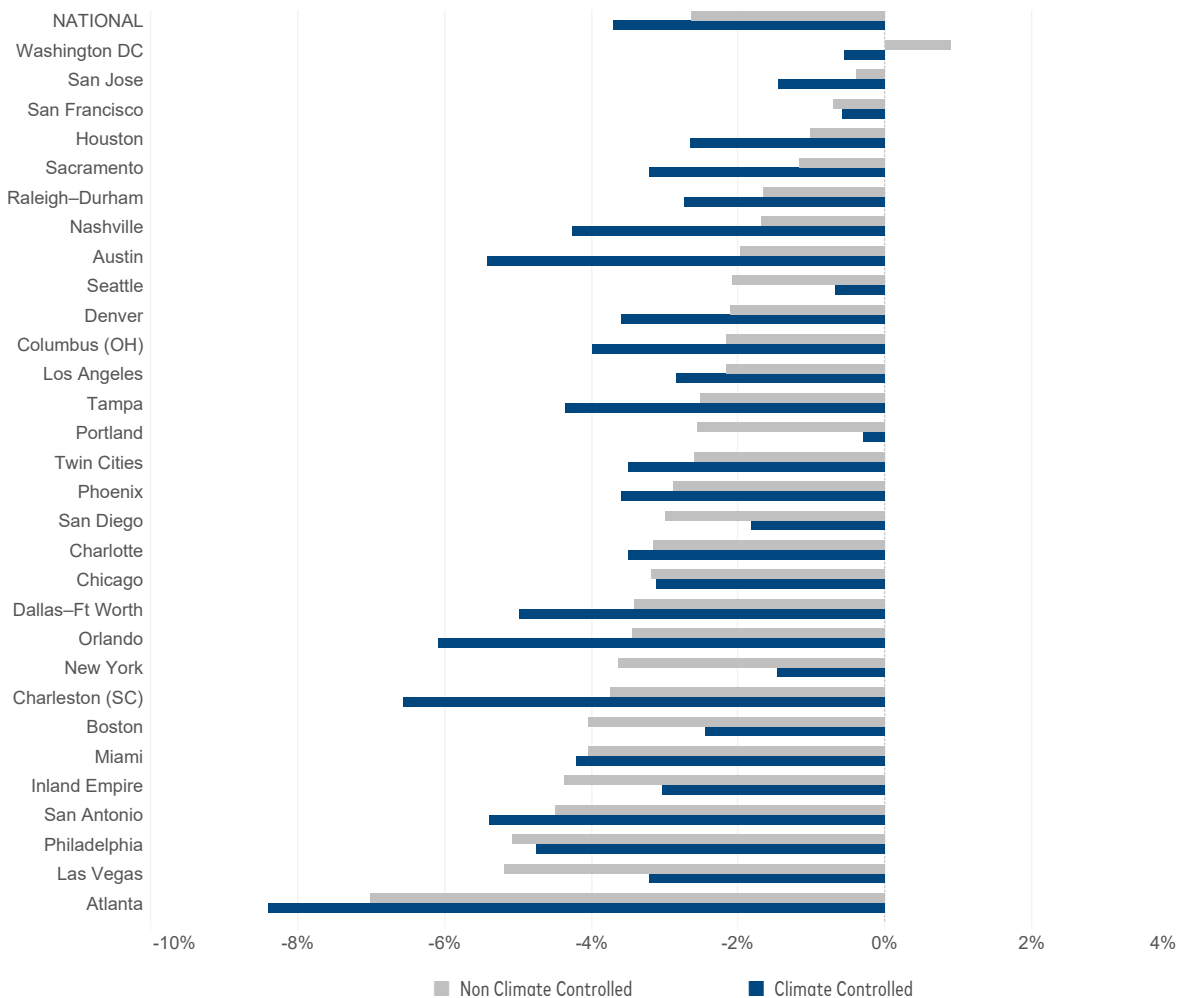
- On a national level, advertised rate growth continues to be negative. Nationwide, advertised rates were down 3.1% year-over-year in October, with an annualized average per square foot of \$16.35 for the combined mix of unit sizes and types. This is a notable improvement from -3.8% in September and -3.9% in August.
- Advertised rates for non-climate-controlled (NCC) units were negative year-over-year in all top metros except Washington, D.C., while climate-controlled (CC) units declined in all 30 top metros in October.
- Nationally, Yardi Matrix tracks a total of 3,389 self storage properties in various stages of development, including 823 under construction, 2,066 planned and 500 prospective properties. Projects under construction were equivalent to 3.3% of existing stock through October. Despite a slowdown in construction starts through mid-2024, construction activity maintained momentum. Therefore, we have increased our near-term forecast (2024 through 2026).
- Yardi Matrix also maintains operational profiles for 32,623 completed self storage facilities in the U.S., bringing the total dataset to 36,012. We are happy to announce the expansion of our existing Suburban Chicago and Columbia storage markets, now available to subscribers.

Street Rate Growth Update

Year-over-year declines in advertised rates improved in October

- Advertised rate declines year-over-year continued to improve in October. Same-store advertised rates for main-size NCC units nationwide decreased 2.6% year-over-year in October, up from -3.3% in September and -3.5% in August. While same-store advertised rates performed slightly worse for CC units of the same size, falling 3.7% in October compared to the same month last year, this is an improvement from the third-quarter average of -4.4%. After being very aggressive in dropping advertised rates last fall, operators will likely face easier year-over-year comparative rates throughout the remainder of the year.
- Advertised rent growth for the self storage REITs is now in line with their non-REIT competitors, with same-store advertised rents down 3.2% year-over-year in October for REITs versus -3.1% for non-REITs. However, this is a substantial improvement from the past couple of months, when advertised rate growth year-over-year for all REITs was -4.2% in September and -5.1% in August.

October 2024 Year-Over-Year Rent Change for Main Unit Sizes



*Street rate growth = annualized average street rate per square foot for same-store properties stabilized at 36 months after completion for the following unit sizes: 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 and 30x10 NCC and CC units.
Source: Yardi Matrix. Data as of November 11, 2024

Monthly Sequential Rents

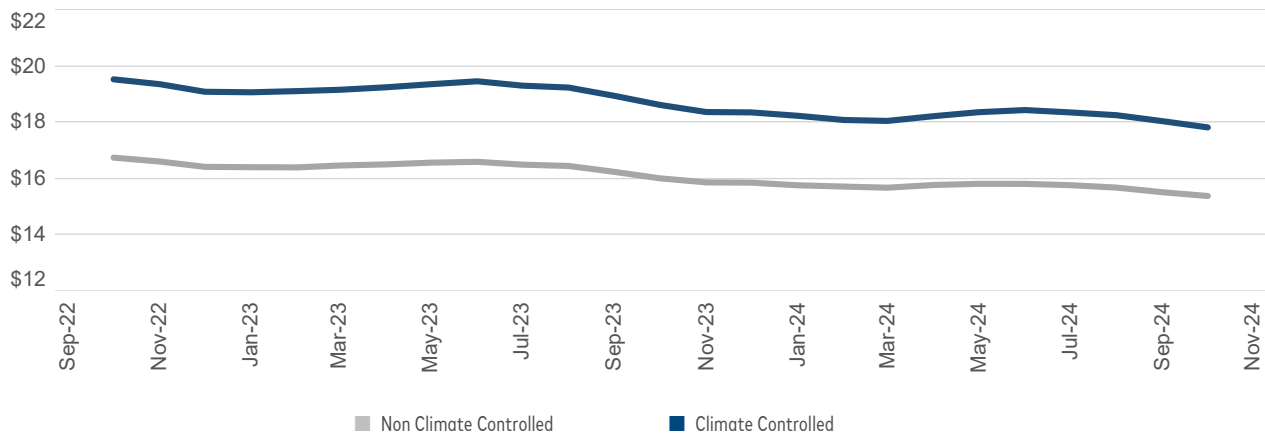
Nearly all of the top metros recorded negative growth month-over-month in October

- The national average for combined advertised rates per square foot fell 100 basis points to \$16.35 in October from September. While the 1.0% decrease month-over-month this October compares to the -0.6% average recorded in October 2016 through 2019, it is an improvement from the -1.6% drop in advertised rates in October 2023.
- The decline in sequential asking rates was also broader based across markets, with same-store advertised rates dropping month-over-month in 29 of the top 30 metros in October. Boston saw the largest drop at 200 basis points, impacted by the large amount of new supply recently delivered in the metro.
- Tampa was the only metro that saw monthly asking rates increase from September to October. Despite being faced with heavy supply in lease-up, Tampa is benefiting from increased demand due to the area's recent hurricane.

Metro	Sep-24 Average Street Rate PSF (\$)	Oct-24 Average Street Rate PSF (\$)	Month-over-Month Change (%)	Change
NATIONAL	\$16.52	\$16.35	-1.0%	↓
Tampa	\$15.94	\$16.12	1.1%	↑
Portland	\$17.76	\$17.69	-0.4%	↓
Minneapolis	\$13.83	\$13.77	-0.4%	↓
Columbus (OH)	\$12.69	\$12.63	-0.5%	↓
San Francisco	\$27.03	\$26.89	-0.5%	↓
Philadelphia	\$16.81	\$16.71	-0.6%	↓
Sacramento	\$17.52	\$17.41	-0.6%	↓
San Antonio	\$13.96	\$13.87	-0.6%	↓
Houston	\$13.53	\$13.44	-0.6%	↓
Las Vegas	\$15.96	\$15.84	-0.7%	↓
Seattle	\$22.14	\$21.96	-0.8%	↓
Miami	\$21.37	\$21.16	-1.0%	↓
Charlotte	\$13.89	\$13.74	-1.1%	↓
San Diego	\$24.49	\$24.21	-1.1%	↓
New York	\$34.78	\$34.39	-1.1%	↓
Dallas-Ft Worth	\$13.68	\$13.52	-1.1%	↓
Phoenix	\$15.76	\$15.58	-1.1%	↓
Inland Empire	\$17.47	\$17.27	-1.1%	↓
Chicago	\$15.17	\$14.98	-1.2%	↓
Raleigh-Durham	\$13.83	\$13.65	-1.3%	↓
San Jose	\$23.56	\$23.26	-1.3%	↓
Orlando	\$15.92	\$15.71	-1.3%	↓
Atlanta	\$13.87	\$13.68	-1.4%	↓
Nashville	\$15.79	\$15.56	-1.4%	↓
Denver	\$17.05	\$16.80	-1.5%	↓
Charleston (SC)	\$14.84	\$14.60	-1.6%	↓
Washington DC	\$19.98	\$19.64	-1.7%	↓
Austin	\$14.62	\$14.35	-1.8%	↓
Los Angeles	\$28.22	\$27.71	-1.8%	↓
Boston	\$20.03	\$19.63	-2.0%	↓

Source: Yardi Matrix. Data as of November 11, 2024

National Average Street Rates PSF for Main Unit Types



*Annualized average street rate per square foot for properties stabilized at 36 months after completion for the following unit sizes: 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 and 30x10 NCC and CC units.

*Drawn from our national database of 32,623 completed stores.

Source: Yardi Matrix. Data as of November 11, 2024

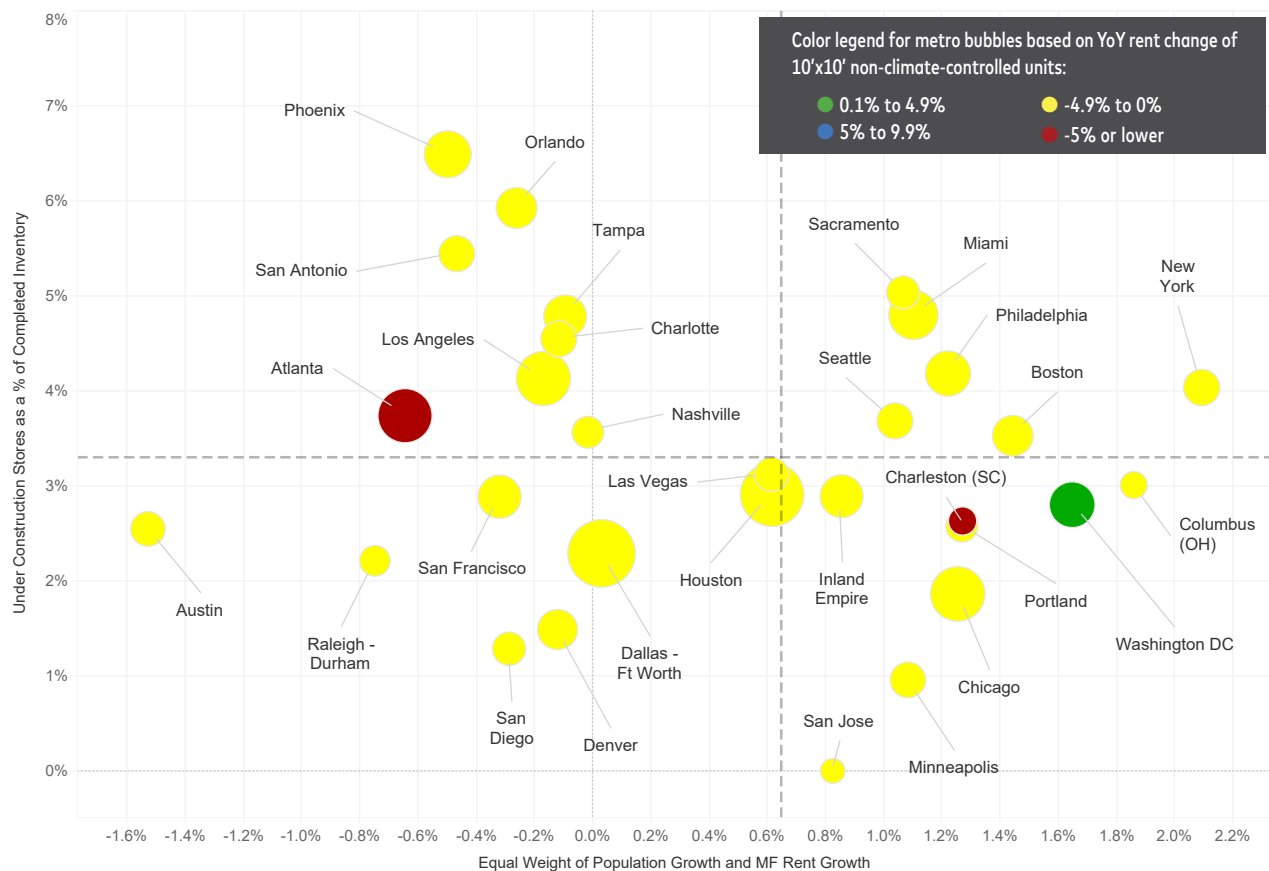
Street Rates and New Supply

Self Storage Major Monthly Summary updated to reflect main unit mix

- The Self Storage Major Monthly Summary chart has been updated. The advertised rate growth shown in the color legend has been changed from exclusively 10x10 NCC units to the mix of main units including 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 and 30x10 NCC and CC units. We feel this update will be more consistent with the advertised rate performance discussed throughout the report, as well as provide a better overall representation of rate performance.
- Washington, D.C., is the first metro to show positive year-over-year advertised rate growth for the combined mix of unit types, up 0.2% in October. New supply in the metro has been decreasing, with deliveries over the trailing 12 months equal to 1.7% of completed stock in October, roughly half of the amount seen in March of this year, when trailing deliveries accounted for 3.5% of inventory. In addition, Washington, D.C., has been seeing more positive demand trends, especially compared to the pandemic, when people were moving out of the metro. However, the potential for government cutbacks could threaten future demand trends.

Self Storage Major Metro Summary

New-Supply Pipeline (y-axis) & Equal Weighting of Population Growth and Multifamily Rent Growth (x-axis)
(bubble size represents completed NRSF)



Sources: Yardi Matrix; U.S. Census Bureau. Data as of November 11, 2024

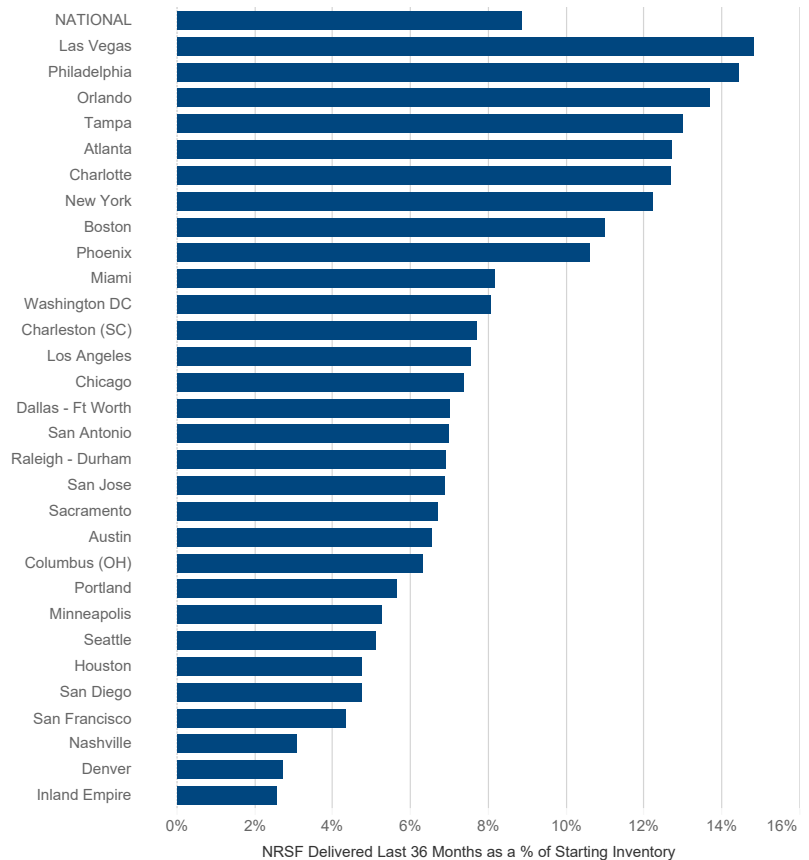
Lease-Up Supply

Lease-up supply is dragging down street rate growth in several top metros

- Nationally, the amount of new supply delivered over the past three years is equal to 8.8% of starting inventory, while deliveries over the trailing 12 months account for 2.9% of the inventory that existed in October of last year. Three-year supply, a proxy for inventory in lease-up, has been slowly decreasing nationwide over the past few years, from 9.2% in October 2023 and 9.9% in October 2022.
- The theme continues of markets with heavy new supply experiencing among the worst rate performance, as the six top metros with the largest amount of lease-up supply are also at the bottom for advertised rates year-over-year.
- Las Vegas has delivered the most new supply over the past three years (14.8% of starting stock) and saw the greatest amount of deliveries over the past year (5.8% of starting stock). However, despite having the most supply in lease-up, Las Vegas continues to outperform a few other top metros, with same-store advertised rates for main unit sizes and types decreasing 4.4% year-over-year in October.

NRSF Delivered Over the Last 36 and 12 Trailing Months

Metro	NRSF Delivered Last 36 Months as a % of Starting Inventory	NRSF Delivered Last 12 Months as a % of Starting Inventory	YoY Growth in Annualized Rent - Main Unit Types NCC + CC
NATIONAL	8.8%	2.9%	-3.1%
Las Vegas	14.8%	5.8%	-4.4%
Philadelphia	14.4%	5.5%	-4.9%
Orlando	13.7%	5.5%	-4.8%
Tampa	13.0%	5.2%	-3.4%
Atlanta	12.7%	4.6%	-7.6%
Charlotte	12.7%	4.3%	-3.2%
New York	12.2%	1.4%	-2.4%
Boston	11.0%	3.2%	-3.3%
Phoenix	10.6%	2.6%	-3.2%
Miami	8.2%	3.1%	-4.1%
Washington DC	8.0%	1.7%	0.2%
Charleston (SC)	7.7%	3.0%	-5.2%
Los Angeles	7.5%	2.8%	-2.3%
Chicago	7.4%	1.6%	-3.1%
Dallas-Ft Worth	7.0%	2.6%	-4.1%
San Antonio	7.0%	2.2%	-4.9%
Raleigh-Durham	6.9%	1.2%	-2.2%
San Jose	6.9%	1.7%	-0.6%
Sacramento	6.7%	3.2%	-1.6%
Austin	6.5%	2.4%	-3.8%
Columbus (OH)	6.3%	1.8%	-3.0%
Portland	5.6%	0.8%	-2.0%
Minneapolis	5.3%	2.0%	-3.0%
Seattle	5.1%	2.4%	-1.5%
Houston	4.7%	1.9%	-1.8%
San Diego	4.7%	0.8%	-2.8%
San Francisco	4.3%	1.2%	-0.7%
Nashville	3.1%	0.0%	-2.8%
Denver	2.7%	0.8%	-2.7%
Inland Empire	2.6%	0.6%	-4.1%



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*Drawn from our national database of 36,012 stores, including 3,389 projects in the new-supply pipeline as well as 32,623 completed stores.

Source: Yardi Matrix. Data as of November 11, 2024

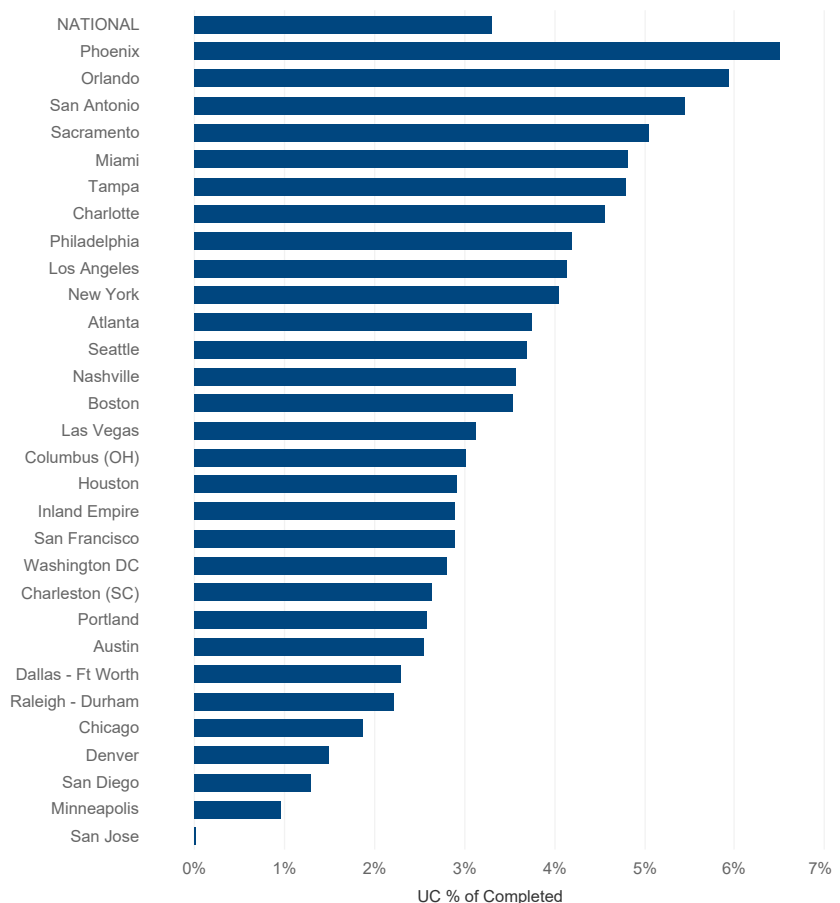
New Supply Update

Construction activity remains stronger than anticipated

- With 62.9 million net rentable square feet (NRSF) under construction, the national pipeline was equal to 3.3% of existing inventory through the end of October, unchanged month-over-month.
- Construction starts have slowed, but not as dramatically as anticipated. Days in construction remains elevated and projects completing in Q3 on average spent 394 days under construction. The stronger-than-expected construction starts combined with elevated completion times has resulted in an under-construction pipeline that only contracted 3.2% quarter-over-quarter. As a result, the Q4 2024 Yardi Matrix self storage supply forecast has been increased by 2.6% for 2024, 7.8% for 2025 and 6.0% for 2026. New supply is now forecast to come in around 61.1M NRSF this year, moderating to 54.0M NRSF in 2025 and 42.9M NRSF in 2026. For 2027 through 2029, the forecast remains relatively unchanged, as our development pipeline and advertised rental rate data continue to indicate an overall declaration in long-term new development interest.
- Month-over-month, Las Vegas, Tampa, Phoenix and Charlotte saw supply under construction increase, despite all of these metros already seeing heavy new supply delivered in recent years.

Under-Construction Supply by Percentage of Existing Inventory

Metro	Oct-24	Nov-24	Change
NATIONAL	3.3%	3.3%	—
Phoenix	6.3%	6.5%	↑
Orlando	6.2%	5.9%	↓
San Antonio	5.8%	5.4%	↓
Sacramento	5.4%	5.0%	↓
Miami	4.8%	4.8%	—
Tampa	4.5%	4.8%	↑
Charlotte	4.5%	4.6%	↑
Philadelphia	5.1%	4.2%	↓
Los Angeles	4.2%	4.1%	↓
New York	4.0%	4.0%	—
Atlanta	3.8%	3.7%	↓
Seattle	4.1%	3.7%	↓
Nashville	3.6%	3.6%	—
Boston	3.5%	3.5%	—
Las Vegas	2.7%	3.1%	↑
Columbus (OH)	3.1%	3.0%	↓
Houston	3.2%	2.9%	↓
Inland Empire	3.0%	2.9%	↓
San Francisco	3.2%	2.9%	↓
Washington DC	2.8%	2.8%	—
Charleston (SC)	2.6%	2.6%	—
Portland	2.6%	2.6%	—
Austin	2.9%	2.5%	↓
Dallas-Ft Worth	2.4%	2.3%	↓
Raleigh-Durham	2.8%	2.2%	↓
Chicago	2.0%	1.9%	↓
Denver	1.5%	1.5%	—
San Diego	1.3%	1.3%	—
Minneapolis	1.0%	1.0%	—
San Jose	0.0%	0.0%	—



*Drawn from our national database of 36,012 stores, including 3,389 projects in the new-supply pipeline as well as 32,623 completed stores. Source: Yardi Matrix. Data as of November 11, 2024

Monthly Rate Recap

Market	Annualized Rate PSF - Main Unit Types (NCC+CC)	Oct 2024 YoY Rate Performance						
		Main Unit Types (NCC+CC)	Small Units (5x5 & 5x10) NCC	Small Units (5x5 & 5x10) CC	Medium Units (10x10 & 10x15) NCC	Medium Units (10x10 & 10x15) CC	Large Units (10x20 & 10x30) NCC	Large Units (10x20 & 10x30) CC
National	\$16.35	-3.1%	-3.5%	-4.2%	-2.5%	-3.3%	-1.3%	-2.9%
Washington DC	\$19.64	0.2%	0.3%	-0.7%	0.8%	-0.6%	2.2%	0.4%
San Jose	\$23.26	-0.6%	-2.3%	-2.3%	0.7%	-1.2%	1.6%	0.4%
San Francisco	\$26.89	-0.7%	-1.7%	-1.8%	-0.4%	0.8%	1.3%	1.7%
Seattle	\$21.96	-1.5%	-2.1%	-0.8%	-2.7%	-0.7%	-1.3%	0.0%
Sacramento	\$17.41	-1.6%	-2.0%	-4.0%	-0.7%	-2.8%	-0.2%	-1.5%
Houston	\$13.44	-1.8%	-1.5%	-2.8%	-1.1%	-2.6%	-0.3%	-2.3%
Portland	\$17.69	-2.0%	-2.9%	-0.8%	-2.1%	-0.5%	-2.5%	1.3%
Raleigh–Durham	\$13.65	-2.2%	-2.3%	-2.9%	-1.6%	-2.3%	-0.2%	-2.3%
Los Angeles	\$27.71	-2.3%	-2.9%	-3.5%	-1.7%	-1.9%	-1.0%	-2.2%
New York	\$34.39	-2.4%	-4.1%	0.0%	-3.0%	-2.4%	-2.1%	-5.4%
Denver	\$16.80	-2.7%	-2.8%	-4.7%	-1.7%	-2.4%	-1.2%	-2.2%
Nashville	\$15.56	-2.8%	-1.6%	-5.3%	-2.6%	-3.7%	-1.1%	-2.9%
San Diego	\$24.21	-2.8%	-4.3%	-2.3%	-2.5%	-0.8%	-0.2%	-0.9%
Columbus (OH)	\$12.63	-3.0%	-3.0%	-4.4%	-2.0%	-3.2%	-1.2%	-3.2%
Minneapolis	\$13.77	-3.0%	-3.4%	-5.0%	-1.8%	-2.9%	-2.0%	-1.2%
Chicago	\$14.98	-3.1%	-4.0%	-3.6%	-3.0%	-3.1%	-1.9%	-1.6%
Phoenix	\$15.58	-3.2%	-4.4%	-4.3%	-2.2%	-2.7%	-0.1%	-2.7%
Charlotte	\$13.74	-3.2%	-4.2%	-3.8%	-3.3%	-3.3%	-2.1%	-2.9%
Boston	\$19.63	-3.3%	-4.4%	-2.6%	-4.5%	-2.6%	-2.5%	-1.6%
Tampa	\$16.12	-3.4%	-3.7%	-4.9%	-2.6%	-3.6%	-0.7%	-3.8%
Austin	\$14.35	-3.8%	-3.2%	-6.7%	-2.2%	-4.9%	0.1%	-2.9%
Inland Empire	\$17.27	-4.1%	-6.0%	-3.4%	-3.9%	-2.5%	-1.9%	-2.8%
Dallas–Ft Worth	\$13.52	-4.1%	-4.8%	-6.0%	-3.2%	-4.7%	-1.3%	-2.6%
Miami	\$21.16	-4.1%	-5.0%	-4.9%	-4.0%	-3.7%	-2.2%	-2.6%
Las Vegas	\$15.84	-4.4%	-7.7%	-4.2%	-5.2%	-1.9%	-1.8%	-1.8%
Orlando	\$15.71	-4.8%	-3.9%	-6.7%	-3.6%	-5.0%	-2.6%	-5.7%
San Antonio	\$13.87	-4.9%	-5.3%	-6.3%	-4.3%	-4.6%	-3.7%	-4.1%
Philadelphia	\$16.71	-4.9%	-6.7%	-6.0%	-4.5%	-3.7%	-1.9%	-3.0%
Charleston (SC)	\$14.60	-5.2%	-4.6%	-8.2%	-4.5%	-6.4%	-1.2%	-3.2%
Atlanta	\$13.68	-7.6%	-7.9%	-9.5%	-7.4%	-7.3%	-5.3%	-6.9%

*Annualized average street rate per square foot for properties stabilized at 36 months after completion for the following unit sizes: 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 & 30x10 NCC and CC units.

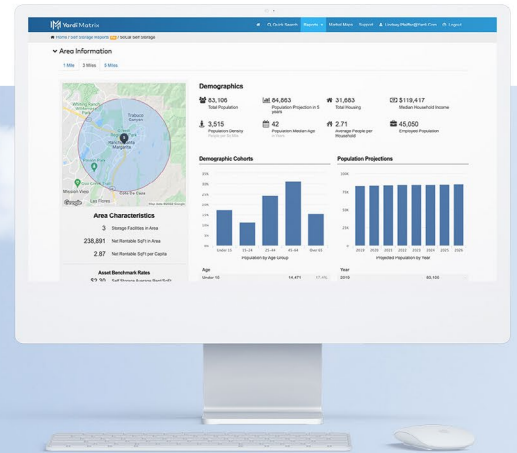
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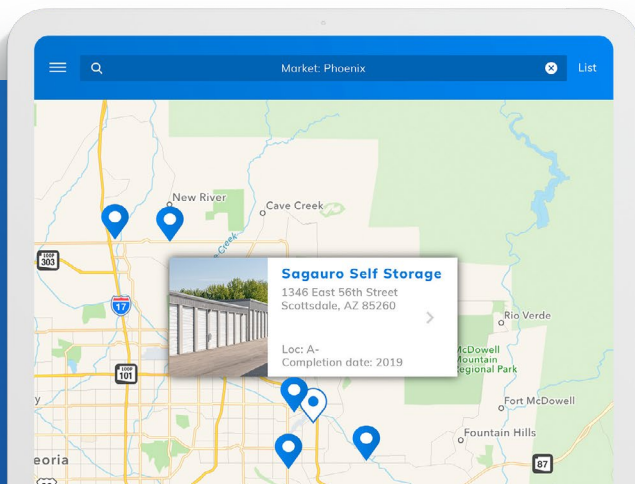
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