



Yardi[®] Matrix

National Self Storage Report

March 2022



Self Storage Supply and Rent Recap

Bullish outlook at the start of high-demand season

- The self storage industry heads into the spring season with strong fundamentals. Rates flattened during the winter as demand waned in normal seasonal patterns. However, coming off the banner year in 2021 means the industry is well ahead of where it normally is at this point in the calendar, a position of strength from which rates can remain high. Also, self storage continues to benefit from pandemic-fueled demand, which includes the growing RV/boat exclusive storage category. "Things look great coming into the spring season," one REIT executive said during a recent earnings call. We expect that rent growth will moderate in 2022 from the above-trend 2021 levels, but it should remain comfortably above the long-term average. Said another REIT executive: "We anticipate another strong year, comparable to the second half of 2021."

Street rates maintain strong year-over-year gains

- Year-over-year street rate growth for all unit types was unchanged in February, which on balance is a good sign given the industry's position. Nationally, 10x10 non-climate-controlled (NON CC) units were up 7.6% year-over-year, while rates for similar-size climate-controlled (CC) units grew 7.4% over the same period.
- Rent growth continues to be healthy across major metros, led by markets with strong in-migration in the Southeast and Southwest. For NON CC units, nine of the top 31 metros had rent growth of 10.0% or more year-over-year in February and 23 of the top 31 had 5.0% or more growth. For CC units, the story was much the same, with nine of the top 31 metros at 10.0% and 21 at 5.0% year-over-year growth. San Jose was the only metro with a negative growth rate, at -0.6% for CC units.
- Nationally, Yardi Matrix tracks a total of 3,864 self storage properties in various stages of development—comprising 730 under construction, 1,359 planned and 532 prospective properties. The new-supply pipeline as a percent of existing inventory rose 20 basis points to 9.2% in February.
- Yardi Matrix also maintains operational profiles for 28,139 completed self storage facilities across the United States, bringing the total data set to 32,058.