

Yardi® Matrix

National Self Storage Report

April 2020



Monthly Supply and Rent Recap

Full extent of COVID-19 crisis still unknown for self storage

- The COVID-19 pandemic has caused unprecedented social and economic impacts to the nation. The real estate industry is taking a major hit, and no asset type seems to be completely spared from increased challenges and risks. Fortunately, the self storage sector is usually less vulnerable than other asset types to economic disruptions. Storage seems to be counter-cyclical, and storage REITs have been outperforming other asset classes. On the surface, March appears to have been a positive month for the storage industry, with continued demand and improving national street rate performance. However, major impacts from the spread of COVID-19 may not begin to appear in storage fundamentals for another month. April, May and June will be telling for all aspects of the self storage industry—from the operations side to development to consumer demand.
- On a national level, Yardi Matrix tracks a total of 2,197 self storage properties in various stages of development—comprising 592 under construction, 1,144 planned and 461 prospective properties. The share of existing projects in various stages of development accounted for 8.9% of existing inventory in March.
- Yardi Matrix also maintains operational profiles for 25,869 completed self storage facilities across the United States, bringing the total data set to 28,066.

Non-climate-controlled rates see improvement

- After a long tenure of negative performance, national street rates for 10x10 non-climate-controlled (NON CC) units remained unchanged year-over-year in March. Street rates for 10x10 climate-controlled (CC) units did not perform as well, decreasing 1.4% on an annual basis.
- Annual street rate performance was negative in roughly 50% of the top metros (for 10x10 NON CC units), while Las Vegas continues to be a leading metro for street rate performance. In March, the Nevada metro saw street rates for 10x10 CC units increase 2.9% year-over-year and rates for NON CC units of the same size increase 1.0% on an annual basis.