

Yardi® Matrix

National Self Storage Report

May 2020



Monthly Supply and Rent Recap

Impact of COVID-19 pandemic on self storage beginning to emerge

- The unprecedented impact of the COVID-19 pandemic on lives and businesses has been felt across almost all industries, and self storage is no different. Typically thought of as being among the asset types less vulnerable to economic disruptions, the self storage sector endured widespread economic fallout from COVID-19 in April. Negative street rate performance in April followed slight improvements in March as the country moved into month two of COVID-19 stay-at-home orders. As the United States shifts its focus to reopening the economy, there is hope that storage fundamentals will rebound, but there will likely be troubles felt over the next few months as pandemic disruptions continue and the nation slowly adapts to life outside the lockdowns.

Street rates take a hit amid COVID-19 crisis

- The self storage industry started feeling the impact of the novel coronavirus pandemic and its subsequent economic downturn in April as street rates dropped dramatically. National street rates for 10x10 non-climate-controlled (NON CC) units fell 2.6% year-over-year in April. Rates for 10x10 climate-controlled (CC) units dropped 6.0% year-over-year, the largest decline in more than three years.
- On a year-over-year basis, street rates for standard NON CC units decreased in roughly 97% of the top markets tracked by Yardi Matrix in April. All the top markets saw negative street rate performance for standard 10x10 CC units.
- Nationwide, Yardi Matrix tracks a total of 2,209 self storage properties in various stages of development—comprising 593 under construction, 1,172 planned and 444 prospective properties. The national new-supply pipeline as a percent of existing inventory increased by a minor 0.2% month-over-month in April, and the share of existing projects in various stages of development accounts for 9.0% of existing inventory.
- Yardi Matrix also maintains operational profiles for 25,914 completed self storage facilities across the United States, bringing the total data set to 28,123.