



Yardi[®] Matrix

National Self Storage Report

April 2022



Self Storage Supply and Rent Recap

Street rates inch up amid expectations of moderate growth

- Self storage rents rose slightly in March, thanks to a small uptick in 10x10 climate-controlled units, but the big story is that the industry was able to maintain high rents through the winter months headed into the high-growth season. The overall national street rate, which includes all unit types and sizes, has had little monthly fluctuation and remains unchanged from July 2021 at \$145. The stability, however, comes after a year of rapid growth, and self storage operators are in a good position, as relatively few customers opted against renewing leases during the winter. That served to keep rents high and emboldened operators to increase rents on renewals. The expectation for the coming quarters is a return to more "normal" seasonal growth, with strong demand yet more moderate rent gains than a year ago.

Year-over-year growth rate shrinks while demand remains high

- As street rates have leveled, year-over-year growth has slowed. If street rates rise in a normal seasonal pattern as expected in 2022, year-over-year growth will continue to decelerate, since gains are unlikely to match the above-trend 2021 increases. Average street rate growth fell by 170 basis points to 6.6% in March, the lowest level since February 2021, just before rents started to take off. Nationally, rates for 10x10 non-climate-controlled (NON CC) units increased 5.8% year-over-year through March, while rates for similar-size climate-controlled (CC) units rose 6.6% over the same period.
- Rent growth is decelerating in some parts of the country, particularly coastal gateway metros, while remaining strong in high-growth markets of the South, Southeast and Southwest. For NON CC units, 25% of the top 31 metros had rent increases of 10.0% or more year-over-year in March and 22 of the top 31 had 5.0% or more growth. For CC units, only five of the top 31 metros had 10.0% growth year-over-year and 12 were below 5.0%.
- Nationally, Yardi Matrix tracks a total of 3,992 self storage properties in various stages of development—including 1,410 planned, 726 under construction and 554 prospective properties. The new-supply pipeline as a percent of existing inventory rose 20 basis points to 9.3% in March.
- Yardi Matrix also maintains operational profiles for 28,220 completed self storage facilities across the United States, bringing the total data set to 32,212.