



Yardi[®] Matrix

National Self Storage Report

October 2022



Self Storage Supply and Rent Recap

Storage street rate performance moderates

- Self storage street rates continued to decelerate in September, although revenue growth remains strong as operators focus on boosting renewal rates. The gap between street rates and in-place rents is narrowing, and some markets remain tight, according to Evercore's 2022 Storage Symposium Takeaways and Q3 Storage Preview. Evercore noted that occupancy is moderating, though the shift was expected and in line with historic seasonal trends. In addition, the average length of stay remains high compared to pre-Covid levels. Strong fundamentals have contributed to growing development activity across the nation, renewing fears of overpenetration in some markets. Despite the overall softening, and concerns about the potential impact of rising interest rates and a slowing economy, demand and revenue growth are strong.

Street rates continue to decelerate

- Annual street rate growth continued to moderate in September. On a national level, the overall average street rate, which includes all unit types and sizes, increased 0.7% year-over-year. This is the slowest rate of annual growth for this category since July 2020.
- While many areas of the country are experiencing a slowdown in street rate growth, metros in the Southeast and Southwest continue to fare the best. For 10x10 non-climate-controlled (NON CC) units, only three of the top 31 Matrix self storage metros had street rate increases greater than 5.0% in September, while rates decreased in nine. For 10x10 climate-controlled (CC) units, none of the top 31 had 5.0% or more growth, while 13 metros experienced negative rate growth year-over-year.
- Nationally, Yardi Matrix tracks a total of 4,306 self storage properties in various stages of development, including 1,649 planned, 769 under construction and 548 prospective properties. The new-supply pipeline as a percentage of existing inventory increased 20 basis points month-over-month in September. The share of projects in the planning stage or under construction is equivalent to 10.6% of existing stock.
- Yardi Matrix also maintains operational profiles for 28,798 completed self storage facilities across the U.S., bringing the total data set to 33,104.