

Q3 2025

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Self Storage Supply Forecast Notes

For the Q3 2025 update, the Yardi Matrix Self Storage Supply Forecast is substantially unchanged.

Self Storage New Supply Forecast Q3 2025 vs. Q2 2025

Year	3Q 2025	2Q 2025	% Chg
2025	56,995,164	56,094,007	1.6%
2026	46,118,487	45,961,228	0.3%
2027	42,048,229	42,015,199	0.1%
2028	33,001,246	33,035,584	-0.1%
2029	33,077,737	33,053,796	0.1%
2030	35,166,801	35,031,311	0.4%

Source: Yardi Matrix

Near-Term Forecast: 2025 Through 2027

Q2 2025 Matrix development pipeline data continues to indicate a slow-down in new self storage development consistent with previous forecasts. The Q3 forecast is therefore relatively unchanged compared to Q2's forecast update.

Construction starts and the under-construction pipeline continue to decline from the cycle highs achieved in late 2023 and early 2024. New development activity has been hindered by multiple factors:

- Relatively high long-term interest rates continue to depress existing home sales, moderating a key self storage demand driver.
- Weaker demand has translated into weaker advertised rental rate growth tracked by Matrix.
- Publicly traded self storage REITs continue to report that minimal revenue growth and declining occupancy have driven net operating income off post-pandemic highs.
- Relatively high long-term interest rates continue to depress new development valuations.

In addition, the current administration's trade objectives continue to inject greater uncertainty into the broader economy. The current supply forecast does not anticipate a recession is likely in the near term, but a slowdown in economic growth is probable.