Yardi Matrix

National Self Storage Report

January 2025

Self Storage Supply and Rent Recap

Self storage industry balancing optimism and caution amid uncertainty in outlook for 2025

- Yardi Matrix attended the New York Self Storage Association and KeyBanc Investor events in New York City from Jan. 7-9. In general, the conferences reflected a more pessimistic tone than in previous years due to the industry's challenges from persistently high interest rates. While occupancy appears to have stabilized and rent growth is improving, these trends vary by market. Northeast and Midwest markets, such as New York and Chicago, show signs of stabilization, while Sun Belt markets, like Atlanta and Florida metros, are still struggling with supply and demand issues. There is still uncertainty about when demand, particularly from home sales, will rebound from its long-term low. Nevertheless, public and private storage operators are projecting revenue and NOI growth of 2-4% in 2025 as supply eases and rate growth improves. The investment market, however, is sluggish, with high interest rates affecting both pricing and financing, which is keeping some sellers inactive even though investment capital is abundant from new entrants and private debt funds.

Year-over-year decline in advertised rates continues to lessen going into 2025

- While advertised rates continue to drop year-over-year on a national level, they are declining at a slower rate than in the previous 20 months. Nationally, advertised rates were down 2.3% year-over-year in December, with an annualized average rate per square foot of $16.28 for the combined mix of unit sizes and types. Despite this marking the 27th consecutive month of year-over-year declines, December's decrease was notably less than its -3.5% average over the past 12 months.

- Annual advertised rate growth remains negative in most of Yardi Matrix's top metros. However, a handful saw rates improve year-over-year in December. While same-store rates for non-climate-controlled (NCC) units declined in 28 of the top 30 metros, Washington, D.C., and Tampa both saw NCC rates increase 0.2% year-over-year. For climate-controlled (CC) units, rates have dropped in 27 of the top 30 metros compared to a year ago.

- Nationally, Yardi Matrix tracks a total of 3,305 self storage properties in various stages of development, including 790 under construction, 2,053 planned and 462 prospective properties. The share of projects (net rentable square feet) under construction nationwide was equivalent to 3.1% of existing stock through the end of December, a 10-basis-point decrease from the month prior. Yardi Matrix also maintains operational profiles for 32,890 completed self storage facilities in the U.S., bringing the total dataset to 36,195.

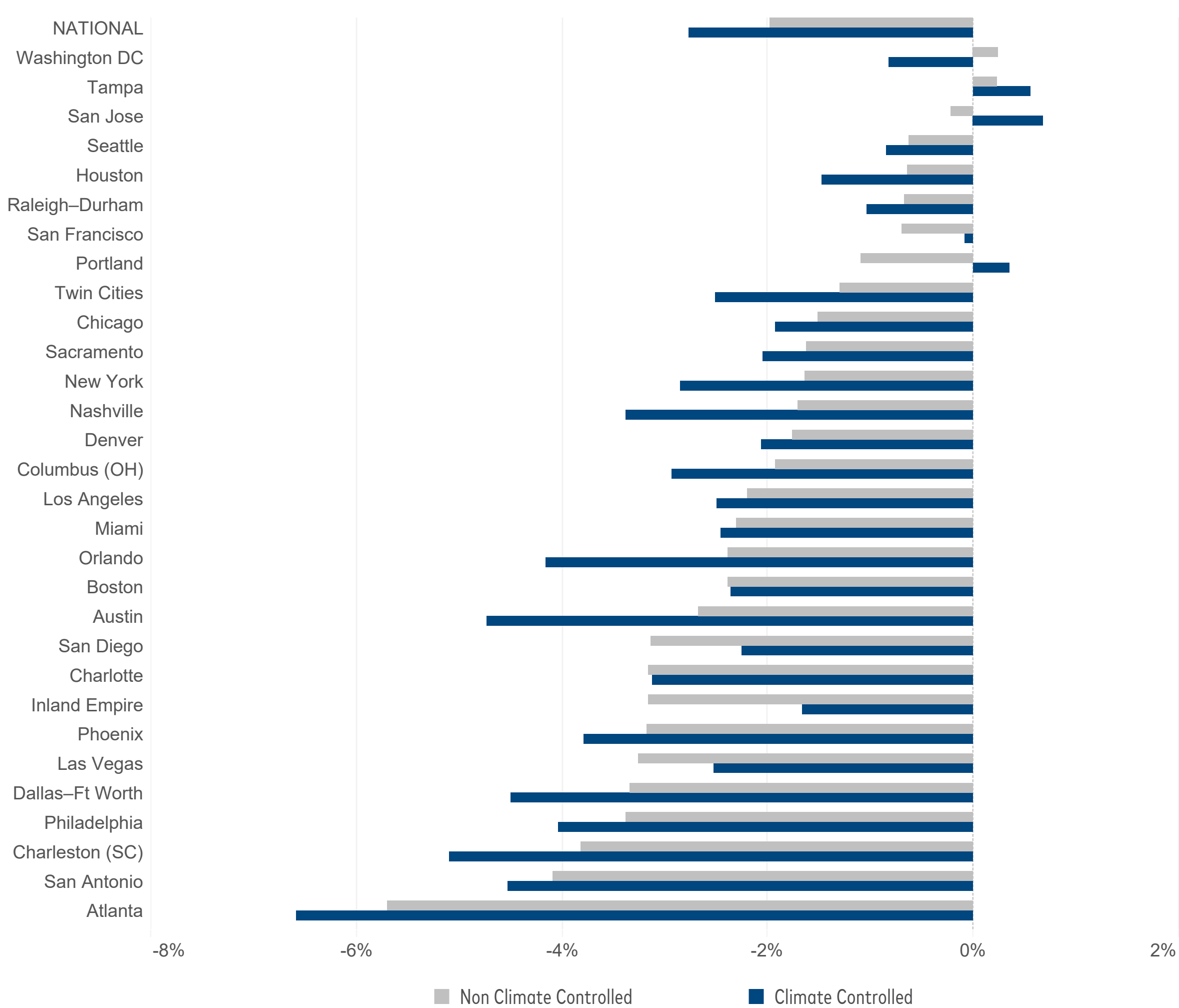
Street Rate Growth Update

Advertised rates declining year-over-year at a slower rate across unit types and sizes

- Rates remained negative year-over-year, as demand did not pick up as much as hoped and rent growth did not improve as much in December as in recent months. However, the rate of negative growth year-over-year is moderating. Same-store advertised rates for NCC units fell 2.0% year-over-year in December, compared to -2.1% in November. Advertised rates for CC units in the same mix of sizes were down 2.8% year-over-year in December, comparable to the -2.8% in November.

- Year-over-year rates are also declining at a slower pace across unit sizes. But there remains a discrepancy in performance between unit sizes, with advertised rate growth for large units (10x20, 10x30) outperforming that for small units (5x5, 5x10) in nearly all 30 top metros. National advertised rates for large units were down 1.1% (NCC) and 2.3% (CC), while small units performed worse, down 2.5% (NCC) and 3.2% (CC), year-over-year in December.

December 2024 Year-Over-Year Rent Change for Main Unit Sizes



*Street rate growth = annualized average street rate per square foot for same-store properties stabilized at 36 months after completion for the following unit sizes: 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 and 30x10 NCC and CC units.
Source: Yardi Matrix. Data as of January 15, 2025

Monthly Sequential Rents

Eleven top metros recorded positive growth month-over-month in December

- From November to December, the national average for advertised rates per square foot remained unchanged at $16.28. Rates remaining steady is a welcome trend amid the usual slowdown in leasing over these winter months—better than the month-over-month decline in December 2023 (-0.1%) and December 2022 (-1.3%).

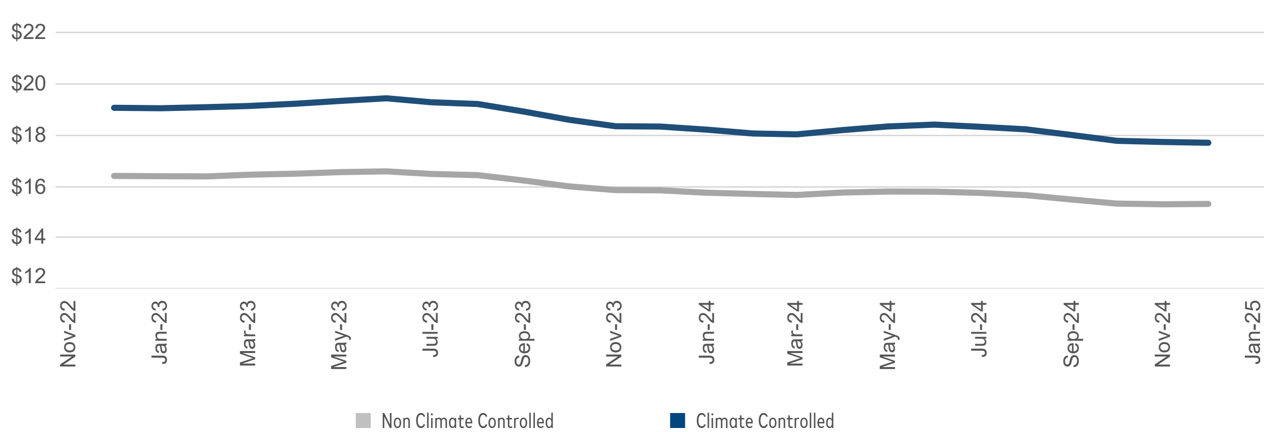
- Sixteen of the top metros saw advertised rate growth increase or remain level month-over-month, while the remaining 14 metros saw negative movement in monthly asking rates.

- Minneapolis led in month-over-month advertised rate growth, up 0.6% in December. A significant decline in lease-up supply over the past few years has helped improve rate performance in the metro. Minneapolis tends to be a very seasonal market due to its cold winters, so once the summer busy season begins it is likely to be in an even better position.

Metro	Nov-24 Average Street Rate PSF ($)	Dec-24 Average Street Rate PSF ($)	Month-over-Month Change (%)	Change
NATIONAL	$16.28	$16.28	0.0%	–
Minneapolis	$13.67	$13.76	0.6%	↑
Portland	$17.79	$17.87	0.4%	↑
Miami	$21.10	$21.17	0.3%	↑
New York	$34.03	$34.14	0.3%	↑
Charlotte	$13.60	$13.64	0.3%	↑
Seattle	$21.79	$21.85	0.3%	↑
Inland Empire	$17.29	$17.33	0.2%	↑
Los Angeles	$27.47	$27.53	0.2%	↑
Raleigh-Durham	$13.61	$13.62	0.1%	↑
Sacramento	$17.42	$17.43	0.1%	↑
Chicago	$14.92	$14.93	0.1%	↑
Washington DC	$19.37	$19.38	0.0%	–
San Jose	$23.12	$23.11	0.0%	–
San Antonio	$13.79	$13.78	0.0%	–
Atlanta	$13.64	$13.64	0.0%	–
San Francisco	$26.74	$26.73	0.0%	–
Houston	$13.41	$13.39	-0.1%	↓
Phoenix	$15.52	$15.50	-0.1%	↓
Nashville	$15.42	$15.40	-0.2%	↓
Dallas-Ft Worth	$13.42	$13.39	-0.2%	↓
Orlando	$15.70	$15.67	-0.2%	↓
Boston	$19.43	$19.38	-0.2%	↓
Philadelphia	$16.65	$16.61	-0.3%	↓
Austin	$14.15	$14.11	-0.3%	↓
Tampa	$16.53	$16.48	-0.3%	↓
Columbus (OH)	$12.59	$12.53	-0.5%	↓
Denver	$16.61	$16.53	-0.5%	↓
Charleston (SC)	$14.50	$14.42	-0.5%	↓
San Diego	$24.07	$23.92	-0.6%	↓
Las Vegas	$15.99	$15.85	-0.9%	↓

Source: Yardi Matrix. Data as of January 15, 2025

National Average Street Rates PSF for Main Unit Types



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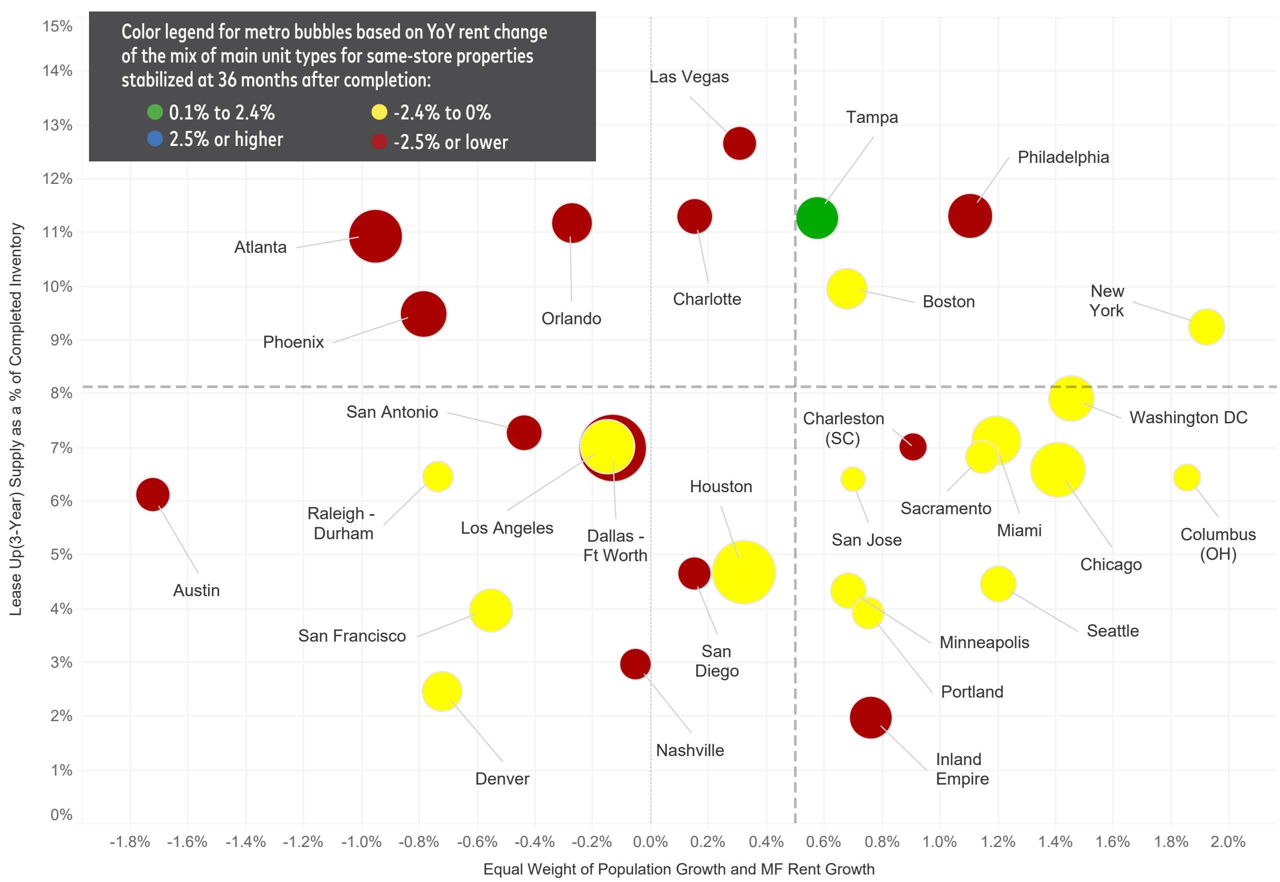
*Drawn from our national database of 32,890 completed stores.
Source: Yardi Matrix. Data as of January 15, 2025

Street Rates and New Supply

Hurricane-driven demand continues to drive advertised rate growth in Tampa

- Tampa had the strongest year-over-year increase of Yardi top metros amid elevated demand due to recent hurricanes. Advertised rates increased 0.4% year-over-year in Tampa, even with its large amount of lease-up supply and average-performing multifamily demand. Tampa also has nearly 1.6 million NRSF of supply under construction, but hurricane-induced demand could help lease that up faster, as well. However, the boost in demand created by the hurricane is likely only temporary.
- Metros in the lower-right quadrant experiencing below-average lease-up supply amid above-average multifamily demand tend to have stronger performance. In Seattle, for example, annual rates fell only 0.7%, a significant improvement since hitting a low of -6.4% year-over-year in November 2023. Conversely, despite having the lowest amount of lease-up supply and average demand, rate performance in the Inland Empire is weak. Storage performance in the Inland Empire has historically been tied to increased home sales, and there has not been a lot of sales activity despite interest rate cuts.

Self Storage Major Metro Summary
New-Supply Pipeline (y-axis) & Equal Weighting of Population Growth and Multifamily Rent Growth (x-axis)
(bubble size represents completed NRSF)



Sources: Yardi Matrix; U.S. Census Bureau. Data as of January 15, 2025

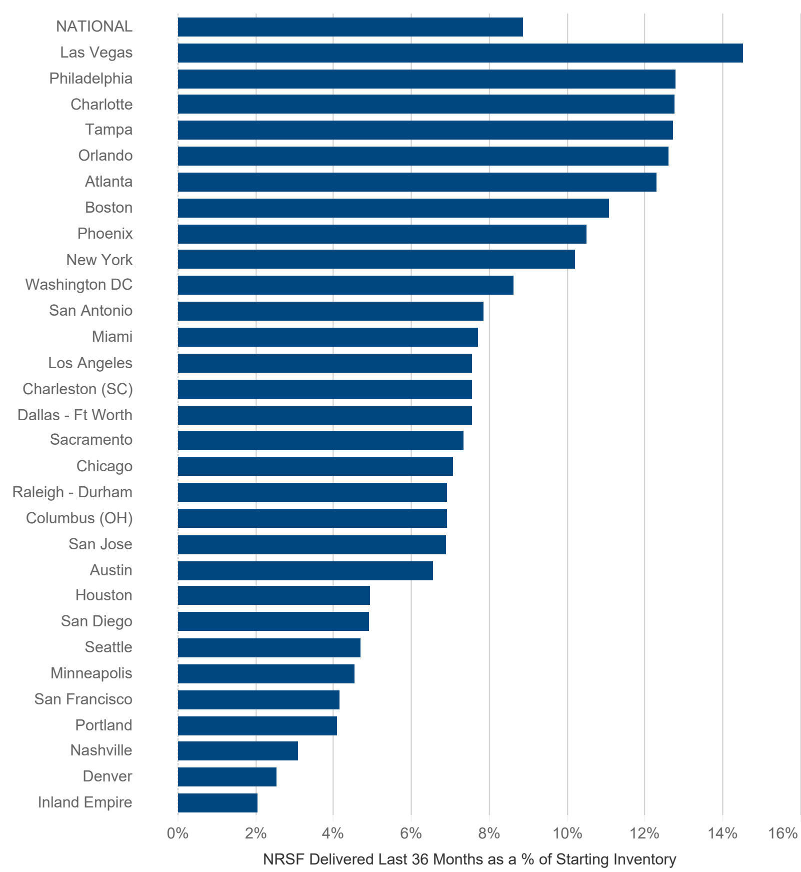
Lease-Up Supply

Two top metros saw no new deliveries in the past year

- Nationally, the amount of new supply delivered over the past three years is equal to 8.8% of starting inventory, while deliveries over the trailing 12 months were equal to 2.9% of starting inventory.
- New York and Nashville had no new supply delivered in 2024, which helped improve rent growth in these metros. However, New York has 10 large projects under construction (roughly 1.1 million NRSF), and rates may face pressure in 2025 from this new supply. And Nashville has seen a 390-basis-point surge in construction supply since December 2023, which will put pressure on rates as these projects deliver.
- Las Vegas had the most lease-up supply at 14.5% over the past three years. Despite this, advertised rates performed relatively well in December, declining 3.0% year-over-year compared to -3.9% in November and -4.6% in October. The city's affordable housing market kept home sales active. With a 3.9% decrease in construction supply compared to last year, Las Vegas is expected to see rate performance continue to improve over the next six months.

NRSF Delivered Over the Last 36 and 12 Trailing Months

Metro	NRSF Delivered Last 36 Months as a % of Starting Inventory	NRSF Delivered Last 12 Months as a % of Starting Inventory	YoY Growth in Annualized Rent –Main Unit Types NCC + CC
NATIONAL	8.8%	2.9%	-2.3%
Las Vegas	14.5%	4.2%	-3.0%
Philadelphia	12.8%	4.5%	-3.7%
Charlotte	12.8%	4.8%	-3.0%
Tampa	12.7%	5.5%	0.4%
Orlando	12.6%	5.9%	-3.4%
Atlanta	12.3%	4.1%	-6.1%
Boston	11.1%	3.1%	-2.4%
Phoenix	10.5%	2.6%	-3.5%
New York	10.2%	0.0%	-2.3%
Washington DC	8.6%	1.9%	-0.3%
San Antonio	7.9%	3.0%	-4.3%
Miami	7.7%	2.8%	-2.4%
Los Angeles	7.6%	2.9%	-2.2%
Charleston (SC)	7.6%	1.9%	-4.5%
Dallas-Ft Worth	7.5%	3.2%	-3.9%
Sacramento	7.3%	4.2%	-1.7%
Chicago	7.1%	1.0%	-1.7%
Raleigh-Durham	6.9%	1.2%	-0.9%
Columbus (OH)	6.9%	2.2%	-2.4%
San Jose	6.9%	1.7%	-0.1%
Austin	6.5%	2.4%	-3.9%
Houston	4.9%	1.4%	-1.1%
San Diego	4.9%	1.4%	-3.0%
Seattle	4.7%	2.0%	-0.7%
Minneapolis	4.5%	1.1%	-1.9%
San Francisco	4.1%	0.8%	-0.6%
Portland	4.1%	0.8%	-0.7%
Nashville	3.1%	0.0%	-2.5%
Denver	2.5%	0.5%	-1.9%
Inland Empire	2.0%	0.6%	-2.8%



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*Drawn from our national database of 36,195 stores, including 3,305 projects in the new-supply pipeline as well as 32,890 completed stores.
Source: Yardi Matrix. Data as of January 15, 2025

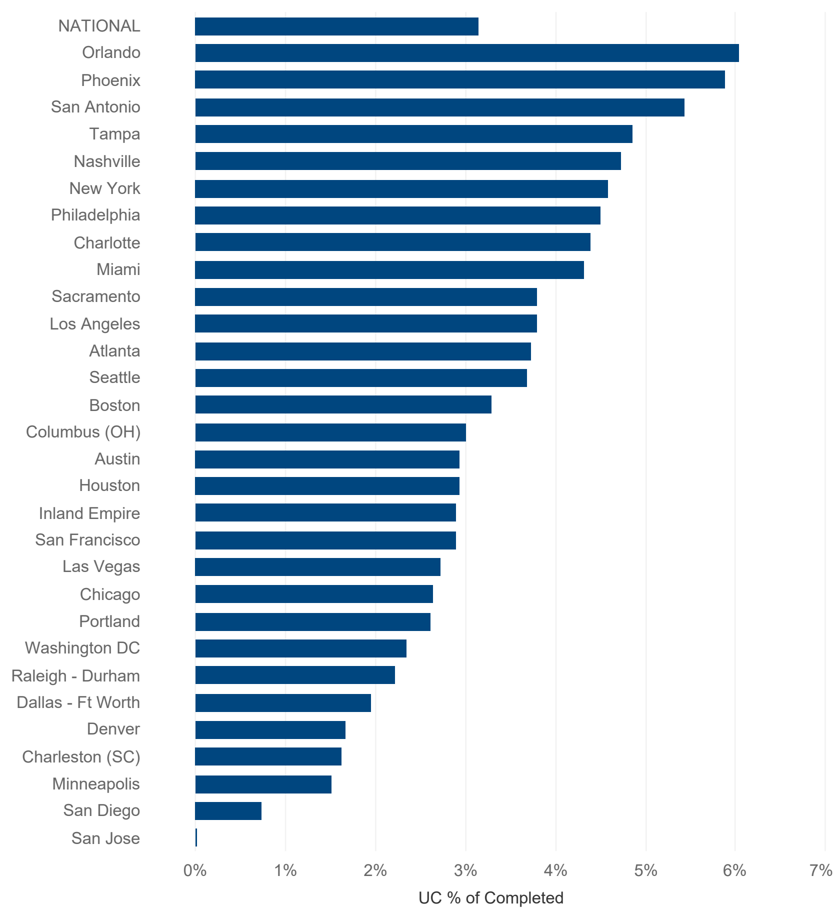
New Supply Update

Under-construction supply slowly easing

- With 60.5 million NRSF under construction across the nation, the pipeline was equal to 3.1% of existing stock through the end of December, a 10-basis-point drop month-over-month.
- The bottom-performing markets for rent growth usually are those with the most supply recently delivered. Atlanta, Charleston, Orlando and Philadelphia had some of the largest declines in advertised rates year-over-year in December. These metros will continue to underperform due to supply under construction that will keep lease-up inventory high.
- San Jose does not have any supply under construction, and deliveries over the past 12 months have dwindled to 1.7% of starting stock. This has helped rate growth for the metro, where the decline in advertised rates year-over-year slowed to -0.1% in December. With a small pipeline of planned projects, new supply in San Jose is projected to be 0% in 2025 and supply deliveries are expected to remain low in 2026 and 2027, further improving advertised rates.

Under-Construction Supply by Percentage of Existing Inventory

Metro	Nov-24	Dec-24	Change
NATIONAL	3.2%	3.1%	↑
Orlando	5.7%	6.0%	↑
Phoenix	5.9%	5.9%	–
San Antonio	5.7%	5.4%	↓
Tampa	4.8%	4.8%	–
Nashville	4.7%	4.7%	–
New York	4.6%	4.6%	–
Philadelphia	4.5%	4.5%	–
Charlotte	4.4%	4.4%	–
Miami	4.5%	4.3%	↓
Sacramento	3.8%	3.8%	–
Los Angeles	3.8%	3.8%	–
Atlanta	3.9%	3.7%	↓
Seattle	3.7%	3.7%	–
Boston	3.3%	3.3%	–
Columbus (OH)	3.0%	3.0%	–
Austin	2.9%	2.9%	–
Houston	2.6%	2.9%	↑
Inland Empire	2.9%	2.9%	–
San Francisco	2.9%	2.9%	–
Las Vegas	2.7%	2.7%	–
Chicago	2.6%	2.6%	–
Portland	2.6%	2.6%	–
Washington DC	2.3%	2.3%	–
Raleigh-Durham	2.2%	2.2%	–
Dallas-Ft Worth	1.9%	1.9%	–
Denver	1.7%	1.7%	–
Charleston (SC)	1.6%	1.6%	–
Minneapolis	1.5%	1.5%	–
San Diego	0.7%	0.7%	–
San Jose	0.0%	0.0%	–



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Source: Yardi Matrix. Data as of January 15, 2025

Monthly Rate Recap

Market	Annualized Rate PSF - Main Unit Types (NCC+CC)	Dec 2024 YoY Rate Performance						
		Main Unit Types (NCC+CC)	Small Units (5x5 & 5x10) NCC	Small Units (5x5 & 5x10) CC	Medium Units (10x10 & 10x15) NCC	Medium Units (10x10 & 10x15) CC	Large Units (10x20 & 10x30) NCC	Large Units (10x20 & 10x30) CC
National	$16.28	-2.3%	-2.5%	-3.2%	**-1.8%**	**-2.4%**	-1.1%	-2.3%
Tampa	$16.48	0.4%	0.0%	-0.1%	**0.4%**	**1.8%**	0.5%	0.0%
San Jose	$23.11	-0.1%	-0.9%	-0.4%	**0.3%**	**1.9%**	0.5%	1.3%
Washington DC	$19.38	-0.3%	0.1%	-1.1%	**0.2%**	**-0.4%**	0.8%	-1.0%
San Francisco	$26.73	-0.6%	-1.3%	-0.5%	**-0.6%**	**0.0%**	0.5%	0.9%
Seattle	$21.85	-0.7%	0.0%	-1.3%	**-1.3%**	**-0.4%**	-1.0%	0.2%
Portland	$17.87	-0.7%	-1.4%	0.0%	**-0.8%**	**0.3%**	-1.0%	1.0%
Raleigh–Durham	$13.62	-0.9%	-1.3%	-1.9%	**-0.5%**	**0.0%**	0.2%	0.1%
Houston	$13.39	-1.1%	-1.0%	-1.6%	**-0.6%**	**-1.3%**	-0.3%	-1.6%
Sacramento	$17.43	-1.7%	-2.3%	-2.2%	**-1.5%**	**-1.7%**	-0.4%	-2.6%
Chicago	$14.93	-1.7%	-1.7%	-2.2%	**-1.3%**	**-2.0%**	-1.6%	-1.3%
Denver	$16.53	-1.9%	-1.9%	-2.7%	**-1.3%**	**-1.2%**	-1.6%	-1.9%
Minneapolis	$13.76	-1.9%	-1.5%	-3.5%	**-0.9%**	**-2.3%**	-1.5%	-1.2%
Los Angeles	$27.53	-2.2%	-3.0%	-3.0%	**-1.8%**	**-2.0%**	-0.6%	-1.6%
New York	$34.14	-2.3%	-1.8%	-2.6%	**-1.2%**	**-2.5%**	-1.8%	-5.1%
Boston	$19.38	-2.4%	-2.7%	-2.6%	**-2.5%**	**-2.3%**	-2.2%	-1.7%
Columbus (OH)	$12.53	-2.4%	-2.1%	-2.8%	**-2.2%**	**-3.3%**	-1.3%	-3.2%
Miami	$21.17	-2.4%	-3.0%	-3.2%	**-2.3%**	**-1.9%**	-0.6%	-1.3%
Nashville	$15.40	-2.5%	-1.6%	-4.1%	**-1.8%**	**-3.0%**	-1.2%	-2.0%
Inland Empire	$17.33	-2.8%	-3.9%	-2.3%	**-2.7%**	**-0.9%**	-1.7%	-1.3%
Las Vegas	$15.85	-3.0%	-4.0%	-3.1%	**-3.7%**	**-2.1%**	-2.0%	-1.5%
San Diego	$23.92	-3.0%	-3.9%	-3.6%	**-3.0%**	**0.0%**	-1.2%	-0.6%
Charlotte	$13.64	-3.0%	-4.3%	-4.0%	**-2.6%**	**-2.5%**	-1.8%	-2.2%
Orlando	$15.67	-3.4%	-2.7%	-4.5%	**-2.2%**	**-3.8%**	-2.0%	-4.0%
Phoenix	$15.50	-3.5%	-4.6%	-4.7%	**-1.9%**	**-2.5%**	-0.9%	-3.1%
Philadelphia	$16.61	-3.7%	-4.6%	-5.3%	**-2.5%**	**-2.9%**	-0.9%	-2.7%
Austin	$14.11	-3.9%	-3.3%	-4.2%	**-2.4%**	**-5.7%**	-1.6%	-4.5%
Dallas–Ft Worth	$13.39	-3.9%	-4.2%	-5.3%	**-3.1%**	**-4.4%**	-1.9%	-2.7%
San Antonio	$13.78	-4.3%	-4.8%	-5.2%	**-3.9%**	**-3.9%**	-3.4%	-3.8%
Charleston (SC)	$14.42	-4.5%	-4.8%	-6.2%	**-3.6%**	**-4.8%**	-2.0%	-3.0%
Atlanta	$13.64	-6.1%	-6.4%	-7.4%	**-5.8%**	**-6.0%**	-4.0%	-5.5%

*Annualized average street rate per square foot for properties stabilized at 36 months after completion for the following unit sizes: 5x5, 5x10, 10x5, 5x15, 15x5, 10x10, 10x20, 20x10, 10x30 & 30x10 NCC and CC units.
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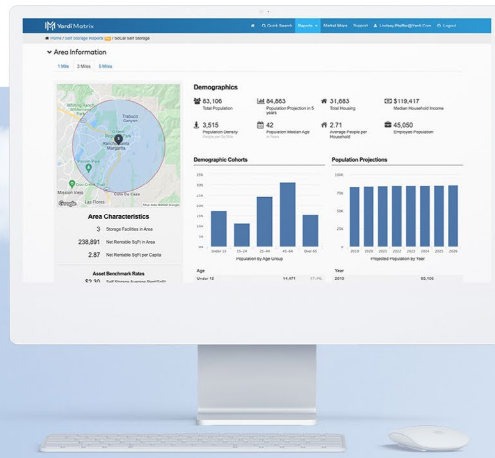

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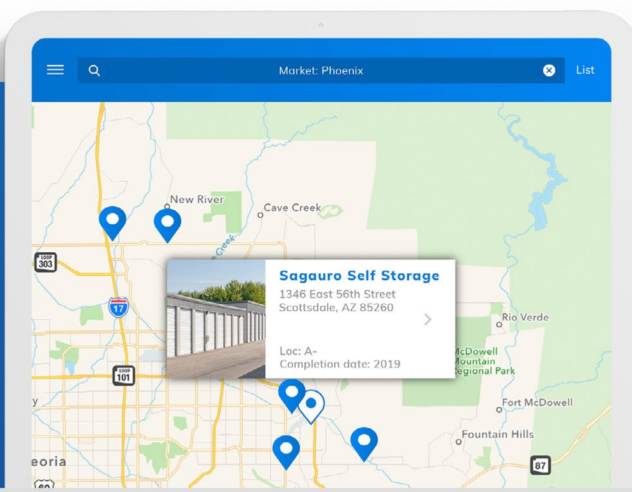
SELF STORAGE KEY FEATURES

- Gain new supply pipeline information at the asset, competitive set and market level
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Pierce the LLC with true ownership and contact info at the asset and portfolio level
- Leverage current buyer, seller, date and purchase price information
- Access trend reports on sales, rents and completions as well as whole portfolios



Yardi Matrix Self Storage provides accurate data on storage facilities in **160+ markets covering more than 38,000 properties** nationwide.

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