



Yardi[®] Matrix

National Self Storage Report

November 2020



Monthly Supply and Rent Recap

Self storage continues to outperform during economic downturn

- The self storage industry's status as a recession-resistant business has been put to the test during the COVID-19 health crisis and the pandemic-driven economic disruption. Nevertheless, the self storage industry continued to prove its resiliency in October, with ongoing significant improvements in street rate performance across the nation and development activity maintaining a steady pace in many markets. In addition, several storage REITs reported healthy demand and strong occupancy across their facilities in their third quarter earnings calls. However, with a third surge of the COVID-19 pandemic hitting the country and likely to strain the U.S. economy again, the strength and resiliency of the self storage industry will be put to further tests in the coming months.

Positive growth in national street rates

- Street rates continued to rebound remarkably in October, providing additional strength to the already positive outlook for storage operators. National street rates for standard 10x10 non-climate-controlled (NON CC) units increased by 2.7% compared to October 2019. While year-over-year rates for 10x10 climate-controlled (CC) units did not rise as substantially, they did still experience an increase of 0.8%, marking the first positive growth in annual rates for this unit type since the end of 2017.
- Annual street rate performance was negative in only about 23% of the top markets tracked by Yardi Matrix for 10x10 NON CC units. Year-over-year, 22 markets saw positive rate growth for the unit type, while rates remained flat in two markets.
- On a national level, Yardi Matrix tracks a total of 2,153 self storage properties in various stages of development—comprising 585 under construction, 1,148 planned and 420 prospective properties. The national new-supply pipeline as a percent of existing inventory increased by 0.3% month-over-month in October, and the share of existing projects in planning and construction stages accounts for 8.5% of existing inventory.
- Yardi Matrix also maintains operational profiles for 26,301 completed self storage facilities across the United States, bringing the total data set to 28,454.