



Yardi[®] Matrix

National Self Storage Report

June 2023



Self Storage Supply and Rent Recap

Storage fundamentals persist

- The self storage market continues to be resilient, despite headwinds to demand caused by the slowing housing market. Street rates overall remained level in May, and rates for 10X10 units increased slightly. Although year-over-year street rate growth has turned negative, net operating income continues to increase as operators push rates for existing customers. That has come at the cost of a slight hit to occupancy rates, but demand is still above pre-pandemic levels. The outlook for the sector remains optimistic, although concerns persist about how the slowdown in home sales and potential weakening job market caused by higher interest rates will impact storage demand, street rates and occupancy levels in the second half of 2023.

National street rates improve

- Street rates overall were unchanged in May, with several unit types and sizes improving on a monthly basis and sequential growth remaining in line with historical busy season trends. National street rates for standard-size 10x10 non-climate-controlled (NON CC) units and 10x10 climate-controlled (CC) units both increased \$1 month-over-month in May. Across all rate types tracked by Yardi Matrix, smaller-size units performed the strongest in May, as national rates for 5x5 units increased 1.8% for NON CC units and 1.7% for CC units on a monthly basis.
- Year-over-year growth continued to be negative in nearly all of Yardi Matrix's top 31 metros in May. Street rates for 10x10 NON CC units are down in 28 of the top 31 metros, while rate growth was flat in the remaining three top metros. Street rates for similar-size CC units have decreased year-over-year in all but one of the top metros.
- Nationally, Yardi Matrix tracks a total of 4,799 self storage properties in various stages of development, including 807 under construction, 1,959 planned, 646 prospective, 1,341 abandoned and 50 deferred properties. The share of projects under construction was equivalent to 3.6% of existing stock in May, a minor increase of 0.1% from April.
- Yardi Matrix also maintains operational profiles for 29,744 completed self storage facilities across the U.S., bringing the total data set to 34,543.