Yardi Matrix

National Self Storage Report

April 2025

Self Storage Supply and Rent Recap

Self storage sector gains momentum with start of leasing season

- In March, Yardi Matrix attended the SSA Spring conference in Orlando, which featured insights into acquisitions, development, operations and data trends. Market uncertainty remains high, with lenders cautious and bridge loan demand surging as properties lease up more slowly than expected. Cap rates have risen, and underwriting has tightened, but top public and private buyers remain active despite pricing challenges. Panelists emphasized the growing sophistication of operations, acknowledging pressure from rising insurance costs and taxes, and the role of tech, AI, and remote management in driving efficiencies. Development has slowed due to construction and financing hurdles as population growth and market saturation guide decisions about building new product. Data and AI are increasingly central to pricing, retention, and marketing strategies. Regulatory risk, especially in California, is a rising concern. Despite a flat near-term outlook, optimism persists among seasoned investors positioning for long-term gains, with increased focus on disciplined capital deployment and strategic partnerships.

Advertised rates increase year-over-year in many top metros

- Nationally, advertised rate growth year-over-year has become nearly flat. Rates were down 0.2% year-over-year in March, with an annualized average rent per square foot of $16.51 for the combined mix of unit sizes and types. This is an improvement from -0.8% in February and -1.1% in January.

- In many Yardi Matrix top metros, advertised rates improved year-over-year in March. Same-store rates for non-climate-controlled (NCC) units increased in 13 of the top 30 metros. For climate-controlled (CC) units, rates increased in 17 of the top 30 metros compared to March 2024. For the first time since 2022, CC rent growth is higher than NCC rent growth for the second month in a row.

- Nationally, Yardi Matrix tracks a total of 3,191 self storage properties in various stages of development, including 734 under construction, 2,046 planned and 411 prospective properties. The share of projects (in net rentable square feet) under construction nationwide was equivalent to 2.9% of existing stock through March, unchanged from the month prior.

- Yardi Matrix also maintains operational profiles for 30,445 completed self storage facilities in the U.S., bringing the total data set to 33,636. We are happy to announce the release of our new Bloomsburg, Pa., and Saginaw, Mich., storage markets, as well as the expansion of our existing Suburban Atlanta, Central East Texas and St. Louis markets, which are now available to Yardi Matrix customers on the subscriber portal.