

VALUATION & ADVISORY

SELF-STORAGE PERFORMANCE QUARTERLY OVERVIEW



Q1-22



**CUSHMAN &
WAKEFIELD**

SELF-STORAGE ADVISORY GROUP

C&W SELF-STORAGE ADVISORY GROUP

Summary of Findings

Rental income increased Nationwide due to the increases in asking rental rates even though the physical occupancy decreased. The graph below shows the rental rate averages for the other nonclimate controlled, down stairs, standard unit sizes that are offered at storage facilities Nationwide.

Notably, rent per available square foot increased in the 4th Quarter 2021 for both Nationwide and REITs. The REITs had very strong performance this year, and the pandemic caused the market sector to recover stonger then the normal self storage yearly cycle. This demonstrates the sector's resiliency during the pandemic.

Supply and demand metrics appear to be growing this quarter as well, compared to all of last year. Construction starts increased 11% from last quarter and increased 68% as of 4th Quarter 2020. According to F.W. Dodge, there have been 482 new starts the last four quarters (new starts includes new construction and alterations, additions, or renovations).

SELF-STORAGE PERFORMANCE INDEX – The SSPI increased 4.6% compared to 4th Quarter 2021 and increased 24.8% to compared to 1st Quarter 2021. The SSPI now stands at 171.7.

ASKING RENTAL RATES – Asking rents increased 3.3% compared to 4th Quarter 2021 and increased 20.2% compared to 1st Quarter 2021, and the REITs increased 1.8% compared to last quarter and increased 26.2% from 1st Quarter 2021.

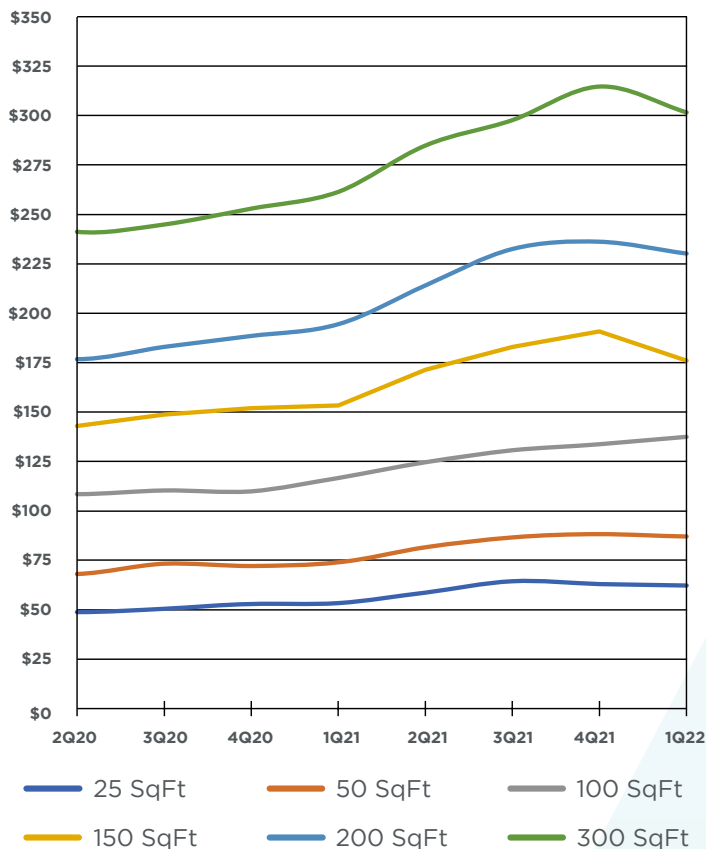
PHYSICAL OCCUPANCY – Median physical occupancy decreased 1.0% compared to 4th Quarter 2021, and decreased 3.0% over the 1st Quarter 2021, and REITs stayed the same 0.0% compared to last quarter and decreased 2.6% compared to last year.

CONCESSIONS – The cost of concessions absolute change increased 7.6% compared with 4th Quarter 2021, also increased 32.3% over the 1st Quarter 2021. The facilities offering concessions absolute change increased 1.3% from last Quarter and increased 5.0% from 1 year ago, the Concession Cost Index increased to 153.4 in the 1st Quarter 2022.

RENT PER AVAILABLE SQUARE FOOT – RPASF for the benchmark 100 square foot non-climate controlled units are up 1.9% from the 4th Quarter 2021, and are up 15.4% compared to the 1st Quarter 2021 and the REITs increased 2.2% compared to last quarter and increased 22.1% from last year.



NATIONWIDE AVERAGE ASKING RENT FOR UNIT SIZES



*Data reflected herein does not necessarily reflect current market conditions.

QUARTERLY 1Q22 VS. 4Q21

NATIONWIDE



ASKING RENTAL RATE
UP 3.3%



PHYSICAL OCCUPANCY RATE
DOWN -1.0%



RENT PER AVAILABLE
SQ. FT. (RENTAL INCOME)
UP 1.9%

REITS



ASKING RENTAL RATE
UP 1.8%



PHYSICAL OCCUPANCY RATE
NEUTRAL 0.0%



RENT PER AVAILABLE
SQ. FT. (RENTAL INCOME)
UP 2.2%

ANNUAL CURRENT FOUR QUARTERS VS. PRECEDING

NATIONWIDE



ASKING RENTAL RATE
UP 4.6%



PHYSICAL OCCUPANCY RATE
DOWN -0.8%



RENT PER AVAILABLE
SQ. FT. (RENTAL INCOME)
UP 3.6%

REITS



ASKING RENTAL RATE
UP 5.5%



PHYSICAL OCCUPANCY RATE
DOWN -0.7%

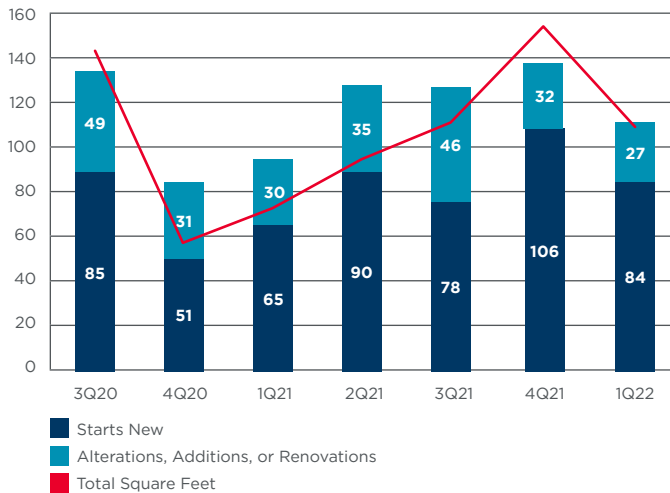


RENT PER AVAILABLE
SQ. FT. (RENTAL INCOME)
UP 4.8%

Sampling Statistics: SSDS' sampling technique assures that the number of REIT facilities in each market's sample represents the approximate percentage of actual REIT facilities in that given market. In this quarter report, data was obtained from 2,628 facilities owned by the four REITs and 7,747 facilities privately owned. Thus, the percentage of REIT facilities included in this quarter's sample is a reasonable proportion to their market share in these top 50 markets.

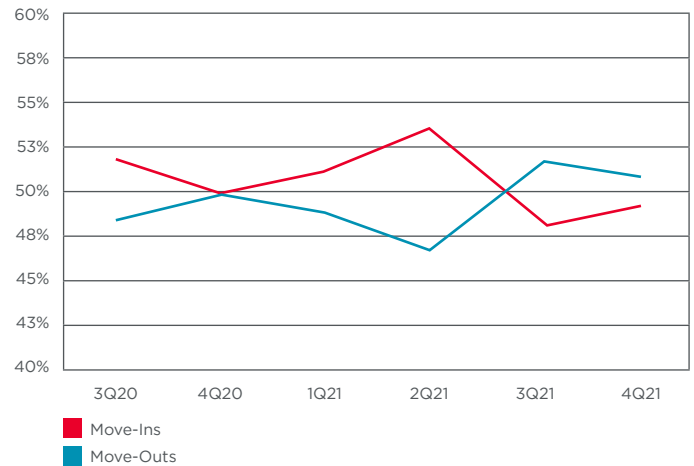
NEW CONSTRUCTION NATIONWIDE

The graph below illustrates the historical trend in the total number of new construction starts including alterations, renovations and interior construction, both within and outside major metropolitan areas.



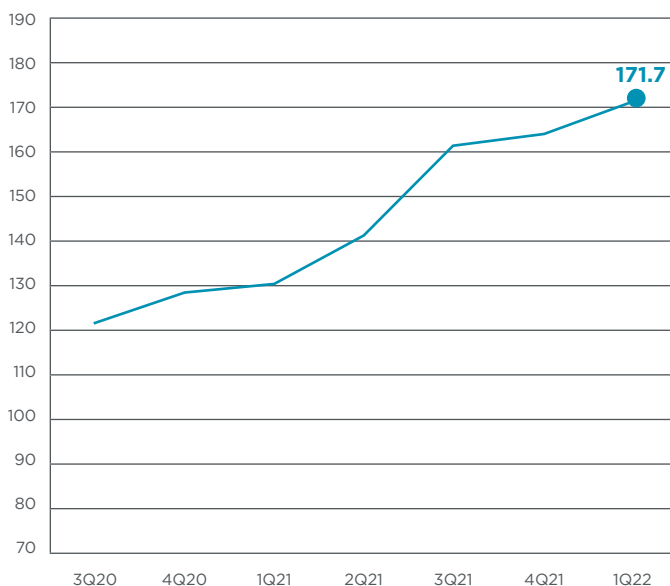
DEMAND TREND MOVE-IN / MOVE-OUT

SSDS tracks the rental activity of approximately 561± self-storage facilities every 90-days. To measure the changes in demand, SSDS tracks several indicators including: The Ratio of Move-Ins to Move-Outs and the Net Absorption of Units.



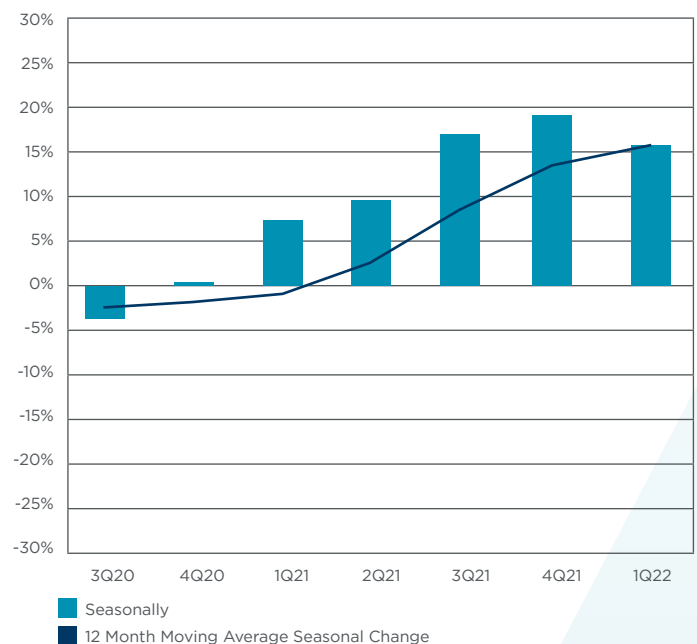
SELF STORAGE PERFORMANCE INDEX

The SSPI measures the changes in net operating income, taking into consideration changes in asking rents, physical occupancy and concessions, as well as operating expenses.



RENT PER AVAILABLE SQUARE FOOT

Rents are calculated on a price per square foot basis because, more often than not, spaces may be divided or combined. These numbers give industry professionals a quick snapshot to compare rent prices among various properties.





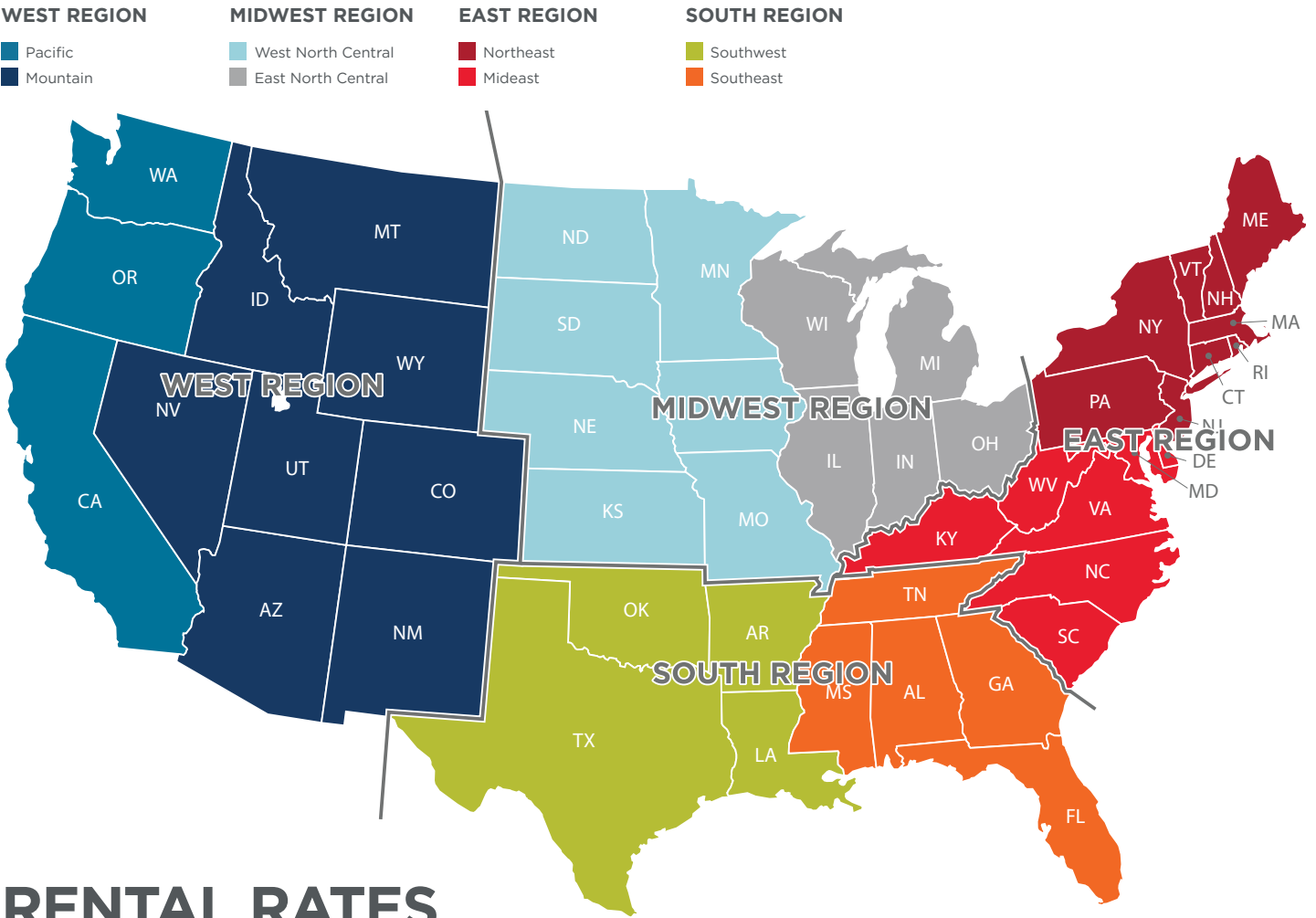
New York-Newark-Edison	41	Phoenix-Mesa-Scottsdale	12
Dallas-Fort Worth-Arlington	28	Providence-New Bedford-Fall River	12
Atlanta-Sandy Springs-Marietta	25	Boston-Cambridge-Quincy	9
Miami-Fort Lauderdale-Miami Beach	25	Las Vegas-Paradise	9
Los Angeles-Long Beach-Santa Ana	22	Orlando	9
Washington-Arlington-Alexandria	22	Seattle-Tacoma-Bellevue	9
Philadelphia-Camden-Wilmington	21	Kansas City	8
Minneapolis-St. Paul-Bloomington	17	Sacramento-Arden-Arcade-Roseville	8
Tampa-St. Petersburg-Clearwater	13	Virginia Beach-Norfolk-Newport News	7



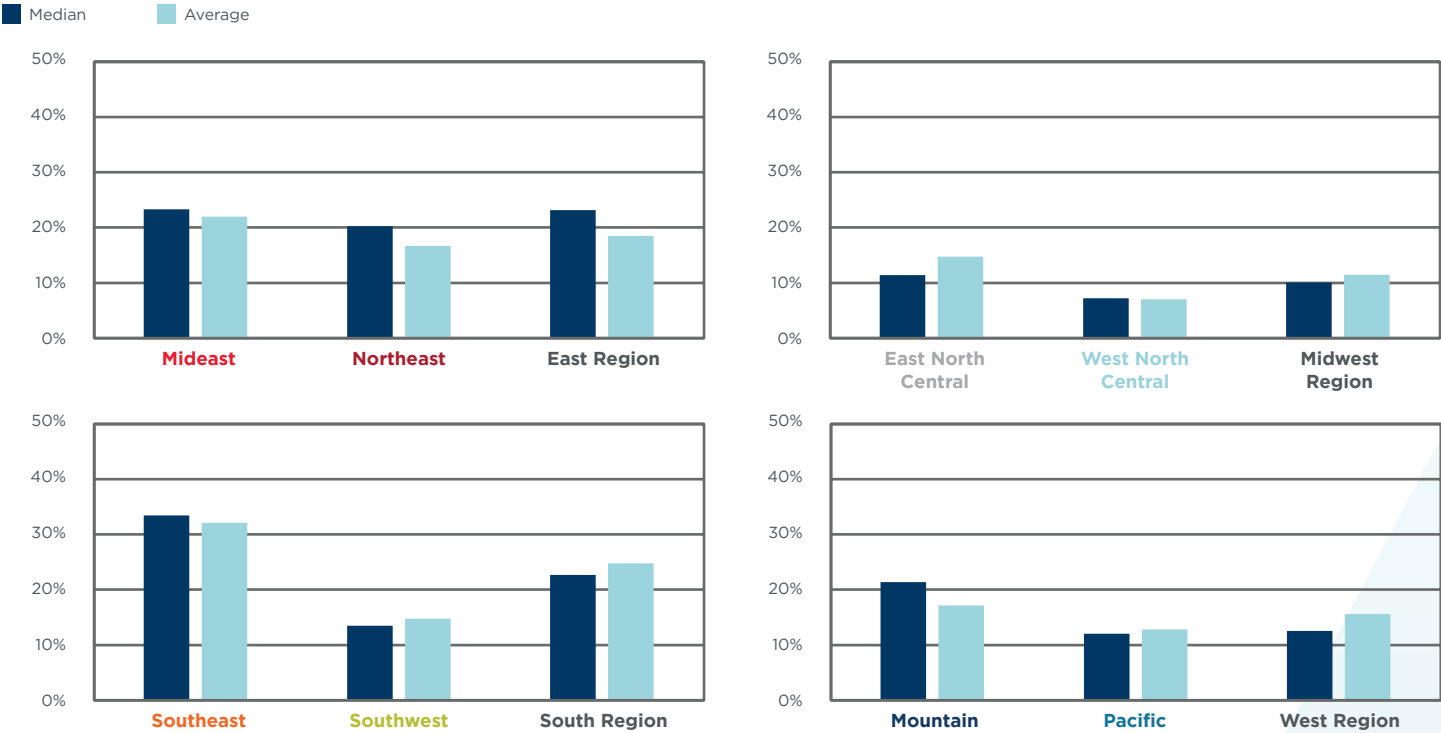
This document is a summarization of the Self-Storage Advisory Group's findings for Q1 2022 to access the full report please use the QR Code or Click the link below.

FULL REPORT

OPERATING PERFORMANCE – BY REGION



RENTAL RATES



SOUTH REGION'S DIVISIONAL PERFORMANCE 1Q22 VS. 1Q21



East Region's Divisional Performance 1Q22 vs. 1Q21

	Midwest Division	Northeast Division	Nationwide	Midwest vs. Nationwide	Northeast vs. Nationwide
Asking Rental Rates	22.5%	20.0%	20.2%	2.3%	-0.2%
Physical Occupancy	0.0%	-4.0%	-3.0%	3.0%	-1.0%
Rent per Available SF	20.6%	14.2%	15.4%	5.2%	-1.2%
Percent of Facilities Offering Concessions	71.6%	68.4%	70.8%	0.8%	-2.4%
Effective Cost of Concessions Factor	9.3%	7.6%	8.0%	1.3%	-0.4%

Midwest Region's Divisional Performance 1Q22 vs. 1Q21

	East North Central Division	West North Central Division	Nationwide	East North Central vs. Nationwide	West North Central vs. Nationwide
Asking Rental Rates	11.1%	5.5%	20.2%	-9.1%	-14.7%
Physical Occupancy	-3.0%	-2.0%	-3.0%	0.0%	1.0%
Rent per Available SF	6.5%	2.5%	15.4%	-8.9%	-12.9%
Percent of Facilities Offering Concessions	63.2%	69.5%	70.8%	-7.6%	-1.3%
Effective Cost of Concessions Factor	7.3%	8.2%	8.0%	-0.7%	0.2%

South Region's Divisional Performance 1Q22 vs. 1Q21

	Southeast Division	Southwest Division	Nationwide	Southeast vs. Nationwide	Southwest vs. Nationwide
Asking Rental Rates	33.4%	13.8%	20.2%	13.2%	-6.4%
Physical Occupancy	-3.0%	-2.0%	-3.0%	0.0%	1.0%
Rent per Available SF	28.0%	10.2%	15.4%	12.6%	-5.2%
Percent of Facilities Offering Concessions	76.7%	73.1%	70.8%	5.9%	2.3%
Effective Cost of Concessions Factor	8.9%	8.2%	8.0%	0.9%	0.2%

West Region's Divisional Performance 1Q22 vs. 1Q21

	Mountain Division	Pacific Division	Nationwide	Pacific vs. Nationwide	Mountain vs. Nationwide
Asking Rental Rates	21.0%	12.5%	20.2%	0.8%	-7.7%
Physical Occupancy	-1.0%	-1.0%	-3.0%	2.0%	2.0%
Rent per Available SF	20.0%	11.4%	15.4%	4.6%	-4.0%
Percent of Facilities Offering Concessions	74.0%	68.4%	70.8%	3.2%	-2.4%
Effective Cost of Concessions Factor	7.5%	7.4%	8.0%	-0.5%	-0.6%



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AT THE CENTER OF

What's Next

Q1 2022 BY THE NUMBERS



\$530

MILLION USD
TRANSACTION VOLUME



60

AVERAGE DAYS
CONTRACT TO CLOSE



100

OFFERS



107%

LIST TO
CONTRACT PRICE



20

CLOSED
TRANSACTIONS



21

ON MARKET



30

UNDER CONTRACT



25

CLOSED FACILITIES

WE ARE A FORCE FOR ACTION

Fueled by ideas, expertise and dedication across the country and worldwide, we create **self-storage real estate solutions** to prepare our clients for what's next.

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