

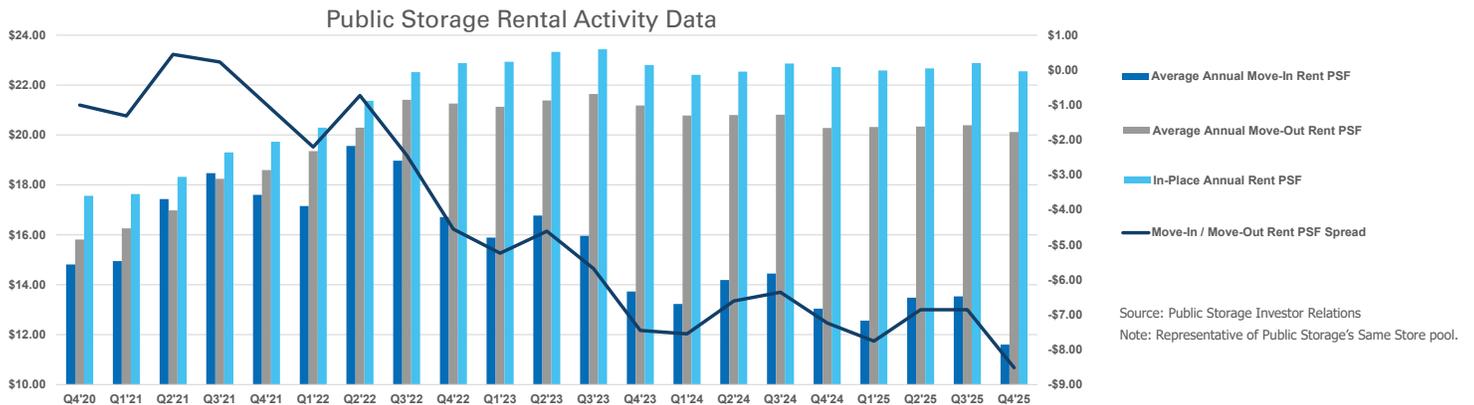
SELF STORAGE MARKET OVERVIEW

Q4 2025

The fourth quarter of 2025 provided confirmation that growth in the self storage sector is firmly on a trajectory back toward historical norms. Across the broader market, sequential improvements in key operating metrics underscore a constructive environment in 2026. Top-of-funnel demand proved exceptionally resilient through the end of the year, driven by a growing, sticky customer base. A standout theme for the quarter was the measurable acceleration in move-in rates sector-wide, signaling that pricing power is returning to operators after an extended period of promotional leasing. Lengths of stay also continued to elongate across the industry, reinforcing the durability of the existing customer base as a foundational driver for stable revenue. While the REITs act as a bellwether—with operators like Extra Space and CubeSmart reporting positive year-over-year move-in rates in the vast majority of their top markets during the fourth quarter—these trends are indicative of a broader national recovery where consumer reliance on self storage remains steadfast despite broader macroeconomic crosscurrents.

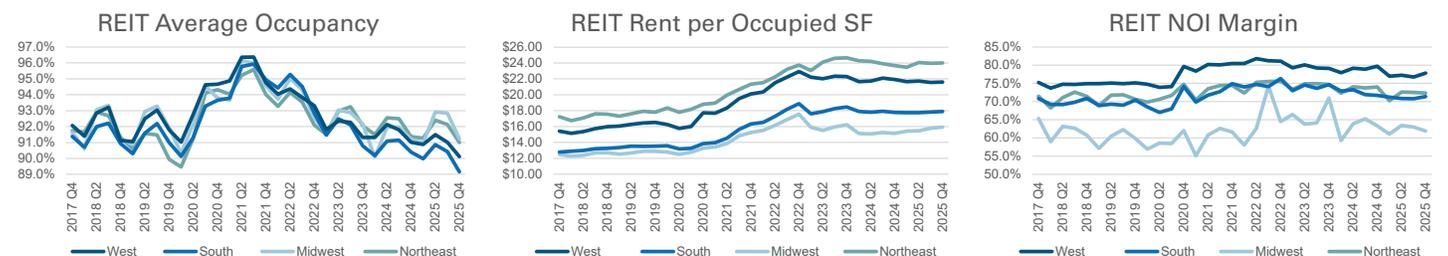
REVENUE MANAGEMENT

The industry is experiencing a rapid evolution in revenue management, shifting from a defensive posture of occupancy-preservation toward a renewed, offensive focus on rate growth. Sophisticated operators are increasingly investing in technology and leveraging advanced data science, machine learning, and AI to optimize pricing dynamically. The focus has expanded beyond simple street-rate adjustments to encompass the entire customer journey, maximizing top-of-funnel conversions while driving margin expansion through enhancing marketing and payroll efficiencies. Leading the charge, major operators are rolling out next-generation, AI-infused operating platforms designed to deliver a seamless omnichannel leasing experience. Whether capturing the growing cohort of digital-first renters or catering to the significant percentage of customers who still prefer walking into a physical store, the sector's adoption of advanced revenue management technology is expanding margins and driving in-place rent growth even in highly competitive submarkets.



SELF STORAGE REIT DATA

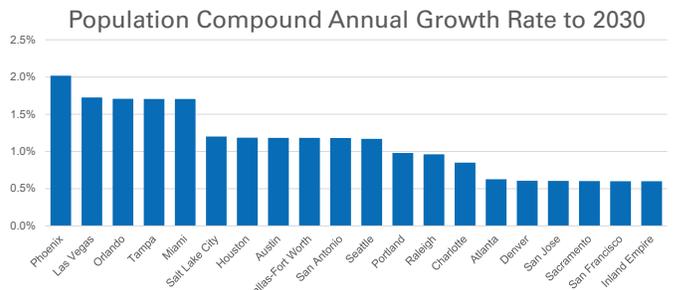
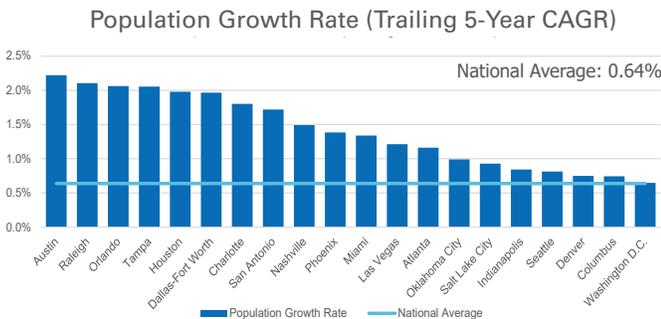
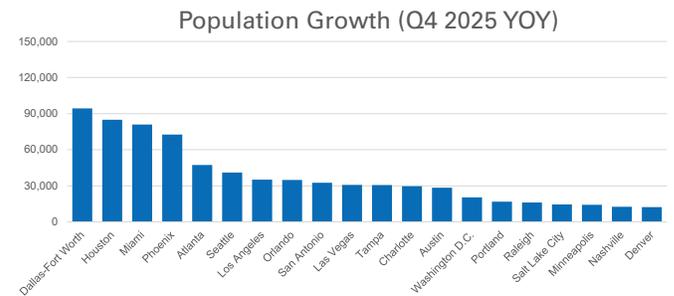
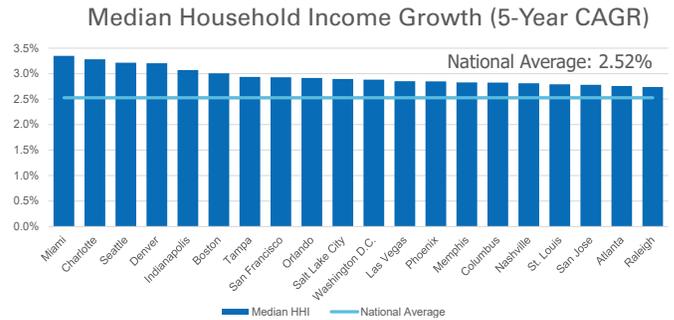
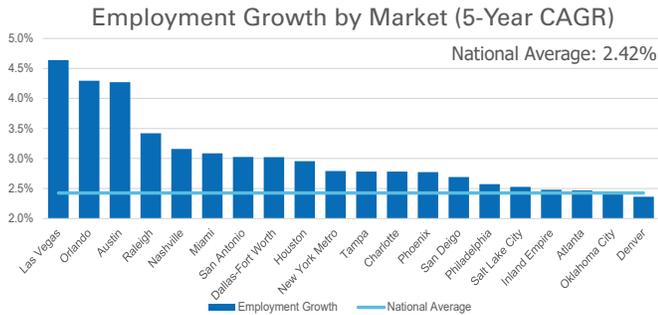
Public operators continue to demonstrate the operational advantages of scale in the self storage sector, maintaining healthy average same-store occupancies and robust NOI margins that remain among the highest in the commercial real estate sector. Expense control was a dominant narrative in Q4 2025 and early 2026 guidance, as REITs successfully insulated their portfolios from inflationary pressures. While targeted marketing investments were deployed to capture rental volume, overall expense growth was effectively mitigated by operational efficiencies—most notably through optimized store staffing and hours. Utility expenses, a traditional headwind, are increasingly being offset by large investments in solar initiatives, with major players committing tens of millions of dollars annually to deploy solar infrastructure across thousands of properties.



Source: Newmark, PSA, Cube, EXR, NSA Investor Relations

ECONOMIC TRENDS

The macroeconomic backdrop driving self storage demand is increasingly characterized by geographic duality. The Sunbelt broadly continues to capture the lion's share of absolute population and employment growth, fueled by affordability and lifestyle preferences. Simultaneously, a revitalization across gateway cities is adding a robust layer of geographic diversification to the sector's growth outlook. Markets such as Miami, Seattle and San Francisco are projecting some of the highest median household income and population growth over the next five years, indicating that the pandemic-driven exodus from traditional high-density cores has largely run its course. For self storage operators, this provides a naturally hedged demand profile: steady volumetric occupancy gains in high-migration Sunbelt hubs complemented by the inelastic pricing power inherent to high-income, high-barrier urban centers.



Source: Newmark, Moody's Analytics, ESRI

U-HAUL TOP 10 GROWTH STATES & METROS 2025

U-Haul's annual Growth Index, which analyzes over 2.5 million one-way moving truck transactions, highlights the continued demographic migration toward the Sunbelt. For 2025, Texas reclaimed the number one spot as the top growth state for the seventh time in ten years, displacing South Carolina, which fell to fifth. Florida, North Carolina, and Tennessee rounded out the rest of the top five, reinforcing the structural demand tailwinds concentrated across the sunbelt. Meanwhile, California recorded the greatest net loss of one-way movers, ranking 50th for the sixth consecutive year, though the pace of its out-migration showed slight moderation.

Top U-Haul Growth States

1 Texas	6 Washington
2 Florida	7 Arizona
3 North Carolina	8 Idaho
4 Tennessee	9 Alabama
5 South Carolina	10 Georgia

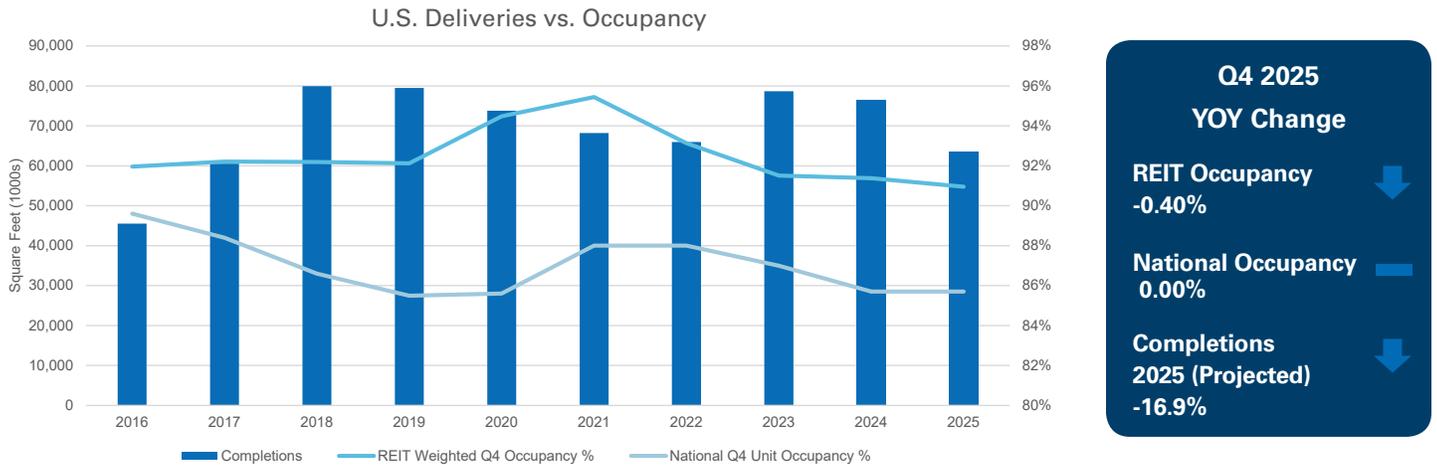
Top U-Haul Growth Metros

1 Dallas, TX	6 Nashville, TN
2 Houston, TX	7 Charleston, SC
3 Austin, TX	8 Raleigh, NC
4 Charlotte, NC	9 Atlanta, GA
5 Phoenix, AZ	10 Brownsville & McAllen, TX

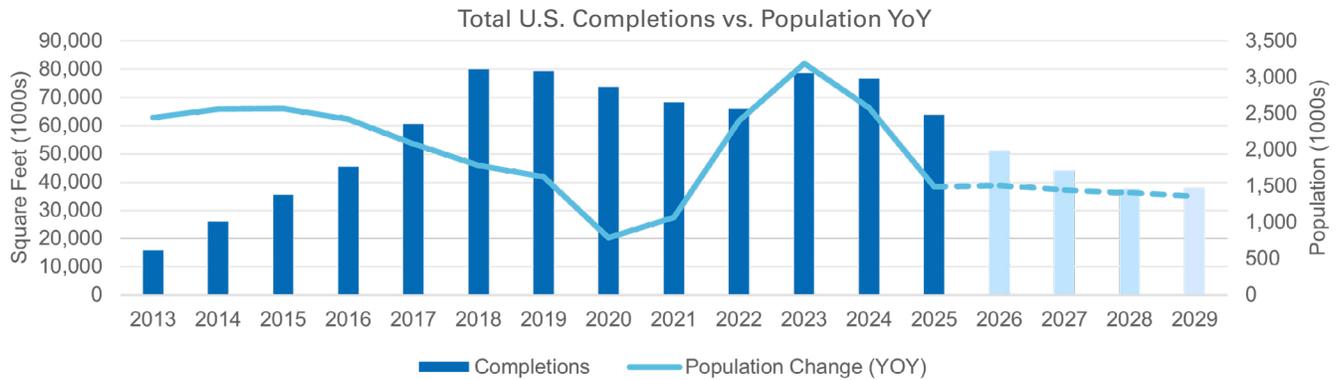
Source: U-Haul

SELF STORAGE SUPPLY & POPULATION GROWTH

The narrowing new supply pipeline remains one of the most significant structural tailwinds for the self storage sector. Nationwide, new deliveries have decelerated sharply, with expectations for 2026 deliveries to fall materially below the peak levels reached in 2017 and to a level of historically low percentage of existing stock. This favorable supply-demand dynamic is heavily driven by the persistently high cost of construction financing and development costs, elevated land prices, and subdued street rates that have systematically raised the barrier-to-entry for merchant builders. As new supply falls to a projected average of 1.76% of existing stock from 2027 through 2031, the broader market will experience compounding benefits. The diminishing threat of new competition allows existing assets to absorb demand, setting the stage for sustained occupancy stability and renewed pricing power over the next several years.



Source: Newmark Research, REIS, Yardi
 Note: Yardi supply data is updated quarterly to reflect new markets and additional information included in the underlying data set in order to ensure accuracy.



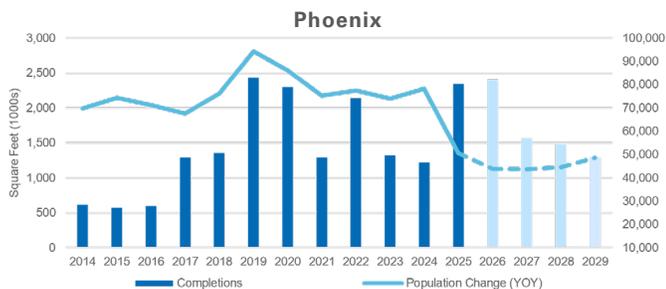
Source: Newmark, Green Street, Moody's Analytics, Yardi

TOP MARKETS FOR NEW SUPPLY & VALUATION ANALYSIS

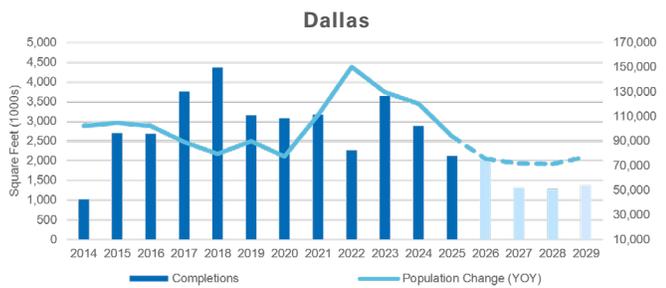
While the national supply pipeline is contracting, local nuances dictate submarket performance. The correlation between development and demographics remains strong, with the most active markets for new supply being within the top 10 markets for population growth over the last five years. Certain high-growth metros, such as Phoenix and Atlanta, are currently digesting recent deliveries, creating temporary pockets of intense competition for attracting new customers. However, the long-term outlook for these markets remains overwhelmingly bullish as underlying demographic inflows continue to outpace normalized delivery schedules. Valuation analysis reinforces this optimism; the recent period of cap rate expansion from the post-pandemic lows appears to have concluded, establishing a stable floor for values. Institutional investors continue to allocate capital in these high-growth nodes, confident that the current digestion period will yield to strong long-term performance.

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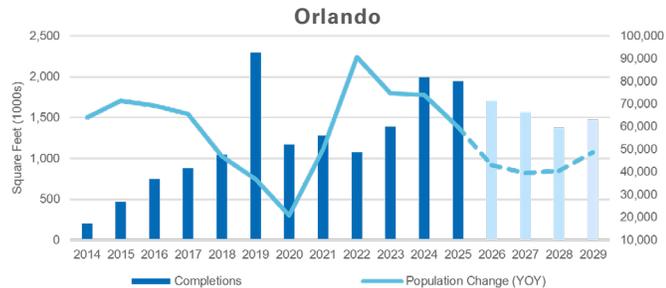
RANKED BY NEW SUPPLY



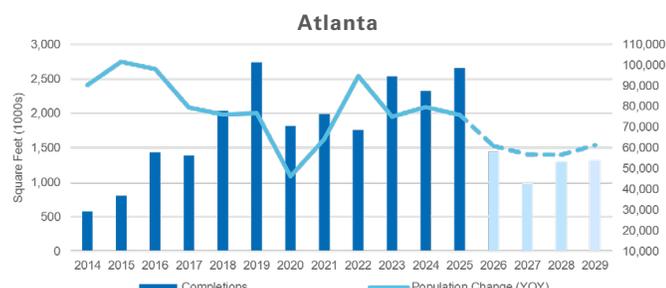
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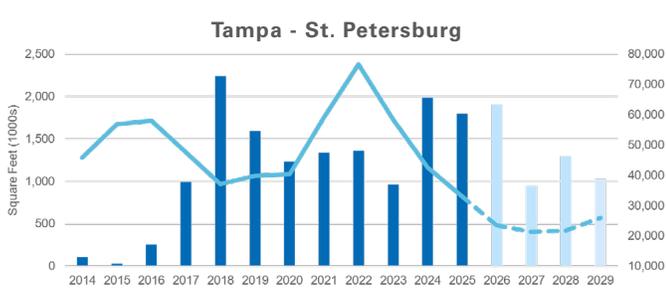
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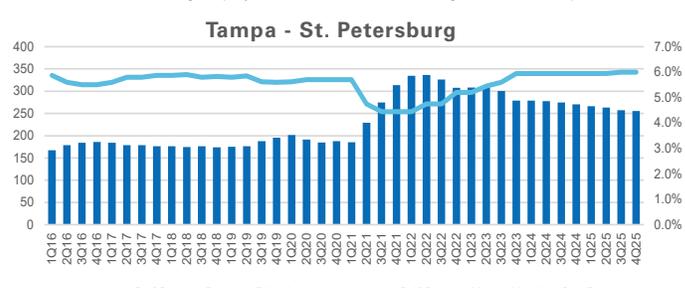
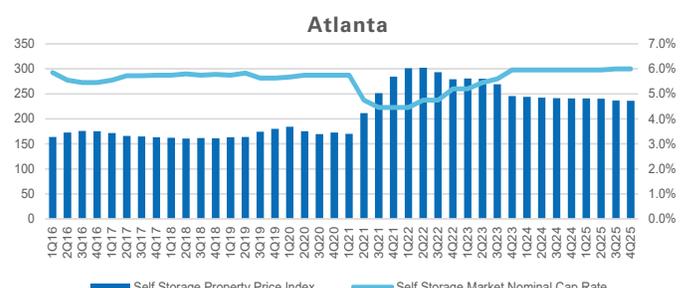
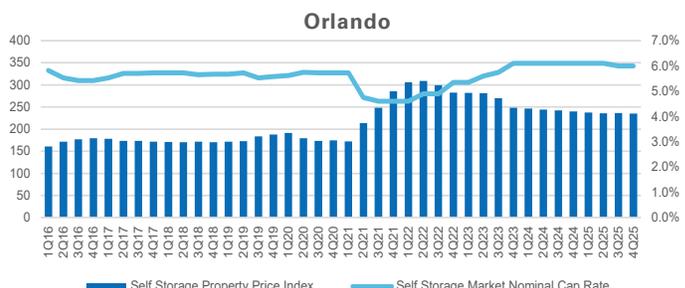
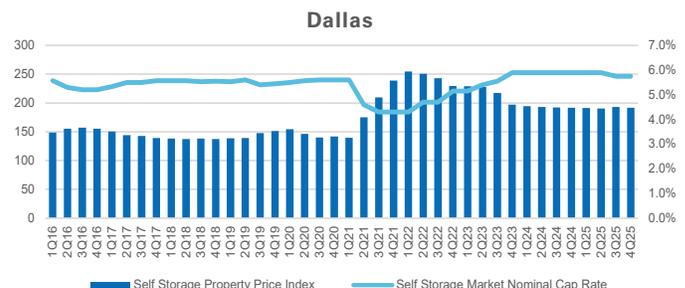
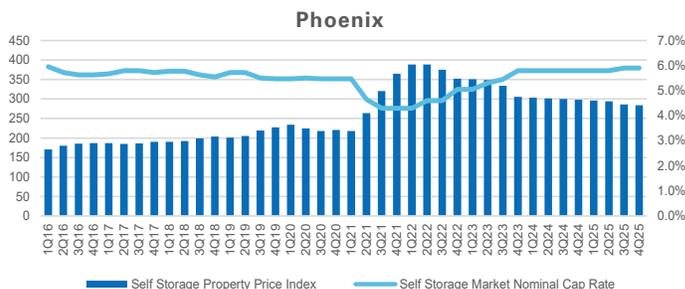
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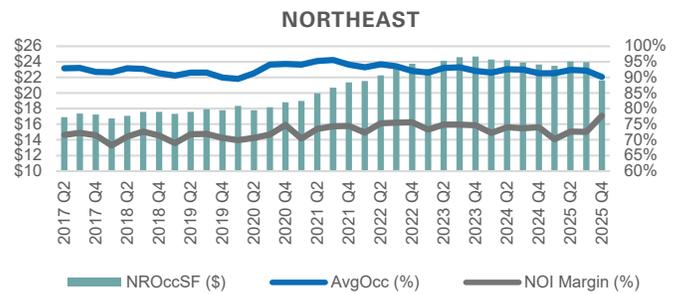
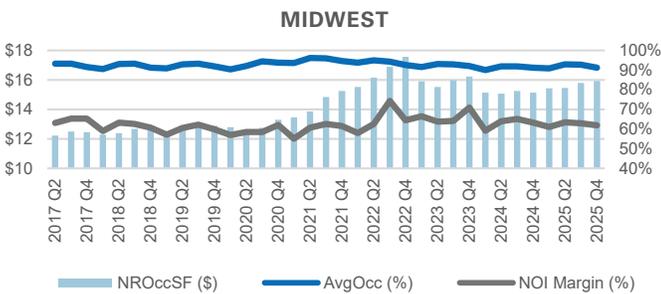
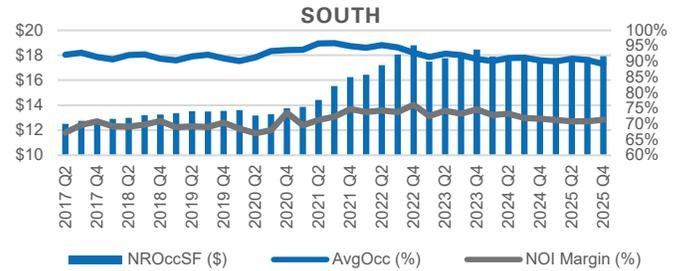
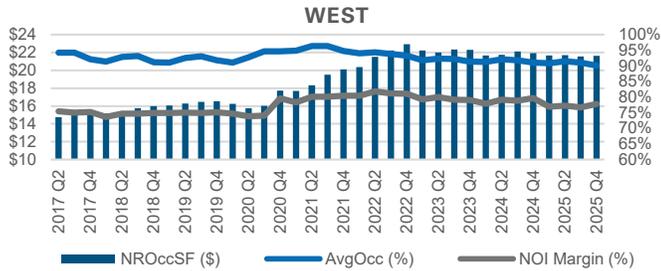
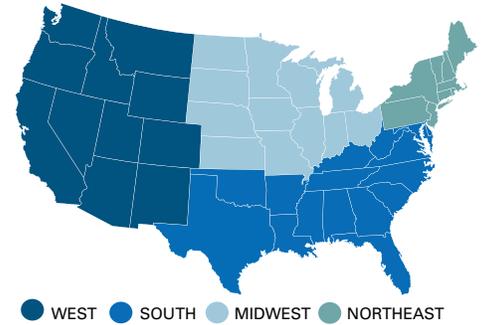
VALUATION ANALYSIS



Source: Newmark, REIS, Yardi & Green Street

SELF STORAGE TRENDS BY REGION

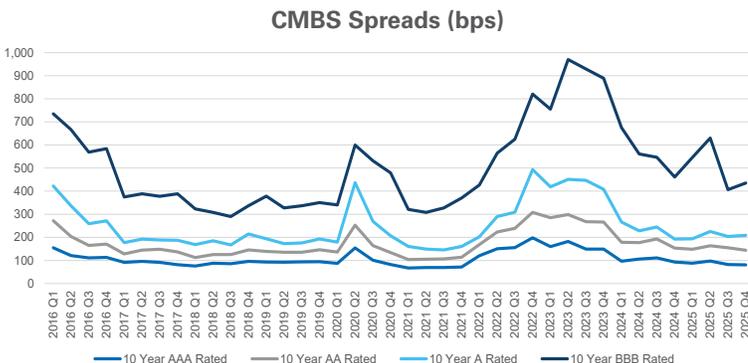
Despite localized supply pressures over the past 24 months, regional fundamentals have held remarkably steady as the consumer-value proposition of self storage expands. The Northeast continues to command the highest Net Rent per Occupied Square Foot, while the West maintains the strongest overall NOI margins. However, the Midwest emerged as a standout performer in late 2025, posting robust year-over-year occupancy gains and the strongest increase in Net Rent per Occupied Square Foot of 5.3% year-over-year. This outperformance is largely attributed to the region being the least impacted by the pandemic-era development boom, allowing operators to push rates without the friction of merchant builder lease-ups.



Source: Newmark, FRED, PSA, Cube, EXR, NSA Investor Relations

CAPITAL MARKETS

The capital markets environment for self storage has vastly improved, characterized by a resurgence in transaction volume and deep liquidity. Debt markets are highly functional, with a diverse array of lenders aggressively deploying capital to the sector due to its historically low delinquency rates and cash flow resilience. The stabilization of the federal funds rate and tightening CMBS spreads have created a highly functional deal-making environment. This robust liquidity, combined with institutional capital increasing its allocations to the sector, is expected to accelerate transaction momentum through 2026. Furthermore, sophisticated operators and REITs are increasingly utilizing joint venture structures to creatively deploy capital and enhance overall returns in a competitive acquisition landscape.

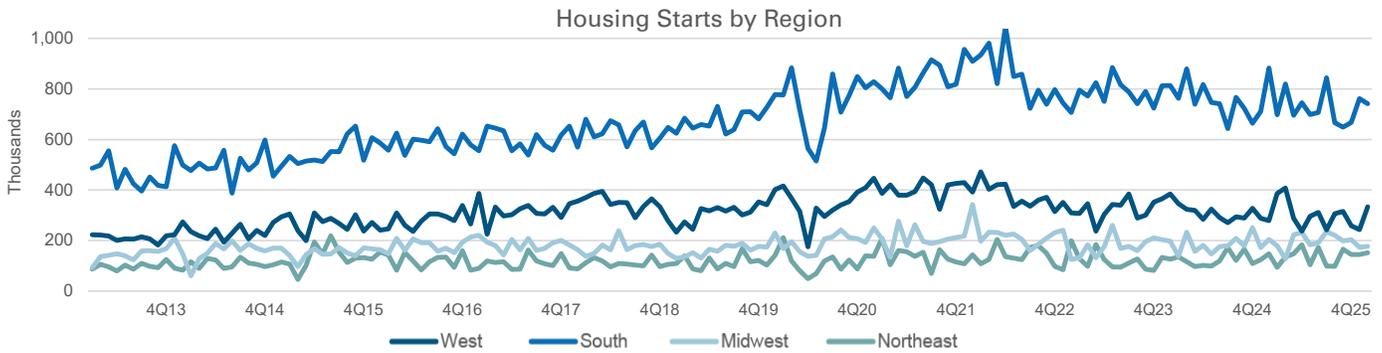
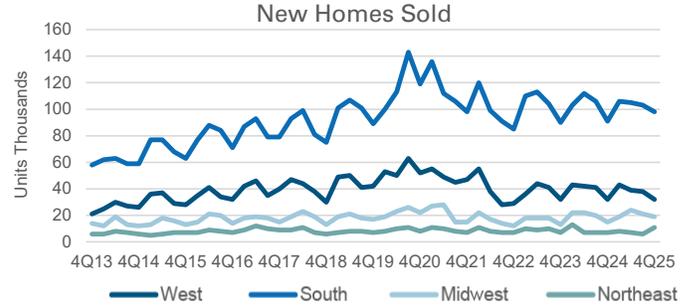
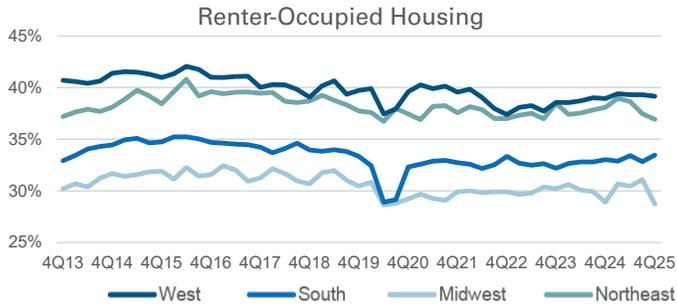
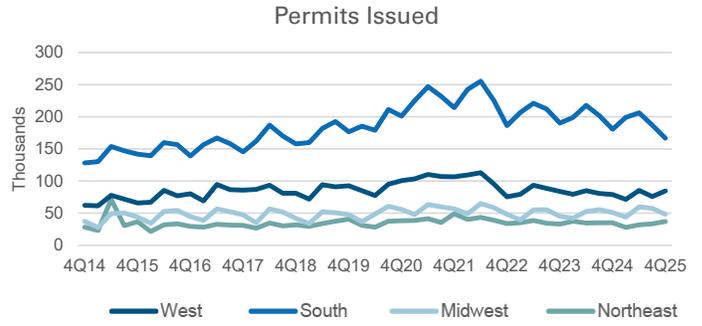
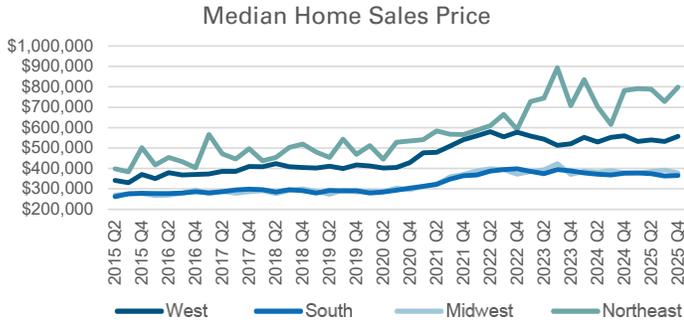


Origination Year	DEBT YIELD 7% & Below	7-9.99%	10-12.99%	13-14.99%	15% and up	Total Allocated Balance 000s
2015	-	-	-	-	306,258	306,258
2016	24,921	-	57,902	130,085	419,481	632,389
2017	-	30,961	382,445	522,264	296,065	1,231,735
2018	28,277	126,958	437,883	299,559	272,755	1,165,431
2019	62,393	54,866	833,859	236,411	240,487	1,428,016
2020	147,694	127,504	440,455	212,290	187,978	1,115,921
2021	4,753,134	541,105	712,318	633,311	139,563	6,779,430
2022	125,764	385,393	272,663	39,474	26,645	849,940
2023	42,741	1,328,043	611,662	24,935	17,925	2,025,306
2024	1,625,236	300,136	392,237	62,591	170,541	2,550,741
2025	1,808,000	629,513	618,363	140,930	317,851	3,514,658
2026	-	57,087	60,500	-	20,000	137,587
Total	8,618,160	3,581,566	4,820,287	2,301,849	2,415,550	21,737,413

This updated data from 2015-2026 is based on current balance and therefore includes outstanding loans; it does not include disposed loans. Source: Trepp

Source: Newmark, Trepp

HOUSING FUNDAMENTALS BY REGION (4Q 2025 DATA)

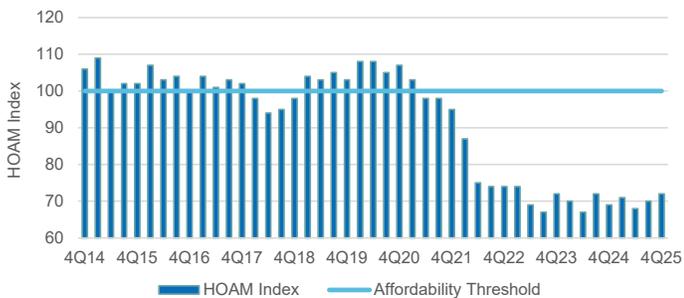


Source: Newmark, FRED, Moody's Analytics, US Census

NATIONAL HOUSING TRENDS

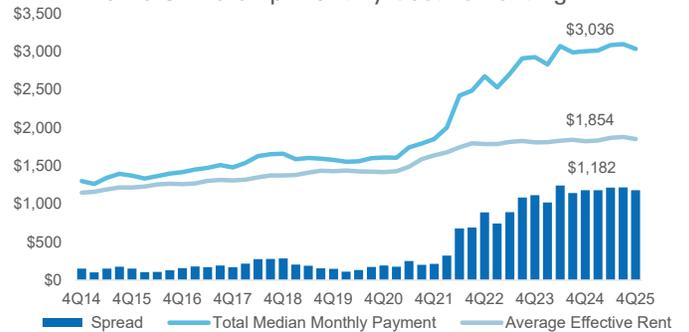
The historical correlation between housing turnover and self storage demand has fundamentally decoupled. Despite a frozen housing market plagued by lock-in effects and elevated mortgage rates, self storage fundamentals have proven highly resilient and are inflecting positively. This paradigm shift underscores the increasing national utilization rate of self storage as “non-transitional” demand drivers—such as decluttering, lifestyle storage, managing small business inventory, and the need for additional space from a swelling renter cohort. With the affordability gap between owning and renting remaining at a multi-decade high, the American household structure is shifting. As renters stay in place longer and multifamily developers deliver smaller unit sizes to maintain affordability, external storage has transitioned from a transitional luxury to a permanent residential necessity.

National Home Ownership Affordability Monitor



Source: Newmark Research, Atlanta Federal Reserve

Home Ownership Monthly Cost vs Renting



Source: Newmark Research, Atlanta Federal Reserve, RealPage

TOP MARKETS PER 10X10 RATES

Coastal gateway markets predictably maintained their dominance in absolute rental pricing, with San Francisco, New York, and Los Angeles commanding the highest street rates across both climate and non-climate controlled units. However, long-term compounding growth reveals a separate cohort of market leaders. Since 2015, Fresno and Minneapolis have generated the highest compounded annual growth for climate-controlled rates, while the robust population growth in Phoenix has resulted in leading non-climate rate growth. Market volatility continues to be largely dictated by local supply dynamics; markets currently digesting peak deliveries—such as Atlanta, Columbus, and Houston—are exhibiting higher rate volatility compared to markets that saw fewer new supply delivered in the recent development cycle like Milwaukee. As this localized supply pressure continues to ease into 2026, the variance between the highest and lowest volatility markets is expected to compress, allowing operators to confidently push rate growth as submarkets reach supply-demand equilibrium.

HIGHEST RENTAL RATES Q4 2025

	Climate Controlled	Q4 '25	QoQ*
1	San Francisco	\$321.53	0.02%
2	New York Metro	\$289.70	-5.45%
3	Los Angeles	\$272.41	-1.83%
4	San Diego	\$225.19	-5.38%
5	Fresno	\$218.18	1.13%

	Non-Climature	Q4 '25	QoQ*
1	San Francisco	\$302.41	-2.69%
2	New York Metro	\$262.30	-2.58%
3	Los Angeles	\$234.53	-1.74%
4	Miami	\$216.64	-3.36%
5	San Jose	\$209.18	-3.53%

LOWEST RATE VOLATILITY 2015 - Q4 2025

	Climate Controlled	Low	High	Q4 '25
1	Kansas City	\$121.35	\$139.60	\$133.68
2	Oklahoma City	\$90.67	\$129.58	\$90.67
3	Detroit	\$136.43	\$165.23	\$153.48
4	Salt Lake City	\$120.95	\$153.97	\$146.13
5	Seattle	\$170.37	\$204.40	\$182.39

	Non-Climature	Low	High	Q4 '25
1	Milwaukee	\$89.54	\$105.78	\$89.54
2	Portland	\$140.04	\$169.56	\$166.54
3	Oklahoma City	\$67.42	\$100.30	\$67.42
4	Kansas City	\$89.12	\$113.66	\$103.77
5	Detroit	\$116.14	\$144.24	\$128.89

HIGHEST COMPOUND ANNUAL GROWTH RATE

	Climate Controlled	Q4 '25
1	Fresno	3.59%
2	Minneapolis	2.85%
3	Portland	2.44%
4	Los Angeles	2.35%
5	Las Vegas	2.32%

	Non-Climature	Q4 '25
1	Phoenix	3.13%
2	Fresno	2.61%
3	Salt Lake City	2.60%
4	Miami	2.47%
5	San Francisco	2.34%

HIGHEST RATE VOLATILITY 2015 - Q4 2025

	Climate Controlled	Low	High	Q4 '25
1	St. Louis	\$112.50	\$137.18	\$122.64
2	Atlanta	\$132.28	\$171.78	\$144.46
3	Columbus	\$112.27	\$142.04	\$123.97
4	Houston	\$114.37	\$158.75	\$141.38
5	Charlotte	\$122.12	\$152.70	\$132.85

	Non-Climature	Low	High	Q4 '25
1	Columbus	\$89.54	\$122.08	\$101.87
2	Charlotte	\$93.43	\$121.91	\$103.56
3	Providence	\$130.93	\$169.26	\$148.97
4	Atlanta	\$108.08	\$140.29	\$114.84
5	Phoenix	\$101.75	\$149.60	\$142.84

*REIS updates historical data on an on-going basis. The quarter-over-quarter comparison on this page is based on their updated Q3 data compared to current Q4 data.

Source: Newmark, REIS



Investment Sales & Advisory Experience



70+ Years

Combined Experience



1,680+ Properties

Across 40 States



\$17.82+ Billion

Completed Transactions



123.3+ Million

Square Feet Sold

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