

# SELF STORAGE MARKET OVERVIEW

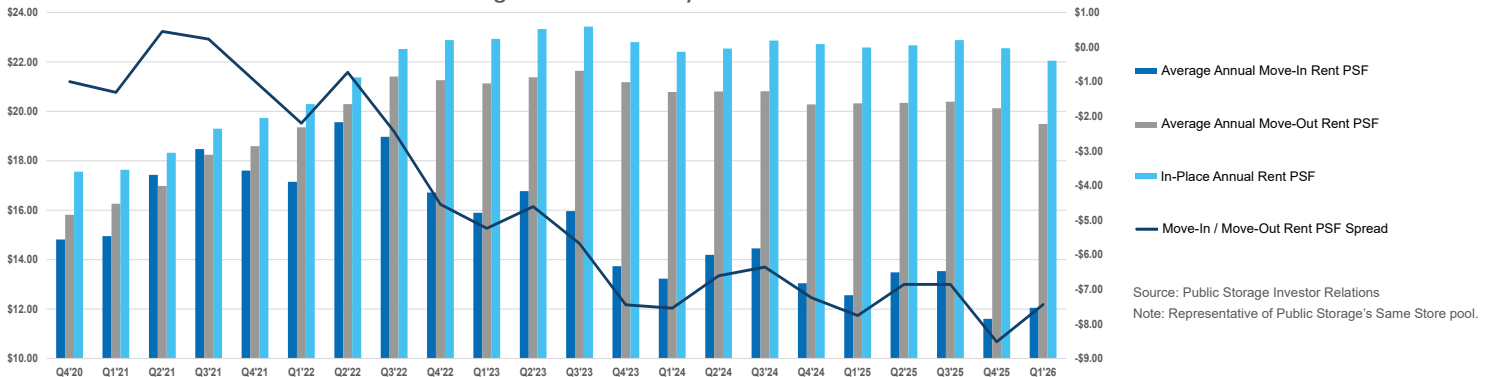
Q1 2026

The first quarter of 2026 established an encouraging inflection point for the broader self storage sector as operating trends began to stabilize across the industry. Top-of-funnel demand and net rental velocity demonstrated resilient positive momentum, fundamentally supported by a sector-wide reduction in tenant churn, resulting in strong occupancy levels. Move-in rate dynamics are shifting towards a more constructive trajectory nationwide, demonstrating a healthy recovery in new customer pricing power despite lapping highly competitive year-over-year comparisons. Concurrently, customer lengths of stay continue to elongate and existing tenants continue to realize the value of the product offering with a healthy acceptance of rent increases, reinforcing the existing tenant base as the primary driver of top-line revenue stability. This structural stickiness, combined with steady consumer mobility driven by localized life events rather than traditional housing transaction volume, underscores a highly resilient sector that is successfully transitioning back toward historical growth norms.

## REVENUE MANAGEMENT

The revenue management landscape is undergoing a rapid technological evolution, transitioning from basic automation to advanced conceptual prediction powered by Artificial Intelligence. Sophisticated operators are now implementing AI use cases across their portfolios, fundamentally streamlining unit-level pricing models and managing existing tenant bases. These advanced platforms are increasingly leveraged to target higher lifetime value tenants and optimize pricing models dynamically to meet demand and increase lead conversions. However, leading operators maintain that a true omnichannel approach — “coverage without compromise” — remains vital, balancing sophisticated digital tools with the reality that roughly one-third of customers still prefer traditional in-person interactions when renting.

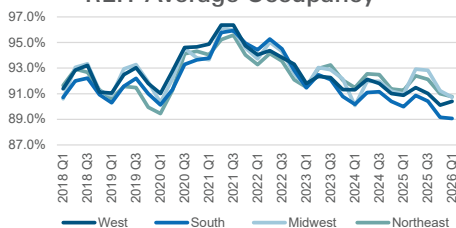
Public Storage Rental Activity Data



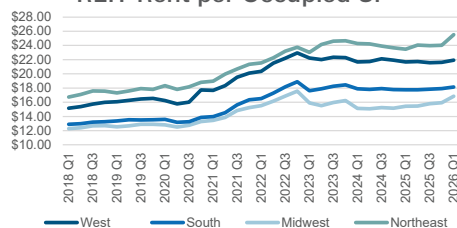
## SELF STORAGE REIT DATA

Public operators continue to leverage their institutional scale to maintain solid operational results, recording steady demand and robust occupancies across the sector. Expense control remained a dominant focus, though performance was nuanced by regional and seasonal factors; property tax appeals provided early structural relief, whereas severe winter weather and snow removal costs elevated utility and maintenance expenses. While all regions saw an increase in Net Rent per Occupied Square Foot, the Midwest and Northeast saw the strongest outperformance with 9.1% and 8.7% year-over-year increases, respectively, as these regions were less impacted by the recent supply cycle. The South region experienced the strongest headwinds during the quarter with occupancy declining 90-bps and margins contracting 40-bps year-over-year, as several of the markets that experienced massive population and employment growth continue to absorb recently delivered new supply.

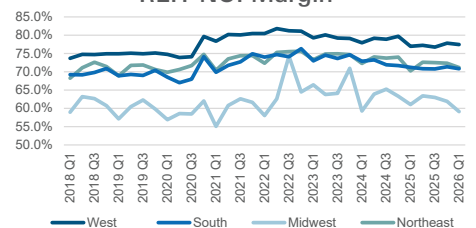
REIT Average Occupancy



REIT Rent per Occupied SF



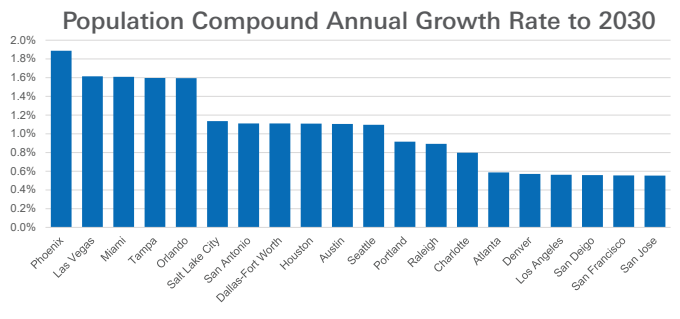
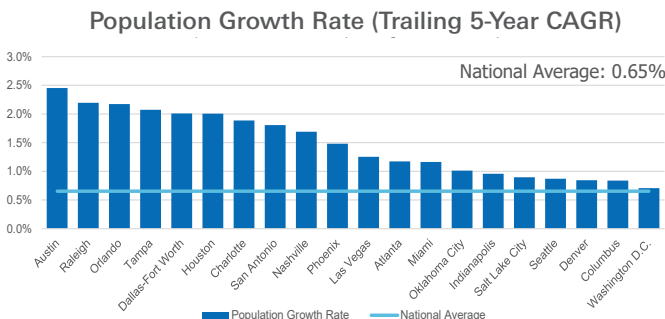
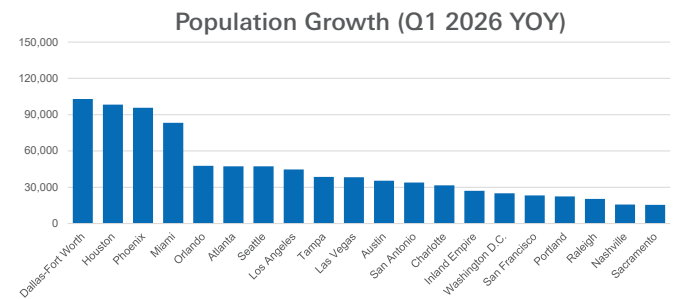
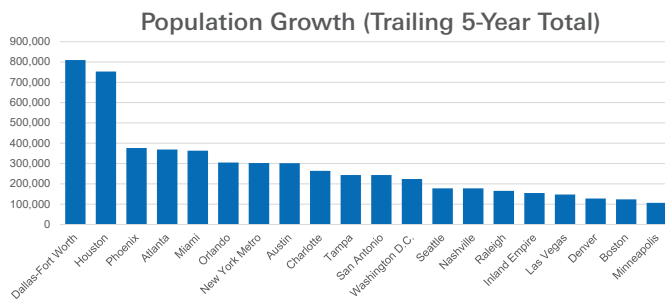
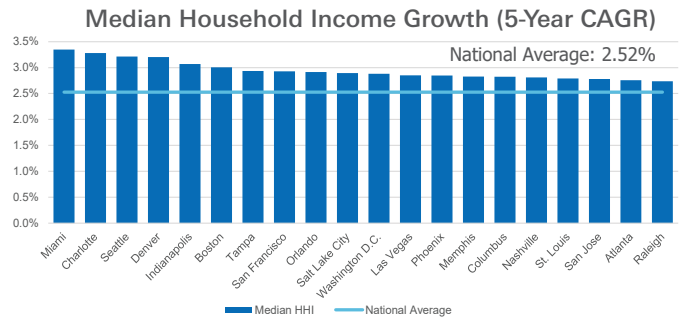
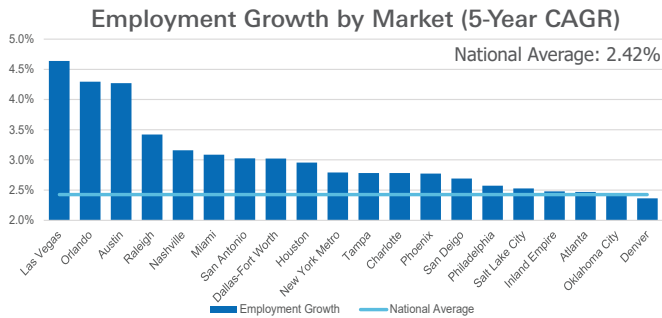
REIT NOI Margin



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

# ECONOMIC TRENDS

The structural demand profile for self storage remains anchored by a compelling geographic duality. While high-migration Sunbelt hubs continue to secure the largest share of absolute population and employment growth that will support long-term fundamentals, a simultaneous revitalization across gateway cities provides essential geographic diversification. Coastal urban centers such as Miami, Seattle, and San Francisco are projecting top-tier median household income and population growth over the next five years, ensuring inelastic pricing power in high-barrier markets. This demand profile is heavily reinforced by resilient consumer mobility; an estimated 15 million people moved over the past year, with 78% moving intrastate due to local life events. Furthermore, a growing cohort of long-term apartment renters facing space constraints continues to drive national utilization rates higher.



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

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

### Top U-Haul Growth Metros

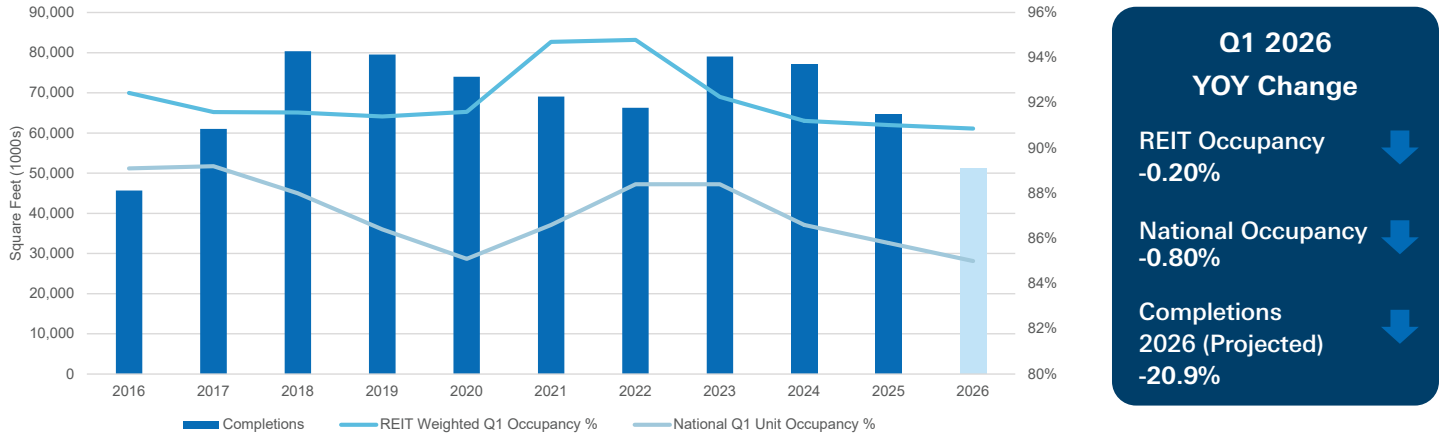
<b>1</b> Dallas, TX	<b>6</b> Nashville, TN
<b>2</b> Houston, TX	<b>7</b> Charleston, SC
<b>3</b> Austin, TX	<b>8</b> Raleigh, NC
<b>4</b> Charlotte, NC	<b>9</b> Atlanta, GA
<b>5</b> Phoenix, AZ	<b>10</b> Brownsville & McAllen, TX

Source: U-Haul

# SELF STORAGE SUPPLY & POPULATION GROWTH

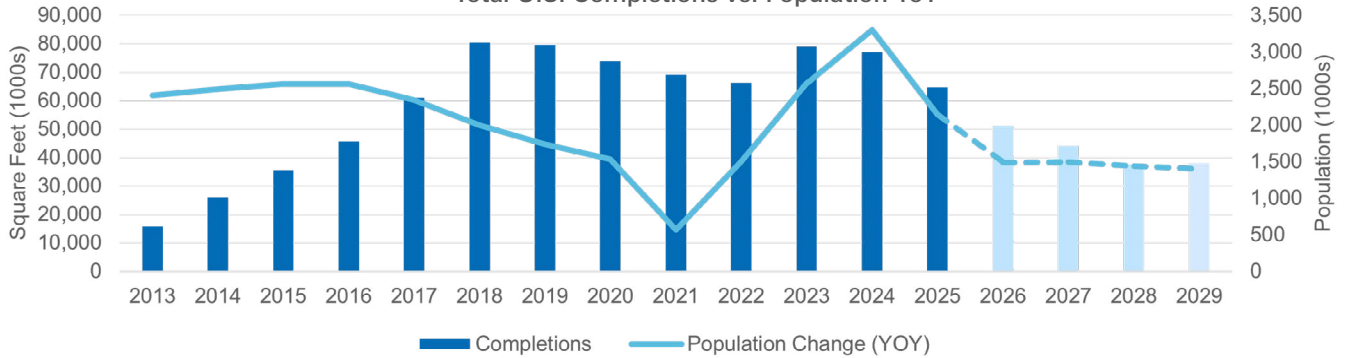
The contraction of the new supply pipeline continues to serve as the sector’s most impactful tailwind, effectively mitigating downward pressure on competitive street rates. Nationwide, new deliveries have decelerated aggressively, with projected 2026 completions falling 20.9% year-over-year. This structural pullback is driven by high development costs, strict construction financing requirements, and a discounted street rate environment that has lengthened economic stabilization timelines from the historical three-to-four years out to five-to-six years. The benefit of this shrinking pipeline is increasingly tangible for existing portfolios; Extra Space anticipates that a mere 6% of its same-store square footage will face a new competitor delivery in 2026, a massive drop from 13% in 2024. This is corroborated by the estimated average new supply as a percentage of existing stock to be 1.9% from 2026 through 2030, a meaningful decline from the average of 3.75% of existing stock delivered 2021 through 2025. While the national supply index recedes, the impact remains hyper-local, allowing supply-constrained markets to experience immediate fundamental improvements.

U.S. Deliveries vs. Occupancy

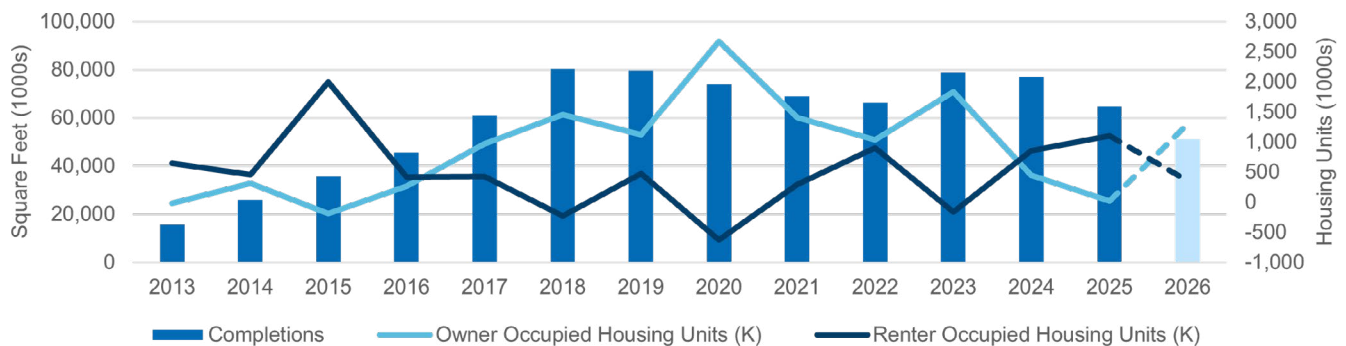


Source: Newmark Research, REIS, Yardi  
 Note: Yardi supply data is updated quarterly to reflect new markets and additional information included in the underlying data set in order to ensure accuracy.

Total U.S. Completions vs. Population YoY



Total U.S. Completions vs. Owner/Renter Housing Units



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

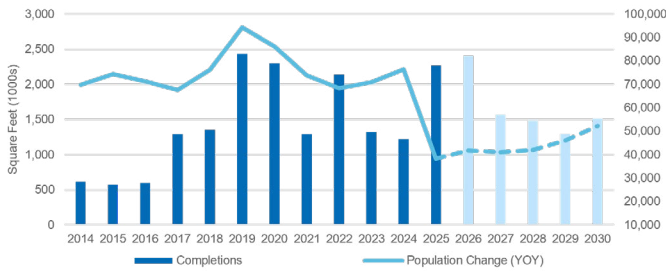
# TOP MARKETS FOR NEW SUPPLY & VALUATION ANALYSIS

Submarket performance is increasingly dictated by local supply absorption, as the correlation between historical development and demographic growth remains highly correlated. Specific high-growth nodes in the Sunbelt and Southwest continue to wade through an intensive competitive absorption phase due to aggressive additions since 2019. Conversely, Midwest and rust belt markets that experienced minimal development over the recent cycle are noticeably outperforming on core operational metrics. From a valuation standpoint, cap rates have established a firm, stable floor, with minimal projected near-term movement of plus or minus 25 basis points. Institutional capital allocators remain overwhelmingly bullish on the medium-to-long-term outlook, aggressively increasing allocations to the sector and positioning themselves firmly as net buyers over the next 12 to 24 months.

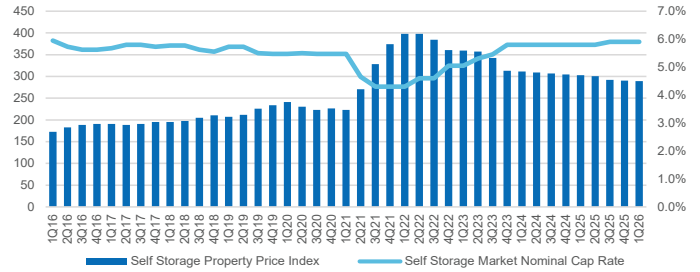
## RANKED BY NEW SUPPLY

## VALUATION ANALYSIS

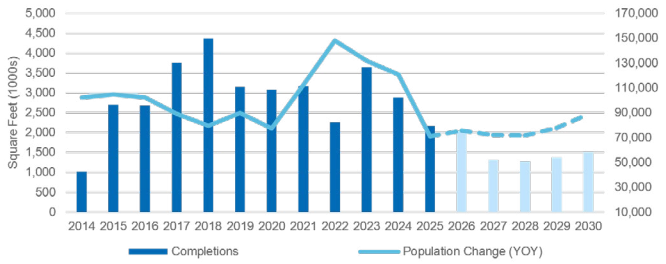
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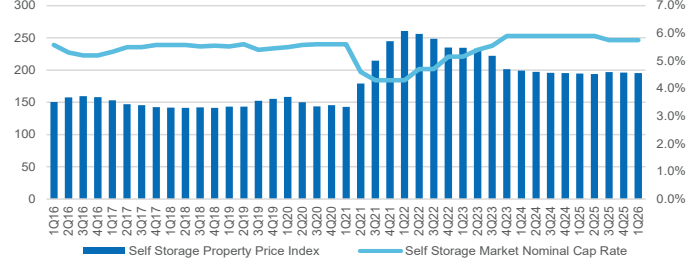
### PHOENIX



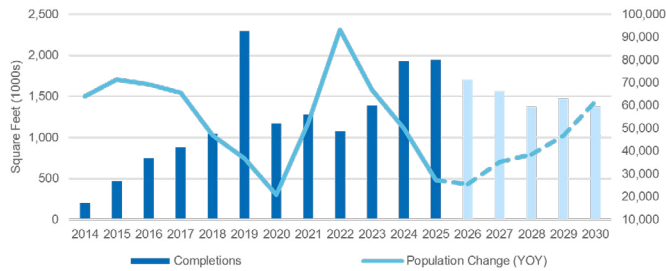
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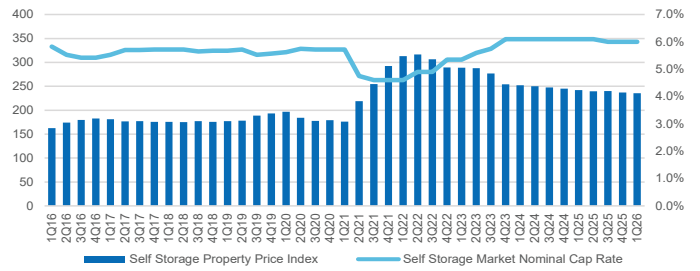
### DALLAS



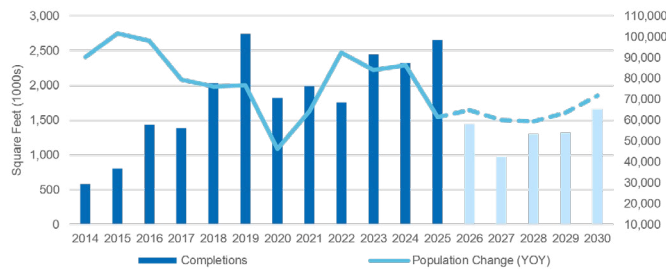
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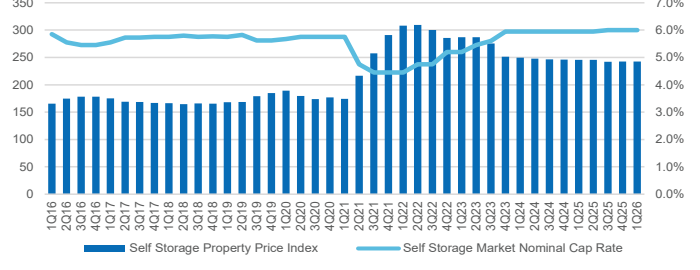
### ORLANDO



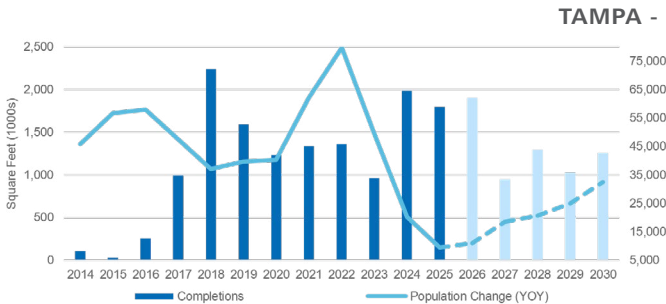
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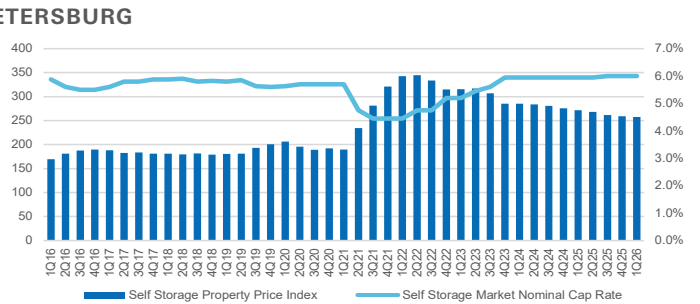
### ATLANTA



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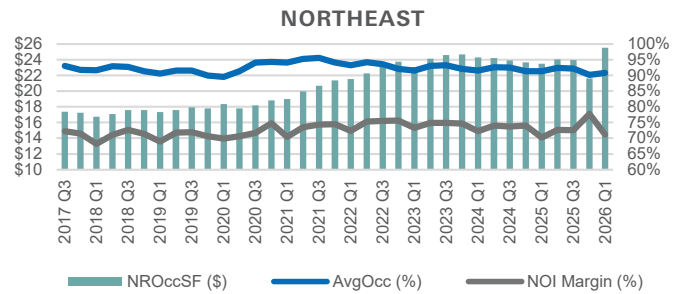
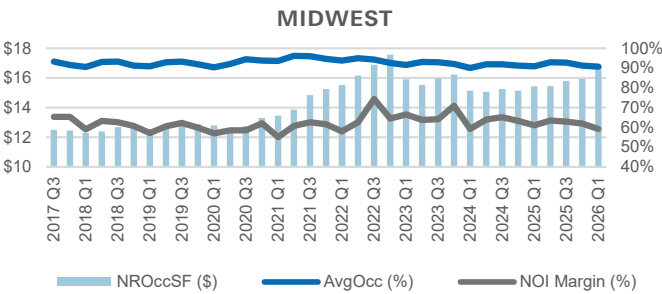
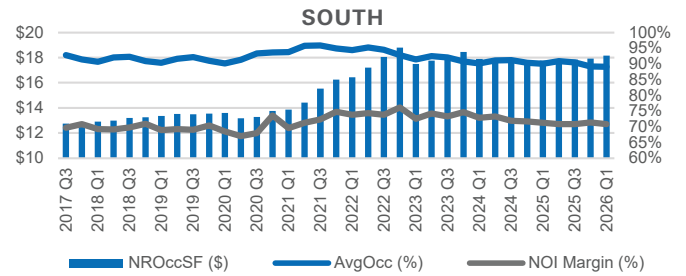
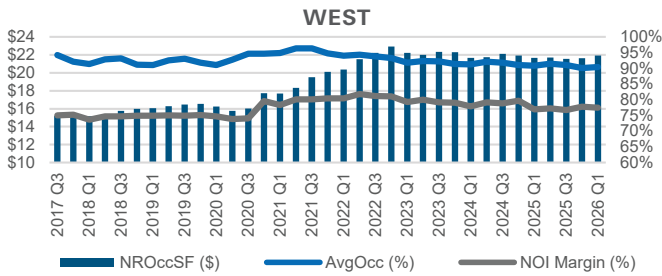
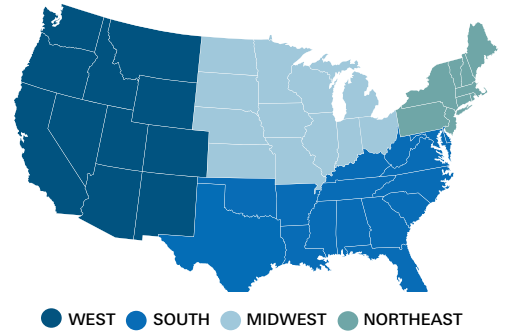
### TAMPA - ST. PETERSBURG



Source: Newmark, REIS, Yardi & Green Street

# SELF STORAGE TRENDS BY REGION

Despite localized supply pressures over the past 24 months, operating fundamentals have held remarkably steady across the broader market, reinforcing the resilient and expanding consumer-value proposition of the self storage sector. The Northeast and Midwest have emerged as standout performing regions, fostering broad-based revenue improvements. The Northeast continues to command the highest Net Rent per Occupied Square Foot nationally, while the Midwest has sustained robust year-over-year increases in net rent. This regional outperformance is largely driven by a relative lack of new supply as these markets were the least impacted by the recent development cycle, existing facilities face significantly less new competition, allowing operators to confidently push rates without the frictional drag of merchant builder lease-ups. However, while the Northeast demonstrated exceptional top-line strength, regional NOI margins experienced a temporary contraction during the first quarter as severe winter weather and heavy snow removal costs elevated utility and maintenance expenses.

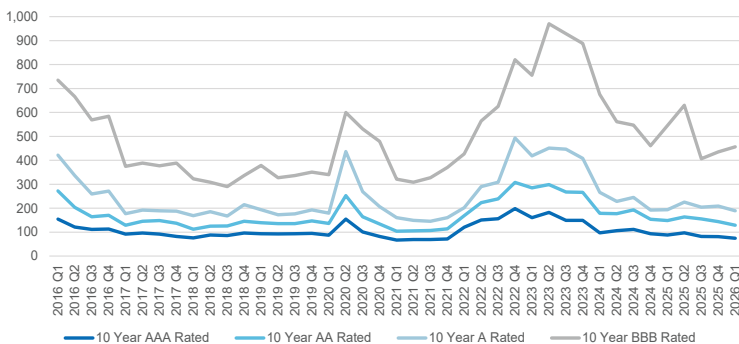


Source: Newmark, FRED, PSA, Cube, EXR, NSA Investor Relations

# CAPITAL MARKETS

The transaction and capital markets environment has experienced a significant expansion in momentum, despite broader macroeconomic volatility, marked by deep institutional liquidity and highly functional debt markets. Transaction volume expectations for the second half of 2026 are robust, with deal pipelines growing rapidly as platforms look to scale and new entrants look to deploy capital into the sector. Bid-ask spreads are narrowing efficiently as historical financing extensions and loan maturities run out, forcing a gradual convergence between public and private market valuations. While a pricing disconnect remains for early-stage lease-up facilities where sellers seek premiums for future revenue projections, top-tier, high-cash-flowing assets are pricing aggressively. Public operators are increasingly capitalizing on strategic joint venture structures to creatively deploy capital, minimize balance sheet exposure, and capturing attractive risk-adjusted returns as fundamental inflect positively.

## CMBS Spreads (bps)

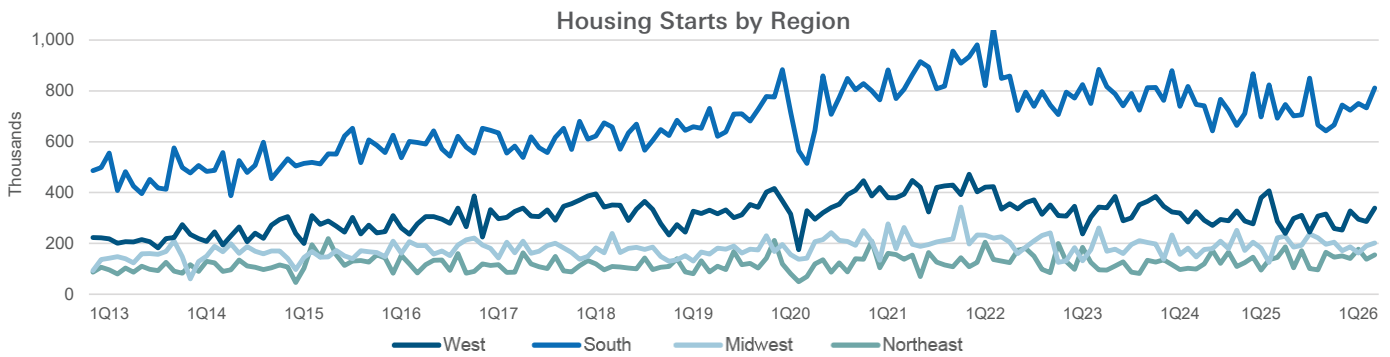
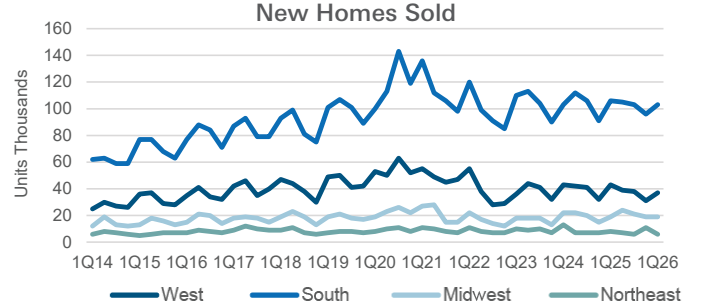
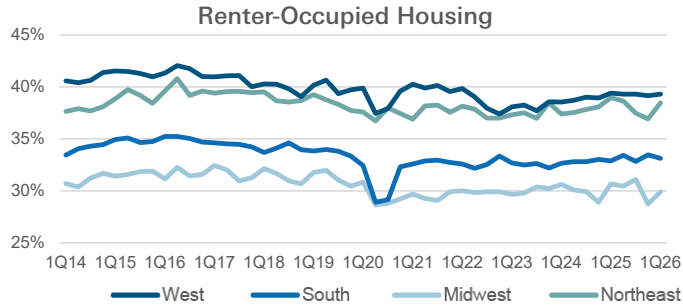
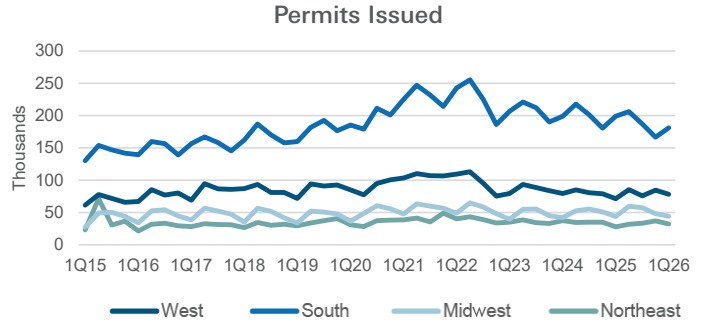
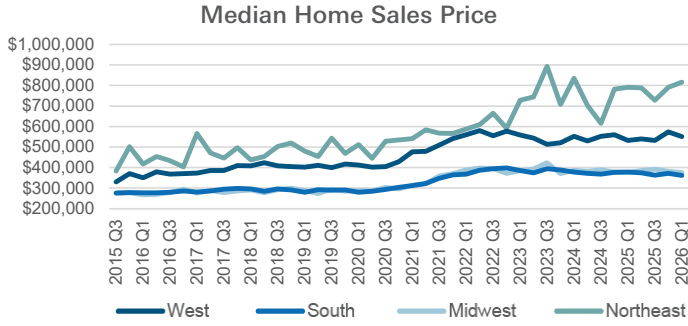


Origination Year	DEBT YIELD 7% & Below	7-9.99%	10-12.99%	13-14.99%	15% and up	Total Allocated Balance 000s
2015	-	-	-	-	301,663	301,663
2016	3,100	16,106	44,919	60,812	286,371	411,308
2017	4,061	44,552	412,328	514,610	294,647	1,270,198
2018	9,726	69,162	408,449	310,487	300,572	1,098,396
2019	3,531	360,576	471,036	202,615	338,959	1,376,716
2020	62,602	185,115	421,923	226,839	196,459	1,092,938
2021	2,179,849	1,375,042	734,391	593,067	182,505	5,064,854
2022	55,275	640,646	246,124	34,985	26,627	1,003,657
2023	29,499	1,479,313	627,662	11,268	12,800	2,160,542
2024	769,218	1,361,967	374,270	71,391	204,479	2,781,325
2025	1,322,050	2,203,690	501,858	155,453	97,076	4,280,127
2026	240,000	888,445	50,675	-	16,143	1,195,263
<b>Total</b>	<b>4,678,910</b>	<b>8,624,614</b>	<b>4,293,634</b>	<b>2,181,528</b>	<b>2,258,302</b>	<b>22,036,988</b>

This data is based on current balance and therefore includes outstanding loans; it does not include disposed loans.

Source: Newmark, Trepp

# HOUSING FUNDAMENTALS BY REGION (1Q 2026 DATA)

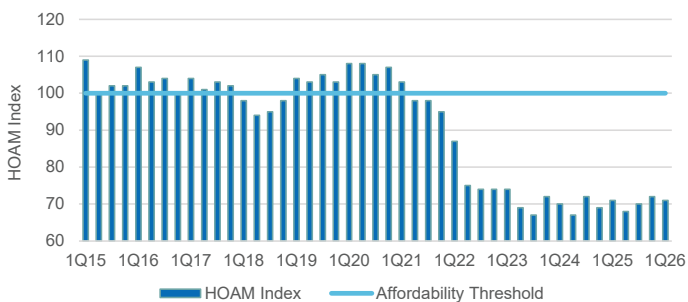


Source: Newmark, FRED, Moody's Analytics, US Census

## NATIONAL HOUSING TRENDS

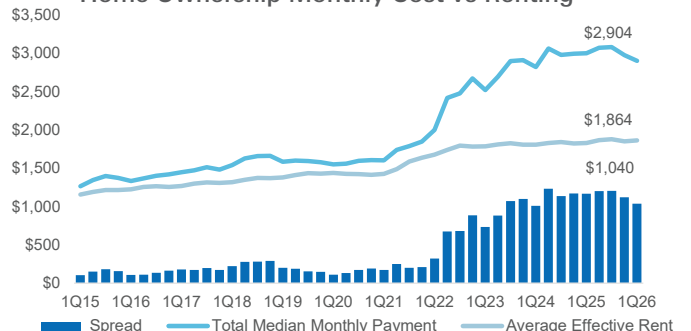
The operational performance of the self storage sector has decoupled from traditional housing turnover metrics. Despite a frozen housing market restricted by elevated mortgage rates and housing price, as well as severe lock-in effects, self storage fundamentals are inflecting positively. This paradigm shift highlights a rising structural baseline of “non-transitional” demand drivers, such as permanent lifestyle storage, home decluttering, and small business inventory management. Furthermore, the multi-decade affordability gap between owning and renting remains stark; the national average monthly home ownership cost stands at \$2,904 compared to an average effective rent of \$1,864, creating a massive \$1,040 financial spread. As renters stay in multifamily units longer, and multifamily developers downsize unit square footage to preserve affordability, external self storage has successfully evolved from a temporary convenience into a permanent residential utility.

**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 maintain an absolute pricing premium for both climate controlled and non-climate product offerings with both being led by San Francisco, followed by the New York Metro and Los Angeles. Looking at long-term compounding growth since 2015, Fresno and Minneapolis lead the nation in climate controlled compound annual growth rates at 3.64% and 2.97% respectively, while Phoenix's strong population and employment growth has led to an industry leading non-climate CAGR of 3.14%. Crucially, operators note that street rates are no longer viewed as primary top-line revenue engines or baseline reflections of market rates; instead, they function as a tactical top-of-funnel customer acquisition tool. As these regional supply imbalances continue to resolve throughout 2026, the divergence in rate fluctuations across markets is expected to contract, providing a more stable operational backdrop for operators to exert pricing power as submarkets trend back toward structural equilibrium.

### HIGHEST RENTAL RATES Q1 2026

	Climate Controlled	Q1 '26	QoQ*
1	San Francisco	\$312.38	-2.85%
2	New York Metro	\$288.61	-0.38%
3	Los Angeles	\$275.40	1.10%
4	San Diego	\$228.56	1.50%
5	Fresno	\$221.13	1.35%

	Non-Climature	Q1 '26	QoQ*
1	San Francisco	\$305.71	1.09%
2	New York Metro	\$263.38	0.41%
3	Los Angeles	\$236.33	0.77%
4	Miami	\$216.97	0.15%
5	San Jose	\$213.61	2.12%

### LOWEST RATE VOLATILITY 2015 - Q1 2026

	Climate Controlled	Low	High	Q1 '26
1	Kansas City	\$121.35	\$139.60	\$135.70
2	Oklahoma City	\$90.24	\$129.58	\$90.24
3	Detroit	\$136.43	\$165.23	\$153.97
4	Salt Lake City	\$120.95	\$153.97	\$148.48
5	Seattle	\$170.37	\$204.40	\$183.42

	Non-Climature	Low	High	Q1 '26
1	Milwaukee	\$89.54	\$105.78	\$89.96
2	Portland	\$140.04	\$169.56	\$165.97
3	Oklahoma City	\$67.34	\$100.30	\$67.34
4	Kansas City	\$89.12	\$113.66	\$104.49
5	Detroit	\$116.14	\$144.24	\$128.87

### HIGHEST COMPOUND ANNUAL GROWTH RATE

	Climate Controlled	Q1 '26
1	Fresno	3.64%
2	Minneapolis	2.97%
3	Portland	2.58%
4	Los Angeles	2.40%
5	Las Vegas	2.32%

	Non-Climature	Q1 '26
1	Phoenix	3.14%
2	Fresno	2.55%
3	Salt Lake City	2.53%
4	Miami	2.43%
5	San Francisco	2.39%

### HIGHEST RATE VOLATILITY 2015 - Q1 2026

	Climate Controlled	Low	High	Q1 '26
1	St. Louis	\$112.50	\$137.18	\$119.59
2	Atlanta	\$132.28	\$171.78	\$144.34
3	Columbus	\$112.27	\$142.04	\$124.85
4	Houston	\$114.37	\$158.75	\$141.22
5	Suburban Virginia	\$174.59	\$216.23	\$194.20

	Non-Climature	Low	High	Q1 '26
1	Columbus	\$89.54	\$122.08	\$100.78
2	Charlotte	\$93.43	\$121.91	\$103.02
3	Providence	\$130.93	\$169.26	\$148.29
4	Atlanta	\$108.08	\$140.29	\$113.42
5	Phoenix	\$101.75	\$149.60	\$144.10

\*REIS updates historical data on an on-going basis. The quarter-over-quarter comparison on this page is based on their updated Q4 data compared to current Q1 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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