Marcus & Millichap

'26 SELF-STORAGE

National Investment Outlook

TO OUR VALUED CLIENTS

Investment in self-storage properties remains sound, surpassing pre-pandemic levels, as the sector matures amid supply-and-demand crosscurrents. While private investors continue to drive most transaction activity, institutions and REITs dominate large portfolio investments. The asynchronous risk profile of self-storage assets in past recessions holds particular appeal for investors seeking diversification. Storage properties' stronger potential for inflation resistance, driven by short-term leases, provides benefits to investors amid the current economic uncertainty.

While a slowdown in hiring and migration trends presents headwinds to occupancy and rent growth, the pace of construction is receding. That suggests supply and demand could realign in 2026, stabilizing operating fundamentals. The gap between street rates and stabilized rents remains large nationwide, but the practice of rapidly raising rates for new tenants has drawn the attention of some local jurisdictions. This practice, and the attention it has attracted, could spur increased regulation for the industry.

Despite near-term headwinds on space demand from slower job growth and migration trends, the self-storage sector continues to benefit from increased adoption by younger generations. Aging baby boomers who are downsizing their homes are also expected to use self-storage. These demographic tailwinds and a broader trend toward building smaller housing units with less storage space offer a positive outlook for self-storage space demand.

To help investors navigate this complex and evolving climate, Marcus & Millichap presents the 2026 Self-Storage National Investment Outlook. As you adapt your strategies for the future, our sales and financing professionals look forward to assisting you with your goals.

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TABLE OF CONTENTS

NATIONAL PERSPECTIVE

MARKET OVERVIEWS

CLIENT SERVICES

Developed by Marcus & Millichap Research Services.
Additional contributions were made by Marcus & Millichap investment brokerage professionals nationwide.

EXECUTIVE SUMMARY

NATIONAL ECONOMY

- Labor market conditions in early 2026 remain tempered, following a challenging 2025. Businesses across sectors will likely maintain measured hiring practices amid ongoing trade policy uncertainty and heightened geopolitical conflict, at least for the near term. Workforce additions will largely focus on replacement rather than expansion, building on an existing downward trend in job openings.
- Should inflationary pressures arise in the near term, the prospect of Federal Reserve rate cuts could diminish, while economic uncertainty continues to weigh on hiring. Even if borrowing costs do decline, cautious business sentiment may prolong labor market moderation, reinforcing slow household formation and reduced population mobility.
- Immigration into the U.S. has been declining, while a higher cost of living has made it more difficult for young adults to form independent households. This demographic drives a large share of renter mobility and other life-stage transitions that support self-storage demand. The 65-plus cohort, however, continues to grow, leading to increased demand for self-storage.

CAPITAL MARKETS

- Fiscal policy will provide a substantial liquidity tailwind in the debt markets. The permanent return of 100 percent bonus depreciation from last year's tax reform will aid lenders' underwriting via the benefits to the borrower's operational cash flow. In the self-storage sector, where up to 50 percent of the total basis can potentially be classified into accelerated categories, bonus depreciation helps lower risk early in the loan term.
- As the Federal Reserve maintained a stable federal funds rate through early 2026, the 10-year Treasury yield has remained near the low-2 to 4 percent zone. Inflationary concerns linked to tariff policies, geopolitical conflict, and federal deficit spending continue to prevent long-term rates from declining in tandem with short-term rates.
- Capital remains generally available for self-storage investment sales as lenders favor the sector's low capital expenditure requirements and granular rent rolls. As banks navigated increased regulatory oversight and commercial real estate concentration limits, nonbank lenders emerged as a key source of bridge financing.

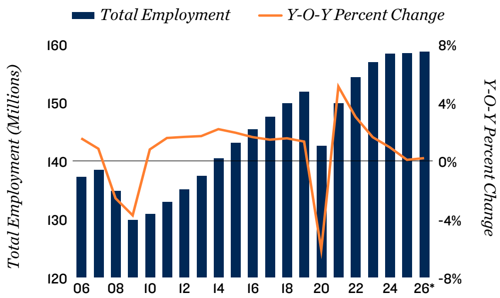
NATIONAL SELF-STORAGE OVERVIEW

- Self-storage operating conditions are improving as pricing firms and construction slows. Structural demand drivers are supporting renting, including through lifestyle-motivated adoption by the millennial and Gen-Z cohorts, as well as downsizing and housing transitions among the aging baby boomer generation. The oldest of this generation will turn 80 this year.
- Many self-storage operators, especially REITs, have used steep rent discounts to lift physical occupancy amid soft demand growth. That strategy has pressured overall stabilized rents, however, as higher-paying tenants churned and were replaced at lower rates. Conditions improved in late 2025 as firmer street rates helped stabilized rents rise slightly.
- While major REITs continue to pursue scale to strengthen their pricing systems and lower overhead, evidenced by Public Storage's recent acquisition of National Storage Affiliates, private operators may retain more flexibility. That dynamic may be clearest in secondary and tertiary markets, where the presence of major REITs is lighter.

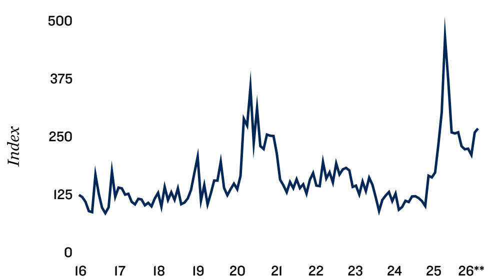
INVESTMENT OUTLOOK

- The self-storage sector's durability is aiding dealmaking. Transaction activity in 2025 is outdone only by the historic stretch from 2021 to 2023. Private investors were responsible for the improvement in deal flow, accounting for a six-year-high share of total sales volume. REITs, meanwhile, were comparatively active on both the acquisition and disposition fronts last year.
- While many active buyers are unlikely to make dramatic adjustments to their acquisition criteria in the near term, their scope of preferred locations could shift. Entering 2026, vacancy rates were relatively comparable across the nation's major regions. This could lead to a more even distribution of sales activity, although the Southeast will still dictate overall velocity.
- Developers added 355 million square feet of space over the past five years. This supply influx will generate opportunities for both private and institutional investors to acquire newer assets across market types, typically on a one-off basis. A premium for such space may be found in tertiary metros and rural areas.

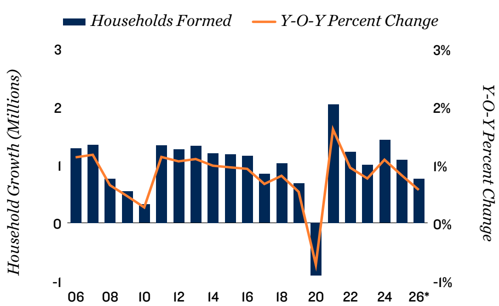
Employment Growth Still Restrained



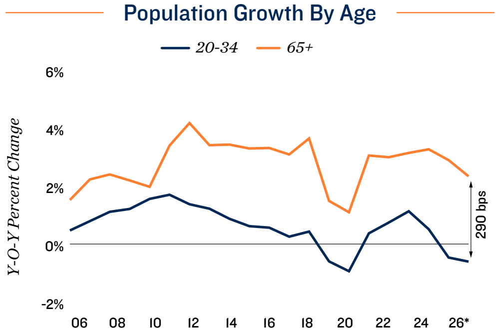
Economic Policy Uncertainty Index Elevated



Household Formation Slowing



Population Growth By Age



** Forecast*

*** As of Feb. 27*

Weakened Hiring Outlook Weighs on Relocations and Household Formation Among Young Adults

Labor market headwinds reduce mobility. Labor market conditions in early 2026 remain tempered, following a challenging 2025, which saw the weakest annual job growth outside of a recession period since 2003. Businesses across industries will likely maintain measured hiring practices amid ongoing trade policy uncertainty and heightened geopolitical conflict, at least in the near term. Workforce additions will still largely focus on replacement rather than expansion. The share of workers unemployed for 27 weeks or longer continued to trend higher in early 2026, marking a notable increase from early-cycle lows in 2023. Meanwhile, job openings fell to 6.5 million in late 2025, nearly 1 million fewer than a year earlier, while the quits rate held near 2 percent, indicating a minimal number of workers voluntarily changing jobs. As the risk of inflationary pressures have risen, the prospect of Federal Reserve rate cuts have diminished, while economic uncertainty continues to weigh on hiring. Even if borrowing costs decline, cautious business sentiment may prolong labor market moderation, reinforcing slower household formation and reduced movement.

Household formation facing shifting factors. After the pandemic, household formation between 2021 and 2025 was slightly above the average during 2010-2019. Looking ahead, however, that growth is expected to slow. Census figures from June 2025 estimated that net international migration into the U.S. declined from roughly 2.7 million in 2024 to 1.3 million last year, although other estimates indicate a potential net outflow. Simultaneously, elevated housing costs and rapid inflation in essentials in recent years have made it more difficult for young adults to form independent households. Compounding this trend, 2025 marked the first year of decline in the 20-34 age cohort since 2020, reducing the size of a demographic that disproportionately drives renter mobility, roommate turnover, and other life-stage transitions that typically generate self-storage demand. Still, continued expansion in the age 65 and older population — growing at a rate well above its long-term average — should offset some of that pressure, supporting needs-based usage tied to downsizing and estate transitions.

2026 NATIONAL ECONOMIC OUTLOOK

- **Sun Belt migration cools.** Population flows are still favoring Sun Belt states such as Texas, Florida, and the Carolinas. In contrast, California, New York, and other Northeast states ranked among the largest net out-migration markets. Although these Sun Belt markets continue to benefit from stronger net in-migration, the pace of inflows has moderated from the peak pandemic-era surge.

- **Pricing legislation gains traction.** Regulatory scrutiny around self-storage pricing practices is beginning to emerge. While operators currently remain free to set rents under normal market conditions, several states are pursuing legislation that would limit the size of annual rent hikes or increase pricing transparency.

- **Existing home sales slowing.** Total U.S. housing transactions in 2025 were nearly 15 percent below the annual average recorded between 2015 and 2019, reflecting a broad slowdown in homebuying activity. The shortfall was driven entirely by weaker existing home sales, while new home sales remained modestly above their pre-pandemic average.

Self-Storage Recovery Should Continue, Though Limiting Tenant Turnover Remains a Priority

Storage conditions improve as pricing firms and construction slows. After three years of declining self-storage asking rents, the average national rate held flat year-over-year in 2025. Vacancy has also risen only 50 basis points since the start of 2024 to 10.2 percent by year-end 2025, indicating demand has largely kept pace with new supply. With deliveries moderating in 2025 and projected to slow further in 2026, storage fundamentals should continue improving. Structural demand drivers are expected to support leasing, with millennials and Gen Z driving higher storage adoption through lifestyle-driven use. At the same time, baby boomers fuel demand through downsizing and household transitions that may intensify as the oldest boomers turn 80 in 2026. Rising web search interest in late 2025 and early 2026 also points to firmer shopping activity, which could translate into future move-ins. Nevertheless, economic headwinds will likely keep move-ins measured, with metros where household formation remains strong relative to supply growth best positioned to outperform.

Street rate rebound meets ongoing retention risk. Many self-storage operators, especially REITs, have used steep rent discounts to lift physical occupancy amid soft demand. That strategy has pressured in-place rents as higher-paying tenants churned and were replaced at lower rates, pushing stabilized rents about 5 percent below their 2023 peak by mid-2025. Conditions improved in late 2025, however, as firmer street rates helped stabilized rents post a slight year-over-year gain. Operators will still need to be cautious with existing-customer rate increases, as an aggressive approach could raise turnover. That trade-off may be most acute for REITs pushing newer facilities toward economic stabilization, though Public Storage's acquisition of National Storage Affiliates highlights how scale can temper some of that pressure through stronger pricing systems and lower overhead. Private operators may still retain more flexibility as lower-basis assets and often less aggressive discounting give them room to raise rates gradually while limiting turnover. That dynamic may be clearest in secondary and tertiary markets, where lighter REIT presence reduces institutional competition.

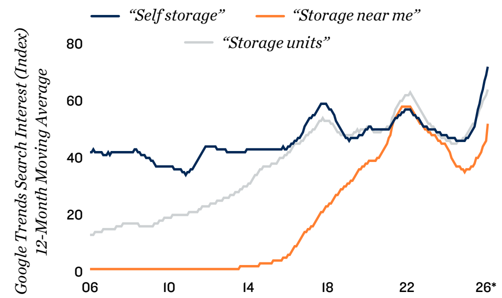
2026 NATIONAL SELF-STORAGE OUTLOOK

- **Size segment divide.** Larger units posted stronger street-rate rent growth than 5-by-5 and 5-by-10-foot spaces in 2025, likely reflecting supply and demand trends. Developers often favored smaller units due to their higher per-square-foot rents, potentially creating oversupply. Bigger spaces also carry greater switching costs, as tenants are more likely to store bulky items or business inventory, raising demand.

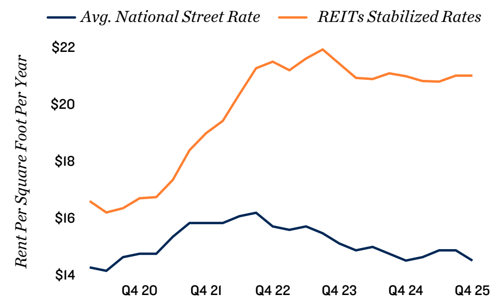
- **Smaller living spaces lift storage needs.** High housing costs are pushing more households toward tighter living quarters. The average size of a new single-family home has fallen in recent years to around decade lows, while the share of multifamily construction made up of studio and one-bedroom units reached multi-decade highs in 2024. With less space at home, more households may turn to self-storage.

- **Longer stays could reduce seasonal swings.** The average length of stay at self-storage facilities has risen in recent years as adoption has broadened and more tenants use storage for ongoing lifestyle needs rather than temporary space. That shift may reduce volatility tied to unit turnover, supporting steadier occupancy and revenue.

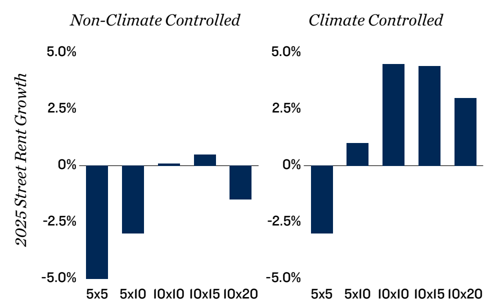
Self-Storage Web Search Interest Improves



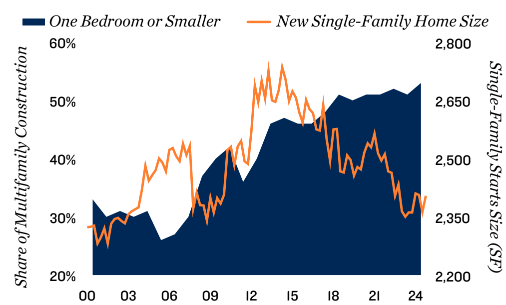
Street vs. In-Place Spread Remains Wide



Larger Units Lead Street Rent Growth

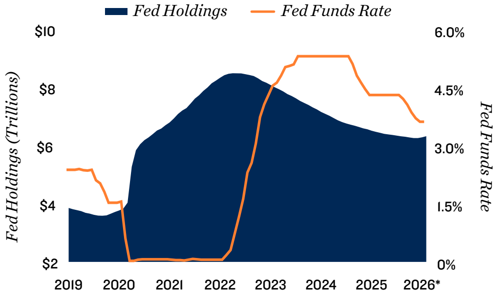


Living Spaces Getting Smaller



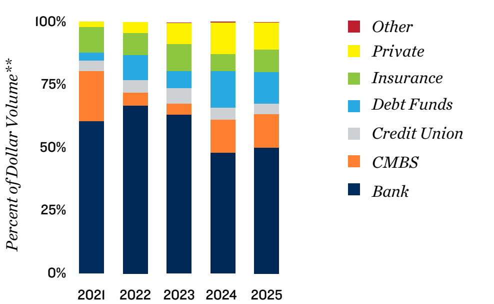
* As of February 2026

Fed Holds Steady to Kick Off 2026

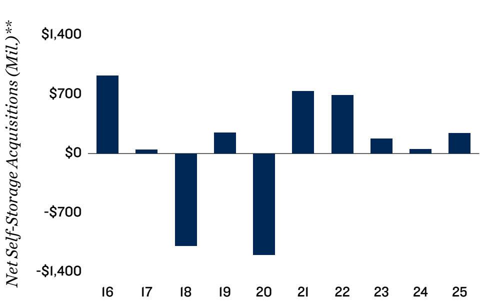


Treasury Yield Trends

Self-Storage Lender Composition



Cross-Border Net Capital Inflow to the US



* As of March 13

** Sales $2.5 million and greater

Increased Policy Incentives and Shifting Yield Curves Reshape Capital Deployment Considerations

Fiscal policy provides a substantial liquidity tailwind. The permanent return of 100 percent bonus depreciation under the One Big Beautiful Bill Act in July 2025 has improved underwriting standards by reducing the "tax drag" on a borrower's operational cash flow. For lenders, the immediate expensing of qualifying personal property and site improvements acts as an equity cushion, improving the borrower's liquidity position and strengthening the asset's overall debt service capacity. In the self-storage sector — where cost-segregation studies could reclassify up to 50 percent of the total basis into accelerated categories — this front-loaded tax shield provides a substantial cash flow buffer that de-risks the loan during the early years of the term. Furthermore, the shift back to an EBITDA-based interest expense limitation allows for more robust debt service coverage ratios (DSCRs), as the expanded threshold for interest deductibility lowers the after-tax cost of debt. Taken together, these fiscal tailwinds are injecting liquidity into the sector, allowing lenders to maintain tighter spreads while supporting higher-quality, recapitalized loan originations throughout 2026.

Interest rates could remain volatile in the near term. As the Federal Reserve maintained a stable federal funds rate through early 2026 following last year's cuts, the 10-year treasury yield has remained sticky near the low-4 percent zone. Inflationary concerns linked to tariff policies and federal deficit spending continue to prevent long-term borrowing costs from declining in tandem with short-term rates. These trends are expected to persist; still, the potential for a rate cut later this year could put some downward pressure on lending costs. Additionally, capital remains generally available for self-storage as lenders favor the asset's low capital expenditure requirements and granular rent rolls. This operational stability provides a reliable foundation for lenders and borrowers to navigate the ongoing period of debt resolution.

2026 CAPITAL MARKETS OUTLOOK

- **Private credit is filling the liquidity gap left by traditional lenders.** As banks navigated increased regulatory oversight and commercial real estate concentration limits, non-bank lenders emerged as a key source of bridge financing. These funds are increasingly prioritizing self-storage due to its low capital intensity and resilient cash flow, often providing non-recourse debt at tighter spreads than those found in more volatile sectors.

- **The maturity wall is transitioning into an active resolution phase.** While the total volume of maturing commercial debt is projected to decline 9 percent to $875 billion in 2026, a substantial portion consists of "hard maturities" that have exhausted their previous extension options. This shift is forcing a necessary recapitalization of the market, as owners of assets with lower debt service coverage ratios (DSCRs) must address financing gaps amid a "higher-for-longer" interest rate environment.

- **Geopolitical tensions affecting capital markets.** Escalating international conflicts, particularly in the Middle East, could potentially reignite inflationary pressure, complicating the environment for future rate cuts. The frequent rent rolls of self-storage properties highlight the property type among many investors who are seeking a potential hedge against inflation in their real estate holdings.

Investors Undeterred by Elevated Vacancy; Deal Flow Distributed More Evenly Across Regions

Sector's durability aids dealmaking. Transaction activity improved modestly in 2025, with the number of property sales ranking fourth-highest on record, outdone only by the historic 2021-2023 stretch. Private investors were responsible for the improvement in deal flow, accounting for a six-year-high share of total sales volume. Activity among these investors highlights the appeal of $1 million to $10 million facilities at a time when fewer smaller- to mid-sized properties are being built. As of February, projects featuring less than 50,000 square feet of rentable space accounted for just 6 percent of the nation's active pipeline, limiting new competition for certain existing facilities. REITs, meanwhile, were comparatively active on the acquisition and disposition fronts last year, driving a more than 50 percent increase in trades above $10 million, many of which involved multiple properties. In 2026, a more favorable supply-demand balance is expected to improve self-storage fundamentals, which should facilitate dealmaking. The sector's ability to outperform other commercial real estate property types in terms of NOI growth during and exiting prior downturns should also reinforce investor sentiment.

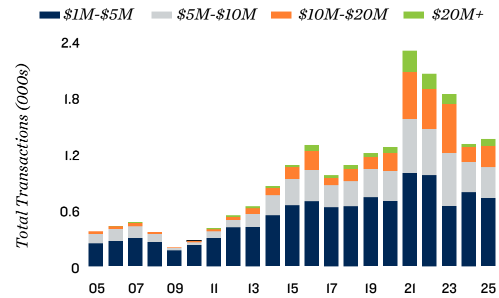
Similar vacancy conditions provide investors with many options. While many active buyers are unlikely to make dramatic adjustments to their acquisition criteria, their scope of preferred locations could shift. Entering 2026, vacancy rates were comparable across the nation's six major regions, ranging from 8.7 to 9.7 percent. Comparable demand for storage space could lead to a more even distribution of sales activity across these areas, with each region accounting for at least 10 percent of total deal flow last year. While trades in the Southeast will continue to dictate overall velocity and sales volume, the Rocky Mountain area may play a larger role after accounting for a record 15 percent share of transactions last year. Below-average vacancy rates and strong population growth prospects should attract investors to Phoenix and Las Vegas, despite sizable construction pipelines in both metros.

2026 INVESTMENT OUTLOOK

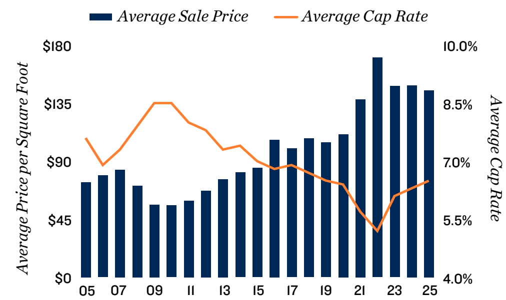
- **New properties appeal to broad buyer pool.** Developers added 355 million square feet of space over the past five years, with inventory slated to grow an additional 2.2 percent in 2026. This supply influx will generate opportunities for both private and institutional investors to acquire newer assets across market types, typically on a one-off basis. In tertiary cities and rural areas where modern facilities are rarely delivered, properties built after 2020 commanded an average of $140 per square foot last year, with many assets trading below $10 million. Acquiring similar properties below this price threshold may be more difficult in major markets. Here, the mean price point for newer assets exceeded the tertiary-rural metric by 20 percent in 2025.

- **Vehicular storage a targeted niche.** More than 11 million U.S. households own an RV, with California, Texas, Florida, Ohio, and Michigan ranking as the top states for ownership. Concurrently, the number of registered boats nationwide ranges from 11.6 to 13 million. These recreational vehicle dynamics will drive renter and investor demand for storage facilities catering to RV and boat storage, with options outside major metros often available for less than $100,000 per square foot.

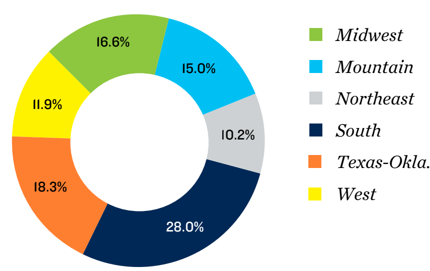
Self-Storage Transaction Activity



Sale Price & Cap Rate Trends

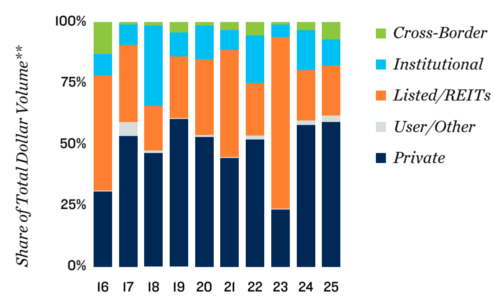


Transaction Activity by Region



*Share of Total Deal Flow (2025)**

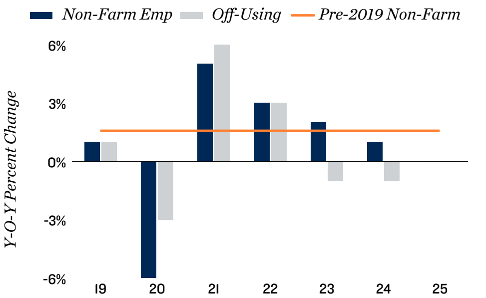
Self-Storage Buyer Composition



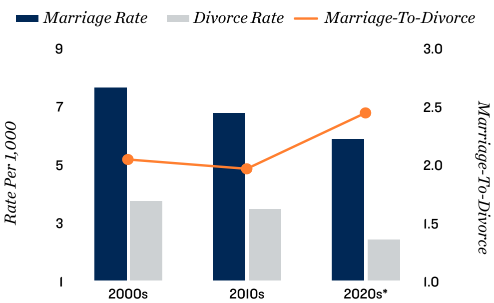
** Includes sales $1 million and greater*

*** Includes sales $2.5 million and greater*

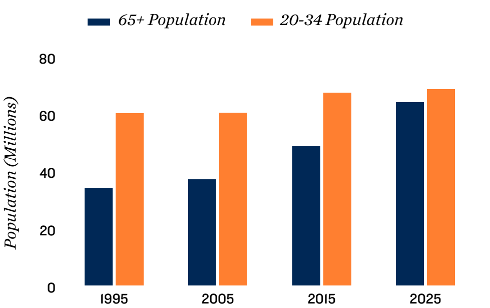
Employment Growth



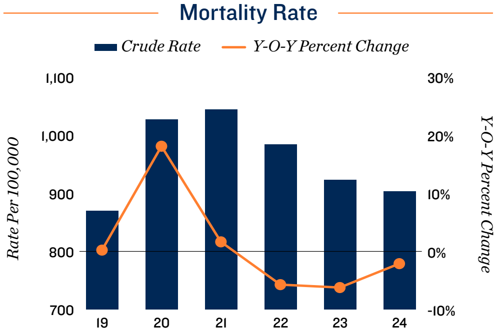
Marriage vs. Divorce Rates



Population Trends



Mortality Rate



Dislocation

Total employment was essentially unchanged on net between April and December of last year, with office-using employment declining for the third consecutive year. Growth rates for both non-farm and office-based jobs sit well below pre-pandemic norms, with non-farm growth about 150 basis points below historical averages. Layoffs, remote work transitions, and office closures force employees to relocate, downsize, or reconfigure their living situations on short notice, which can create self-storage demand. Displaced workers moving cities, vacating home offices, or bridging between jobs need flexible, accessible storage as they navigate an uncertain employment landscape. Along with this, return-to-office initiatives also add another layer of complexity. Employees are once again reshuffling their living arrangements, with some moving closer to city centers, others absorbing the friction of a longer commute, and many caught somewhere between. This could lead to future relocations and associated storage needs.

Divorce

Both marriage and divorce rates have declined since the start of the 21st century, with the gap between them also widening. Today's marriage-to-divorce ratio sits at 2.4, up nearly 20 percent from two decades ago. With the divorce rate down over 35 percent since the 2000s, fewer of the sudden, emotionally driven moves that have historically pushed people into storage units are taking place. However, marriage rates declining by nearly 23 percent tell a story as well. More Americans living solo, delaying cohabitation, or navigating on-and-off living arrangements could create a steady undercurrent of storage demand from individuals managing space on their own terms.

Downsizing

The 65+ population has grown by nearly 90 percent since the 1990s, while the 20-34 demographic has grown by just 14 percent. What was once half the size of the young adult population is now nearly equal to it. For self-storage, this demographic shift could be a direct tailwind for downsizing. Older Americans leaving large family homes as they become empty nesters or enter retirement often find themselves with far more belongings than their next chapter can accommodate, making self-storage a natural bridge.

Demographic Longevity

While the aging of the U.S. population indicates more households will be downsizing in the near future, the broader trajectory toward longer life expectancy also means that this next chapter will hopefully be enjoyed for longer. Mortality rates have also eased back toward pre-pandemic baselines. Increasing life expectancy means people may accumulate more possessions over time and sustain the need to utilize self-storage for a longer duration.

** Through 2023*

Sources: Marcus & Millichap Research Services; Centers for Disease Control; Moody's Analytics; U.S. Census Bureau

Examining the Key Concerns Facing Self-Storage Operators in 2026

A survey of nearly 500 self-storage operators identified the following as the most commonly reported concerns for 2026: economic downturn, increased competition, rising operational costs, property taxes, and stagnant street rates.

Economic downturn

Although 59.25 percent of self-storage operators cite an economic downturn as a primary concern, the consensus outlook calls for the U.S. economy to expand by roughly 2.1 percent in both 2026 and 2027, barring an unexpected economic shock. Although growth is expected to moderate slightly from recent years, the outlook suggests the economy should remain on a steady expansion path.

Increased competition

Amid rising inventory, vacancy has remained largely rangebound near 10 percent for several years, excluding the pandemic. This suggests that although competition among operators has increased — reported as a major risk by 50.22 percent of operators — underlying demand has remained durable. With less new supply in 2026, competitive pressures may ease modestly in the near term.

Rising operational costs

Forward guidance from the major self-storage REITs suggests a similar trend to last year. Consensus estimates indicate revenue growth of -0.81 percent to 1.62 percent, while operating expenses are projected to rise 2.19 percent to 3.76 percent, with 48.24 percent of operators identifying this as a key issue. While near-term expense growth may weigh on margins, structural demand drivers remain intact. Property taxes, repairs, and maintenance were the most frequently cited drivers of expense growth in 2025.

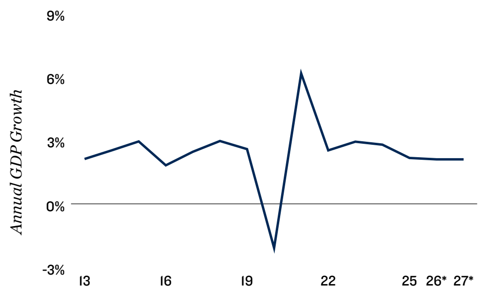
Stagnant street rates

Among respondents, 26.43 percent named stagnant street rates as a notable headwind. Since 2023, operators have discounted street rates to spur renting. With supply growth slowing, margins under pressure, and vacancy more stable, many operators now have greater flexibility to scale back discounts. As a result, annual asking rents turned positive at the end of 2025 for the first time in over two years.

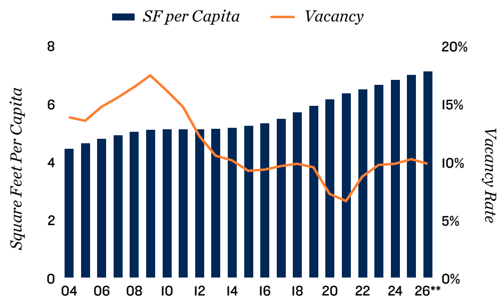
Key Concerns

59%	50%	48%	26%
Economic downturn	*Increased competition*	*Rising operational costs*	*Stagnant street rates*

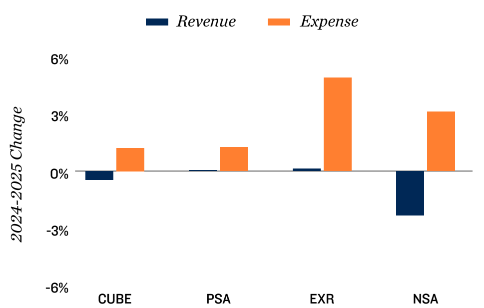
GDP Growth Forecast to Stabilize



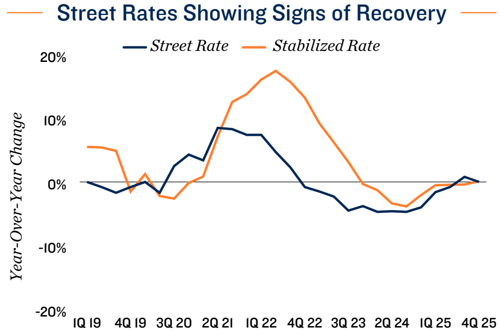
Supply Pressure Grows, Vacancy Eases



REIT Expenses Grew Last Year



Street Rates Showing Signs of Recovery



** Forecasts provided by Blue Chip Economic Indicators ** Forecast Sources: Marcus & Millichap Research Services; Blue Chip; CubeSmart; Extra Space Storage Inc.; Public Storage; National Storage Affiliates Trust; Radius +; Storable, Inc.; U.S. Census Bureau; Yardi Matrix*

ATLANTA

Supply-Side Trends Bolster Fundamentals

Economic Overview

A moderate rise in job creation relative to the national pace is expected to coincide with an uptick in annual real GMP growth this year. Combined with a deceleration in local inflation heading into 2026, these trends suggest added consumer spending capacity. Together, they bode well for Atlanta's self-storage industry in 2026.

Demographic Overview

Atlanta's population expansion is expected to outpace the national average for nearly the 50th consecutive year. However, local growth will slow modestly year-over-year, to one of its lowest annual percent changes since the early 1970s. Even so, roughly 41,000 residents are expected to relocate on net — the fourth most nationally.

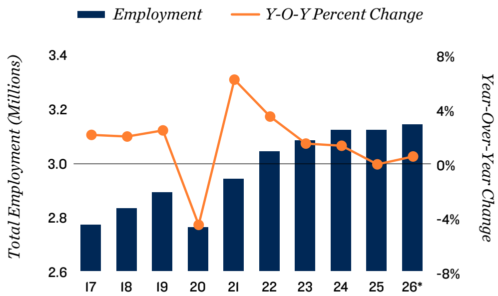
Construction Overview

Deliveries are expected to record one of the steepest year-over-year declines since at least 2000 as new supply growth nearly halves. In the suburbs, Acworth, Dallas, and Lawrenceville should receive the most new supply, with each area welcoming upwards of 100,000 square feet. Urban deliveries will be concentrated in the southwest corner of the city.

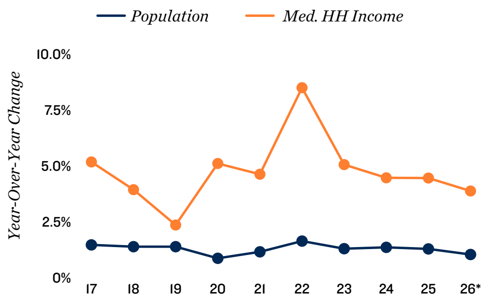
Vacancy/Rent Overview

The post-pandemic headwinds that led to a roughly 600-basis-point rise in vacancy during 2022-2025 may begin to subside this year, aided by a limited supply pipeline. Stronger projected employment growth in 2026 and nationally prominent population expansion bolster the self-storage demand outlook.

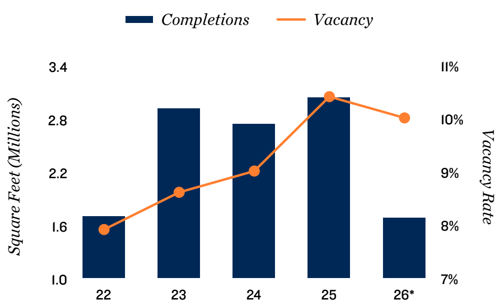
Employment Trends



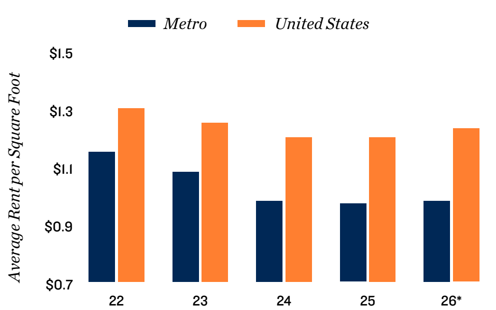
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	***64 million square feet and 9.8 square feet per capita***

+0.5% **EMPLOYMENT:** Following a year of employment decline in 2025, Atlanta is expected to add roughly 17,000 jobs on net in 2026, surpassing the national employment growth rate of 0.2 percent.

+0.9% **POPULATION:** Atlanta's population will increase by roughly 60,900 residents. Despite the year-over-year slowdown, the metro will still record the nation's third-largest absolute gain.

1,680,000 *sq. ft.* **CONSTRUCTION:** Inventory will expand at the slowest pace since 2017 as development eases. The suburbs will see the largest year-over-year decline in deliveries, down 53 percent.

-40 bps **VACANCY:** The metrowide average vacancy rate will fall to 10.0 percent by year's end, breaking a four-year streak of rising availability. The rate of decline is expected to mirror the national pace.

+1.0% **RENT:** Limited incoming supply supports easing vacancy, which in turn bolsters rent growth, rising to $0.98 per square foot. Atlanta's annual rent gain will rank in the upper half of major U.S. metros.

Demographic Tailwinds Collide With Escalating Supply

Economic Overview

Government, education, and health services led the metro in employment growth last year, likely to accommodate population expansion and offset the losses incurred in professional and business services. Meanwhile, Austin's median household income grew by about $3,500, which could bolster near-term demand for self-storage.

Demographic Overview

Growing at roughly 2.6 percent year-over-year, Austin led major metros in household formation, while simultaneously remaining in the top five for net in-migration last year. Along with this, the 65-plus population grew by over 60 percent in the past decade, with an average annual growth rate of 5.3 percent, boding well for storage needs.

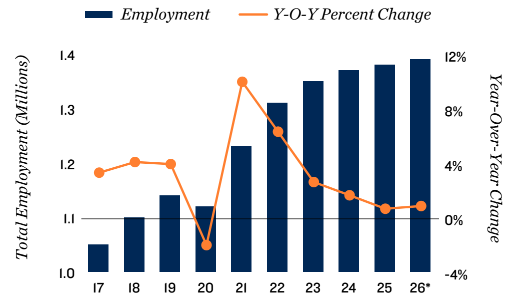
Construction Overview

This year's openings are expected to continue accelerating, with two unique clusters, one on the northern side of the metro near Cedar Park, Leander, and Georgetown, and the other near south and central Austin. However, Austin's supply pressure will remain the lowest among major metros in the state.

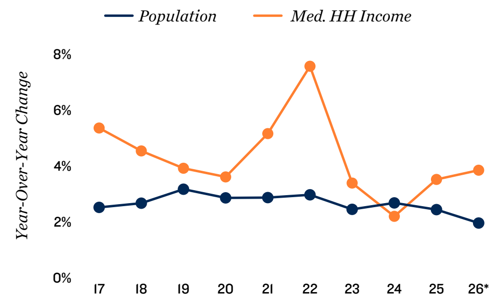
Vacancy/Rent Overview

Vacancy started last year at its highest level since 2018. Increases tapered throughout the year, leading to the metro's first year-over-year decrease since 2021. Because of its strong demand tailwinds and minimal pipeline compared to other in-state metros, the average asking rent will change course and rise for the first time since 2021.

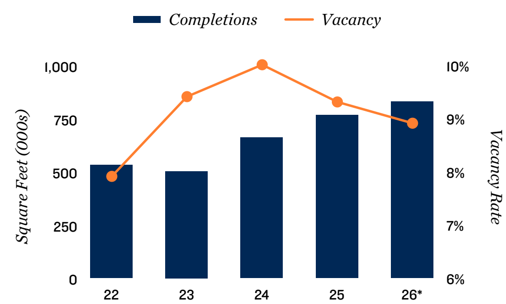
Employment Trends



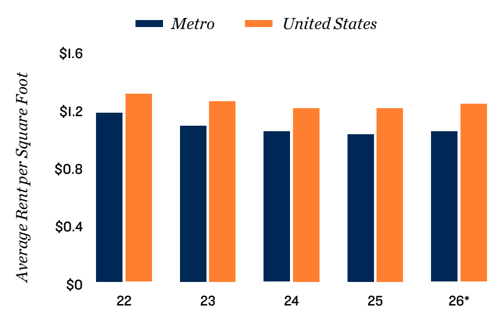
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*27 million square feet and 9.9 square feet per capita*

+0.9% **EMPLOYMENT:** Austin's job market will add 13,000 positions by the end of 2026, nearly 3,000 more than last year. Only six other major markets will exceed this pace.

+1.9% **POPULATION:** The metro's annual population growth will fall below 2 percent for the first time in over two decades, while ranking the fastest among major markets this year.

830,000 *sq. ft.* **CONSTRUCTION:** Deliveries will accelerate as completions are set to reach their highest level since 2020, expanding self-storage stock by 3.2 percent year-over-year in 2026.

-40 bps **VACANCY:** The metro's vacancy rate will continue to ease, inching down to 8.9 percent by year-end, the lowest since 2022, supported by economic and demographic growth.

+2.0% **RENT:** With two consecutive years of vacancy declines, the average asking rent will reverse and tick up by 2 cents to $1.04 per square foot, remaining the highest among major Texas metros.

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

BALTIMORE

Employment Headwinds Slow Performance

Economic Overview

Federal job cuts weighed heavily on Maryland in 2025, pushing Baltimore's unemployment rate up 1 percent year-over-year by December — one of the largest increases among major U.S. metros. The labor market is expected to remain subdued going forward amid lingering federal policy uncertainty.

Demographic Overview

While the national 20- to 34-year-old population only began to decline in 2025, Baltimore has posted annual losses in this cohort since 2016. A sluggish labor market is expected to pressure younger residents, reversing migration trends after the metro recorded its strongest net in-migration in a decade last year. Still, above-national-average household income growth could support the local economy.

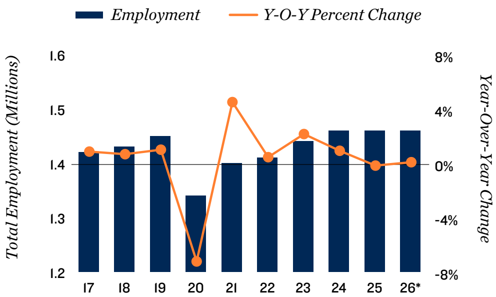
Construction Overview

Supply pressure will ease slightly this year. Most projects underway are in the metro's outer suburbs, with roughly half of deliveries concentrated in more distant areas such as Frederick, as well as Denton and Easton across the Chesapeake Bay.

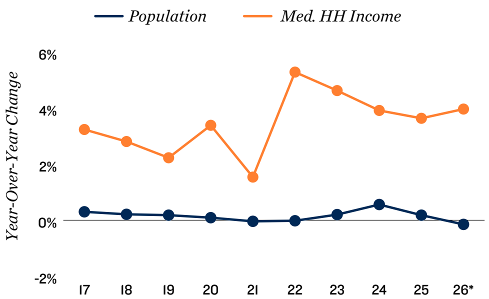
Vacancy/Rent Overview

Persistent supply pressure has driven notable declines in the metro's average asking rent since 2021, and the metric will sit roughly 10 percent below its 2021 peak by the end of this year. Vacancy, however, will remain slightly elevated relative to its 2014-2019 average as employment and population headwinds continue to weigh on demand.

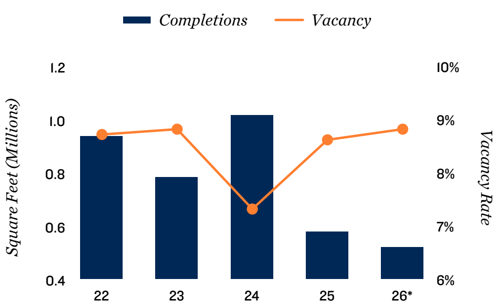
Employment Trends



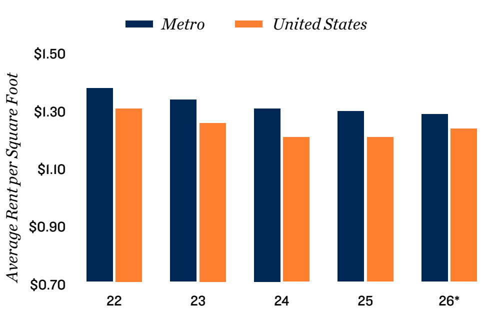
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*24 million square feet and 8.5 square feet per capita*

+0.2% **EMPLOYMENT:** Baltimore recorded its first net job loss last year since the pandemic. Conditions should modestly improve in 2026, with roughly 2,500 positions expected to be added.

-0.1% **POPULATION:** A recent slowdown in job creation is contributing to an anticipated population decline this year, which would mark the metro's largest drop since at least 1970.

520,000 *sq. ft.* **CONSTRUCTION:** Deliveries this year will fall to the lowest level the metro has seen in a decade. Inventory expansion of 2.2 percent is also roughly half the peak growth recorded in 2024.

+20 bps **VACANCY:** Easing supply pressure will not fully offset slower demand growth, pushing vacancy to 8.8 percent by December — 70 basis points above the metro's long-term average.

-0.8% **RENT:** Rising vacancy will put downward pressure on rents this year, with the average asking rate falling to $1.28 per square foot by December, marking a fifth consecutive annual decline.

Tight Supply Offsets Employment Hurdles

Economic Overview

While office vacancy saw notable improvement last year, particularly in San Francisco, tech-sector layoffs remain a notable factor in the region's economy. Still, job gains in education and health services, most notably in Oakland and San Jose, should help prevent further deterioration in the local labor market.

Demographic Overview

Net in-migration slowed considerably in the three metros in 2025 compared to the previous year. The metrics are expected to turn negative again this year, as slower international immigration will have an outsized impact in the region. Additionally, population growth among the 20- to 34-year-old cohort turned negative last year after three years of gains in San Francisco and San Jose, limiting new self-storage demand.

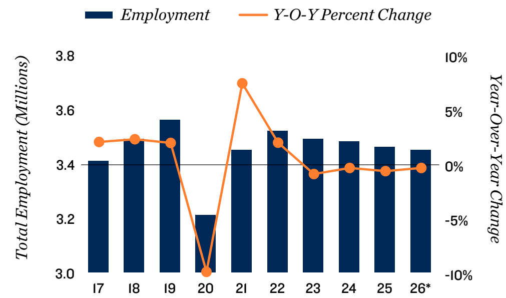
Construction Overview

After San Francisco and San Jose both recorded no meaningful additions in 2025, the region's delivery slate this year should be more evenly distributed, with about 45 percent delivered in Oakland, 40 percent in San Francisco, and 15 percent in San Jose.

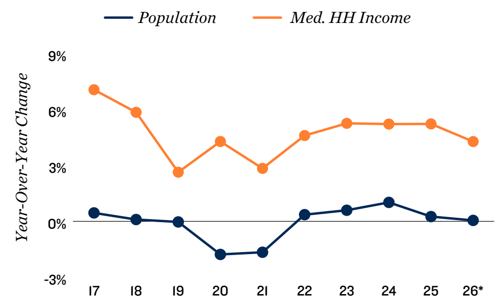
Vacancy/Rent Overview

A tight apartment market, combined with limited new self-storage supply, helped San Francisco record rent growth of more than 2 percent last year, the fastest increase since 2020. The metro should continue to lead rent gains this year. Vacancy gains should also moderate, as high housing barriers locally support self-storage demand.

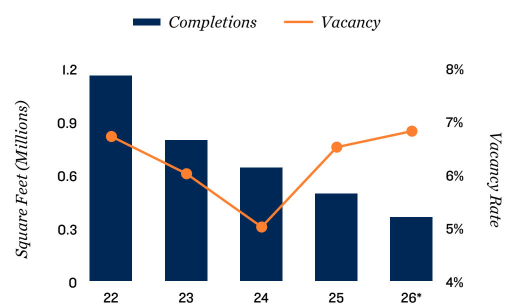
Employment Trends



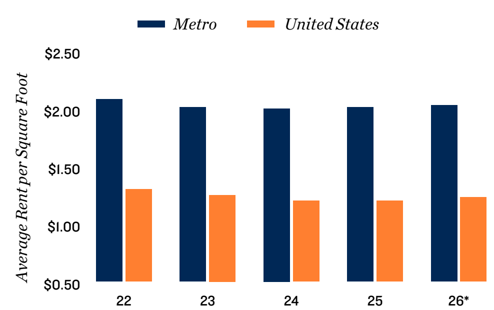
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*52 million square feet and 8.2 square feet per capita*

-0.3% **EMPLOYMENT:** After losing a combined 18,000 positions across the three metros in 2025, the Bay Area should see the pace of job losses ease to roughly 11,500 this year.

+0.1% **POPULATION:** San Jose is expected to record a modest 0.1 percent population gain year-over-year. San Francisco and Oakland, meanwhile, should both see their resident counts remain essentially flat.

359,000 *sq. ft.* **CONSTRUCTION:** The combined Bay Area self-storage inventory will expand by just 0.7 percent this year, the lowest level of supply growth in the region since 2013.

+30 bps **VACANCY:** After a 150-basis-point rise in the region's aggregated vacancy rate last year, the metric will further increase to 6.8 percent by December, still among the three lowest rates nationally.

+1.0% **RENT:** Slower vacancy increases, combined with a shrinking pipeline, should support rent gains. The average asking rent should reach $2.03 per square foot by the end of 2026.

The Bay Area encompasses Oakland, San Francisco and San Jose

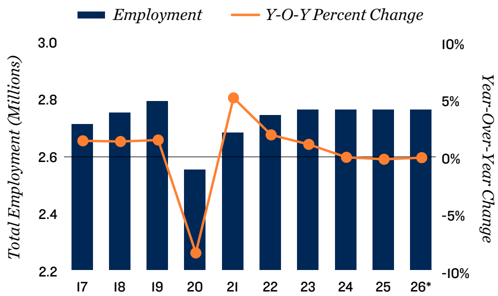
** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

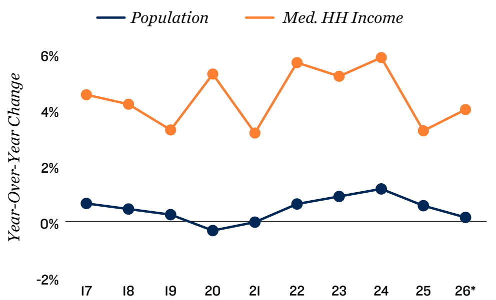
BOSTON

Alleviating Supply Pressure Offset By Slower Economy

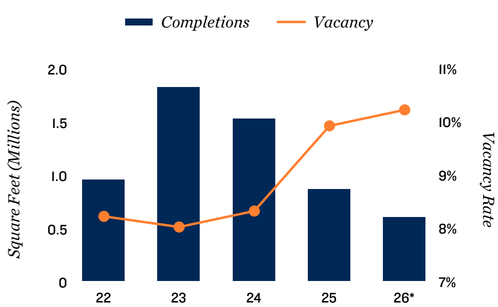
Employment Trends



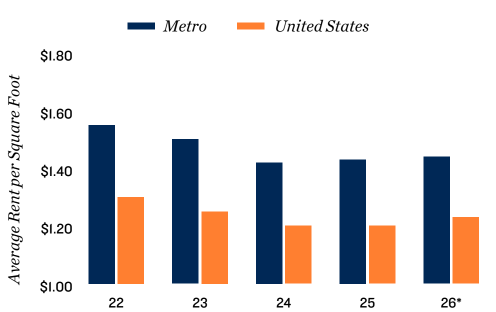
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Economic Overview

Boston's labor market faced headwinds last year, recording the only net job loss among major East Coast metros outside of Washington, D.C. Even the education and health services sector — typically more resilient in other markets — shed positions, partly reflecting a slow recovery in the local life sciences industry alongside federal pressure on private university funding.

Demographic Overview

Despite employment headwinds, net in-migration to Boston held up in 2025, allowing metrowide population growth to remain near the annual pace recorded from 2015 to 2019. However, the emerging decline in the 20- to 34-year-old cohort, which began last year, will continue in 2026, weighing on new self-storage demand. Still, the metro's housing unaffordability supports a baseline of utilization.

Construction Overview

The metro recorded a notable contraction in deliveries last year, and that trend continues in 2026. Most completions will be concentrated in outer suburban areas, including Rochester to the south and communities in southern New Hampshire to the north.

Vacancy/Rent Overview

After metrowide vacancy rose by 160 basis points to the near-10 percent range last year, a stagnant job market will push the metric above that threshold by December. Meanwhile, the average asking rent will post nominal growth this year.

2026 MARKET FORECAST

INVENTORY *38 million square feet and 7.4 square feet per capita*

-0.1% **EMPLOYMENT:** The number of positions in Boston continues to decline for a third consecutive year, with 2,000 roles shed metrowide, as weaknesses are seen across most sectors.

+0.1% **POPULATION:** After four years of annual population growth of over 0.5 percent, which largely matched the national rate, Boston will see only 7,000 new residents this year.

600,000 *sq. ft.* **CONSTRUCTION:** Completions continue to decline this year, following the sharp pullback in 2025. This year's delivery will be less than a third of the peak levels the metro recorded in 2023.

+30 bps **VACANCY:** As self-storage space demand remains on a recovery path, the metro's vacancy rate will push up to 10.2 percent by December, the highest year-end level since at least 2014.

+0.7% **RENT:** Despite the uptick in vacancy, a smaller supply pipeline will support modest rent growth. The rate is expected to land at $1.44 per square foot, still 9 percent lower than historic highs in 2021.

Falling Deliveries Aid Rents, Despite Population Strain

Economic Overview

A large university system and broad public-sector employment base should continue to support hiring across local government, education, and health care. The metro's traditionally office-using sector is also recovering after sizable job losses in 2023 and 2024, a shift that should help lift income growth in 2026 to the eighth-fastest pace among major metros and provide support for self-storage demand.

Demographic Overview

Slowing international in-migration is expected to weigh on population growth, while an aging population also slows momentum. Nevertheless, Chicago's home price-to-income ratio is lower than most major coastal markets. This should help retain more young adults, fueling storage needs as they enter prime household formation years.

Construction Overview

Chicago's suburbs will continue to account for more than 90 percent of completed space, even though local deliveries will fall by about 50 percent year-over-year. Meanwhile, the city's urban areas are set to add just 50,000 square feet in 2026, totaling less than 10 percent of the prior 10-year annual average.

Vacancy/Rent Overview

After rising by more than 100 basis points in 2025, vacancy is expected to decline modestly as construction activity eases. Limited completions should sustain firmer rent growth in urban areas, while suburban rents are also expected to improve slightly.

2026 MARKET FORECAST

INVENTORY *66 million square feet and 7.0 square feet per capita*

+0.5% **EMPLOYMENT:** About 25,000 roles are created on net in 2026, keeping job gains at about half the 2015-2019 norm. Chicago's job growth will still be more than double the national pace.

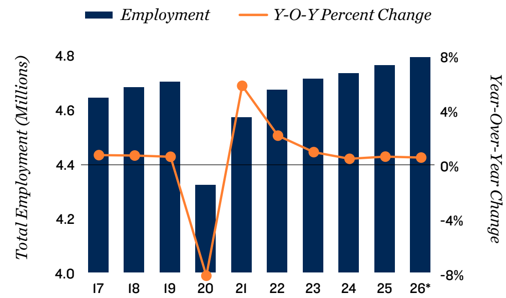
-0.3% **POPULATION:** After population growth was flat last year, the metro will see net out-migration in 2026, resulting in a loss of about 30,000 residents, one of the larger declines in the country.

850,000 *sq. ft.* **CONSTRUCTION:** Completions will fall to their lowest total since 2021 and to about half the past 10-year average, with supply growth of 1.3 percent ranking among the 10 slowest across major metros.

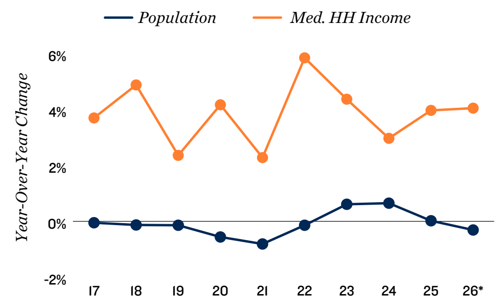
-40 bps **VACANCY:** A sharp drop in deliveries helps vacancy compress slightly to 7.5 percent in 2026, about 100 basis points below the pre-pandemic norm and sixth lowest among major markets.

+2.7% **RENT:** Chicago's rent momentum should build in 2026 as vacancy eases, reaching $1.15 per square foot, with the pace of growth ranking as the fastest among major metros.

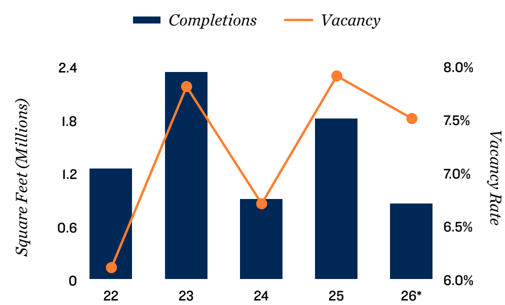
Employment Trends



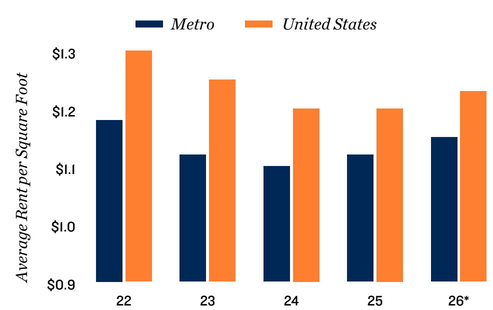
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

CINCINNATI

Demand Eases Amid Persistent Supply Pressure

Economic Overview

Last year, Cincinnati saw notable nonfarm employment losses, with leisure, hospitality, transportation, and warehousing each shedding over 1,000 jobs, a trend that may increase demand for self-storage as displaced workers transition. Also, above-national-average household income growth remains a tailwind for space demand.

Demographic Overview

Despite Cincinnati recording net in-migration exceeding 10,000 each of the past three years, household formation grew by just 0.4 percent in 2025. While the young adult population shrinks, the 65+ population continues to grow by about 3 percent annually, which could bring tailwinds as many plan to downsize for retirement.

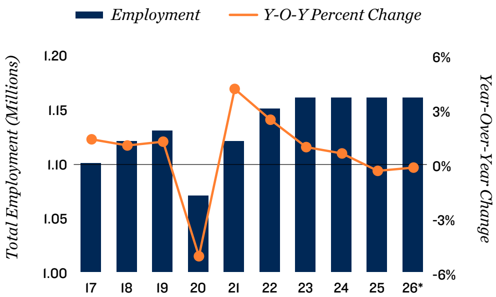
Construction Overview

Completions will continue to rise, offering one of the largest pipelines among major Midwest markets, trailing only Chicago and Detroit. Most of the incoming supply this year will concentrate in Butler County, however, limiting new supply pressure at existing properties in other parts of the market, such as central Cincinnati.

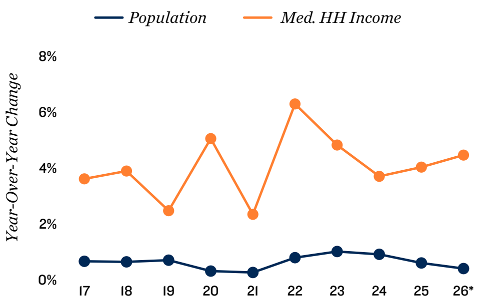
Vacancy/Rent Overview

Along with elevated levels of construction, the metro witnessed a 300-basis-point rise in vacancy last year, with localized increases likely to continue in 2026 as new supply comes online. This will likely push the average asking rent down to below 90 cents per square foot for the first time since 2018.

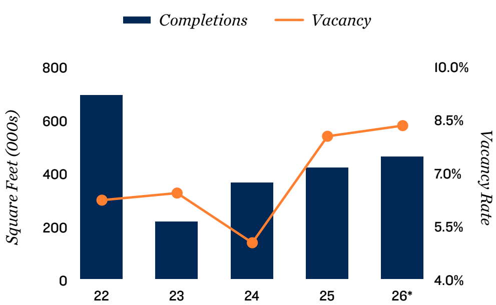
Employment Trends



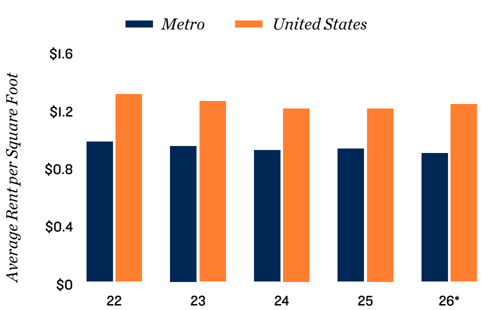
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*15 million square feet and 6.7 square feet per capita*

-0.2% — **EMPLOYMENT:** Despite solid gains in manufacturing and construction last year, the metro will register a job loss of 2,000 roles, marking a second consecutive year of net employment decline.

+0.3% — **POPULATION:** The pace of expansion will continue to ease, as Cincinnati is projected to gain about 7,300 residents, marking the first year since 2021 in which net growth falls below 10,000.

460,000 *sq. ft.* — **CONSTRUCTION:** Deliveries will continue to accelerate, with the total inventory rising by 3.0 percent in a year when the national trend is decelerating to 2.2 percent per annum.

+30 bps — **VACANCY:** A higher level of inventory will lead to the vacancy rate further increasing after the substantial jump from last year, making the metric 8.3 percent by year's end.

-3.3% — **RENT:** Vacancy pressure will pull the average asking rent down to $0.89 per square foot, the lowest level since 2018, and mark the largest annual decline among major Midwest metros.

Pipeline Contraction Translates to Lower Vacancy

Economic Overview

The 2026 labor market will be slightly more optimistic than in 2025, as continued growth in health care across both metros and professional services in Cleveland modestly lifts employment and pushes household income growth above the national pace. As a result, annual GMP growth should also rise, a boon for self-storage fundamentals.

Demographic Overview

Net in-migration in 2025 was positive for both metros, and while this metric may tick lower in 2026, the long-term trend shows migration losses gradually narrowing. Nonetheless, slowing household formation remains a headwind — reinforced by declining younger population cohorts, which typically generate strong self-storage demand.

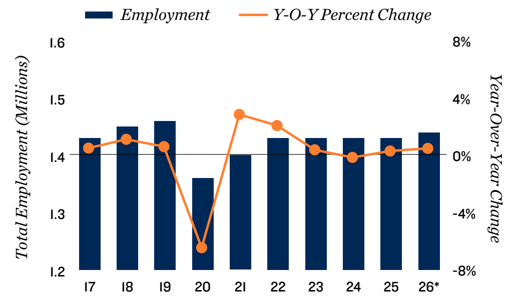
Construction Overview

Cleveland-Akron's development pipeline will contract sharply in 2026, with new openings accounting for only about 30 percent of last year's total. Most projects are smaller than 25,000 square feet, with the primary exception being a roughly 115,000-square-foot facility under construction near Beachwood.

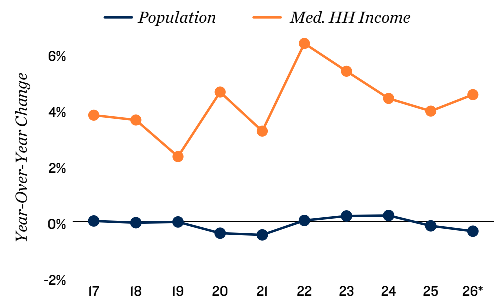
Vacancy/Rent Overview

The market will look to extend its three-year streak of easing vacancy, supported by limited incoming supply. Cleveland-Akron will be the only major U.S. metro to have posted four consecutive years of declining availability by the end of 2026. However, the 2023 and 2026 vacancy rates will differ by less than 100 basis points.

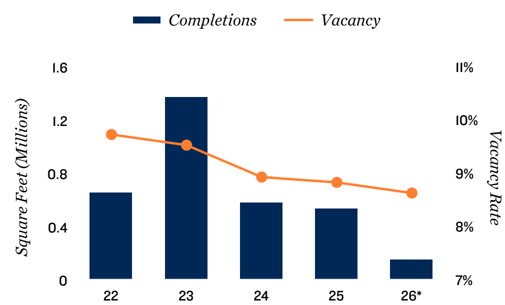
Employment Trends



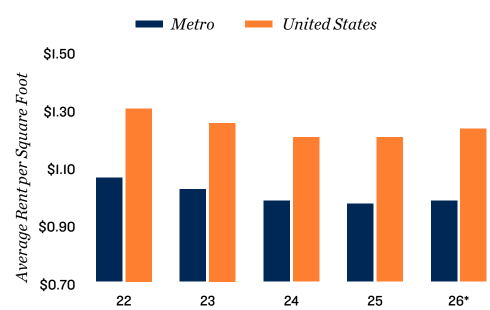
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*22 million square feet and 7.9 square feet per capita*

+0.4% — **EMPLOYMENT:** The pace of hiring this year will only modestly rise, as a combined 5,900 positions are expected to be created on net. Cleveland is expected to notch the larger gain of the two areas.

-0.3% — **POPULATION:** Both Cleveland and Akron are expected to see their populations decline in 2026, with Cleveland among only nine major U.S. metros expected to post a population loss.

145,000 *sq. ft.* — **CONSTRUCTION:** Completions will pull back nearly 75 percent year-over-year, the largest decline among major markets nationally. As a result, total inventory will expand by only about 0.7 percent.

-20 bps — **VACANCY:** A sharp decline in new supply pressure should allow local vacancy to continue easing, bringing this year's rate to 8.6 percent, roughly 30 basis points above its trailing 10-year mean.

+1.0% — **RENT:** With inventory growth cooling, operators may begin easing the extent of rent discounting, resulting in a marginal increase in this year's rate to $0.98 per square foot.

COLUMBUS

In-Migration and Tapering Supply Fuel Vacancy Relief

Economic Overview

Industrial growth should continue to anchor the metro's employment base, with projects from Intel and Anduril supporting hiring in construction and transportation. Office-using gains, led in part by firms such as Oracle, should also support white-collar hiring and help drive one of the nation's strongest rates of household income growth.

Demographic Overview

Columbus will record the strongest net in-migration among major Midwestern metros in 2026, as lower housing costs and job creation continue to attract residents. That inflow should help drive modest growth in the 20- to 34-year-old cohort, supporting self-storage demand through household moves, while faster growth among those 55 and older should add demand tied to downsizing and inheritance.

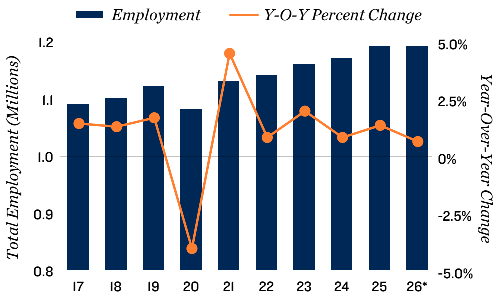
Construction Overview

Completed square footage in 2026 is expected to fall to its lowest total since 2019, with inventory growth reaching only about half the prior 10-year average. As a result, the market will add the fourth-fewest square feet among major metros and more than only St. Louis and Cincinnati among major Midwestern metros.

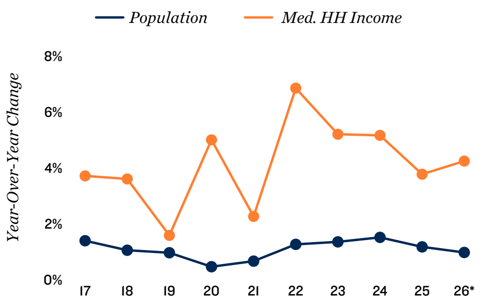
Vacancy/Rent Overview

After vacancy rose by nearly 500 basis points during 2023 and 2024, fewer completions should help the rate ease modestly. That shift is expected to support rent recovery, while still keeping the metro's overall rate low by national standards.

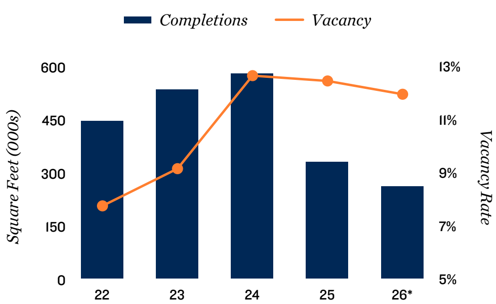
Employment Trends



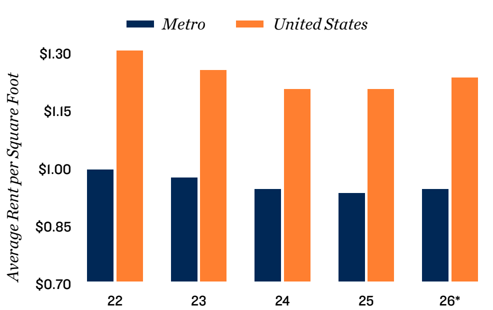
Demographic Trends



Supply and Demand Trends



Rent Trends



*Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*17 million square feet and 7.2 square feet per capita*

+0.7% — **EMPLOYMENT:** After posting the fourth-fastest job growth rate among major markets last year, hiring will moderate as 8,000 new roles are created, though growth will still outpace the national rate.

+0.9% — **POPULATION:** Rising employment opportunities continue to attract new residents, helping keep population growth in line with historical norms as the metro gains 19,900 residents.

260,000 *sq. ft.* — **CONSTRUCTION:** New supply slows further in 2026, coming in about 45 percent below the prior five-year annual pace, while stock growth of 1.6 percent remains slightly below the national average.

-50 bps — **VACANCY:** Fewer deliveries and steady population growth help vacancy decline for a second straight year to 11.9 percent, though the rate will remain among the highest of major markets.

+1.1% — **RENT:** As vacancy eases, rents should gradually recover after declining for the past three years. The average asking rate rises to $0.94 per square foot, roughly in line with the prior 10-year average.

Development Expands During Strong Net In-Migration

Economic Overview

Despite setting the slowest pace since 2020, the average household income grew by $3,600 last year, marking the largest annual gain among major Texas metros. However, the metroplex experienced notable job losses in professional and business services last year. Displaced workers in the interim could drive modest demand for self-storage.

Demographic Overview

The metroplex records the highest net in-migration among major U.S. markets, with many newcomers gravitating toward Collin County and northern Tarrant County. This influx is largely driven by households moving from higher-cost states and by ongoing corporate relocations, prompting many transplants to use self-storage as they settle in.

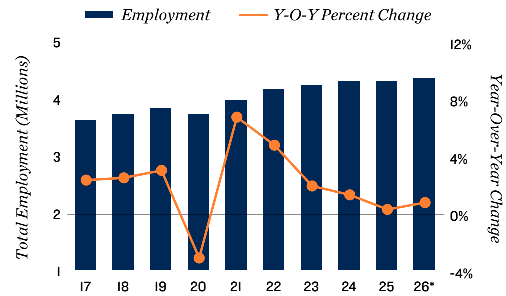
Construction Overview

Dallas-Fort Worth will see a notable increase in new supply, driven by a surge of construction in suburban Dallas, where 11 projects are already underway, most exceeding 100,000 square feet. Supply pressures are unlikely to ease after 2026, with about 4.2 million square feet of additional space currently in the planning phase.

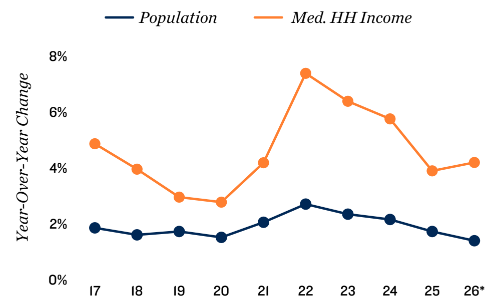
Vacancy/Rent Overview

Although vacancy increases began to taper toward the end of 2025, elevated supply will exert upward pressure on the rate, marking five consecutive years of rising vacancy, pushing the average asking rent to new lows. These fundamentals will likely remain under pressure until the pipeline begins to shrink.

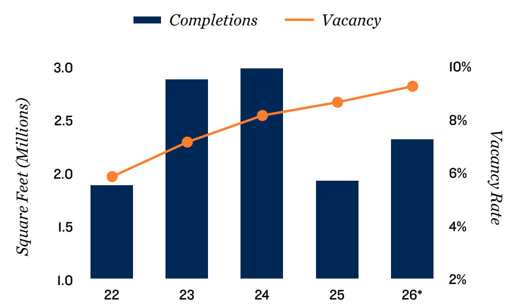
Employment Trends



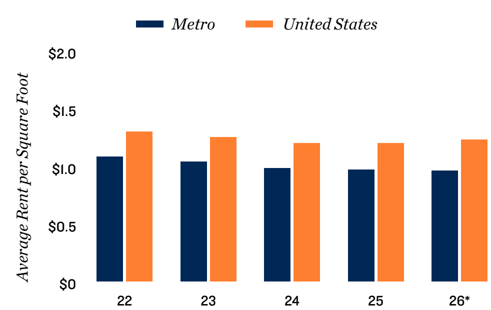
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*102 million square feet and 11.7 square feet per capita*

+0.8% **EMPLOYMENT:** Dallas-Fort Worth will see the largest net gain among major metros in 2026, adding 35,000 roles. However, the relative pace trails other in-state markets.

+1.3% **POPULATION:** The metroplex will add roughly 111,000 residents this year, yet the population growth rate will fall to the slowest pace in more than two decades, even as net in-migration continues.

2,310,000 *sq. ft.* **CONSTRUCTION:** Deliveries will accelerate, expanding inventory by 2.3 percent by December. Even so, this pace sits roughly 50 basis points below the five-year average.

+60 bps **VACANCY:** The metro's vacancy rate rises to a new year-end high of 9.2 percent, making Dallas-Fort Worth the second-most vacant major market in Texas.

-1.0% **RENT:** Continued vacancy increases will nudge the average asking rent down to $0.96 per square foot by year-end, marking the metroplex's lowest rate in over a decade.

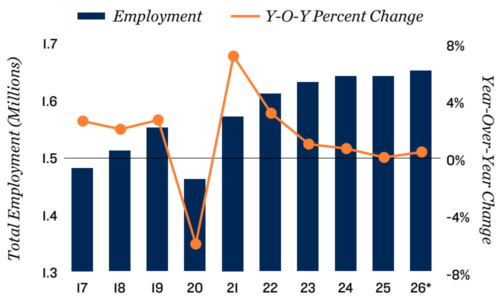
** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

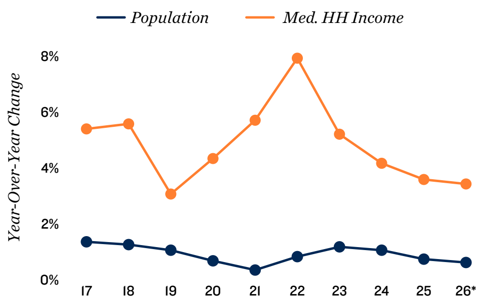
DENVER

Easing New Supply Pressure Caps Vacancy Increase

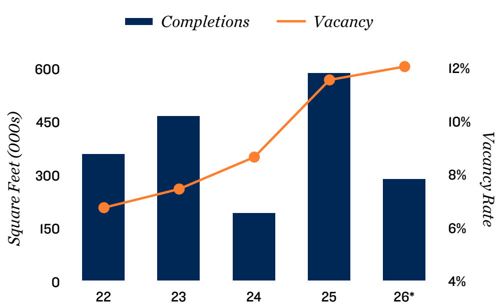
Employment Trends



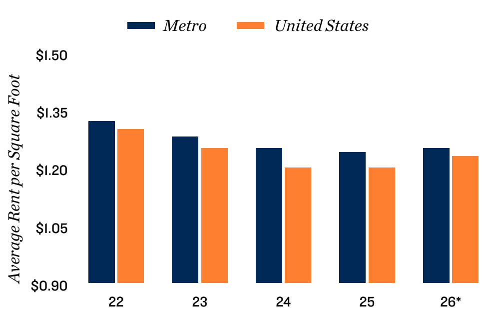
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Economic Overview

While continued hiring in health services, education, and information will help Denver's workforce expand again in 2026, the magnitude of job creation has been modest. Including 2026, Denver employers will have added 35,000 positions over the past four years, compared to a mean of 39,000 roles per annum from 2014 to 2019.

Demographic Overview

Fewer job opportunities may be impacting relocations as net in-migration slows to around 5,000, about one-fifth the yearly average from the decade before the pandemic. Nevertheless, the number of newly formed households in 2026 will nearly double that as the local young adult cohort continues to expand.

Construction Overview

Total deliveries for this year will fall below the 300,000-square-foot threshold for just the third time in the past 10 years, a sharp contrast to 2016-2019, when more than 1 million square feet opened per year. The completion slate is also the third smallest among major markets west of the Mississippi River.

Vacancy/Rent Overview

While new supply pressure has eased substantially in recent years, slower employment growth and net in-migration have reduced relocation-related storage demand, leading to vacancy rising faster than the U.S. benchmark. Even so, less new space entering the market this year should allow the average asking rate to halt its recent downward trend.

2026 MARKET FORECAST

INVENTORY	***34 million total square feet and 11.0 square feet per capita***

+0.4% — **EMPLOYMENT:** While hiring improves from last year, the net creation of 7,000 jobs in 2026 will still mark the second smallest annual total outside a contraction period.

+0.5% — **POPULATION:** Denver's population growth slows by 10 basis points from 2025, as the resident count rises by 15,900 this year. The 20-34 cohort will expand 0.9 percent, in contrast to a U.S. dip.

285,000 *sq. ft.* — **CONSTRUCTION:** Nearly 300,000 fewer square feet will open this year than last, marking the second-smallest delivery total since 2020. Completions are dispersed across the metro.

+50 bps — **VACANCY:** Vacancy will rise by only about one-sixth the margin of last year, as the metrowide rate climbs to 12.0 percent by December. This will mark the third year in a decade with double-digit vacancy.

+0.8% — **RENT:** After four years of decline, the average asking rent will inch up slightly to $1.25 per square foot by year-end. This places the marketed rate on par with the 2020 level.

Rent Growth Continues Amid Demographic Headwinds

Economic Overview

Growth in construction, financial activities, and government roles offset the metro's notable losses in professional and business services last year. At the same time, average household income increased by $3,200. The gains in income and employment could modestly improve demand as more households maintain financial flexibility to utilize additional space during life transitions.

Demographic Overview

Detroit continues to see its young adult population shrink, as more than 25 percent of Michigan's young adults plan to leave the state within the next decade. Despite a loss in residents and growing net out-migration, the 65-plus age group continues to grow. This shift could sustain demand as the senior population continues to downsize.

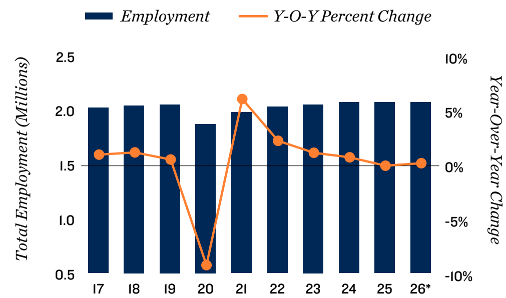
Construction Overview

Completions will decline sharply following last year's spike, easing elevated supply pressure across the metro. Most of this year's pipeline is dispersed outside the downtown core, and the upcoming projects are mostly under 100,000 square feet. This lighter, decentralized delivery pace could offer a modest tailwind for self-storage vacancy.

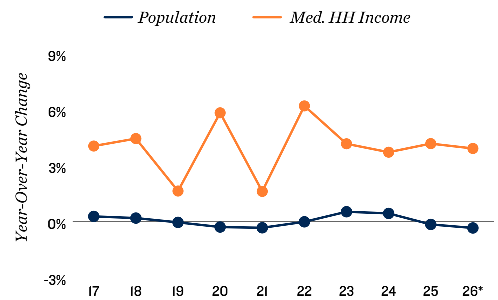
Rent Overview

Rents remained steady last year during a large supply wave. The average asking rent should maintain modest growth, as the 2026 pipeline accounts for only about half of last year's deliveries, which could help minimize vacancy increases.

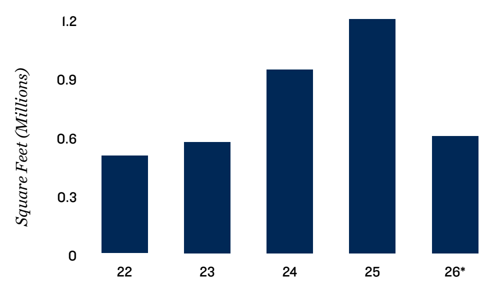
Employment Trends



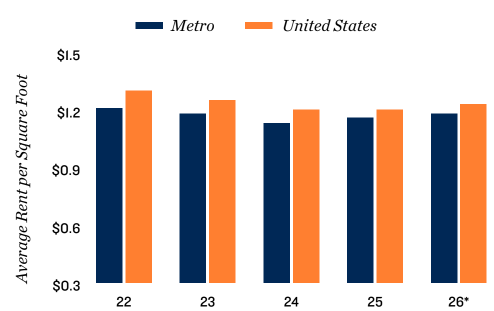
Demographic Trends



Supply Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*25 million square feet and 5.8 square feet per capita*

+0.2% **EMPLOYMENT:** Detroit's job market will improve in 2026, with a net gain of about 5,000 positions. Even so, this growth pace will rank as the third slowest among major Midwest metros.

-0.4% **POPULATION:** The metro will continue to lose residents as the 20- to 34-year-old cohort shrinks, and net out-migration persists, resulting in a net loss of roughly 15,700 people.

600,000 *sq. ft.* **CONSTRUCTION:** The 2026 pipeline will be roughly half the size of last year's, resulting in an inventory growth rate of 2.4 percent, which is about 120 basis points below the five-year average.

+1.7% **RENT:** With significant reductions in supply pressure, the average asking rent will continue to increase to $1.18 per square foot, the highest among major Midwest metros.

* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

HOUSTON

Durable Demand Base Helps Contain Storage Softness

Economic Overview

Houston may continue to see volatility in office-using employment after losing nearly 20,000 jobs last year, much of it in administrative support. Healthcare hiring should remain firm, supported by the expanding Texas Medical Center, while major events such as the FIFA World Cup and World Baseball Classic may lift hospitality hiring. Firmer oil prices could also support upstream energy employment.

Demographic Overview

Relatively affordable housing costs should continue to attract young adults, with Houston expected to tie Dallas-Fort Worth for the second-strongest growth in its 20- to 34-year-olds. The 55-and-older population will also continue to expand, supporting storage demand through household moves and other life-stage transitions.

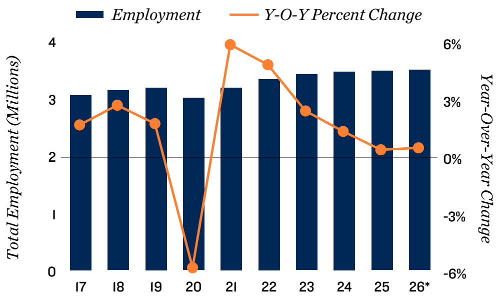
Construction Overview

While deliveries in 2026 will remain in line with the past five years, annual completions should stay well below the 2017 and 2018 peaks, when more than 4 million square feet was added each year. Eastside deliveries will ease slightly but should still post faster supply growth than the Westside, at about 2.0 percent compared with 1.6 percent, respectively.

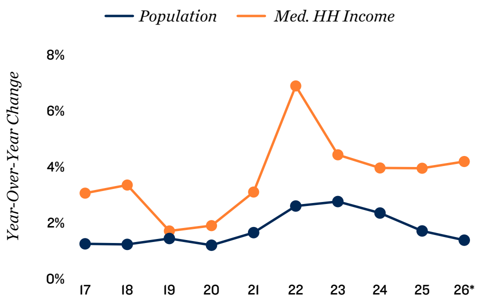
Vacancy/Rent Overview

Houston's vacancy rate is expected to match its 2018 peak this year and stand at roughly double the 2021 low. That elevated vacancy will continue to pressure rents, though higher incomes on the Westside will maintain a roughly 10-cent rent premium over the Eastside.

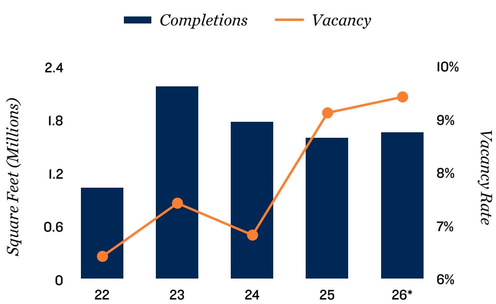
Employment Trends



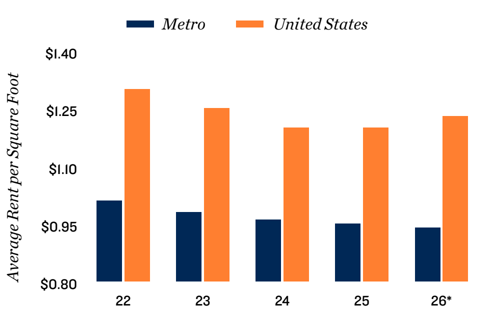
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	***95 million square feet and 11.7 square feet per capita***

+0.5% **EMPLOYMENT:** Job growth fell to its slowest pace since 2016 last year, excluding the pandemic, amid steep office-using job losses. In 2026, hiring should improve modestly, adding 17,000 roles.

+1.3% **POPULATION:** Houston's population grows slightly slower than last year, though the metro will still match Dallas-Fort Worth for the fourth-fastest growth rate among major markets at 1.3 percent.

1,650,000 *sq. ft.* **CONSTRUCTION:** Deliveries are expected to edge up from last year but stay near the post-pandemic norm. Inventory growth of 1.8 percent will still be the slowest among major Sun Belt metros.

+30 bps **VACANCY:** After rising by more than 200 basis points last year, vacancy will see a more modest increase in 2026, reaching 9.4 percent and standing 180 basis points above the prior 10-year average.

-1.1% **RENT:** Measured employment gains will keep move-ins subdued, pushing the average asking rent down for a fourth straight year to $0.94 per square foot, about 7 percent below the 2022 peak.

Employment, Demographic Demand Drivers Stay Intact

Economic Overview

Despite limited job growth in 2025, Indianapolis still posted the fourth-lowest unemployment rate among major markets. Growth in healthcare, social assistance, and professional and technical services sectors supports an optimistic outlook for 2026, particularly after expanding by 3.6 and 4.4 percent, respectively, last year.

Demographic Overview

Net migration totaled roughly 19,000 residents in 2025, up 53 percent from the 2014-2019 average. In 2026, Indianapolis may maintain one of the stronger net migration rates nationally relative to population. Meanwhile, household formation should remain stable, with annual growth expected to continue in the low-1 percent range.

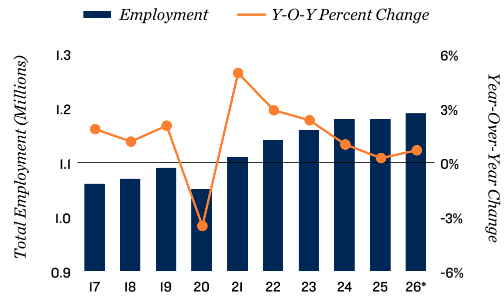
Construction Overview

The metro's supply pipeline remained constrained in 2025, with less than 200,000 square feet delivered. Completions will rise in 2026 but remain below the historical mean. Most projects are concentrated within a six-mile radius of College Park, with the average new supply facility size across the metro near 100,000 square feet.

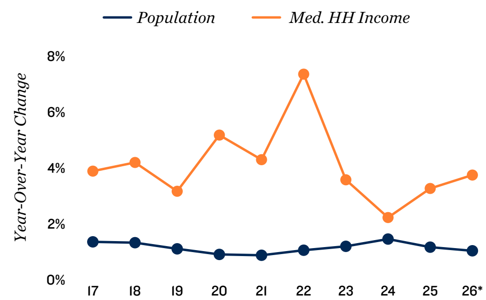
Vacancy/Rent Overview

Indianapolis recorded the third-steepest vacancy decline last year, falling 90 basis points to 9.1 percent. As a result, the average asking rent rose 1.1 percent to $0.88 per square foot. This year, vacancy should continue to fall as incoming supply remains relatively muted compared to historical levels, even as deliveries increase year-over-year.

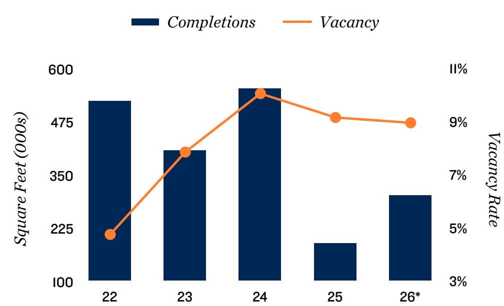
Employment Trends



Demographic Trends



Supply and Demand Trends



2026 MARKET FORECAST

INVENTORY	*21 million square feet and 9.5 million square feet per capita*

+0.7% **EMPLOYMENT:** Roughly 8,000 net new positions will be created in 2026, with the metro's labor growth rate outpacing the national rate by about 50 basis points — the fastest in the Midwest.

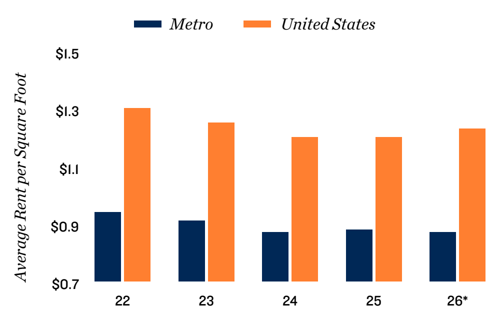
+0.9% **POPULATION:** Indianapolis' population will expand by roughly 20,700 residents, slightly below last year's tally, though its growth rate will still rank in the top quartile among major markets.

300,000 *sq. ft.* **CONSTRUCTION:** While supply growth nearly doubles in 2026, it translates into inventory growth of just 1.4 percent. Excluding last year's tally, completions will be the lowest since 2017.

-20 bps **VACANCY:** Despite a year-over-year increase in supply pressure, the 2026 vacancy rate should tick down slightly to 8.9 percent, which trails the 2014-2019 mean by 110 basis points.

-1.1% **RENT:** The average asking rent is expected to fall marginally to $0.87 per square foot as the metro's inventory grows faster. This level will be slightly higher than the 2016-2019 average.

Rent Trends



* *Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

LAS VEGAS

Growth Prospects Lift Outlook Amid Elevated Vacancy

Economic Overview

The metro noted a 7.5 percent decline in visitor volume last year, adversely impacting the local economy. Still, Las Vegas has withstood previous downturns and entered this year with a record number of leisure and hospitality workers. In 2026, blue-collar hiring is expected to support a modest overall rate of employment growth.

Demographic Overview

Las Vegas continues to rank among the top relocation destinations, according to several national moving companies. With a median single-family home price below $500,000 and an average effective apartment rent under $1,500 per month, the metro will continue to attract households from other markets seeking lower housing costs.

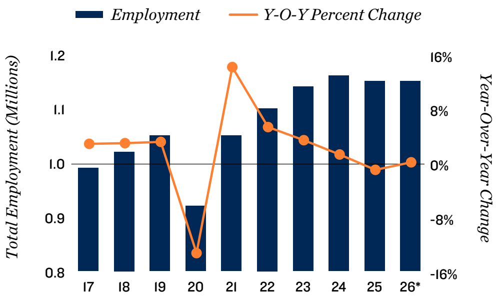
Construction Overview

For the fifth time in eight years, developers add more than 1 million square feet across the metro. Properties slated for delivery in 2026 are anticipated to expand inventory by 4.9 percent, representing one of the largest increases among major U.S. markets. An additional 2.8 million square feet was in the planning stages as of early 2026.

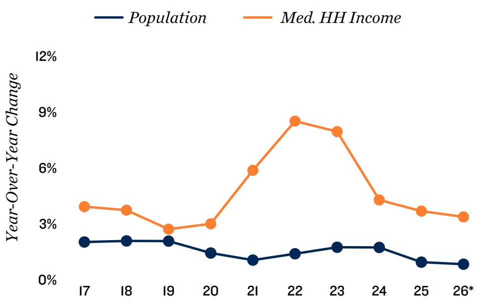
Vacancy/Rent Overview

Before 2026, local vacancy had held in the 7 percent range for four straight years. The influx of near-term supply, however, will play a role in vacancy breaching this threshold. Still, the metro ranks as the least vacant major Mountain market by a notable margin. The highest local vacancy since 2014, however, will keep asking rents on a downward trajectory.

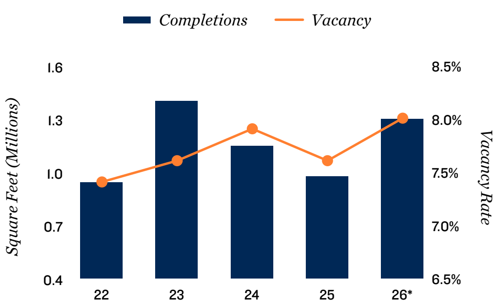
Employment Trends



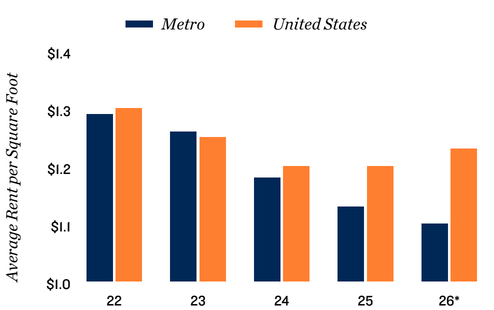
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*28 million square feet and 11.5 square feet per capita*

+0.3% **EMPLOYMENT:** Net hiring returns in 2026 after the metro's headcount shrank by 9,800 last year. Modest job creation — 3,000 roles — is achieved, despite the loss of 1,000 office-using positions.

+0.7% **POPULATION:** While the overall pace of population growth slows compared to recent years, the resident count still rises by nearly 17,000, with the age 65-plus cohort expanding rapidly.

1,300,000 *sq. ft.* **CONSTRUCTION:** Roughly 1 million square feet of space is slated for completion across Las Vegas proper's suburbs, with North Las Vegas, Henderson, and Paradise each projected to add one facility.

+40 bps **VACANCY:** Local vacancy rises moderately in 2026, offsetting the 30-basis-point decline registered last year. This lifts availability to 8.0 percent, exceeding the prior 10-year mean by 160 basis points.

-2.7% **RENT:** For a fifth straight year, the metro's average asking rent declines. At $1.10 per square foot, this rate is nearly 20 percent below the 2021 high mark and on par with Phoenix's mean.

* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Favorable Inventory Per Capita Aids Long-Term Demand

Economic Overview

Education and health services providers represent the backbone of Los Angeles County's labor market, having added nearly 45,000 new roles last year — pushing the segment's total headcount beyond 1 million. In 2026, the metro's count of these positions will continue to increase, offsetting white-collar job loss.

Demographic Overview

Net out-migration over the past 10 years has contributed to the metro's population declining by nearly 363,000 residents. During the same span, however, the county's household count rose by roughly 51,000. These contrasting dynamics persist in 2026, as the formation of 14,000 households cannot sustain positive population growth.

Construction Overview

Developers added 2.8 million square feet of self-storage space over the past two years, matching the delivery total from 2020-2023. In 2026, completions temper, yet the volume of square footage added still exceeds the prior 10-year average. Some near-term deliveries are office-to-self-storage conversion projects in local opportunity zones.

Vacancy/Rent Overview

Los Angeles has 4.2 square feet of self-storage space per resident, the second-lowest tally among major U.S. markets. From this standpoint, the metro is undersupplied, which bodes well for future demand and in-place rent growth. Near-term vacancy and rent metrics may be strongest in the San Gabriel Valley and areas south of downtown.

2026 MARKET FORECAST

INVENTORY	*41.3 million square feet and 4.2 square feet per capita*

+0.2% — **EMPLOYMENT:** Net hiring returns to Los Angeles, allowing the metro to recoup nearly all the 10,300 roles lost last year. Still, the count of traditional office-using roles is slated to decline by 10,000.

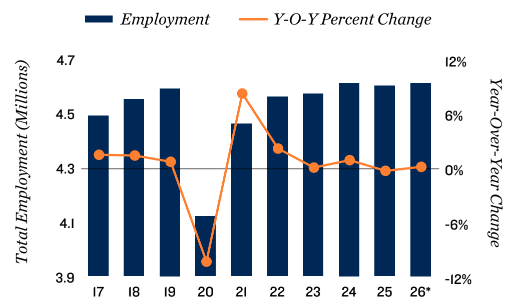
0.0% — **POPULATION:** While the overall population count shifts nominally, the size of the 65-year-old-plus cohort rises by 38,500 people, or 2.4 percent — mirroring growth recorded over the prior four years.

940,000 *sq. ft.* — **CONSTRUCTION:** After swelling by 7.5 percent over the past two years, inventory expands by 2.3 percent in 2026. Deliveries are evenly spread between the metro's two major submarkets.

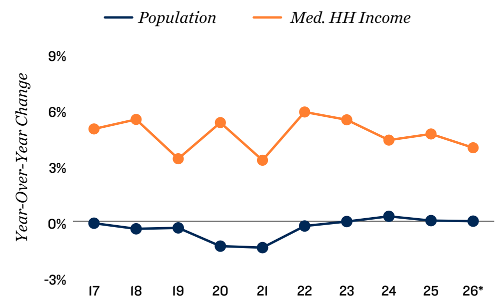
+20 bps — **VACANCY:** Across the larger Los Angeles-Long Beach-Anaheim area, vacancy rises moderately for a second straight year to 7.5 percent. This rate exceeds the prior 10-year mean by 110 basis points.

+0.9% — **RENT:** Despite rising vacancy, the metro's average asking rent inches up for a second straight year. At $2.16, however, this mean trails the prior high mark reached in 2022 by 2.3 percent.

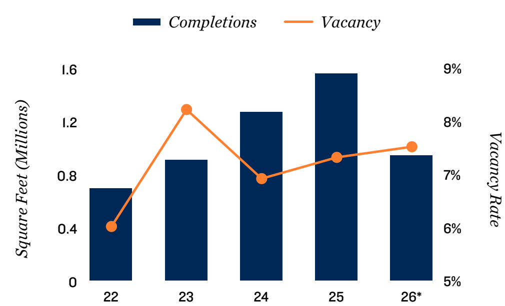
Employment Trends



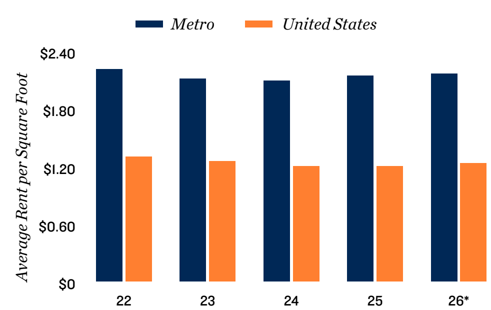
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

MINNEAPOLIS-ST. PAUL

Uneven Demand Drivers Support Measured Outlook

Economic Overview

Employment growth halved in 2025 amid a broader national slowdown, but remained positive, increasing 0.5 percent year-over-year. The healthcare sector should remain a bright spot going forward, with expansions from firms such as Allina Health and life science firms like Solventum reinforcing the metro's labor base.

Demographic Overview

The metro posted one of its strongest net in-migration tallies last year, adding nearly 25,000 residents. This should bode well for future self-storage demand, though limited population growth among the 20- to 34-year-old cohort may pose a headwind. Even so, the metro should continue to outpace the U.S. in household formation, a trend that has persisted since 2006, excluding the pandemic-related shock in 2021.

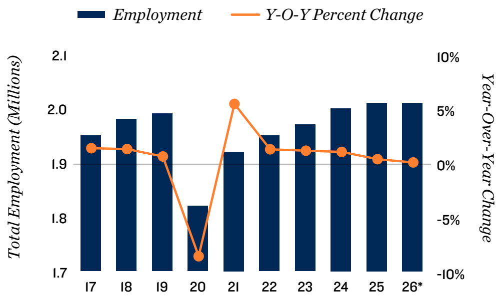
Construction Overview

For the second consecutive year, all self-storage development will occur in the suburbs, with no projects of note opening in the urban core. The suburban pipeline will increase slightly year-over-year, though the gain will be modest, with roughly 90,000 more square feet delivered this year than last. A handful of properties will open near Dayton.

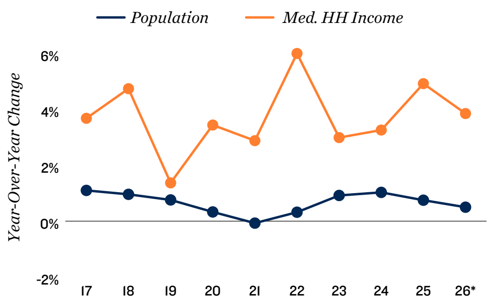
Rent Overview

Given the limited new supply, the Twin Cities' CBDs should record a stronger increase in average asking rents. By contrast, the suburbs will experience a slightly smaller rise as new supply adds marginal competitive pressure to the local self-storage market.

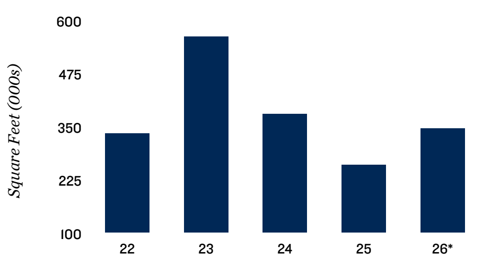
Employment Trends



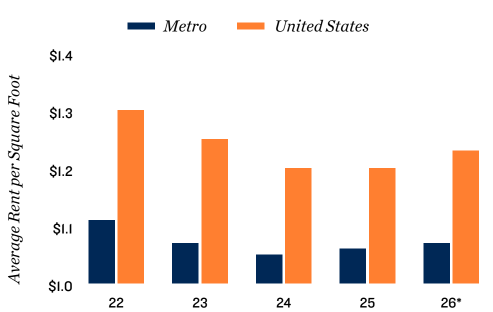
Demographic Trends



Supply Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	***27 million square feet and 7.1 square feet per capita***

+0.1% **EMPLOYMENT:** By year's end, the metro is projected to add roughly 3,000 positions as employment growth continues to decelerate, falling below the national pace of 0.2 percent.

+0.5% **POPULATION:** While the younger age cohort is expected to decline, overall population growth will remain positive, increasing by approximately 18,900 residents in 2026 — slightly less than in 2025.

345,000 *sq. ft.* **CONSTRUCTION:** The metro's total inventory will grow by 1.3 percent this year, far below its long-term average growth rate of 3.7 percent, even as completions rise by 33 percent annually in 2026.

+0.9% **RENT:** The metrowide average asking rent is expected to increase to $1.07 per square foot, supported by limited inventory growth even as deliveries accelerate year-over-year.

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Rising New Supply Meets Nationally Tight Vacancy

Economic Overview

Uncertainty surrounding tariff policy likely contributed to more than 4,000 job losses in the transportation and warehousing sector in 2025. Greater policy clarity could help ease that pressure, while a robust office-using sector remains the primary driver of job growth. An expanding healthcare ecosystem should also support hiring.

Demographic Overview

The market will record a modest population decline in 2026 amid weaker immigration inflows, while one of the nation's highest home price-to-income ratios will push some younger adults out of the area. Growth in the 55-and-older population should offset some losses, with this cohort likely to play a larger role in self-storage demand through downsizing and inheritance-related needs, particularly among affluent households.

Construction Overview

Completions in 2026 are expected to return to the 2024 level, near an all-time high, giving the market the highest inventory per capita among major markets. New Haven County is set to receive slightly more new supply than Fairfield County.

Vacancy/Rent Overview

After two years of triple-digit declines that pushed vacancy near all-time lows, an increase in development will lift the rate in 2026. New Haven should maintain much lower vacancy than Fairfield, as smaller homes and a larger apartment base sustain storage demand. Higher vacancy will also pressure rents after holding flat in 2025.

2026 MARKET FORECAST

INVENTORY	*21 million square feet and 13.4 square feet per capita*

+0.4% **EMPLOYMENT:** The market is expected to welcome 3,000 net jobs in 2026, driven by the traditionally office-using sector maintaining one of the 10 fastest growth rates among major markets.

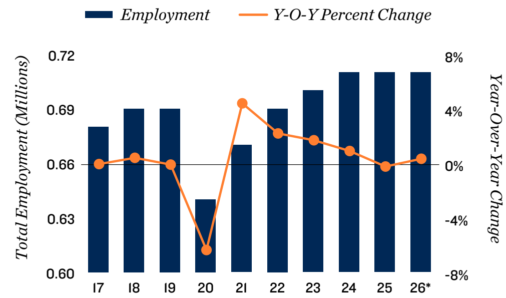
-0.04% **POPULATION:** Both New Haven and Fairfield counties are expected to record slight population declines in 2026, after the market added more than 30,000 new residents over the past three years.

975,000 *sq. ft.* **CONSTRUCTION:** Completions nearly double last year's total and rise about 50 percent above the past 10-year average, driving the third-highest supply growth among major markets at 4.7 percent.

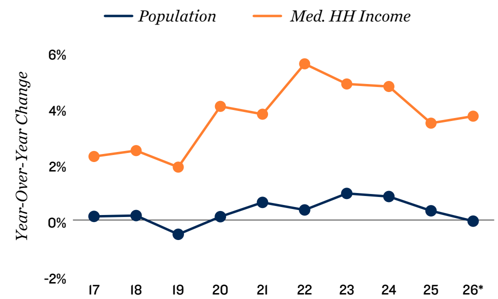
+70 bps **VACANCY:** Elevated deliveries will push vacancy up to 6.1 percent. Nevertheless, that rate will remain the second-lowest among major markets, indicating new supply is still warranted.

-2.3% **RENT:** Higher vacancy is expected to weigh on the market's average asking rent, bringing the rate down to $1.30 per square foot, which would place it about 10 percent below the 2022 peak.

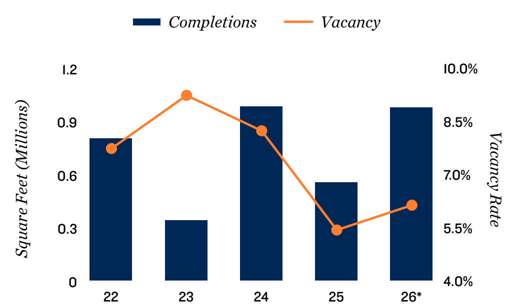
Employment Trends



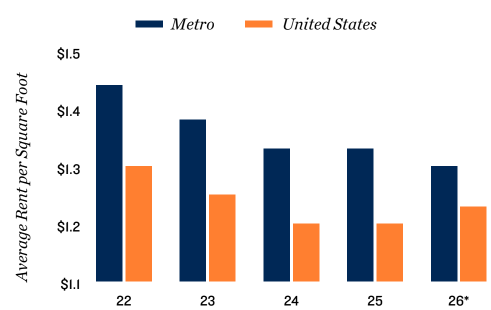
Demographic Trends



Supply and Demand Trends



Rent Trends



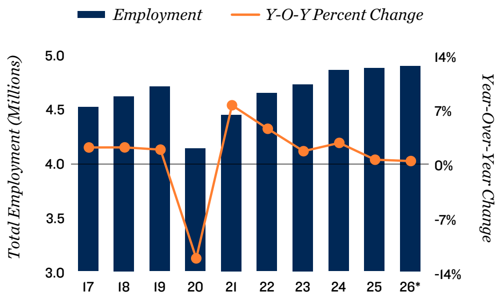
* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

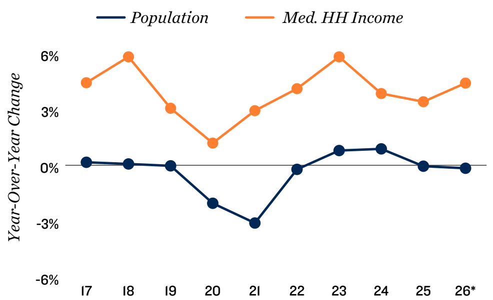
NEW YORK CITY

Net Out-Migration Weighs on Space Demand

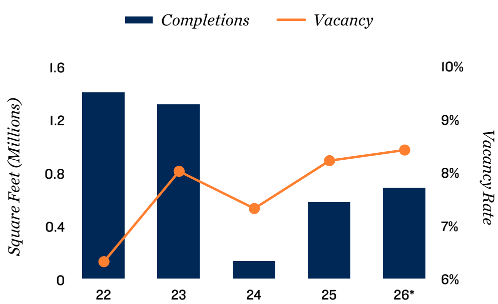
Employment Trends



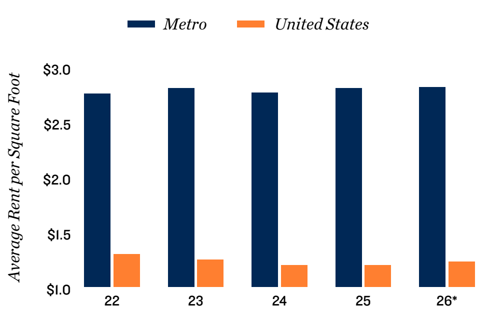
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Economic Overview

Job growth in New York City slowed to the sub-1 percent range last year — a pace not seen since the Great Financial Crisis, excluding 2020. The most notable weakness occurred in the financial services sector, and the downturn is likely to carry into this year, potentially impacting broader economic activity in the metro.

Demographic Overview

A shrinking pool of employment opportunities is also weighing on population trends. Net out-migration of 15,000 residents last year, alongside a net loss of 28,000 residents aged 20 to 34, drove an overall population decline. These trends are poised to continue as headwinds such as housing affordability issues persist.

Construction Overview

Inventory growth will be most pronounced in Manhattan, Brooklyn, and Queens this year, with each borough expected to receive roughly 200,000 square feet of new space. The development pipeline overall remains subdued, as high construction costs and limited land availability continue to constrain self-storage expansion.

Vacancy/Rent Overview

The boroughs receiving new supply — Manhattan, Brooklyn, and Queens — are expected to see average asking rent dip modestly. Meanwhile, the Bronx, which has not recorded deliveries exceeding 100,000 square feet since 2019, will post the strongest rent growth. Metrowide vacancy will tick up slightly amid slower space demand.

2026 MARKET FORECAST

INVENTORY *32 million square feet and 3.8 square feet per capita*

+0.4% **EMPLOYMENT:** Job creation in New York City will continue to slow this year, with net gains expected to be the lowest since 2009, excluding the job losses recorded in 2020.

-0.2% **POPULATION:** After rebounding in the post-pandemic years, the metro resumed a trend of net population loss in 2025. New York City is projected to lose 13,900 residents this year.

680,000 *sq. ft.* **CONSTRUCTION:** Deliveries will rise slightly from 2025 levels, though supply additions will remain below the metro's historic annual average of roughly 910,000 square feet.

+20 bps **VACANCY:** Metrowide vacancy is poised for a slight increase in 2026, reaching 8.4 percent by December. Even so, the rate will remain below the 9.0 percent peak recorded in 2019.

+0.4% **RENT:** The average asking rent in New York City will reach $2.82 per square foot by the end of this year, surpassing the prior peak of $2.81 in 2023, with growth in line with its prior 10-year mean.

Strong Employment Growth Provides Stability

Economic Overview

North Carolina is poised to continue benefiting from strong employment growth in sectors such as leisure and hospitality, professional and business services, and education and health services. Investments from Toyota Motor Corporation and JetZero, including a battery plant in Liberty and a planned $4.7 billion aircraft manufacturing facility near Greensboro, are expected to generate thousands of jobs over time, supporting population and demand growth across central North Carolina.

Demographic Overview

Raleigh-Durham and Charlotte ranked third and seventh, respectively, among major markets in 2025 for the fastest-growing populations. In 2026, the combined Charlotte, Raleigh, and Greensboro metros will add over 75,000 new residents.

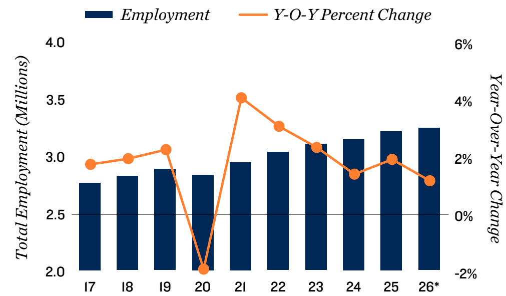
Construction Overview

The volume of square feet completed in 2026 will mark a four-year low. Raleigh will experience the sharpest slowdown among the aforementioned metros, as this year's deliveries are expected to be less than half last year's volume.

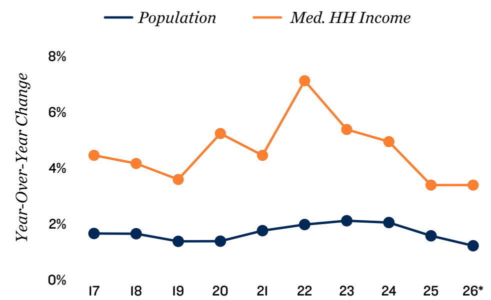
Vacancy/Rent Overview

Charlotte's vacancy is expected to remain above 10 percent by year-end for just the third time in a decade, placing slight downward pressure on the local average asking rent. Meanwhile, a steep slowdown in construction in Raleigh may result in declining vacancy and rising asking rents.

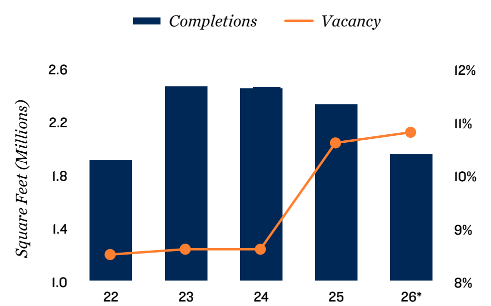
Employment Trends



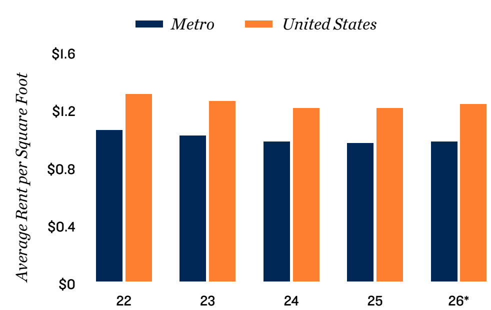
Demographic Trends



Supply and Demand Trends



Rent Trends



North Carolina encompasses Charlotte, Greensboro-Winston Salem, and Raleigh

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*63 million square feet and 9.2 square feet per capita*

+1.2% **EMPLOYMENT:** Job growth decelerates across Charlotte, Raleigh, and Greensboro this year as the group of metros adds roughly 37,000 positions.

+1.1% **POPULATION:** Regional population growth is slowing. Still, Raleigh and Charlotte are expected to expand by 1.4 percent and 1.2 percent in 2026, while Greensboro records a 0.5 percent gain.

1,950,000 *sq. ft.* **CONSTRUCTION:** Development in 2026 expands the region's total inventory by roughly 3.2 percent. Charlotte will account for over 700,000 square feet, while Raleigh contributes more than 400,000.

+20 bps **VACANCY:** Charlotte's vacancy is expected to tick up modestly to 10.8 percent by December, a metric that exceeds the long-term average by 250 basis points.

+1.0% **RENT:** The region's average asking rent is projected to edge up to $0.97 per square foot in 2026, ending a three-year streak of declines. Still, the rate will remain below its level five years earlier.

ORANGE COUNTY

Baseline Demand Drivers Improving

Economic Overview

A below-average unemployment rate in the high-3 percent to low-4 percent band constrained hiring in Orange County last year, with only 300 new roles added on net in the last six months of 2025. Employment growth is expected to pick up in 2026. Professional and business services hiring was recently mixed but improving, potentially tempering what was a source of downward pressure earlier last year.

Demographic Overview

In line with other Southern California metros, Orange County's population growth will be negligible in 2026. That dynamic is not preventing the formation of 4,600 new households, however, nor a 3.3 percent year-over-year increase in nominal income. Both point to the potential for greater storage demand from the in-place population.

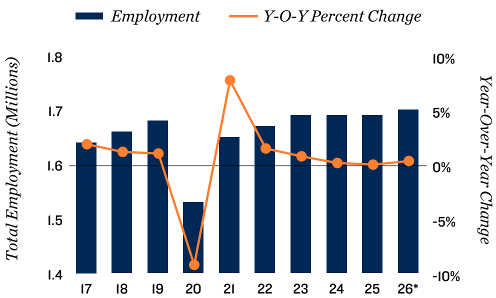
Construction Overview

This year's delivery slate expands notably after a lack of notable completions in 2025. The decade-high volume of openings is dispersed across the county, with the largest project spanning nearly 260,000 square feet in Irvine.

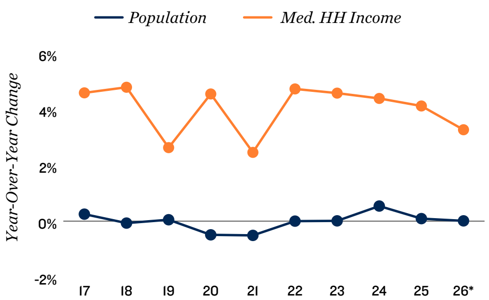
Vacancy/Rent Overview

While vacancy across the Los Angeles-Long Beach-Anaheim area rose 40 basis points to 7.3 percent last year, the measure was still below the 8.2 percent year-end highs recorded in 2018 and 2023. Availability is poised to only inch up slightly this year, as continued asking rent growth in Orange County specifically points to firming local demand.

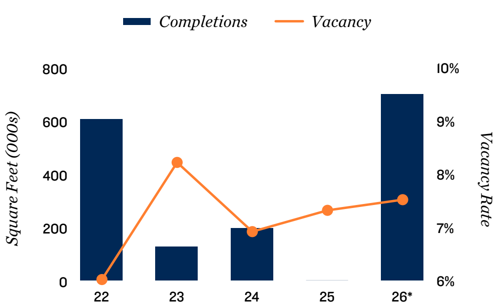
Employment Trends



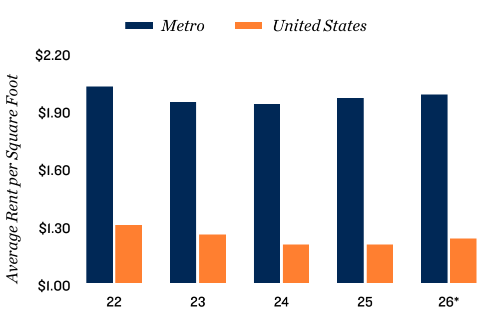
Demographic Trends



Supply and Demand Trends



Rent Trends



*Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*23 million square feet and 7.1 square feet per capita*

+0.4% **EMPLOYMENT:** Job creation this year may quadruple 2025's 1,800-role addition, which was the lowest reading in more than two decades, not including periods of contraction.

+0.01% **POPULATION:** The county's population will inch up by 200 individuals this year. That is about on par with San Diego and above Los Angeles, where it will likely drop by roughly 300 people.

700,000 *sq. ft.* **CONSTRUCTION:** This year's completions total will be the largest since 2016, when over 1.1 million square feet was delivered. Another 960,000 square feet was in the planning stages at the start of 2026.

+20 bps **VACANCY:** Vacancy in the Los Angeles-Long Beach-Anaheim area will rise to 7.5 percent in 2026, up 60 basis points from 2024 but down 70 basis points from 2023.

+1.0% **RENT:** The average asking rent will end December at $1.98 per square foot, up a combined 2.1 percent from 2023 and 10.6 percent from 2019.

Nationally Strong Net In-Migration Aids Outlook

Economic Overview

Despite gains in the education and health services sectors, the metro's employment growth in 2025 was weighed down by declines in two of its largest sectors: leisure and hospitality, and professional and business services. Slower hiring in these sectors is likely to persist in the coming year, weighing on overall gains.

Demographic Overview

Orlando continues to benefit from some of the nation's strongest net in-migration and is expected to rank third among major metros this year. Still, slowing migration to the Sun Belt relative to the post-pandemic surge has begun to temper population gains. In 2026, the metro's growth rate is projected to reach its lowest level since 2021, driven in part by fewer individuals in the age 20-34 cohort relocating to the area.

Construction Overview

While the total volume of square footage delivered in 2026 will trail the two years prior, it will remain more than double the trailing two-decade annual average. Much of what is set to deliver will be along key transportation routes between St. Cloud and Clermont, as well as in and around Melbourne.

Vacancy/Rent Overview

The metro's vacancy rate entered the year 180 basis points above its 2014-2024 average. A modest rise by year-end is expected to maintain pressure on average asking rates, keeping Orlando among the most affordable major Florida markets.

2026 MARKET FORECAST

INVENTORY	*39 million square feet and 12.7 square feet per capita*

+0.4% **EMPLOYMENT:** Orlando's employment growth is expected to remain tempered in 2026, as the metro adds just 6,500 new positions, well below the trailing-decade average of 33,000.

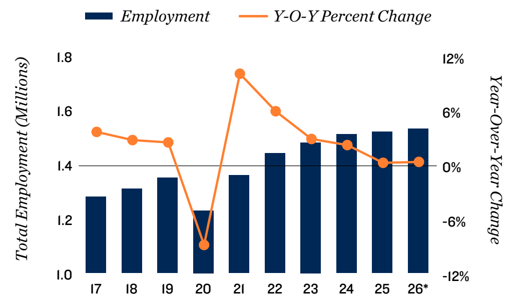
+1.4% **POPULATION:** The market is expected to welcome just over 43,000 new residents in 2026, keeping population growth above the 0.3 percent national projection.

1,960,000 *sq. ft.* **CONSTRUCTION:** While the development pipeline thins slightly from last year's volume, it will still lift total inventory by nearly 5.3 percent compared to the long-term average of 3.7 percent.

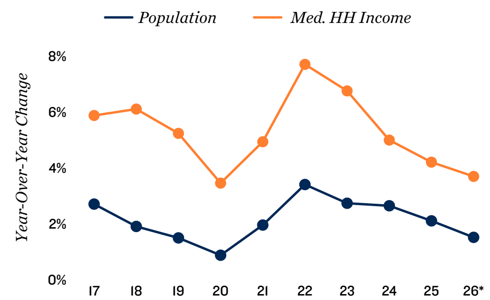
+10 bps **VACANCY:** Still-elevated supply is expected to push the metro's vacancy rate up slightly to 9.4 percent by year-end, though it will remain below the 9.8 percent national benchmark.

-0.9% **RENT:** Rising vacancy continues to weigh on asking rent growth in 2026 as the metro's rate edges down to $1.09 per square foot, the smallest decline in four years.

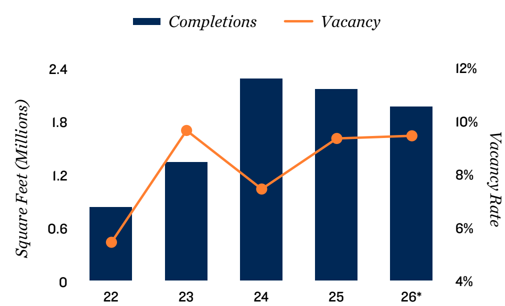
Employment Trends



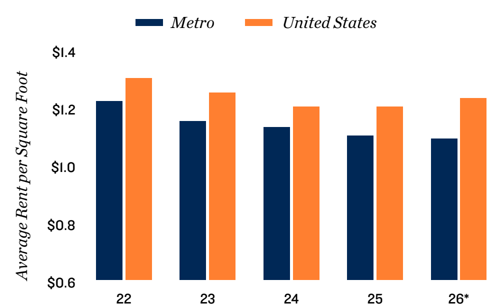
Demographic Trends



Supply and Demand Trends



Rent Trends



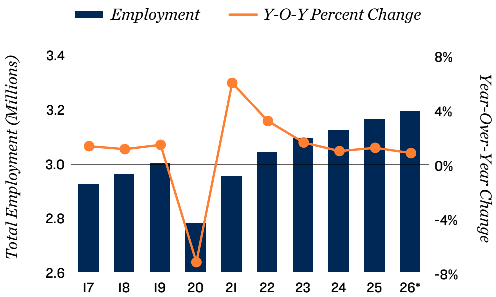
* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

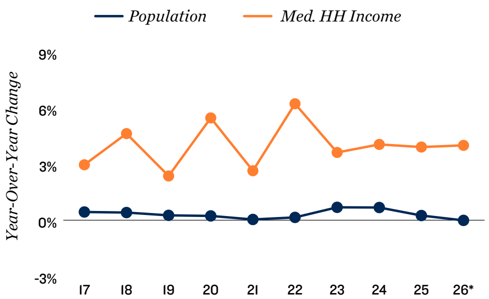
PHILADELPHIA

Less Construction Allows Continued Rent Growth

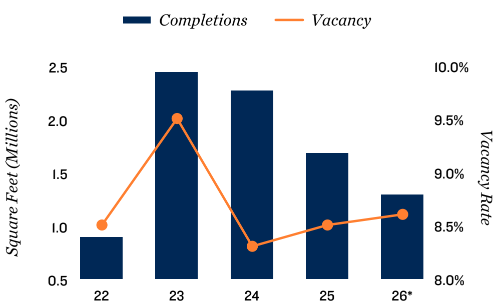
Employment Trends



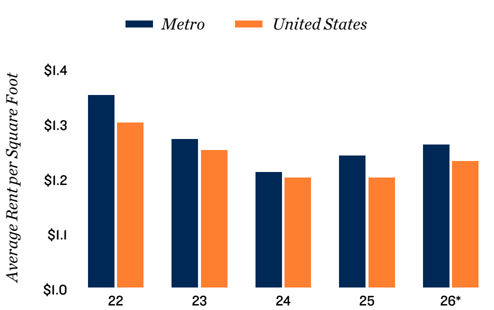
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Economic Overview

Philadelphia's labor market has been a standout in recent years. The metro led all major U.S. markets in total jobs gained last year, driven by hiring in the education and health services sectors — a key strength of the local economy. This momentum is expected to continue in 2026, keeping the metro among the top markets for job creation.

Demographic Overview

After reaching a peak of 40,000 net in-migrants in 2024, the figure halved in 2025 and is projected to turn negative this year for the first time since 2008. The loss of more than 10,000 residents aged 20 to 34 last year marked the largest decline for that cohort since 2000, and this trend is poised to continue in 2026.

Construction Overview

The year-over-year drop in supply in 2026 is largely driven by a roughly 30 percent decrease in deliveries outside the urban core. As a result, the metro will see a notable easing in supply pressure compared to 2023 and 2024, when more than 2 million square feet was delivered annually. Over half of this year's completions will occur in the New Jersey portion of the metro, while the urban core will account for about 20 percent.

Vacancy/Rent Overview

Reduced supply pressure will support modest rent growth, particularly in suburban areas. By year-end, the average asking rent is expected to reach $1.20 per square foot in the suburbs and $1.41 per square foot in the urban core.

2026 MARKET FORECAST

INVENTORY	***46 million square feet and 7.3 square feet per capita***

+0.8% — **EMPLOYMENT:** Philadelphia will welcome 26,000 jobs in 2026, the highest gain among major East Coast metros. Even so, this total remains below the metro's prior 10-year average of 32,000 roles.

-0.01% — **POPULATION:** Although the metro has recorded population growth every year since 1980, that trend is expected to end in 2026, with Philadelphia projected to lose about 900 residents.

1,290,000 *sq. ft.* — **CONSTRUCTION:** Despite a nearly 25 percent decline from 2025 supply additions, this year's delivery slate will still represent a 2.9 percent expansion of total inventory.

+10 bps — **VACANCY:** After a 20-basis-point uptick last year, vacancy will edge up slightly again in 2026 as space demand from the younger population weakens, reaching 8.6 percent by year-end.

+1.6% — **RENT:** A contracting pipeline will support rent growth, with the metric expected to reach $1.26 per square foot by December, still more than 10 percent below the 2021 peak.

New Supply Pressures Rents Despite Broad Demand

Economic Overview

Despite job losses in the government and transportation and warehousing sectors last year, Phoenix maintained a strong pace of job growth. Gains in health care and one of the nation's fastest-growing office-using sectors should continue to support hiring, with additional momentum from the hospitality and construction industries.

Demographic Overview

Relatively affordable housing costs are expected to help sustain growth in the 20- to 34-year-old cohort, which is projected to expand slightly faster in 2026 than last year. Meanwhile, the bulk of population gains will still come from residents age 55 and older. Phoenix is expected to rank among the top 10 major markets for additions in both cohorts, creating storage demand across lifestyle-driven and downsizing-related use.

Construction Overview

Completions will remain about 30 percent above the prior 10-year average, giving Phoenix the largest delivery slate among major markets outside Southeast Florida. However, the metro's inventory per capita will stay in line with the national average.

Vacancy/Rent Overview

A 160-basis-point jump last year pushed vacancy slightly above the 2023 level and near an all-time high, though the rate remains roughly in line with the national measure. A modest deceleration in deliveries in 2026 should help vacancy ease, but a historically elevated rate will keep pressure on asking rents as operators focus on filling units.

2026 MARKET FORECAST

INVENTORY	*51 million square feet and 9.6 square feet per capita*

+1.2% **EMPLOYMENT:** Phoenix posted a top 10 pace of job growth among major markets last year and is projected to see hiring improve modestly in 2026, with 29,000 jobs added.

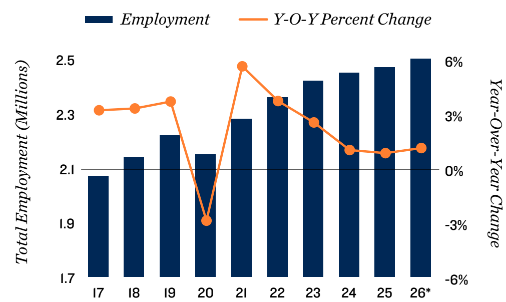
+0.8% **POPULATION:** The addition of 43,000 residents in 2026 will mark the fifth-largest gain among major markets, despite a slight decline from last year amid weaker expected international immigration.

2,400,000 *sq. ft.* **CONSTRUCTION:** While down from last year, 2026 completions will mark the fourth-highest total on record, with supply growth of 4.7 percent tying for third among major markets.

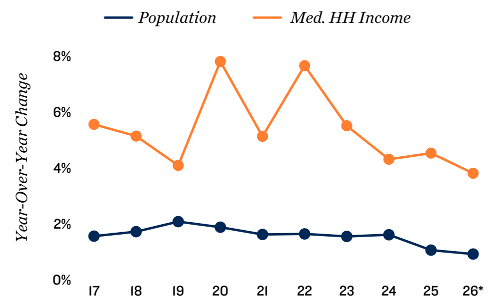
-30 bps **VACANCY:** Steady job growth and a slight moderation in deliveries should help vacancy edge down to 9.4 percent, though that rate will still sit 190 basis points above the past 10-year average.

-0.9% **RENT:** Phoenix's average asking rent is expected to decline for a fifth straight year, though more slowly than in prior years. At $1.10 per square foot, this still ranks among the highest in the Sun Belt.

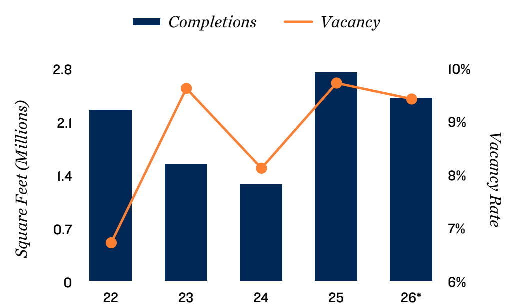
Employment Trends



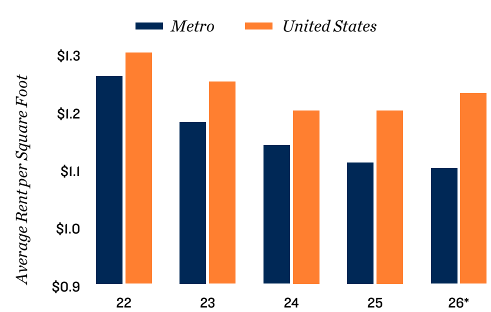
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

PORTLAND

Rising Incomes Support Lower Vacancy

Economic Overview

Annual household income growth of 5.0 percent last year ranked among the strongest of any major U.S. metro. Despite this, Portland's economy expanded just 0.1 percent — the second-smallest increase nationally behind Baltimore — while the labor market contracted. Looking ahead, economic growth may hinge on hiring in key sectors, with health care and leisure and hospitality appearing relatively strong entering 2026.

Demographic Overview

Household formation has remained in the low-1 percent range since 2023, highlighting Portland's relatively stable demographic trends. The absence of a state income tax across the river has contributed to faster population growth in Clark County — particularly Vancouver — while Portland proper continues to lag surrounding suburbs.

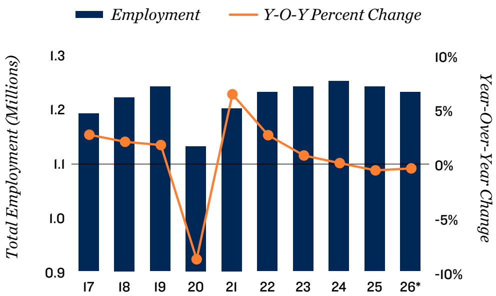
Construction Overview

Deliveries this year show no clear geographic pattern and will decline annually, which may alleviate some concerns about increased competitive pressure. The largest facility scheduled for completion — approximately 115,000 square feet — will open in Portland's CBD.

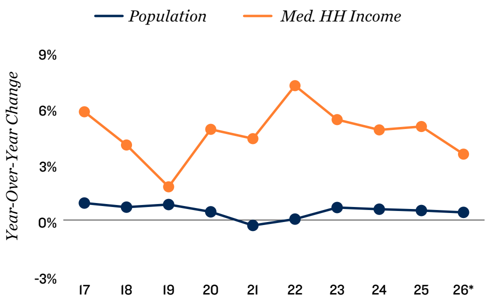
Vacancy/Rent Overview

Vacancy rose sharply last year, likely due to a two-year high in completions. With supply growth set to narrow in 2026, availability should edge down as demand finds firmer footing. In tandem, the average asking rent should recover from last year's flat growth, with easing supply-side dynamics providing upward support.

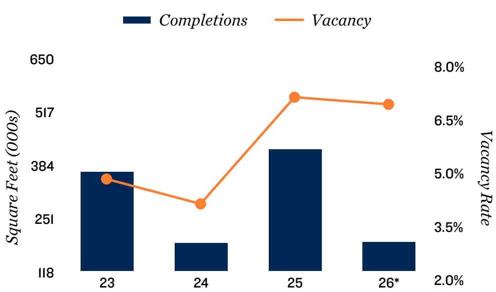
Employment Trends



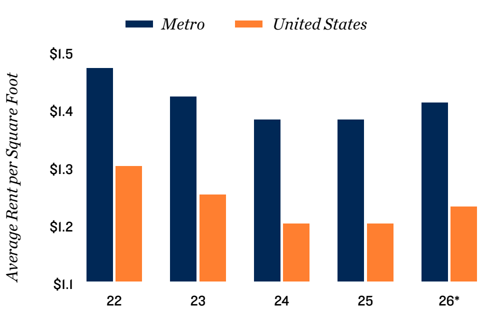
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*22 million square feet and 8.7 square feet per capita*

-0.4% **EMPLOYMENT:** Portland will extend last year's net job losses, with about 5,000 positions to be shed in 2026. While health care looks to grow, many white-collar roles enter the year on uneven ground.

+0.4% **POPULATION:** The pace of population gains is expected to slightly decrease year-over-year, narrowly surpassing the national metric of 0.3 percent. The metro's resident count will grow by 10,600.

190,000 *sq. ft.* **CONSTRUCTION:** Following last year's break in a multiyear downward trend in supply growth, deliveries will once again move lower. The metro's inventory will expand only 0.8 percent this year.

-20 bps **VACANCY:** Historically low levels of incoming supply will grapple with weaker select demand drivers, such as employment. As a result, the metrowide vacancy rate should fall to 6.9 percent.

+2.2% **RENT:** With vacancy drawing down and limited supply-side pressure, the average asking rent should rise. The expected rate by year's end will rest around $1.41 per square foot.

Demographic Momentum Slows Despite Uptick in Hiring

Economic Overview

While the Inland Empire's employment base is expected to expand at a faster rate than in 2025, this year's growth remains well below the 2.5 percent long-term average. Last year's strong gains in health care, social assistance, and the public sector were largely offset by a steep decline in the trade, transportation, and utilities segment.

Demographic Overview

Last year marked the Inland Empire's strongest annual period for net in-migration since 2010. That growth is expected to slow sharply in 2026, however, to roughly one-fifth of 2025's level. While this moderation will weigh on household formation, the metro's growth rate is still expected to outpace the national mark.

Construction Overview

While the volume of space delivered in 2026 is expected to trail last year's total by roughly 200,000 square feet, it will still rank as the metro's third-highest annual tally of the past decade. Two properties are set to deliver near Murrieta, with another two slated for Ontario, placing pressure on these locales.

Vacancy/Rent Overview

Since late 2023, the metro's vacancy has been range-bound between 8 percent and 10 percent. Previously, the five-year average stood at 5.4 percent, underscoring the elevated vacancy the metro is currently experiencing. While vacancy is set to decline this year, rent growth will remain minimal as historically elevated availability persists.

2026 MARKET FORECAST

INVENTORY *39 million square feet and 8.1 square feet per capita*

+0.4% **EMPLOYMENT:** About 6,000 new positions are expected to be added across the metro in 2026, representing an acceleration from last year's nearly break-even figure.

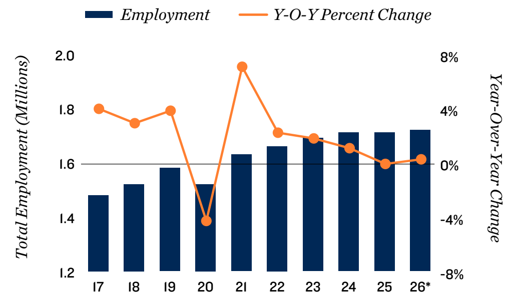
+0.4% **POPULATION:** The Inland Empire's population growth is expected to decelerate for the second straight year as the metro welcomes just over 17,000 residents, less than half the 2025 tally.

500,000 *sq. ft.* **CONSTRUCTION:** While smaller than last year's delivery slate, completions in 2026 are expected to expand the metro's inventory by 1.3 percent, still above the trailing-decade annual average.

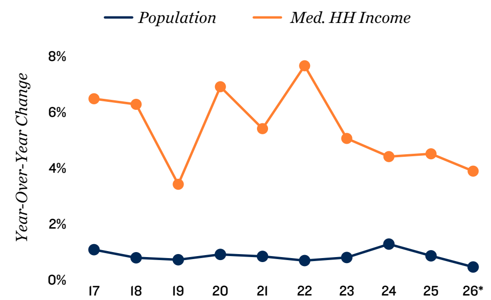
-50 bps **VACANCY:** Despite a notable development pipeline, vacancy is projected to fall to 8.3 percent by year-end, among the 10 lowest rates across major U.S. markets.

+0.8% **RENT:** Following a year in which rates held steady, declining vacancy supports the metro's first year of asking rent growth since 2021, with the per-square-foot figure reaching $1.29 by year-end.

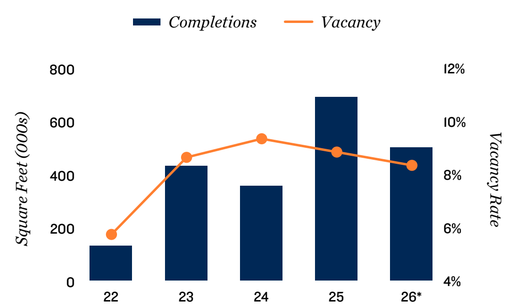
Employment Trends



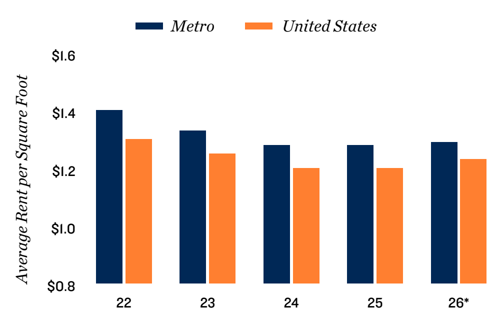
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

SACRAMENTO

Less Construction Sets Stage for Vacancy Decrease

Economic Overview

While Sacramento's employment base contracted 0.4 percent last year, the total headcount was still over 6 percent above the year-end 2019 mark. This contrasts with the nearby Bay Area, where staff counts remain below pre-pandemic levels. Hiring in private education and health services is expected to lead job growth again in 2026.

Demographic Overview

Expanded job opportunities since the pandemic have correlated with ongoing net in-migration, with the inflow of residents peaking at a nearly 20-year high of 24,000 in 2024. While net migration may shift outward this year, the cumulative effect from recent years still supports household formation and potential storage demand.

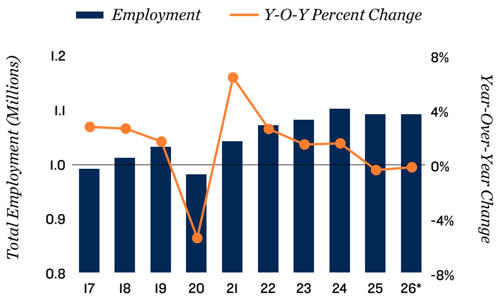
Construction Overview

Completions this year will fall about 300,000 square feet short of 2025's delivery total, with most 2026 openings within the Sacramento city limits. Projects are also underway in Roseville and Truckee, with properties still in the planning stages across Rocklin, Elk Grove, and Auburn.

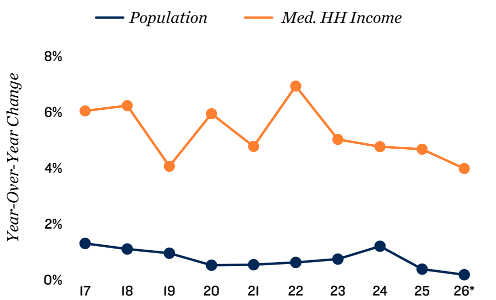
Vacancy/Rent Overview

Aligning with the weakening job market and elevated new supply, metro vacancy jumped last year to 12.9 percent, its highest year-end level since at least 2014. While this shift highlights the influence of recent completions stabilizing, household formation will help vacancy decrease somewhat this year, alleviating some downward pressure on asking rents.

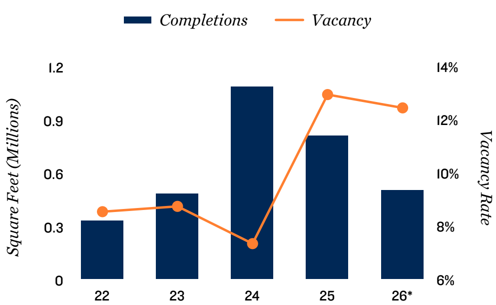
Employment Trends



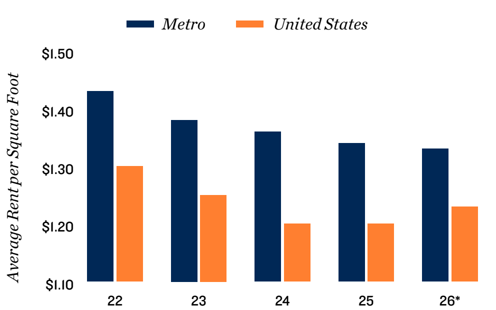
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*27 million square feet and 10.9 square feet per capita*

-0.2% **EMPLOYMENT:** While hiring continues across multiple sectors, the ongoing contraction in white-collar fields will lead to a net job loss of 2,000 positions in 2026.

+0.1% **POPULATION:** Sacramento's population will expand by about 2,300 residents, contributing to the formation of 4,600 households, even as slight net out-migration may occur.

500,000 *sq. ft.* **CONSTRUCTION:** Completions will fall to a three-year low in 2026, down over 500,000 square feet from 2024, when more than 1 million square feet was delivered, a two-decade record.

-50 bps **VACANCY:** After last year's 560-basis-point jump, the metrowide vacancy rate will inch down to 12.4 percent by December. High per capita inventory for a California metro may be limiting the decline.

-0.7% **RENT:** Despite greater availability, the average asking rent declined last year by less than it did in 2022 or 2023. This resilience will continue this year as the mean dips to $1.33 per square foot.

* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Standout Growth Favors Local Self-Storage Properties

Economic Overview

The metro's overall job count and its number of white-collar professionals will both reach record levels in 2026, continuing a trend of diverse hiring across the Wasatch Front. Fueled in part by fintech, the office-using sector grows by nearly 2 percent, which bodes well for spending on bigger-ticket items that often require storage.

Demographic Overview

Driven by steady in-migration, Salt Lake City is recording notable population growth across cohorts. In 2026, the number of residents ages 20 to 34 will rise by at least 10,000, as will the population aged 65 and older. Combined with an above-average local birth rate, these dynamics will translate to 12,300 new households this year.

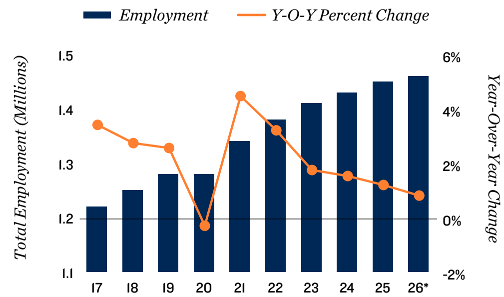
Construction Overview

Near-term deliveries are scattered across the Wasatch Front, including in some rural locations, with properties averaging 86,000 square feet. Salt Lake City proper, however, lacks development. This dynamic will extend beyond this year as the city's count of storage projects in the planning stages is scant.

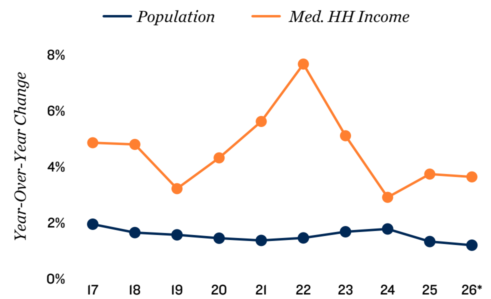
Rent Overview

Despite nationally favorable rates of job creation and household formation, the metro's average asking rent has been declining for the past two years. This trend extends through 2026, cementing Salt Lake City's status as the lowest-cost major Mountain market for self-storage space.

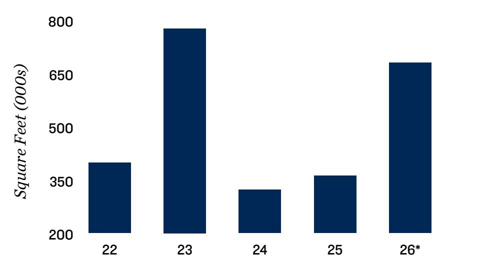
Employment Trends



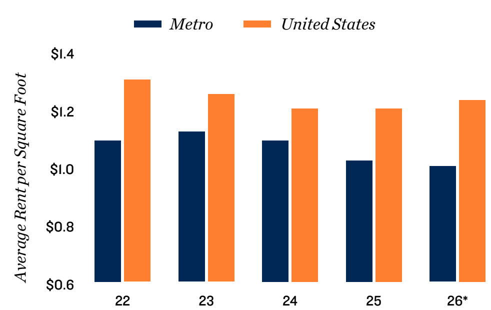
Demographic Trends



Supply Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY *28.9 million square feet and 10.3 square feet per capita*

+0.9% **EMPLOYMENT:** Salt Lake City is projected to add the third-most white-collar positions among major U.S. markets this year, with these roles accounting for half of the 12,500 new local jobs.

+1.1% **POPULATION:** The metro is also expected to rank among the top 10 major markets for population growth in 2026, adding at least 30,000 new residents for the 23rd straight year.

680,000 *sq. ft.* **CONSTRUCTION:** Deliveries expand inventory by 2.4 percent. While this represents a three-year high increase, the volume of square footage added trails the average total for major U.S. markets.

-2.0% **RENT:** After declining by nearly 9.0 percent since 2023, Salt Lake City's average asking rent dips moderately in 2026 to $1.00 per square foot — the 11th lowest mark among major U.S. markets.

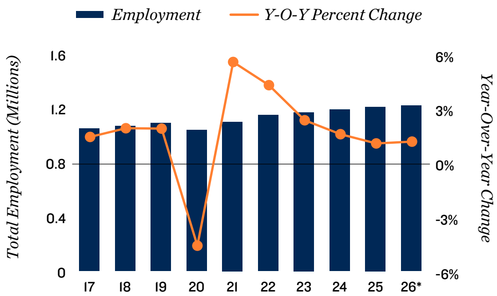
** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

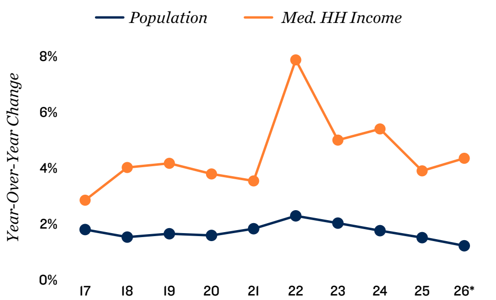
SAN ANTONIO

Steady Tailwinds Support Renewed Rent Growth

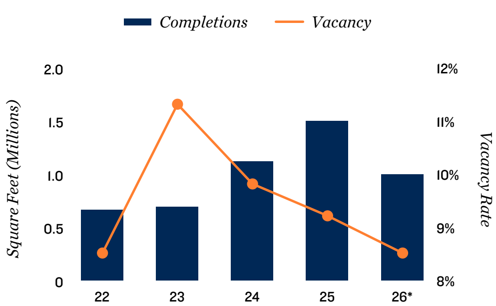
Employment Trends



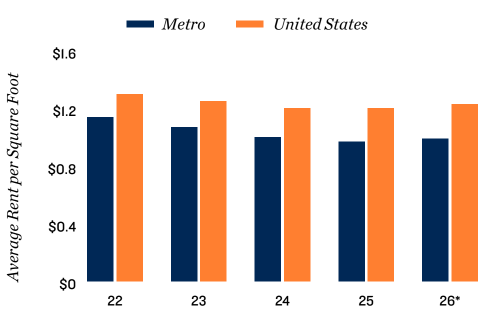
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Economic Overview

Gains in trade and health services kept San Antonio's job market expanding at 1.1 percent last year, despite losses in traditionally office-using sectors. Meanwhile, the metro recorded a fourth consecutive year of average annual household income growth above $3,000, which could support modest demand growth for storage space.

Demographic Overview

Although at a slower pace than other major Texas markets, the metro continues to post net in-migration, household formation, and population growth among all age groups, sustaining storage demand for all life transitions. The Joint Base San Antonio adds another layer of demand, as military families typically move every 2.5 years.

Construction Overview

Most of the incoming supply is concentrated in northeast San Antonio, reflecting developer confidence in the corridor between San Antonio and Austin as it continues to attract net in-migration and expand. Supported by strong demographic tailwinds, deliveries in this area are likely to be well absorbed, limiting the degree of supply-side pressure.

Vacancy/Rent Overview

Despite elevated construction, demand outpaced new supply last year, driving a 60-basis-point drop in the vacancy rate. With the pipeline tapering from 2025 levels, vacancy is poised to continue declining for a third consecutive year as demand momentum holds, setting the stage for the first increase in the average asking rent since 2022.

2026 MARKET FORECAST

INVENTORY	***30 million square feet and 10.5 square feet per capita***

+1.2% — **EMPLOYMENT:** San Antonio is on track to add roughly 15,000 jobs this year, marking the third-fastest growth rate among major metros with labor markets under 2 million workers.

+1.1% — **POPULATION:** The metro is poised to welcome about 31,600 new residents this year. While adding fewer than other major Texas markets, San Antonio still ranks in the top 10 nationally.

1,000,000 *sq. ft.* — **CONSTRUCTION:** Completions in 2026 will be about a third less than the previous year, lifting inventory by 3.5 percent. This marks the third consecutive year of 1 million square feet or more.

-70 bps — **VACANCY:** With construction activity easing, vacancy declines are expected to continue, bringing the rate down to 8.5 percent and making San Antonio the least vacant major metro in Texas.

+2.1% — **RENT:** Two consecutive years of decreasing vacancy will help lift the average asking rent to $0.99 per square foot. However, it remains 13 percent below 2022.

Metro Poised for Further Vacancy Improvement

Economic Overview

San Diego's count of health services positions is historically high, accounting for 16 percent of the metro's total workforce. In 2026, continued expansion of this sector and job creation in select other trade industries offset the loss of 3,000 white-collar roles, supporting a fourth straight year of modest job growth.

Demographic Overview

The number of households across the metro climbs closer to 1.2 million as the annual rate of formation in 2026 slightly exceeds the prior 10-year average of 0.3 percent. Due to high local housing costs, many households are often forced into smaller apartments without ample storage space or an enclosed garage. While unfortunate, this dynamic bodes well for self-storage facilities proximate to clusters of multifamily units.

Construction Overview

This year's delivery slate ranks as the smallest among major Southern California markets. Near-term completions are concentrated in San Diego proper, although a 1,300-unit facility in Chula Vista is slated for groundbreaking sometime this year.

Vacancy/Rent Overview

At 170 basis points, San Diego recorded the second-largest vacancy decline among major self-storage markets last year. Amid sparse new supply pressure, space availability will again drop in 2026, albeit more moderately. Despite this, the metro is the only major Southern California market to note a decline in its average in-place rent this year.

2026 MARKET FORECAST

INVENTORY	*24.3 million square feet and 7.4 square feet per capita*

+0.4% **EMPLOYMENT:** Positive hiring across the health services, government, and hospitality sectors supports a 0.4 percent rate of employment growth, which, while modest, doubles the national mark.

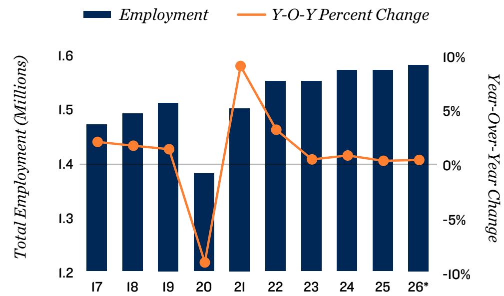
+0.01% **POPULATION:** Mirroring Los Angeles and Orange County, the local population adjusts nominally in 2026. The metro's 65-and-older cohort, however, grows by at least 13,000 for a sixth straight year.

318,000 *sq. ft.* **CONSTRUCTION:** Developers added between 300,000 and 375,000 square feet during each of the past three years. This trend continues in 2026, with inventory growing by 1.3 percent.

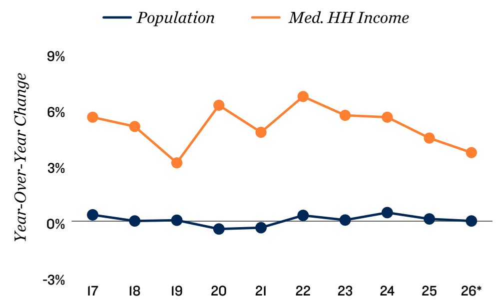
-30 bps **VACANCY:** Local vacancy contracts for a second straight year, falling to 9.0 percent. While this rate is the lowest since 2023, it also ranks among the highest in major California markets.

-1.2% **RENT:** After falling by 6.5 percent during 2023-2025, the average asking rent dips again in 2026. At $1.70 per square foot, the metro's mean is at least 30 cents below Orange County and Los Angeles.

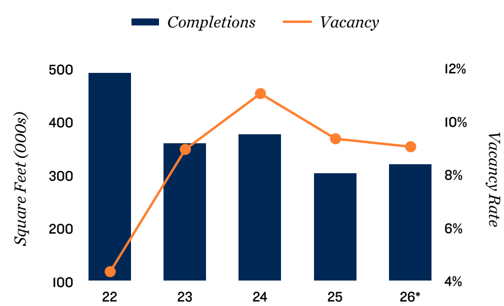
Employment Trends



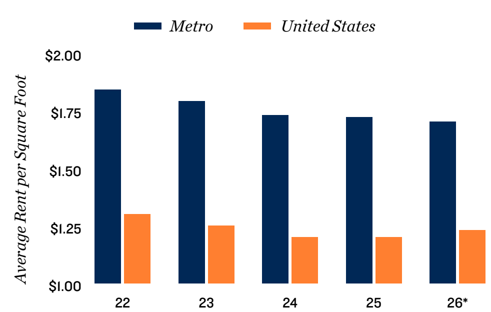
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

SEATTLE-TACOMA

Rent Growth Picks Up Amid Slowing New Supply

Economic Overview

Following an extended era of tech-driven expansion, layoffs have begun to weigh on Seattle's economy. Companies including Amazon, Microsoft, and Meta made cuts in 2025 that led to the metro's only annual employment decline in the past two decades, excluding 2008, 2009, and 2020. Nonetheless, strong momentum in the education and health services sector is expected to help the metro return to growth in 2026.

Demographic Overview

Following one of the strongest years for net in-migration to Seattle in 2024, relocations to the metro in 2025 were less than half that level at roughly 21,000. This moderation is expected to continue in 2026, trailing the long-term average of 24,000, partly due to stagnating growth among young adults. Still, the age 65-plus cohort grew at a pace roughly in line with the long-term average of 2.6 percent in 2025.

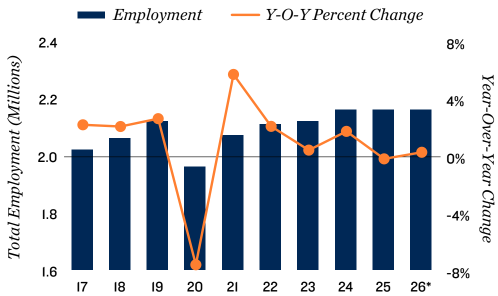
Construction Overview

Deliveries in 2026 are expected to total roughly a third of last year's square footage. While only one property will deliver in the city of Seattle, three projects in the Puyallup area are set to account for most of the incoming space.

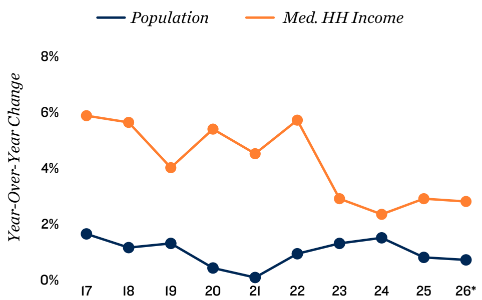
Rent Overview

In 2025, Seattle's rent growth ranked fifth fastest among major markets, despite the largest new supply slate since 2020. With construction slowing sharply in 2026, rent growth should accelerate, especially in Seattle, where deliveries are more limited than in Tacoma.

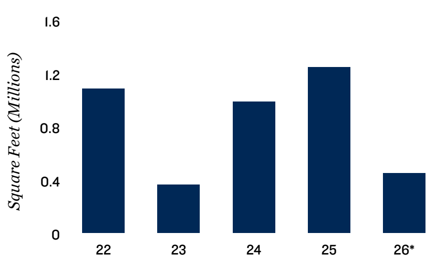
Employment Trends



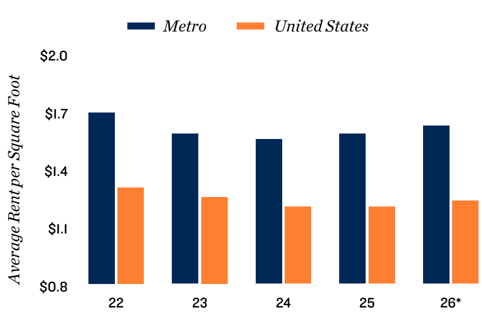
Demographic Trends



Supply Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	***43 million square feet and 10.2 square feet per capita***

+0.3% **EMPLOYMENT:** Following last year's loss of 3,000 jobs, Seattle's employment market is projected to add 7,000 positions in 2026, though this remains less than a third of the long-term average.

+0.6% **POPULATION:** Seattle's population growth nearly matches last year's as the metro welcomes over 26,000 new residents, a pace of expansion that doubles the national rate.

450,000 *sq. ft.* **CONSTRUCTION:** The volume of square footage completed in 2026 will be the metro's second lowest in the past decade, expanding total inventory by 1.1 percent.

+2.5% **RENT:** Slowing development activity supports the strongest asking rent growth since 2021. Still, at $1.62 per square foot by year-end, the rate remains near late 2020 levels.

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

Construction Accelerates, Vacancy Stable

Economic Overview

The 2025 employment market was stagnant across Miami-Dade, Fort Lauderdale, and West Palm Beach. The education and health services sector was the lone bright spot, posting modest gains, while most other sectors held largely steady. Still, each metro placed among the top 10 major markets for retail sales growth in 2025, led by Fort Lauderdale in first, pointing to resilient consumer spending.

Demographic Overview

The Southeast Florida region maintained strong net in-migration in 2025, a trend expected to continue in 2026. Much of this momentum is concentrated among those 65 and older, with Miami, Fort Lauderdale, and West Palm Beach each landing in the top 10 major markets for population growth among this cohort last year.

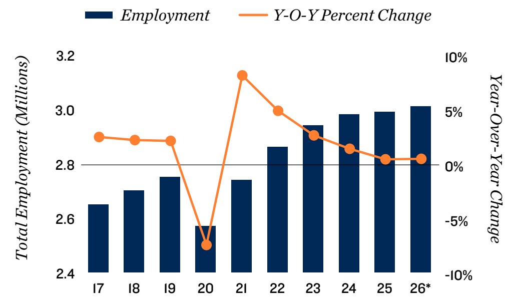
Construction Overview

New supply accelerates notably in 2026, as the region anticipates a delivery slate that more than doubles the long-term average. Much of the upcoming supply will be concentrated along U.S. Route 441 between Royal Palm Beach and Pompano Beach.

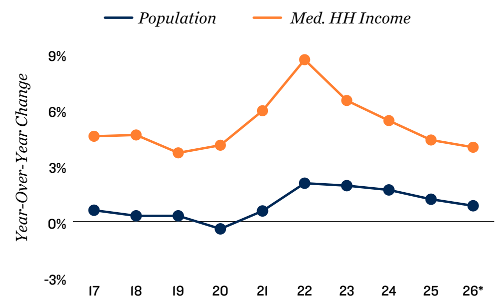
Vacancy/Rent Overview

Despite elevated supply additions over the past couple years, vacancy has largely held steady since late 2023, highlighting resilient demand for self-storage space. This wave of new supply has translated into minimal asking rent growth, with the rate rising just over 8 percent over the past decade.

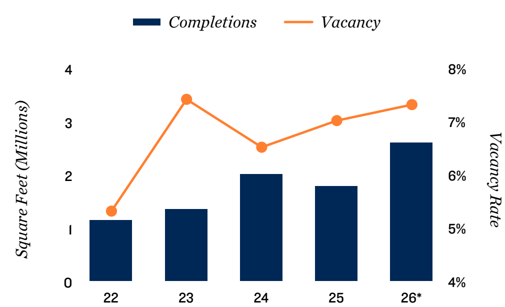
Employment Trends



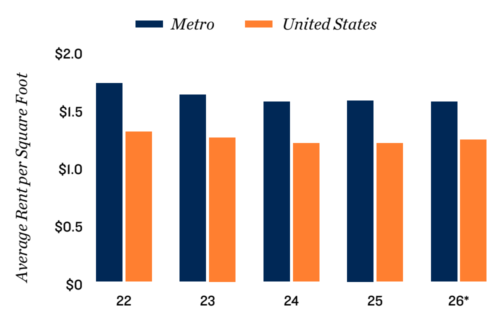
Demographic Trends



Supply and Demand Trends



Rent Trends



Southeast Florida encompasses Fort Lauderdale, Miami-Dade and West Palm Beach
** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	***58 million square feet and 8.7 square feet per capita***

+0.6% **EMPLOYMENT:** Miami and Fort Lauderdale are expected to add 7,000 jobs each in 2026, while West Palm Beach anticipates 4,000. In the former two markets, this marks an increase from 2025.

+0.8% **POPULATION:** Population growth in all three metros is expected to outpace the national rate in 2026, led by West Palm Beach, which anticipates the sixth-fastest growth among major markets.

2,600,000 *sq. ft.* **CONSTRUCTION:** The cluster of Southeast Florida markets expects its fastest pace of deliveries since 2018 in 2026, with inventory growth of 4.7 percent.

+30 bps **VACANCY:** This year's elevated delivery slate is expected to push combined vacancy to 7.3 percent by year-end. Still, the rate will remain among the lowest across major markets.

-0.6% **RENT:** Rising vacancy will weigh on rent growth prospects in 2026, with the metro's average asking rent forecast to fall to $1.56 per square foot by year-end.

ST. LOUIS

Light Deliveries and In-Migration Keep Vacancy Low

Economic Overview

Losses in manufacturing, transportation, and warehousing drove last year's job decline, though greater clarity on tariff policy may help ease pressure. Healthcare hiring should remain a key source of growth, while traditional office-using roles may continue to expand. Hospitality hiring may slow amid softer convention activity.

Demographic Overview

St. Louis is expected to post one of the highest in-migration totals among major Midwest metros, even as softer job prospects contribute to a decline in the 20-to-34 age cohort. Meanwhile, growth in the 55-and-older population should remain in line with the past decade's norm. Income growth is also expected to pick up as white-collar hiring improves slightly, helping support self-storage demand.

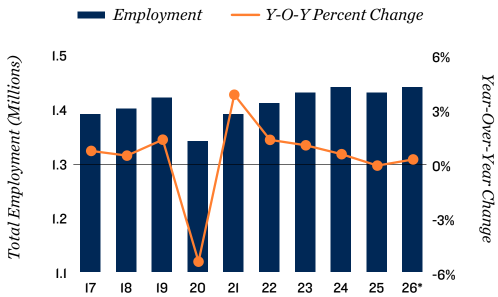
Construction Overview

Despite tight vacancy, new supply will continue to slow as high borrowing costs deter development. Deliveries will fall by nearly 50 percent from last year, helping keep self-storage fundamentals balanced, despite a weaker hiring environment.

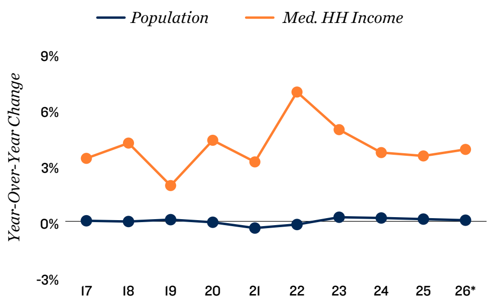
Vacancy/Rent Overview

Minimal supply additions help push vacancy more than 200 basis points below its prior 10-year average and over 300 basis points below the national rate. As a result, pricing power should improve modestly, with asking rents rising at the fastest pace since 2021, though the average rate will remain in line with the past 10-year average.

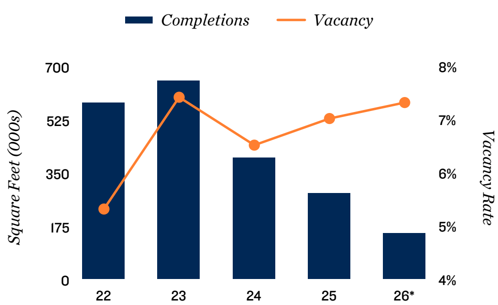
Employment Trends



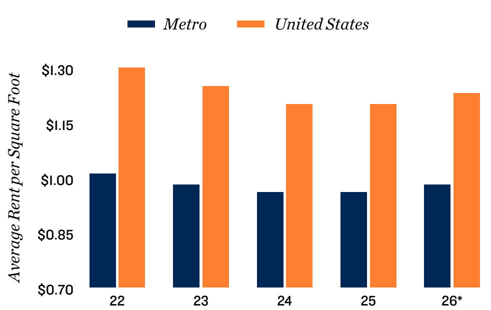
Demographic Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	*21 million square feet and 7.4 square feet per capita*

+0.3% **EMPLOYMENT:** After losing jobs last year, St. Louis is expected to add 4,000 positions in 2026, though that gain remains less than one-third of the metro's average annual increase from 2015 to 2019.

+0.1% **POPULATION:** The metro welcomes about 1,600 new residents in 2026, roughly half of last year's gain, after adding nearly 15,000 people over the past three years.

150,000 *sq. ft.* **CONSTRUCTION:** Completions fall to the lowest level since 2013, about 75 percent below the prior 10-year average. Supply growth of 0.7 percent will mark the lowest rate among major markets.

-50 bps **VACANCY:** After holding flat in 2025, improved hiring and subdued completions help vacancy fall to 6.0 percent, the lowest rate among major markets and 70 basis points above the all-time low.

+2.1% **RENT:** The average asking rate is expected to rise slightly to $0.98 per square foot following firmer trends last year, though that level will still sit about 4 percent below the metro's all-time high.

Demographic Momentum Helps Offset Supply Wave

Economic Overview

Most sectors of Tampa-St. Petersburg's employment market remained on stable footing heading into 2026, led by continued momentum in education, health services, and leisure and hospitality. In contrast, the trade, transportation, and utilities segment recorded its steepest annual job loss tally since the Global Financial Crisis.

Demographic Overview

Over the past five years ended in 2025, Tampa's population has grown at one of the 10 fastest rates among major markets. Although growth has begun to slow alongside a broader cooling in Sun Belt migration patterns, the metro is still expected to post one of the nation's 10 largest net in-migration totals in 2026.

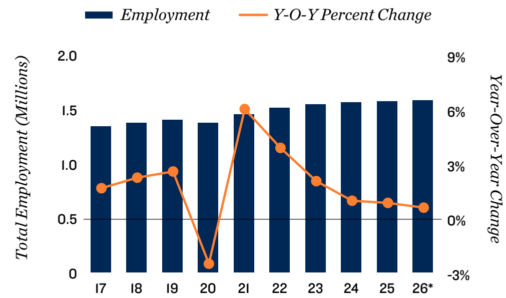
Construction Overview

Deliveries during the three years from 2024 to 2026 will average roughly three times the preceding long-term annual total, underscoring an extended period of supply pressure. While St. Petersburg is expected to see nearly scant deliveries, suburban pockets north of Temple Terrace-Carrollwood and along key transportation corridors around Plant City will register heavier concentrations.

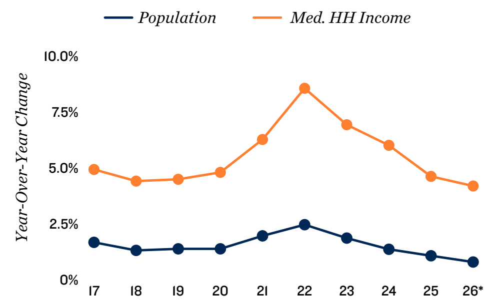
Vacancy/Rent Overview

Rising vacancy is expected to persist in 2026, albeit at a much slower pace than last year's 560-basis-point increase, as the metro continues to navigate elevated new supply. As such, the average asking rent will decline to levels near those recorded in 2019.

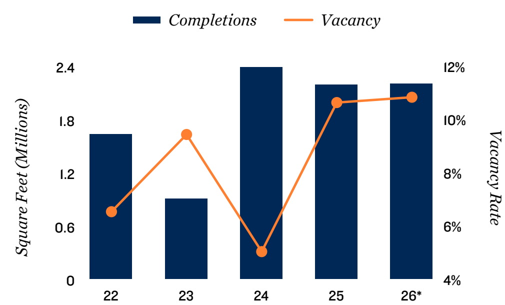
Employment Trends



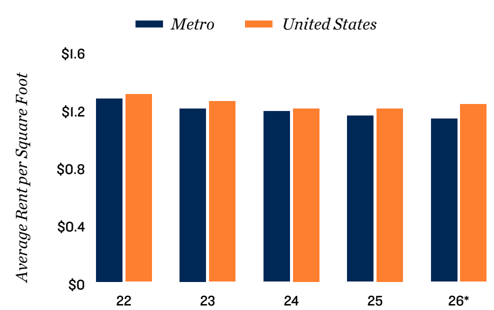
Demographic Trends



Supply and Demand Trends



Rent Trends



2026 MARKET FORECAST

INVENTORY	*42 million square feet and 12.0 square feet per capita*

+0.6% **EMPLOYMENT:** The metro's job market is expected to expand at a slower pace than in 2025, marking the fifth consecutive year of decelerating growth, with just 10,000 positions added in 2026.

+0.7% **POPULATION:** After peaking in 2022, population growth has slowed year-over-year since. In 2026, that trend continues, as the metro welcomes 23,500 residents, less than a third of 2022's level.

2,200,000 *sq. ft.* **CONSTRUCTION:** This year's deliveries translate into inventory growth of 5.5 percent and will mark the third straight year the metro eclipses 2 million square feet of additions.

+20 bps **VACANCY:** Amid another year of elevated deliveries, the metro's vacancy is expected to rise modestly to 10.8 percent by year-end, 360 basis points above its trailing-decade average.

-1.7% **RENT:** Rising vacancy leads to a fourth consecutive year of decline in average asking rent. By December, the rate is forecast to fall to $1.13 per square foot.

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

TENNESSEE

Migration Momentum Tempers Vacancy Concerns

Economic Overview

Nashville led employment growth last year in both absolute terms, at 14,100 new jobs, and on a percentage basis, at 1.2 percent. Knoxville followed with a 1.0 percent gain, or 4,600 roles. Memphis welcomed 800 net new jobs, a 0.1 percent uptick. Nashville and Knoxville should continue to grow in 2026, while Memphis may record some losses.

Demographic Overview

In line with the metro hiring trends, Nashville and Knoxville are slated to record the strongest net in-migration in 2026, adding over 8,000 new residents each. Relocations to Memphis may drop below 2,000 on a net basis. Combined, this will help form 20,000 households, with 60 percent of those based in Nashville.

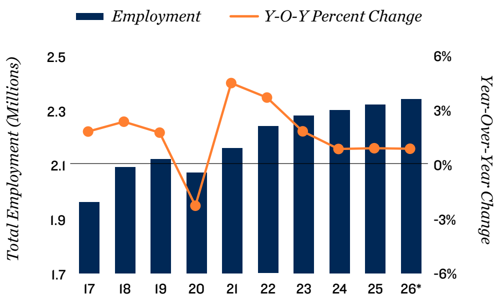
Construction Overview

As the largest Tennessee self-storage market by inventory, Nashville will receive 800,000 square feet, the most deliveries this year. The remaining construction pipeline is concentrated in Knoxville, with less than 100,000 square feet opening in Memphis. This marks a major deceleration in the latter metro after nearly 800,000 square feet opened in 2024.

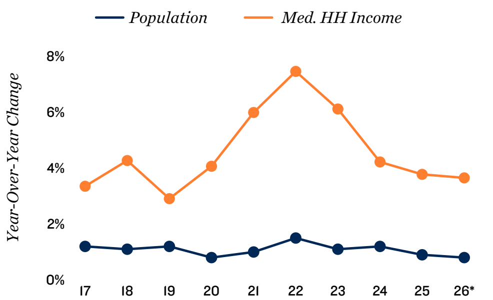
Vacancy/Rent Overview

Elevated new supply pressure in Nashville and a softer Memphis labor market will result in lower average asking rents for each metro this year, while Knoxville will note a slight increase despite greater deliveries. While vacancy in Nashville will trend down, it will remain one of the highest rates in the country, weighing on the region's overall average rent.

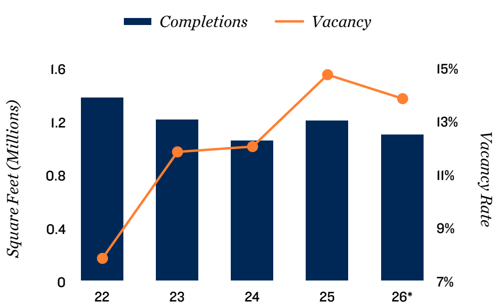
Employment Trends



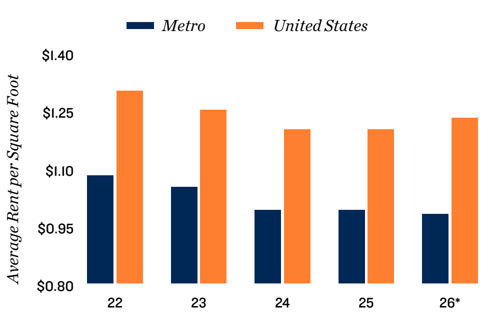
Demographic Trends



Supply and Demand Trends



Rent Trends



Tennessee encompasses Knoxville, Memphis, and Nashville

** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

2026 MARKET FORECAST

INVENTORY	***45 million square feet and 9.9 square feet per capita***

+0.9% — **EMPLOYMENT:** Knoxville and Nashville will combine to welcome 20,000 jobs this year, while the employment base in Memphis may dip by about 1,000 positions.

+0.7% — **POPULATION:** The combined populations of Knoxville, Memphis, and Nashville will increase by over 30,000 residents in 2026, led by a 21,000-person addition in Nashville.

1,095,000 *sq. ft.* — **CONSTRUCTION:** Development will pick up year-over-year in Knoxville, temper in Memphis, and hold in Nashville for an overall 2.5 percent increase in inventory.

-90 bps — **VACANCY:** After a three-year climb, Nashville's vacancy rate is poised to decrease slightly in 2026. At a rate of 13.8 percent, though, availability will still be among its highest on record.

-1.0% — **RENT:** A 1.8 percent increase in Knoxville's mean per-square-foot asking rent to $1.11 will not quite offset a 1.2 percent dip to $0.80 in Memphis and a 1.9 percent drop in Nashville to $1.03.

New Supply Pressure Coincides with Weaker Demand

Economic Overview

Federal government layoffs have created notable headwinds in Washington, D.C. The metro lost 53,000 jobs on net last year, representing 1.6 percent of its total labor force — the highest decline among all major U.S. markets. Government layoffs could remain a factor this year, preventing a rapid rebound in the local economy.

Demographic Overview

Despite a weak employment market, net in-migration to the metro held up last year, adding 43,000 residents. That trend is expected to reverse this year, however, as the metro is projected to record net out-migration of 5,000 residents, partly driven by individuals aged 20 to 34 relocating elsewhere. Growth in the 65+ population, on the other hand, will keep pace with the national rate, providing a buffer for space demand.

Construction Overview

This year's delivery slate will increase from 2025 but remain roughly in line with the metro's trailing-decade average. No meaningful deliveries are expected within the District; new supply is concentrated in outer suburban areas such as Fairfax and Leesburg in Virginia, and Glenn Dale, Upper Marlboro, and Waldorf in Maryland.

Vacancy/Rent Overview

Declines in the average asking rent will occur across the metro. On the Virginia side, the rate is expected to reach $1.46 per square foot by December, while the D.C.-Maryland portion of the metro will average $1.49 per square foot.

2026 MARKET FORECAST

INVENTORY	*47 million square feet and 7.2 square feet per capita*

-0.3% **EMPLOYMENT:** The metro is expected to lose 10,000 jobs in 2026 — a much smaller decline than in 2025. Still, this will mark only the third year of net job losses since 2010.

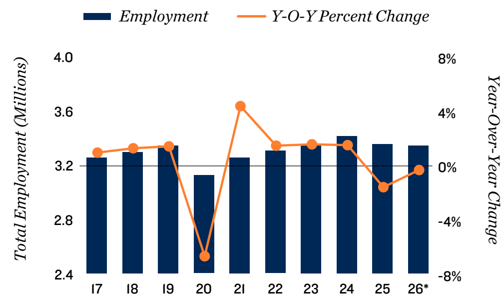
+0.2% **POPULATION:** Population growth is slowing, as Washington, D.C., will add 10,400 residents this year, roughly one-quarter of the metro's trailing 10-year annual average.

1,370,000 *sq. ft.* **CONSTRUCTION:** Deliveries will nearly double from 2025 levels, driven by a tripling of space completed year-over-year in the Virginia portion of the metro.

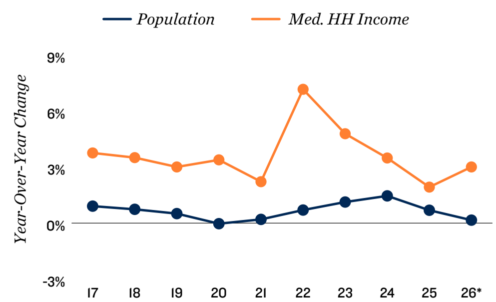
+40 bps **VACANCY:** Renewed supply pressure and slowing demand will push metrowide vacancy to 9.4 percent this year, following a 120-basis-point expansion in 2025.

-1.3% **RENT:** Rising vacancy will lead to a decline in the average asking rent across the metro, which is projected to reach $1.47 per square foot by year-end.

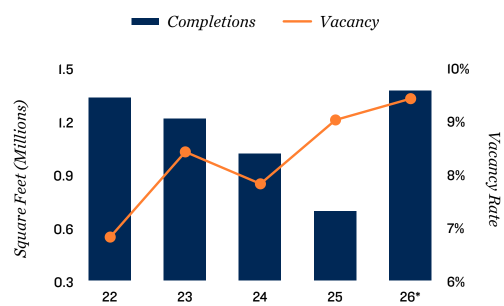
Employment Trends



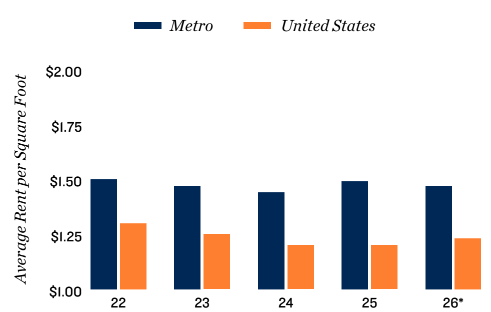
Demographic Trends



Supply and Demand Trends



Rent Trends



** Forecast*

Sources: CoStar Group, Inc.; Radius+; Yardi Matrix

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Note: Employment and Self-Storage data forecasts for 2026 are based on the most up-to-date information available as of March 2026 and are subject to change.

[2] Statistical Summary Note: Metro-level employment, vacancy and asking rents are year-end figures and are based on the most up-to-date information available as of March 2026. Asking rents are based on a standard 10 foot by 10 foot unit. Average prices and cap rates are a function of the age, class and geographic area of the properties trading and therefore may not be representative of the market as a whole. Forecasts for employment and self-storage data are made during the first quarter and represent estimates of future performance. No representation, warranty or guarantee, express or implied, may be made as to the accuracy or reliability of the information contained herein. This is not intended to be a forecast of future events and this is not a guarantee regarding a future event. This is not intended to provide specific investment advice and should not be considered as investment advice.

Sources: Marcus & Millichap Research Services; Blue Chip; Centers for Disease Control; CoStar Group, Inc.; CubeSmart; Extra Space Storage; Federal Reserve; Google Analytics; Moody's Analytics; Mortgage Bankers Association; National Association of Home Builders; National Association of Realtors; National Storage Affiliates Trust; Radius+; Public Storage; Real Capital Analytics; RealPage, Inc.; Storable, Inc.; TracIQ; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; Yardi Matrix

STATISTICAL SUMMARY

MARKET NAME	EMPLOYMENT GROWTH[2]				POPULATION GROWTH[2]				COMPLETIONS (000 OF SQ. FT.)[2]				VACANCY RATE[2]				ASKING RENT PER SQ. FT.[2]				MARKET NAME
	2023	2024	2025	2026*	2023	2024	2025	2026*	2023	2024	2025	2026*	2023	2024	2025	2026*	2023	2024	2025	2026*	
Atlanta	1.5%	1.3%	0.0%	0.5%	1.2%	1.3%	1.2%	0.9%	2,900	2,700	3,000	1,700	8.6%	9.0%	10.4%	10.0%	$1.08	$0.98	$0.97	$0.98	Atlanta
Austin	2.7%	1.7%	0.7%	0.9%	2.4%	2.6%	2.4%	1.9%	500	700	800	800	9.4%	10.0%	9.3%	8.9%	$1.08	$1.04	$1.02	$1.04	Austin
Baltimore	2.2%	1.0%	-0.1%	0.2%	0.2%	0.6%	0.2%	-0.1%	800	1,000	600	500	8.8%	7.3%	8.6%	8.8%	$1.33	$1.30	$1.29	$1.28	Baltimore
Bay Area	-1.0%	-0.2%	-0.5%	-0.3%	0.6%	1.0%	0.3%	0.1%	800	600	500	400	6.0%	5.0%	6.5%	6.8%	$2.01	$2.00	$2.01	$2.03	Bay Area
Boston	1.1%	0.0%	-0.2%	-0.1%	0.9%	1.2%	0.6%	0.1%	1,800	1,500	900	600	8.0%	8.3%	9.9%	10.2%	$1.50	$1.42	$1.43	$1.44	Boston
Chicago	0.9%	0.4%	0.6%	0.5%	0.6%	0.7%	0.0%	-0.3%	2,300	900	1,800	900	7.8%	6.7%	7.9%	7.5%	$1.12	$1.10	$1.12	$1.15	Chicago
Cincinnati	1.0%	0.6%	-0.4%	-0.2%	0.9%	0.8%	0.5%	0.3%	200	400	400	500	6.4%	5.0%	8.0%	8.3%	$0.94	$0.91	$0.92	$0.89	Cincinnati
Cleveland-Akron	0.3%	-0.2%	0.2%	0.4%	0.2%	0.2%	-0.2%	-0.3%	1,400	600	500	100	9.5%	8.9%	8.8%	8.6%	$1.02	$0.98	$0.97	$0.98	Cleveland-Akron
Columbus	2.0%	0.9%	1.4%	0.7%	1.3%	1.4%	1.1%	0.9%	500	600	300	300	9.1%	12.6%	12.4%	11.9%	$0.97	$0.94	$0.93	$0.94	Columbus
Dallas-Fort Worth	2.0%	1.4%	0.3%	0.8%	2.2%	2.1%	1.6%	1.3%	2,900	3,000	1,900	2,300	7.1%	8.1%	8.6%	9.2%	$1.04	$0.98	$0.97	$0.96	Dallas-Fort Worth
Denver	1.0%	0.7%	0.1%	0.4%	1.1%	1.0%	0.6%	0.5%	500	200	600	300	7.4%	8.6%	11.5%	12.0%	$1.28	$1.25	$1.24	$1.25	Denver
Detroit	1.2%	0.8%	0.0%	0.2%	0.5%	0.4%	-0.2%	-0.4%	600	900	1,200	600					$1.18	$1.13	$1.16	$1.18	Detroit
Houston	2.4%	1.3%	0.4%	0.5%	2.7%	2.2%	1.6%	1.3%	2,200	1,800	1,600	1,700	7.4%	6.8%	9.1%	9.4%	$0.98	$0.96	$0.95	$0.94	Houston
Indianapolis	2.3%	1.0%	0.2%	0.7%	1.1%	1.4%	1.1%	0.9%	400	600	200	300	7.8%	10.0%	9.1%	8.9%	$0.91	$0.87	$0.88	$0.87	Indianapolis
Las Vegas	3.5%	1.4%	-0.8%	0.3%	1.6%	1.6%	0.8%	0.7%	1,400	1,100	1,000	1,300	7.6%	7.9%	7.6%	8.0%	$1.26	$1.18	$1.13	$1.10	Las Vegas
Los Angeles	0.1%	1.0%	-0.2%	0.2%	0.0%	0.3%	0.0%	0.0%	900	1,300	1,600	900	8.2%	6.9%	7.3%	7.5%	$2.11	$2.09	$2.14	$2.16	Los Angeles
Minneapolis-St. Paul	1.2%	1.1%	0.5%	0.1%	0.9%	1.0%	0.7%	0.5%	600	400	300	300					$1.07	$1.05	$1.06	$1.07	Minneapolis-St. Paul
New Haven-Fairfield County	1.8%	1.0%	-0.1%	0.4%	0.9%	0.8%	0.3%	0.0%	300	1,000	600	1,000	9.2%	8.2%	5.4%	6.1%	$1.38	$1.33	$1.33	$1.30	New Haven-Fairfield County
New York City	1.7%	2.7%	0.6%	0.4%	0.8%	0.9%	-0.1%	-0.2%	1,300	100	600	700	8.0%	7.3%	8.2%	8.4%	$2.81	$2.77	$2.81	$2.82	New York City
North Carolina	2.3%	1.4%	1.9%	1.2%	2.0%	2.0%	1.5%	1.1%	2,500	2,400	2,300	2,000	8.6%	8.6%	10.6%	10.8%	$1.01	$0.97	$0.96	$0.97	North Carolina
Orange County	0.9%	0.3%	0.1%	0.4%	0.0%	0.5%	0.1%	0.0%	100	200	0	700	8.2%	6.9%	7.3%	7.5%	$1.94	$1.93	$1.96	$1.98	Orange County
Orlando	3.0%	2.3%	0.3%	0.4%	2.6%	2.5%	2.0%	1.4%	1,300	2,300	2,200	2,000	9.6%	7.4%	9.3%	9.4%	$1.15	$1.13	$1.10	$1.09	Orlando
Philadelphia	1.6%	1.0%	1.2%	0.8%	0.7%	0.7%	0.3%	0.0%	2,400	2,300	1,700	1,300	9.5%	8.3%	8.5%	8.6%	$1.27	$1.21	$1.24	$1.26	Philadelphia
Phoenix	2.6%	1.1%	0.9%	1.2%	1.5%	1.5%	1.0%	0.8%	1,500	1,300	2,700	2,400	9.6%	8.1%	9.7%	9.4%	$1.18	$1.14	$1.11	$1.10	Phoenix
Portland	0.8%	0.1%	-0.6%	-0.4%	0.7%	0.6%	0.5%	0.4%	400	200	400	200	4.8%	4.1%	7.1%	6.9%	$1.42	$1.38	$1.38	$1.41	Portland
Riverside-San Bernardino	1.9%	1.2%	0.0%	0.3%	0.7%	1.2%	0.8%	0.4%	400	400	700	500	8.6%	9.3%	8.8%	8.3%	$1.33	$1.28	$1.28	$1.29	Riverside-San Bernardino
Sacramento	1.5%	1.6%	-0.4%	-0.2%	0.6%	1.1%	0.3%	0.1%	500	1,100	800	500	8.7%	7.3%	12.9%	12.4%	$1.38	$1.36	$1.34	$1.33	Sacramento
Salt Lake City	1.8%	1.6%	1.3%	0.9%	1.6%	1.7%	1.2%	1.1%	800	300	400	700					$1.12	$1.09	$1.02	$1.00	Salt Lake City
San Antonio	2.4%	1.6%	1.1%	1.2%	1.9%	1.7%	1.4%	1.1%	700	1,100	1,500	1,000	11.3%	9.8%	9.2%	8.5%	$1.07	$1.00	$0.97	$0.99	San Antonio
San Diego	0.4%	0.8%	0.3%	0.4%	0.1%	0.5%	0.1%	0.0%	400	400	300	300	8.9%	11.0%	9.3%	9.0%	$1.79	$1.73	$1.72	$1.70	San Diego
Seattle-Tacoma	0.5%	1.8%	-0.1%	0.3%	1.2%	1.4%	0.7%	0.6%	400	1,000	1,200	500					$1.58	$1.55	$1.58	$1.62	Seattle-Tacoma
Southeast Florida	2.8%	1.3%	0.3%	0.6%	1.9%	1.7%	1.2%	0.8%	1,400	2,000	1,800	2,600	7.4%	6.5%	7.0%	7.3%	$1.62	$1.56	$1.57	$1.56	Southeast Florida
St. Louis	1.1%	0.6%	-0.1%	0.3%	0.2%	0.2%	0.1%	0.1%	700	400	300	200	8.7%	6.5%	6.5%	6.0%	$0.98	$0.96	$0.96	$0.98	St. Louis
Tampa-St. Petersburg	2.1%	1.0%	0.9%	0.6%	1.7%	1.3%	1.0%	0.7%	900	2,400	2,200	2,200	9.4%	5.0%	10.6%	10.8%	$1.20	$1.18	$1.15	$1.13	Tampa-St. Petersburg
Tennessee	1.8%	0.8%	0.8%	0.8%	1.0%	1.1%	0.8%	0.7%	1,200	1,000	1,200	1,100	11.8%	12.0%	14.7%	13.8%	$1.05	$0.99	$0.99	$0.98	Tennessee
Washington, D.C.	1.6%	1.5%	-1.6%	-0.3%	1.1%	1.5%	0.7%	0.2%	1,200	1,000	700	1,400	8.4%	7.8%	9.0%	9.4%	$1.47	$1.44	$1.49	$1.47	Washington, D.C.
United States	**1.6%**	**0.9%**	**0.1%**	**0.2%**	**0.9%**	**0.9%**	**0.5%**	**0.3%**	**75,500**	**79,000**	**67,000**	**53,000**	**9.7%**	**9.8%**	**10.2%**	**9.8%**	**$1.25**	**$1.20**	**$1.20**	**$1.23**	**United States**

** Forecast*

[2] See Statistical Summary Note on Page 48.

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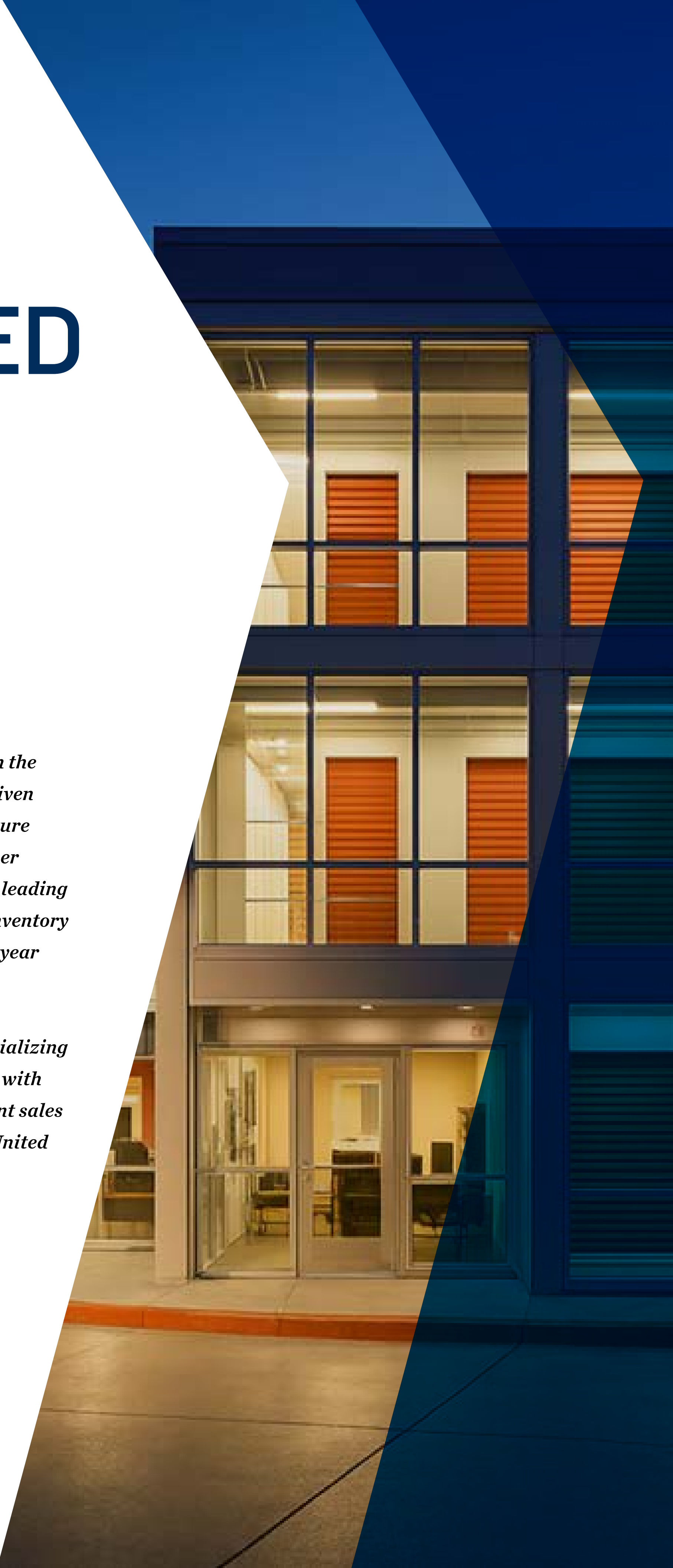

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