



SELF STORAGE SALES NETWORK

Market Monitor

America's Premier Self Storage Brokers

Issue V-2015

As Good As It Gets!

by Ben Vestal

With all of the hype surrounding self storage today, new development buzz, strong market fundamentals, fluid financing options and all-time high values, it's worth contemplating; is this as good as it gets?

For the last several months we have been talking about how long this cycle will last and the uncertainty of the major driving factors such as interest rates, the amount of new development in the market and the overall market fundamentals. For now, all signs are pointing to GO! However, in this high stakes game of musical chairs NOW is the time to think outside the box and find your chair before the music stops. This is the time for serious analysis of your personal objectives and options because the real estate and credit market are likely to change and limit your options moving forward.

By most measures, the self storage rental market is reasonably steady, if not booming. According to industry statistics, occupancies are at or near all-time highs with most of the growth in 2015 coming from an increase in rental rates (street rates) or the embedded value within the current customer base (rate increases on current customers). With most of the future growth coming from rate growth over the next several months and not occupancy, I believe that we are going to see slower NOI growth for the foreseeable future, leaving many storage owners in a limited growth investment.

While it is comforting to know how well you have prospered in recent times from this extraordinary market, several questions hang over the future. Wondering if high values will last forever is really just a manifestation of wishful thinking, and can probably be answered best by the statement: They never have! The more typical historical range in values, occupancies and lending options will inevitably resurface leaving many owners

wishing they capitalized on the current market conditions.

What to do? First, decide what you want to do and what your particular circumstances are. If you want to keep your facility for at least five years or more, and you believe that your competitive situation is such that you can maintain and grow your income over time, then make sure that you have captured a low interest rate loan for at least that term. Be leery of prepayment penalties that may prohibit you from selling, because you never know when you might change your mind.

If your ownership horizon is less than five years or you are concerned about your property's long term ability to compete in your market, then selling could be an attractive option. Values are at all-time highs and the chances of cap rates going up (values going down) appear to be significantly greater than having cap rates decline any further. If you are wondering when to make the decision, my suggestion is to do so only as soon as you are comfortable. While no one has the ability to predict where interest rates and values will be a year from now, we can be sure that the "best of times" won't last forever.

To learn more about these truly unique times, we encourage you to participate in one of Argus' **Regional Self Storage Investment Webinars** coming up this June where you will hear from local self-storage experts about their advice for owners, developers and buyers alike. Just click on the links located on the last page of the Market Monitor to sign up, or contact your local Argus Broker Affiliate! **MM**

Ben Vestal, President of Argus Self Storage Sales Network, can be reached at 800-557-8673 or bvestal@argus-realestate.com.



Property Showcase

Texas 7-Property Portfolio

Bid Date June 2, 2015

- ~563,511 Total RSF
- ~3,923 Total Units
- Class A properties are market leaders with best-in-class locations
- Locations include Houston (2), San Antonio (2), Georgetown, Pflugerville & Plano
- Plenty of upside available
- Strong submarkets with high barriers to entry
- Excellent demographics with \$90,607 average 3-mile household income

NEW!

Bill Brownfield, CRE, CCIM

713-907-6497

bill@wbrownfield.com



San Mateo, CA

\$1,400,000

- Development Opportunity
- 0.39 Acre
- Located in the heart of the Bay Area
- Site area includes 17,101 SF land parcel
- Approved for gross floor area of 30,082 SF
- Approved for 18,400 SF

NEW!

Tom de Jong

408-282-3829

tom.dejong@colliers.com



Sedalia, MO

\$1,338,000

- 207 Units
- 44,196 RSF
- ~5 Acres
- Historic buildings converted to self storage
- All ground floor, CC units
- Over 18,000 SF of expansion available under roof
- Central downtown location

NEW!

Larry Goldman, CCIM

913-339-0641

lgoldman@selfstorage.com



Monument, CO

\$8,000,000

- 683 Units
- 79,724 RSF
- 6.9 Acres
- Excellent visibility and access
- New roofs, re-painted doors, and new retail office
- Great monument sign
- Strong occupancy history
- Assumable financing

NEW!

Joan Lucas

720-855-6587

jluucas@selfstorage.com



Powells Point, NC

\$719,000

- 162 Units
- 24,250 RSF
- 3 Acres
- Built in 2002
- Located near the Outer Banks of North Carolina
- Chance to buy into an operating facility with significant upside

NEW!

Stuart Wade, Jr.

757-618-3597

swade@thenicholsoncompanies.com



Peoria, IL

\$2,399,000

- 428 Units
- 73,580 RSF
- 8.58 Acres
- 2 Properties located 0.5 mile apart
- Unrealized market potential
- Indoor units may be converted to CC units
- Easily run operation at both locations

NEW!

Bruce Bahrmassel

312-518-3550

bbbahr@aol.com



Rindge, NH

\$995,000

- 97 Units
- 21,072 RSF
- 9 Acres
- Located at major retail intersection
- Expansion land for 5,880 SF of additional storage
- Commercial/showroom space for upside growth

NEW!

Joe Mendola

603-668-7000

joe@nainorwoodgroup.com





Sells Self Storage Nationwide!

For property details, visit www.argus-selfstorage.com or contact your local Argus Broker Affiliate!

Alabama

Atmore/Brewton	\$3,182,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Phenix City	SOLD!	Bill Barnhill/Stuart LaGroue	251-432-1287
Pinson	\$1,270,000	Bill Barnhill/Shannon Barnes	251-432-1287
		Stuart LaGroue	251-432-1287
Saraland	\$3,100,000	Bill Barnhill/Shannon Barnes	251-432-1287

Arizona

Fort Mohave	\$500,000	Jeffery A. Gorden	480-331-8880
Gilbert	Call Broker	Jeffery A. Gorden	480-331-8880
Mesa	Call Broker	Jeffery A. Gorden	480-331-8880

Arkansas

Avoca	\$2,347,000	Larry Goldman	913-339-0641
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California

San Bernardino	\$473,000	Tom de Jong/ Gilbert Enciso	408-282-3829 858-874-8777
San Mateo	\$1,400,000	Tom de Jong	408-282-3829
Vallejo	In Contract	Tom de Jong	408-282-3829
Vallejo	\$1,850,000	Tom de Jong	408-282-3829
Woodland	\$6.50 PSF	Tom de Jong	408-282-3829

Colorado

Cortez	\$1,185,000	Joan Lucas	720-855-6587
Monument	\$8,000,000	Joan Lucas	720-855-6587

Florida

Deerfield Beach	\$4,302,320	Scott Brenner	954-596-5502
Gulf Breeze	\$5,499,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Lake City	\$325,000	John W. Hill	386-362-3300

Georgia

Alto	\$490,000	Mike Patterson	770-241-9070
Douglasville	\$1,580,000	Mike Patterson	770-241-9070
Jackson	\$2,520,000	Mike Patterson	770-241-9070
Newnan	\$1,200,000	Mike Patterson	770-241-9070
Warner Robins	\$1,275,000	Mike Patterson	770-241-9070
Winston	\$292,000	Mike Patterson	770-241-9070

Illinois

Macomb	\$1,100,000	Bruce Bahrmassel	312-518-3550
Peoria	\$2,399,000	Bruce Bahrmassel	312-518-3550

Kansas

Iola	\$530,000	Larry Goldman	913-339-0641
Junction City	\$1,145,000	Larry Goldman	913-339-0641

Michigan

Brooklyn	\$925,000	Jim Soltis	810-494-2062
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Missouri

Clinton	\$278,000	Larry Goldman	913-339-0641
Lee's Summit	\$2,650,000	Larry Goldman	913-339-0641
Mount Vernon	\$478,000	Larry Goldman	913-339-0641
Sedalia	\$1,338,000	Larry Goldman	913-339-0641

Mississippi

Brandon	\$650,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Bryam	SOLD!	Bill Barnhill/Stuart LaGroue	251-432-1287
Canton	\$850,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Leland	\$199,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Terry	\$1,200,000	Bill Barnhill/Stuart LaGroue	251-432-1287

Nevada

Reno	\$3,500,000	Bill Nicoloff	801-416-1026
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New Hampshire

Rindge	\$995,000	Joe Mendola	603-668-7000
Seabrook	SOLD!	Joe Mendola	603-668-7000

New Jersey

Branchville	\$995,000	Linda Cinelli	908-722-5661
Hackettstown	\$4,400,000	Linda Cinelli	908-722-5661
Howell	\$2,350,000	Linda Cinelli	908-722-5661
Howell	\$890,000	Linda Cinelli	908-722-5661
Montague	\$1,600,000	Linda Cinelli	908-722-5661
Orange	\$799,000	Linda Cinelli	908-722-5661
Pemberton	\$975,000	Linda Cinelli	908-722-5661

New Mexico

El Prado (Taos)	\$3,000,000	David Etzold/Noel Woodwell	915-491-9610
Mesilla Park	\$575,000	David Etzold/Noel Woodwell	915-491-9610
Ruidoso	\$790,000	David Etzold/Noel Woodwell	915-491-9610

New York

Bayport	\$1,900,000	Linda Cinelli	908-722-5661
Carthage	\$2,400,000	Guy Blake	845-522-5900
Hicksville	\$4,200,000	Linda Cinelli	908-722-5661
Middletown	\$450,000	Linda Cinelli	908-722-5661
Modena	\$775,000	Linda Cinelli	908-722-5661
Monticello	\$4,500,000	Linda Cinelli	908-722-5661
Peekskill	\$3,500,000	Linda Cinelli	908-722-5661
Port Jervis	\$1,600,000	Linda Cinelli	908-722-5661
West Hurley	\$3,795,000	Guy Blake	845-522-5900

North Carolina

Powells Point	\$719,000	Stuart Wade	757-618-3597
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North Dakota

Watford City	\$1,200,000	Bruce Bahrmassel	312-518-3550
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Ohio

Howard	\$1,550,000	Alec Pacella	216-455-0925
N. Ridgeville	\$375,000	Alec Pacella	216-455-0925

Oklahoma

Muskogee	\$1,650,000	Jared Jones	918-583-3483
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Pennsylvania

Bechtelsville	\$1,350,000	Chuck Shields	610-828-0100
Matamoras	\$1,100,000	Linda Cinelli	908-722-5661
Olyphant	\$850,000	Chuck Shields	610-828-0100
Spring City	\$5,250,000	Chuck Shields	610-828-0100

Texas

7-Prop Portfolio	Call Broker	Bill Brownfield	713-907-6497
Bridgeport	\$515,000	Richard Minker	817-840-0054
Canyon	\$545,000	David Etzold	915-491-9610
Livingston	\$1,400,000	Bill Brownfield	713-907-6497
Mansfield	\$3,395,000	Richard Minker/Chad Snyder	817-840-0054
Marble Falls	\$745,000	Bill Brownfield	713-907-6497
Texarkana	\$3,850,000	Bill Brownfield	713-907-6497

Virginia

Chesapeake	\$750,000	Stuart Wade	757-618-3597
Williamsburg	\$6,490,000	Stuart Wade	757-618-3597

Wisconsin

Franksville	SOLD!	Bruce Bahrmassel	312-518-3550
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ARGUS SALES



Congratulations to Joe Mendola of NAI Norwood group who sold Seacoast Mini Storage in Seabrook, NH! Contact Joe at 603-668-7000 for details.



Congratulations to Bruce Bahrmassel of Waveland Commercial Real Estate, who sold I-95 Self Storage in Franksville, WI! Contact Bruce at 312-518-3550 for details.



Congratulations to Bill Barnhill, CCIM and Stuart LaGroue of Omega Properties, Inc. who sold Storage Solutions in Byram, MS and Freeway Self Storage in Phenix City, AL! Bill and Stuart can be reached at 251-432-1287 for more information.



Congratulations to Paul Grisanti, CCIM and Mike Helline of Grisanti Group Commercial Real Estate who sold Storage Solutions in Louisville, KY! Contact Paul and Mike at 502-253-1811 for more information.

YOU'RE INVITED!

Self Storage Regional Investment Webinars

Join self-storage experts from around the country to learn valuable information about the investment market in your region. Argus Broker Affiliates will discuss topics including Capital Markets, Valuation and Cap Rate Trends and Development.

Choose your region below and click to register, or call 1-800-55-STORE. Hurry - space is limited!

Southeast: June 2, 10:30am Eastern

Texas: June 9, 10:00am Central

North Central: June 16, 10:00am Central

West Coast: June 3, 10:00am Pacific

South Central: June 10, 10:00am Central

Southwest/Rocky Mtn: June 4, 10:00am Mtn

Northeast: June 11, 10:30am Eastern

Contact an Argus Broker Affiliate

NORTHEAST

Guy Blake, CCIM
Linda Cinelli, CCIM, CEA
Joseph Mendola
Chuck Shields

Company

Pyramid Brokerage Company
LC Realty
NAI Norwood Group
Beacon Commercial Real Estate

Phone

845-522-5900
908-722-5661
603-668-7000
610-862-1645

Territory

Upstate NY, Western CT
Northern NJ, NY (NYC, Long Island)
MA, ME, NH VT, Eastern CT
Eastern PA, Southern NJ, DE

SOUTHEAST

Bill Barnhill, CCIM
N.J. "Joey" Godbold
Mike Patterson, CCIM
Stuart Wade
Frost Weaver (FL Commercial Brokers Network)

Omega Properties, Inc.
Percival Partners
Commercial Realty Services of West Georgia
The Nicholson Companies
Weaver Realty Group, Inc.

888-801-4534
704-632-1027
770-241-9070
757-618-3597
904-733-0039

FL Panhandle
NC, SC
GA
MD, VA
North, Central & South FL

NORTH CENTRAL

Bruce Bahrmassel
David Dunn
Alec Pacella, CCIM
Larry Goldman, CCIM
Mike Helline & Paul Grisanti, CCIM
Matson Holbrook, CCIM & Max Schultz
Jim Soltis

Waveland Commercial Real Estate, LLC
Hike Real Estate
NAI Daus
RE/MAX Commercial
Grisanti Group Commercial Real Estate
Siegel-Gallagher, Inc.
Preview Properties.com

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216-831-3310
913-339-0641
502-253-1811
414-270-4108
810-494-2062

Northern IL, Northern IN
NE, IA
OH, Western PA
KS, MO, Southern IL
KY, Southern IN
WI
MI

SOUTH CENTRAL

Bill Barnhill, CCIM
Bill Brownfield, CRE, CCIM
David Etzold & Noel Woodwell
Larry Goldman, CCIM
Mike Helline & Paul Grisanti, CCIM
Jared Jones, CCIM
Richard D. Minker, CCIM

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918-583-3483
817-335-5600

AL, MS, LA
South & Central TX
West TX
AR
TN
OK
North TX

WEST

Steve Boldish, CCIM
Tom de Jong
Gilbert Enciso
David Etzold & Noel Woodwell
Jeffery A. Gorden, CCIM
Isaac & Ben Hawkins
Larry Hayes
Joan Lucas
Bill Nicoloff

Oregon Self Storage Brokers
Colliers International
Torrey Pines Commercial
Etzold & Co.
Eagle Commercial Realty Services
Hawkins Edwards Inc.
Hayes & Associates
Joan Lucas Real Estate Services, LLC
Newmark Grubb ACRES

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