



SELF STORAGE SALES NETWORK

Market Monitor

America's Premier Self Storage Brokers

Issue I-2015

Why Would You Hire a Broker?

by Ben Vestal

In 2014, more than \$1 Billion of self-storage properties were sold. The majority of those transactions, 90% or more, were handled by a broker. Many self-storage owners who are considering selling or buying a property in the near future may wonder why so many people choose to use the services of a broker rather than handling the transaction themselves. The easy answer is that real estate clients believe they get value from using a broker's services. Another answer might be that an owner might use a broker for the same reason they see a cardiologist rather than consult their brother-in-law when they have chest pain. Let's explore the elements of a real estate transaction and discuss the pros and cons of enlisting the services of a real estate professional.

What Are We Selling - Dirt, Bricks or Income?

The reality is that while the dirt and bricks will be transferred by the deed, it is the income stream that creates the value in self-storage properties. In all income-producing properties, the valuation process is focused around the net operating income of the property and the potential for future income. It is important to understand that the selling process does not create value; the value of the property is already there and is set by the market. Brokers are not magicians, so it is important to be wary of a broker who tells you he can get you a CRAZY price for your property or is 20% higher in their broker opinion of value than other brokers you talk with. The investment market is strong today but finding a greater fool is a fool's game. One might say that brokers are selling the income of your property, not the property itself. Obviously, there are many subtleties you need to consider when selling your property but the value is set by what a qualified buyer is willing to pay for your property. Now more than ever a qualified self storage broker can add value to your transaction by helping you to understand the dynamics of your market and price your asset appropriately.

Exposure Sells & Experience Matters:

In real estate, like any other business, exposure sells! Without it how would a prospective purchaser ever know about

a property for sale? The only way to guarantee that you are receiving the highest and best offers for your property is to ensure that the maximum numbers of qualified buyers are aware of the property for sale and are provided with the proper information to evaluate the investment opportunity. While buyers tend to be concentrated on lower prices and higher cap rates, and sellers prefer higher prices and lower cap rates, the deal is completed at a point where both sides can reach a mutual agreement. You might wonder if using a broker in this process makes a difference, and the answer is ABSOLUTELY! Only an experienced broker has access to all of the tools and relationships that will ensure maximum exposure both within the self-storage industry and throughout the commercial real estate marketplace. Consider the opinion of real estate appraisers - the real estate profession that makes valuation its sole focus. Christian Sonne, Executive Managing Director of Cushman & Wakefield's Self Storage Industry Group, says that "in our nationwide appraisal practice, we consistently find that sale transactions with a broker sell for 5% to 20% higher and with shorter marketing time. The most under-market deals we see are when a broker is not involved. In appraisal, we always make sure a sale was brokered to make sure the deal was 'at market.'"

In Summary:

It is important for buyers and sellers to consider their primary objectives when engaging in a real estate transaction to determine if using a broker is right for them. An experienced and well-seasoned self storage broker will increase the professionalism of your self-storage transaction and will ensure that you have the best advice possible, the most sophisticated marketing program, experienced execution and the confidence in knowing that an expert is helping you complete your transaction. This expertise does come at a price, and those costs must be weighed against the potential for decreased leverage at the negotiating table. There is an old saying that "The lawyer who represents himself has a fool for a client" and the same is even more true of the real estate investor who acts as his own broker. **MM**

Ben Vestal, President of the Argus Self Storage Sales Network, can be reached at 800-55-STORE or bvestal@argus-realestate.com.



Property Showcase

Fort Smith, AR

• \$1,750,000

- NEW PRICE!
- 2-Property Portfolio
- 290 Total Units
- 41,260 Total RSF
- 2.5 Acres
- High profile locations with excellent traffic counts
- Priced well below replacement costs
- Manager's office/apartment at one site and kiosk at other

Larry Goldman, CCIM

913-339-0641

lgoldman@selfstorage.com



Pascagoula, MS

• \$1,800,000

- 429 Units
- 56,180 RSF
- 3.53 +/- Acres
- Gated facility with keypad access
- Great visibility from street
- Well lighted
- Climate, non-climate and Boat/RV storage
- Land available for expansion

Bill Barnhill, CCIM & Shannon Barnes, CCIM

251-432-1287

barnhill@selfstorage.com,
shannon@selfstorage.com



Fanning Springs, FL

• \$1,390,000

- 321 Units
- 43,250 RSF
- 8.8 Acres
- Value-add opportunity
- Positive occupancy trend over last three years
- Boat/RV units plus U-Haul rentals
- Quality construction
- Well maintained
- Fenced, security cameras

NEW!

Frost Weaver

904-265-2001

fweaver@weaver-realty.com



Olyphant, PA

• \$850,000

- 121 Units
- 16,650 RSF
- 1.775 Acres
- Good market appeal with high visibility and locational characteristics
- Facility is in excellent condition
- Strong tenant retention
- Minimal management involvement and expense

Chuck Shields

610-282-0100

cshields@beaconcre.com



Villa Rica, GA

• \$1,200,000

- 169 Units
- 24,200 RSF
- 5.15 Acres
- Great location in high traffic corridor with strong growth
- Flat site with door visibility and dual road access
- Minimal competition within 5 miles
- Thrift store and propane income pays onsite payroll

Mike Patterson, CCIM

770-241-9070

ebroker@msn.com



Fort Worth, TX

• \$3,010,000

- 2-Property Portfolio
- 567 Total Units
- 73,375 Total RSF
- 4.2899 Total Acres
- Properties located approximately one block apart and are managed from a single office
- Recently renovated
- Excellent location just south of Interstate 20

Richard Minker, CCIM

817-335-5600

rminker@selfstorage.com





Sells Self Storage Nationwide!

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

Alabama

Dothan	\$4,795,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Phenix City	\$1,725,000	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

Bullhead City	\$249,000	Jeffery A. Gorden	480-331-8880
Bulhead City	\$431,000	Jeffery A. Gorden	480-331-8880
Fort Mohave	\$500,000	Jeffery A. Gorden	480-331-8880
Glendale	\$1,135,000	Jeffery A. Gorden	480-331-8880
Yuma	\$6,500,000	Jeffery A. Gorden	480-331-8880
Yuma	\$2,500,000	Jeffery A. Gorden	480-331-8880

Arkansas

Avoca	\$2,347,000	Larry Goldman	913-339-0641
Ft. Smith	\$1,750,000	Larry Goldman	913-339-0641
Hiwassee	\$599,000	Larry Goldman	913-339-0641

California

San Jose	SOLD!	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
Yreka	\$590,000	Tom de Jong	408-282-3829

Colorado

Colo Springs	\$8,014,623	Joan Lucas	720-855-6587
Cortez	\$1,185,000	Joan Lucas	720-855-6587
Loveland	SOLD!	Joan Lucas	720-855-6587

Florida

Fanning Springs	\$1,390,000	W. Frost Weaver	904-265-2001
Lake City	\$325,000	John W. Hill	386-362-3300

Georgia

Douglasville	\$1,460,000	Mike Patterson	770-241-9070
Jackson	\$2,520,000	Mike Patterson	770-241-9070
LaFayette	\$988,000	Mike Patterson	770-241-9070
Lawrenceville	\$3,200,000	Mike Patterson	770-241-9070
Villa Rica	\$1,200,000	Mike Patterson	770-241-9070
Winston	\$292,000	Mike Patterson	770-241-9070

Illinois

Palatine	\$499,000	Bruce Bahrmassel	312-518-3550
S. Beloit	\$1,100,000	Bruce Bahrmassel	312-518-3550

Kansas

Iola	\$530,000	Larry Goldman	913-339-0641
Junction City	\$1,895,000	Larry Goldman	913-339-0641

Michigan

Brooklyn	\$925,000	Jim Soltis	810-494-2062
Sturgis	\$369,000	Jim Soltis	810-494-2062

Missouri

Arnold	\$1,330,000	Larry Goldman	913-339-0641
Branson West	\$895,000	Larry Goldman	913-339-0641
Lee's Summit	\$2,650,000	Larry Goldman	913-339-0641
Mount Vernon	\$498,000	Larry Goldman	913-339-0641
Sunrise Beach	\$1,870,000	Larry Goldman	913-339-0641

Mississippi

Brandon	\$650,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Brandon	\$3,449,000	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
Pascagoula	\$1,800,000	Bill Barnhill/Shannon Barnes	251-432-1287
3-Prop. Portfolio	\$4,500,000	Bill Barnhill/Stuart LaGroue	251-432-1287

New Hampshire

Seabrook	\$6,000,000	Joe Mendola	603-668-7000
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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
Ogdensburg	\$1,450,000	Linda Cinelli	908-722-5661
Orange	\$750,000	Linda Cinelli	908-722-5661
Pemberton	\$975,000	Linda Cinelli	908-722-5661

New Mexico

Mesilla Park	\$625,000	David Etzold/Noel Woodwell	915-491-9610
Ruidoso	\$790,000	David Etzold/Noel Woodwell	915-491-9610

New York

Bayport	\$2,200,000	Linda Cinelli	908-722-5661
Hicksville	\$4,200,000	Linda Cinelli	908-722-5661
Islip	\$3,995,000	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 Dakota

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

Ashtabula	\$379,000	Alec Pacella	216-455-0925
Canton	\$2,500,000	Alec Pacella	216-455-0925
Canton	\$1,150,000	Alec Pacella	216-455-0925
N. Ridgeville	\$375,000	Alec Pacella	216-455-0925
Painesville	Call Broker	Alec Pacella	216-455-0925

Oklahoma

Mangum	\$350,000	Jared Jones	918-583-3483
Muskogee	\$1,650,000	Jared Jones	918-583-3483

Oregon

Medford	SOLD!	Steve Boldish	541-776-1031
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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

Conroe	SOLD!	Bill Brownfield	713-907-6497
Fort Worth	\$1,590,000	Richard Minker	817-840-0054
Fort Worth	\$3,010,000	Richard Minker	817-840-0054
Galveston	\$8,500,000	Bill Brownfield	713-907-6497
Livingston	\$1,400,000	Bill Brownfield	713-907-6497
Spring	\$6.00 PSF	Bill Brownfield	713-907-6497
Texarkana	\$4,100,000	Bill Brownfield	713-907-6497

Utah

Enoch	SOLD!	Bill Nicoloff	801-671-7324
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Virginia

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

Wisconsin

Franksville	\$499,000	Bruce Bahrmassel	312-518-3550
New Franken	\$730,000	Matson Holbrook	414-270-4108

ARGUS SALES



Congratulations to Bill Brownfield, CRE, CCIM of MKP Self Storage LLC who sold U-Lock It Storage in Conroe, TX and a Development Site in Cypress, TX! Contact Bill at 713-907-6497 for more information.



Congratulations to Joan Lucas of Joan Lucas Real Estate Services who sold a self-storage development site in Loveland, CO! Contact Joan at 720-855-6587 for more details.



Congratulations to Tom de Jong of Colliers International who sold CBD Self Storage in San Jose, CA! Contact Tom at 408-282-3829 for details.



Congratulations to Steve Boldish, CCIM of Oregon Self Storage Brokers who sold Clark Street Storage in Medford, OR! Contact Steve at 541-776-1031 for details.



Congratulations to Bill Nicoloff of Newmark Grubb ACRES who sold StorRight Storage in Enoch, UT! Contact Bill at 801-671-7324 for details.



Congratulations to Jared Jones, CCIM of Porthaven Partners who sold Dollar Storage in Edmond, OK! Contact Jared at 918-583-3483 for details.



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
Alec Pacella, CCIM
Larry Goldman, CCIM
Mike Helling & Paul Grisanti, CCIM
Matson Holbrook, CCIM & Max Schultz
Jim Soltis

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

312-518-3550
216-831-3310
913-339-0641
502-253-1811
414-270-4108
810-494-2062

Northern IL, Northern IN
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 Helling & 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
Larry Hayes
Joan Lucas
Bill Nicoloff
Jason Wilcox, CCIM

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

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406-728-0088
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OR
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Southern CA
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