



SELF STORAGE ADVISORS

# Market Monitor

*America's Premier Self Storage Brokers*

Issue III-2020

## A Letter to Our Fellow Self-Storage Professionals

by Ben Vestal

Dear Friends, Colleagues and Clients,

WOW! There's never a dull moment in this world. First and foremost, it is our hope that you and your families are staying safe and healthy during this unprecedented time. Due to the coronavirus we suddenly find ourselves in a situation that we have never dealt with before and there are many questions for which we have minimal answers at this time. The acceleration of overall anxiety in the past two weeks related to the coronavirus has made most recent economic reports irrelevant. The financial shock that markets are experiencing is likely to weigh heavily on economic growth prospects for at least the next few quarters. The one thing that I DO KNOW is that we will get through it.

Because of our common interest in the self-storage industry, I want to share with you some takeaways, resources and thoughts from the last few weeks' activity. Argus is the only full-service self-storage advisory firm that includes third party management, investment sales and advisory services, so we have a unique perspective that is all-encompassing for self-storage owners. Below we have tried to touch on some key points regarding the investment markets and also provide some tips for self-storage owners and operators. If you have questions about how we are handling any part of our business during these unprecedented times, please don't hesitate to reach out and we will provide you with guidance and resources.

### Self-Storage Investment Update:

The uncertainty of the current markets has put pressure on investors to find a safe haven. Self-storage returns will be higher and more predictable than alternative investments (especially cash and stocks), so buyer demand should continue to be strong, keeping cap rates low for the time being. However, we do expect debt spreads to temporarily widen over the coming weeks as we get our arms around the full impact of the coronavirus, and this will put pressure on cap rates to rise.

Lending benchmarks today remain near historic lows and we have seen many lenders implement "floors" on interest rates with some CMBS lenders sitting out the market until things calm down. Additionally, as to be expected, construction lending has tightened substantially over the last few weeks.

It's too soon to tell how the coronavirus will affect rental rates, occupancies and operating expenses but with a meaningful disruption in the economy we expect to see a slowdown in revenues and flattening or declining NOIs over the next several quarters. The silver lining is that rental season is right around the corner and we are hopeful this will soften the landing.

Today the investor/buyer pool varies widely from "I am out of the market and nervous about the future" to "I am hunting for deals and ready to buy!" The good news is there are still more buyers than sellers today! The uncertainty in the market will clearly create buying opportunities in the coming days as the financial stress created by the pandemic is yet to be fully understood.

### APSM Third Party Management Tips:

As we continue to experience the effects of the coronavirus on the day to day operations of self-storage properties, we have been able to support our site managers and provide them with the necessary tools to be successful during

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this ever-changing time. First, you must increase your support for the site managers as they are on the front lines of your business and dealing with a very stressful situation. Second, you need to be in contact with your customers about the steps you are taking to combat the virus and provide them with solutions on how to pay rent, rent units online, social distancing, etc. Below are some tips we shared with our site managers in order to provide them with the necessary support to continue to operate in a productive manner. Obviously, these tips are general in nature and can be expanded depending on the situation. If you would like to receive a copy of the ASPM customer letter that was sent out to our 40,000+ customers, please get with your local Argus broker and request a copy.

#### Site Manager Support:

- If you feel sick, YOU ARE TO STAY HOME UNTIL YOU ARE WELL! Speak to your supervisor if PTO/sick leave is a concern, we will work with you.
- Please postpone any unnecessary in-person meetings with employees, vendors, clients, tenants and customers until a later date.
- During this stressful time, it is important to remember that if you are experiencing fear or anxiety and would like to talk to someone, help is available anytime through your primary care doctor or our insurance company where you can find resources such as a counseling help line.
- With recent school and daycare closings, if you are having trouble making arrangements for your children and PTO is a concern, speak to your supervisor.

#### Site Operations:

- Take personal hygiene to an extreme, wash hands very often.
- Hand sanitizer has been provided for customers and team members whenever possible.
- We are encouraging "Social Distancing" which includes asking customers to enter our office one at a time.
- Increased cleaning and disinfecting our offices, restrooms and all high contact areas.
- Handshakes are common in business; we need to refrain from this custom until the virus passes.
- Organize your rental office so that you can avoid contact with the customer. Avoid sharing pens, paper clips and handouts with customers.
- Stay informed and know the facts. [www.cdc.gov](http://www.cdc.gov)
- Inform your current and new customers that they are able to pay rent online through our website, automatic payments through credit/debit or ACH, or simply calling our office and making a payment over the phone. There is no charge for these services.

The next several quarters will be a bit bumpy and it will be important to try and think a few steps ahead. By taking action now, we give ourselves the best chance of remaining healthy and a fully-functioning industry. I also believe that the more each of us can do to help reduce the spread of coronavirus, the faster we will get beyond this.

The American people continue to amaze me; over the last week I have seen more compassion, generosity, kindness and smiles to each other by complete strangers. This reassures me that we are all in this together and I have no doubt we WILL get through this. It's going to be a disruption for a while and there will be inconveniences but as we have seen after 9/11, the great recession of 2008, and every time the United States is presented with adversity we will pull through and United States and the self-storage industry will lead the way. WE ARE ALL IN THIS TOGETHER!



Ben Vestal, CEO of Argus Self Storage Advisors and Argus Professional Storage Management, can be reached at 800-557-8673 or [bvestal@argus-realestate.com](mailto:bvestal@argus-realestate.com).

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# Property Showcase

## Oakland Park, FL

**\$3,750,000**

- Self-Storage Development Site
- 113,496 GSF
- 2.53 Acres
- Prime development location with a mix of retail and dense residential housing
- All climate control facility

**NEW!**



**Josh Koerner &  
Frost Weaver**  
904-591-0140

jkoerner@weaver-realty.com

## Winfield, MO

**\$2,900,000**

- 383 Units
- 65,150 RSF
- 7.422 Acres
- Located on the outskirts of the St. Louis, MO Metro Area
- Expandable 7.29 acre site
- Historically high occupancy
- High profile location with downtown satellite

**NEW!**



**Larry Goldman, CCIM**  
913-707-9030

lgoldman@selfstorage.com

## Athens, GA

**\$13,900,000**

- 799 Units
- 91,521 RSF
- 7.7 Acres
- 2.5 miles from the University of Georgia
- Two phases with a combination of dry and climate control storage

**NEW!**



**Mike Patterson, CCIM**  
770-301-1886  
ebroker@msn.com

## Newcastle, OK

**\$2,800,000**

- 341 Units
- 55,850 RSF
- 5.89 Acres
- Stabilized facility with strong operating history
- Well-positioned property in high population growth area with desirable demographics
- Significant upside potential

**NEW!**



**Jared Jones, CCIM**  
918-609-0541  
jjones@selfstorage.com

## Rockmart, GA

**\$2,300,000**

- 197 Units
- 44,676 RSF
- 2.71 Acres
- Well-built, recent construction
- Combination of storage and retail, storage is 90% occupied and retail is 60% occupied
- Minimal competition in the market

**NEW!**



**Kris Knowles**  
720-323-2055  
jkrisknowles@yahoo.com

## Vale, OR

**\$1,600,000**

- 190 Units
- 28,834 RSF
- 3.17 Acres
- Best-in-market facility with two locations
- Over 99% occupancy currently and historically
- Approx. 1 acre available for expansion

**NEW!**



**Scott King**  
541-890-6708  
scottking@gmail.com

## Altoona, IA

**\$3,900,000**

- 231 Units
- 51,330 RSF
- 6.54 Acres
- Built in 2017
- Offering includes a U-Haul business, FFE and 3.41 acre entitled Boat & RV Storage development land

**NEW!**



**Tom Flannigan & Alex Ihrke**  
612-790-3747  
tom@selfstorage.com  
alex@selfstorage.com

## Mt. Pleasant, TX

**\$525,000**

- 62 Units
- 5,615 RSF
- 1.119 Acres
- Converted Dollar General storage property
- State-of-the-art unmanned facility with easy to use, customer focused website
- Expansion opportunity

**NEW!**



**Chad Snyder**  
817-980-7276  
csnyder@dominuscommercial.com





# Sells Self Storage Nationwide!

Our complete list of available properties is detailed below. For additional information, visit [www.argus-selfstorage.com](http://www.argus-selfstorage.com) or contact your local Argus Broker Affiliate.

## Alabama

Daphne	\$800,000	Bill Barnhill/Shannon Barnes	251-432-1287
Foley	\$1,229,000	Bill Barnhill/Stuart LaGroue	251-432-1287

## Arizona

Camp Verde	\$1,450,000	Jeff Gorden	480-331-8880
Cottonwood	\$1,750,000	Jeff Gorden	480-331-8880
Mohave Valley	\$399,000	Jeff Gorden	480-331-8880

## Arkansas

Arkadelphia	\$289,000	Larry Goldman	913-707-9030
Hot Springs Vlg	\$1,650,000	Larry Goldman	913-707-9030
Wynne	\$5,172,000	Larry Goldman	913-707-9030

## California

Whittier	<b>SOLD</b>	Doug Shea	562-773-4000
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## Colorado

Denver	\$7,800,000	Joan Lucas	720-855-6587
Loveland	\$3,900,000	Joan Lucas	720-855-6587

## Florida

Chiefland	<b>SOLD</b>	Josh Koerner/Frost Weaver	904-591-0140
Naples	\$2,650,000	Josh Koerner/Frost Weaver	904-591-0140
Oakland Park	\$3,750,000	Josh Koerner/Frost Weaver	904-594-0140
Opa-Locka	\$3,000,000	Josh Koerner/Frost Weaver	904-591-0140
South Florida	Call Broker	Josh Koerner/Frost Weaver	904-591-0140
Vero Beach	\$4,425,000	Josh Koerner/Frost Weaver	904-591-0140

## Georgia

Alpharetta	\$695,000	Jane H. Sauls	770-328-2379
Athens	\$13,900,000	Mike Patterson	770-301-1886
Crawford	\$4,300,000	Mike Patterson	770-301-1886
Mableton	\$895,000	Jane H. Sauls	770-328-2379
Rockmart	\$2,300,000	Kris Knowles	770-323-2055
Valdosta	\$2,925,000	Luke Sauls	770-841-4591

## Illinois

Chillicothe	\$1,200,000	Bruce Bahrmassel	312-518-3550
Rockford	\$3,250,000	Bruce Bahrmassel	312-518-3550

## Indiana

Portage	\$250,000	Bruce Bahrmassel	312-518-3550
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## Iowa

Altoona	\$3,900,000	Tom Flannigan	612-790-3747
Hiawatha	\$950,000	Tom Flannigan	612-790-3747

## Kansas

Eudora	\$3,650,000	Larry Goldman	913-707-9030
Iola	\$565,000	Larry Goldman	913-707-9030
Lawrence	\$3,900,000	Larry Goldman	913-707-9030
Ottawa	\$575,000	Brian Goldman	913-707-3941

## Massachusetts

Northampton	\$595,000	Joseph Mendola	603-668-7000
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## Michigan

Eagle	\$450,000	Jim Soltis	810-494-2062
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## Minnesota

Coon Rapids	<b>SOLD</b>	Tom Flannigan	612-790-3747
Duluth	Call Broker	Tom Flannigan	612-790-3747

## Missouri

Branson West	Call Broker	Jared Jones/Larry Goldman	918-609-0541
Jefferson City	\$249,000	Larry Goldman	913-707-9030
Winfield	\$2,900,000	Larry Goldman	913-707-9030

## Nevada

Sparks	Call Broker	Jeff Gorden	702-643-1000
Winnemucca	\$1,580,000	Jeff Gorden	702-643-1000

## New Jersey

Sparta	\$7,450,000	Linda Cinelli	908-722-5661
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## New York

East Hampton	Call Broker	Linda Cinelli	908-722-5661
Islip	\$5,700,000	Linda Cinelli	908-722-5661

## North Dakota

Watford City	\$2,500,000	Tom Flannigan	612-790-3747
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## Ohio

LaGrange	\$395,000	Alec Pacella	216-455-0925
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## Oklahoma

Newcastle	\$2,800,000	Jared Jones	918-609-0541
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## Oregon

Central Point	\$1,875,000	Scott King	541-890-6708
Lakeview	\$798,000	Scott King	541-890-6708
Medford	\$375,000	Scott King	541-890-6708
Vale	\$1,600,000	Scott King	541-890-6708

## Pennsylvania

Bechtelsville	\$1,350,000	Chuck Shields	610-828-0100
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## Texas

Anna	Call Broker	Richard Minker/Chad Snyder	817-980-7276
Brady	<b>SOLD</b>	Bill Brownfield/Faith Pate	713-907-6497
Bridgeport	Call Broker	Richard Minker/Chad Snyder	817-980-7276
Buda	Call Broker	Bill Brownfield/Faith Pate	713-907-6497
Channelview	Call Broker	Richard Minker/Chad Snyder	817-980-7276
Lewisville	Call Broker	Richard Minker/Chad Snyder	817-980-7276
Mabank	Call Broker	Richard Minker/Chad Snyder	817-980-7276
Magnolia	Call Broker	Bill Brownfield/Faith Pate	713-907-6497
Mt. Pleasant	Call Broker	Chad Snyder	817-980-7276

## Wisconsin

Ripon	\$375,000	Bruce Bahrmassel	312-518-3550
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# ARGUS SALES



Congratulations to **Tom Flannigan and Alex Ihrke of KW Commercial** who sold East River Mini Storage in Coon Rapids, MN! Contact Tom or Alex at 612-790-3747 for details.



Congratulations to **Josh Koerner and Frost Weaver of Weaver Realty Group, Inc.** who sold Kip's Mini Storage in Chiefland, FL! Contact Josh at 904-591-0140 for details.



Congratulations to **Bill Brownfield, CCIM, CRE and Faith Pate of Brownfield & Associates, LLC** who sold Stor Away South in Brady, TX! Contact Bill and Faith at 713-907-6497 for details.



Congratulations to **Doug Shea of Centennial Advisers** who sold THINK Self Storage in Whittier, CA! Contact Doug at 562-773-4000 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  
Jamey Cox  
Mike Patterson, CCIM  
Stuart Wade  
Josh Koerner & Frost Weaver

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

251-432-1287  
704-632-1030  
770-301-1886  
757-618-3597  
904-591-0140

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

### **NORTH CENTRAL**

Bruce Bahrmassel  
Tom Flannigan  
Alec Pacella, CCIM  
Larry Goldman, CCIM  
Mike Helline & Aaron Willis  
Jim Soltis

KW Commercial  
NAI Pleasant Valley  
RE/MAX Commercial  
Column Realty  
Preview Properties.com

312-518-3550  
612-790-3747  
216-831-3310  
913-707-9030  
502-296-4586  
810-494-2062

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

### **SOUTH CENTRAL**

Bill Barnhill, CCIM  
Bill Brownfield, CRE, CCIM & Faith Pate  
David Etzold & Avi Kotkowski  
Larry Goldman, CCIM  
Mike Helline & Aaron Willis  
Jared Jones, CCIM  
Richard D. Minker, CCIM & Chad Snyder

Omega Properties, Inc.  
Brownfield & Associates, LLC  
Etzold & CO LLC  
RE/MAX Commercial  
Column Realty  
Jones Investment Properties  
Dominus Commercial

251-432-1287  
713-907-6497  
915-845-6006  
913-707-9030  
502-296-4586  
918-948-3941  
817-980-7276

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

### **WEST**

David Etzold & Avi Kotkowski  
Jeff Gorden, CCIM  
Larry Hayes  
Scott King  
Ryan Layton  
Joan Lucas  
Doug Shea  
Thomas Wolter

Etzold & CO LLC  
Eagle Commercial Realty Services  
Hayes & Associates  
Merit Commercial Real Estate  
American Real Estate Associates  
Joan Lucas Real Estate Services, LLC  
Centennial Advisers  
RE/MAX Commercial

915-845-6006  
480-331-8880  
406-544-1921  
541-890-6708  
509-435-2424  
720-855-6587  
562-773-4000  
206-200-3325

NM  
AZ, NV  
MT  
OR  
Eastern WA, Northern ID  
CO  
Southern CA  
Western WA