



SELF STORAGE ADVISORS

Market Monitor

America's Premier Self Storage Brokers

Issue I-2023

Cautious Optimism

by Ben Vestal

As we enter 2023, it is clear that investor sentiment towards self-storage continues to be very bullish. Economists, on the other hand, prognosticate that rising interest rates, inflation and overall economic concerns continue to teeter on recessionary levels. Today stabilized assets are continuing to command very aggressive valuations and undermanaged deals are the golden ticket that everyone is searching for, while lease up and C of O deals are regaining momentum and pricing power. This reinforces that once again self-storage will emerge from a market disruption as the shining star of commercial real estate, largely driven by current self-storage market fundamentals and risk-adjusted rates of return compared to other asset classes along with self-storage's low capital expenditures.

Over the last few weeks, top executives from around the industry have gathered in New York City and Deer Valley, Utah to discuss industry trends, investor sentiment, and the overall market outlook for 2023. The consensus is that the industry continues to see positive demand drivers, but the return of seasonality and falling street rates are putting downward pressure on industry performance. Despite decreasing rental rates and softening occupancy, most remain cautiously optimistic about industry performance in 2023. One highly regarded industry veteran explained it to me like this: "We have all enjoyed high teens or low twenties NOI growth over the last two years, so we essentially got 9-10 years of NOI growth in just two years." So, a return to 5%-8% NOI growth in 2023 will just be a return to normal and even with rising interest rates and softening values, self-storage owners are all in a much better spot today than they were just a few years ago.

Meanwhile, at Argus the phone has been ringing off the hook with owners, developers, and buyers wanting to find out what their property is worth and what

opportunities we are finding in the market today. In some cases, their interest is only curiosity, but in many cases, they are interested in valuation for financing, tax planning, newly developed properties (still in lease up) or selling. The business of buying and selling self-storage properties has never been more complex because of volatility in the capital markets and changing market fundamentals. As part of our advisory services to our clients, Argus has inventoried more than 2,000 self-storage sales in 2022 and is now offering a **free 2022 Sales Comp Report** for each of your markets in an effort to keep our clients informed about recent sales and industry trends. Argus was involved in more than 200 transactions in 2022, which puts us in a unique position to advise our clients. If you would like to receive this free report, please contact your local Argus Advisor.

The value of your self-storage investment goes up and down as market sentiment and capital markets change. In order to truly realize what the value of your investment is and what it has been, you must at some point sell the investment. You can't spend net worth! Obviously, the investment horizon of each ownership group is different and will vary depending on their individual objectives, but in order to maximize your value you should always be evaluating the current market, the risks, the opportunities, and how those dynamic factors impact the value of your property. This will allow you to make the best decision and position your investment appropriately. As we head into the new year if you are at or near a personal crossroads, it is time to get serious about maximizing your investment's value. Take the time to talk with your local Argus Advisor, request the free 2022 Sales Comp Report for your market, and analyze the information to make an informed investment decision. **MM**

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



Property Showcase

Sonora, CA

\$440,000

NEW!

- Development Site
- 21,400 Proposed RSF
- 1.87+/- Acres
- 138 Proposed Units
- Located in Tuolumne County
- Asking price is well below residual value
- Proposed two-level indoor/outdoor self-storage
- Highly visible location on Hwy 49
- Market occupancy exceeds 98%

Ken Miller

530-768-1650

kenmiller@ncp-cre.com



Lafayette, IN

\$7,150,000

NEW!

- 315 Units
- 41,690 RSF
- 8.81 Acres
- Best-in-class facility, 3rd party managed by CubeSmart
- Strong lease up trend since opening in 2021
- Average HH Income of \$112,946 in 1-mile radius
- Located near significant multi-family residential developments

Rob Schick

317-403-1205

schickassociates@gmail.com



Evans, CO

Offers Due Feb. 6, 2023

NEW!

- 223 Units
- 33,991 RSF
- 3.384 Acres
- 7 buildings containing 33,991 RSF, 42 parking spaces and 7,650 SF of expansion space
- 560 SF office with separate entrance can be leased for \$10-\$12/SF
- Climate controlled and ambient units
- 22 security cameras

Cole Carosella

720-909-8602

cole@argus-realestate.com



Salisbury, NC

Call Broker for Price

NEW!

- Conversion Opportunity
- 35,000 SF approx.
- 6.97 Acres
- Vacant industrial/flex building 80x440 ft.
- Easy access to I-85
- Additional income from highway signage
- Excellent visibility from the interstate

James Cox

704-995-9168

jcox@selfstorage.com



Sioux City, IA

\$900,000

NEW!

- Conversion Opportunity
- 0.52 Acres
- Fully entitled 57,500+/- GSF conversion in Downtown Sioux City
- Approved plans to build 49,082 RSF of 100% climate controlled units
- Located in an opportunity zone
- 3-mile radius is undersupplied

Nathan Gottlieb, Alex Ihrke, Matt Haugen & Tom Flannigan

612-930-6614

nathan@selfstorage.com, alex@selfstorage.com, mhaugen@selfstorage.com, tom@selfstorage.com



Prescott, WI

\$1,650,000

NEW!

- Development Site
- 46,000 Proposed RSF
- Steel ordered, all preliminary sitework done and utilities being installed
- Located in a very underserved area with Class D competition across the road to be demolished
- Last approved storage site before a moratorium on storage

Bruce Bahrmassel

312-518-3550

bruce@selfstorage.com





Sells Self Storage Nationwide!

Our complete list of available properties is detailed below. For additional information, visit www.argus-selfstorage.com or contact your local Argus Broker Affiliate.

Alabama

Elberta	\$1,909,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Mobile	\$1,851,300	Bill Barnhill	251-432-1287
Mobile	\$414,500	Bill Barnhill/Jeremy Milling	251-421-0919

Arkansas

Greenbrier	\$1,400,000	Larry Goldman	913-707-9030
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California

Sonora	\$440,000	Ken Miller	530-768-1650
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Colorado

Brighton	Call Broker	Joan Lucas	720-855-6587
Evans	Call Broker	Cole Carosella	720-909-8602

Florida

Portfolio (6)	\$16,871,340	Josh Koerner/Frost Weaver	904-594-0140
Portfolio (6)	\$17,972,460	Josh Koerner/Frost Weaver	904-594-0140
Portfolio (5)	\$26,874,332	Josh Koerner/Frost Weaver	904-594-0140
Bellevue	\$3,300,000	Josh Koerner/Frost Weaver	904-594-0140
Deland	\$2,700,000	Josh Koerner/Frost Weaver	904-594-0140
Delray Beach	\$4,800,000	Josh Koerner/Frost Weaver	904-594-0140
Englewood	\$2,700,000	Josh Koerner/Frost Weaver	904-594-0140
Ft. Myers	\$3,036,000	Josh Koerner/Frost Weaver	904-594-0140
Ft. Myers	\$1,700,000	Josh Koerner/Frost Weaver	904-594-0140
Ft. Pierce	\$14,000,000	Josh Koerner/Frost Weaver	904-594-0140
Hudson	\$1,736,460	Josh Koerner/Frost Weaver	904-594-0140
Jacksonville	SOLD	Josh Koerner/Frost Weaver	904-594-0140
Jacksonville	\$3,300,000	Josh Koerner/Frost Weaver	904-594-0140
Jacksonville	\$3,300,000	Josh Koerner/Frost Weaver	904-594-0140
Lake Alfred	\$3,300,000	Josh Koerner/Frost Weaver	904-594-0140
Lake Placid	\$1,800,000	Josh Koerner/Frost Weaver	904-594-0140
Orange Park	\$2,079,000	Josh Koerner/Frost Weaver	904-594-0140
Orlando	\$2,500,000	Josh Koerner/Frost Weaver	904-594-0140
Palm Bay	\$2,966,832	Josh Koerner/Frost Weaver	904-594-0140
Port Charlotte	SOLD	Josh Koerner/Frost Weaver	904-432-0140
Port Charlotte	\$3,300,000	Josh Koerner/Frost Weaver	904-432-0140
Port St. Lucie	\$3,250,000	Josh Koerner/Frost Weaver	904-594-0140
Spring Hill	\$3,300,000	Josh Koerner/Frost Weaver	904-594-0140

Idaho

Post Falls	SOLD	Ryan Layton	509-435-2424
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Illinois

Kewanee	Call Broker	Bruce Bahrmassel/Jesse Luke	312-518-3550
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Indiana

Lafayette	\$7,150,000	Rob Schick	317-403-1205
Muncie	SOLD	Rob Schick	317-403-1205

Iowa

Clinton	\$2,600,000	Tom Flannigan	612-790-3747
Des Moines	Call Broker	Tom Flannigan	612-790-3747
Kalona	SOLD	Tom Flannigan	612-790-3747
Sioux City	\$900,000	Tom Flannigan	612-790-3747

Kansas

Iola	\$895,000	Larry Goldman	913-707-9030
Wichita	SOLD	Larry Goldman	913-707-9030

Kentucky

Louisville	Call Broker	Mike Helline	502-296-4586
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Michigan

Ray	\$590,000	Jim Soltis	810-494-2062
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Minnesota

Little Canada	\$1,799,000	Tom Flannigan	612-790-3747
Oak Grove	SOLD	Tom Flannigan	612-790-3747
Wabasha	\$925,000	Tom Flannigan	612-790-3747

North Carolina

Gastonia	Call Broker	Jamey Cox	704-995-9168
Mt. Pleasant	\$2,650,000	Jamey Cox	704-995-9168
Salisbury	Call Broker	Jamey Cox	704-995-9168

Oklahoma

Lawton	Call Broker	Jared Jones	918-609-0541
Tulsa	Call Broker	Jared Jones	918-609-0541

Oregon

Medford	\$375,000	Scott King	541-890-6708
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Pennsylvania

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

Anna	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Cleburne	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Fort Worth	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Odessa	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Plano	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Texas City	Call Broker	Faith Pate	713-805-2907

Washington

Hoodspoint	\$575,000	Ryan Layton	509-435-2424
Spokane	Call Broker	Ryan Layton	509-435-2424

Wisconsin

Prescott	\$1,650,000	Bruce Bahrmassel	312-518-3550
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ARGUS SALES



Congratulations to **Larry Goldman, CCIM of Goldman Investment Advisors** who sold the Blue Sky Self Storage 3-Property Portfolio in Wichita, KS! Contact Larry at 913-707-9030 for details.



Congratulations to **Josh Koerner and Frost Weaver of Weaver Realty Group** who sold self-storage development sites in Port Charlotte, FL and Jacksonville, FL! Contact Josh and Frost at 904-591-0140 for details.



Congratulations to **Ryan Layton of AREA Commercial Real Estate** who sold Pleasant View Storage in Post Falls, ID! Contact Ryan at 509-435-2424 for details.



Congratulations to **Chad Snyder and Tyler Trahant of Dominus Commercial** who sold Safe & Secure Storage in San Angelo, TX! Contact Chad and Tyler at 817-242-2361 for details.



Congratulations to **Rob Schick of Schick & Associates** who sold a self-storage development site in Muncie, IN! Contact Rob at 317-403-1205 for details.



Congratulations to **Tom Flannigan, Matt Haugen & Alex Ihrke of Area CRE Services** who sold Eastside Storage in Kalona, IA and A Plus Storage in Oak Grove, MN! Contact the team at 612-790-3747 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
Brooks Dove
Ed Nicholson
Josh Koerner & Frost Weaver

Omega Properties, Inc.
Percival Partners
Brick Realty, LLC
The Nicholson Companies
Weaver Realty Group, Inc.

251-432-1287
704-995-9168
770-530-8441
757-474-5364
904-591-0140

FL Panhandle
NC, SC
North GA
MD, VA
FL (except Panhandle), South GA

NORTH CENTRAL

Bruce Bahrmassel
Tom Flannigan
Alec Pacella, CCIM
Larry Goldman, CCIM
Rob Schick
Jim Soltis

Area CRE Services
NAI Pleasant Valley
Goldman Investment Advisors, Inc.
Schick & Associates
Preview Properties.com

312-518-3550
612-790-3747
216-831-3310
913-707-9030
317-403-1205
810-494-2062

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

SOUTH CENTRAL

Bill Barnhill, CCIM
Faith Pate
David Etzold
Larry Goldman, CCIM
Mike Helline & Aaron Willis
Jared Jones, CCIM
Chad Snyder & Tyler Trahant

Omega Properties, Inc.
MLB Commercial Real Estate
Etzold & CO
Goldman Investment Advisors, Inc.
Column Realty
Jones Investment Properties
Dominus Commercial

251-432-1287
713-805-2907
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, KY
OK
North TX

WEST

David Etzold
Jeff Gorden, CCIM
Jeff Gorden, CCIM
Larry Hayes & Kim VanDelinder
Scott King
Ryan Layton
Joan Lucas & Cole Carosella
Ken Miller
Thomas Wolter

Etzold & CO
KW Commercial
The Gorden Company
Hayes & Associates
Merit Commercial Real Estate
American Real Estate Associates
Joan Lucas Real Estate Services, LLC
Northstate Commercial Partners
RE/MAX Commercial

915-845-6006
480-331-8880
702-643-1000
406-544-1921
541-890-6708
509-435-2424
720-855-6587
530-768-1650
206-200-3325

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