

Three Things to Be Thankful For

by Ben Vestal

This time of year, we find ourselves reflecting on the things we are most grateful for and the people that mean the most to us. Argus Self-Storage Advisors is made up of more than 500+ self-storage professionals across our management and investment sales platforms who have been helping our friends, colleagues and clients navigate the self-storage management and investment market for the last 29 years.

Over the last 12 months we have seen the self-storage industry forge ahead and address challenging market conditions. During this time, the industry has experienced softening occupancies and rent rates, and for the first time in more than a decade, we have seen rapidly rising interest rates. This paradigm shift in the market has self-storage investors reevaluating their business models and investment goals to make sure their self-storage investments excel in this changing environment.

Ready for some good news? Below I have outlined three market observations that set self-storage apart from other commercial real estate and for which I am very thankful!

1. Self-Storage occupancies remain elevated. Occupancy levels dipped in the third quarter with more seasonality compared to last year and a less than stellar summer rental season. The self-storage REITS' occupancies ranged from 89% to 94% at the end of the third quarter. This is meaningfully higher than historical norms with a clear understanding that self-storage utilization nationwide is growing and healthy.

2. The self-storage business model of month-to-month leases and a very granular rent roll has positioned owners well to combat the inflationary and recessionary pressures in the market today. This allows operators to increase demand and protect occupancy by lowering

street rate prices and capture embedded value by rolling out more frequent and aggressive rate increases on the current in-place rent roll. Today it is all about being disciplined and optimizing revenue management!

3. New development continues to be slow in coming. We continue to see historically long entitlement and approval timeframes around the country. There are whispers of construction costs starting to soften (5%-10%), but due to rising interest rates we are seeing more and more new developments tabled for the time being. This will lead to improving fundamentals over the next few years.

As we continue to navigate the paradigm shift in the market today, we should all be very thankful that we are in the self-storage business. As we close out 2023, we will see most self-storage operators post positive revenue and NOI gains in the 3%-6% range despite an exceptionally difficult year-over-year comparable from historically high, post-pandemic levels.

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 when assisting our clients with their investment goals. Argus has maintained its "client first" approach and has completed more than 75+ self-storage transactions year to date and we continue to see a very active and well-capitalized buyer pool in the market today. For many of our clients, the purchase or sale of a self-storage property is a complex and life changing event. We are honored that they have chosen Argus to assist them in the process. We are very thankful for our many relationships! **MM**

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

NEW

North Little Rock, AR

Call for Offers

- Offers Due 11/29/23
- 91,900 RSF
- 521 Units
- 6.04 Acres
- Strong multi-family and single family residential sub-division growth surrounding the property

**Jared Jones, CCIM
& Scott Hurley**

918-948-3941

jjones@selfstorage.com



NEW

Wright City, MO

\$1,580,000

- 19,950 RSF
- 141 Units
- 3.69 Acres
- Two sites located within two miles of each other
- Significant room for expansion
- Built 2013, expanded 2020

**Bill Barnhill, CCIM
& Stuart LaGroue**

351-432-1287

stuart@selfstorage.com



NEW

Cañon City, CO

Call for Offers

- Offers Due 12/12/23
- 68,050 RSF
- 496 Units
- 83% Occupancy
- Opportunity to increase rents through revenue management
- Two locations 1 mile apart – can operate from one location

**Cole Carosella
& Matthew Cox**

720-909-8605

matthew@selfstorage.com



NEW

Pascagoula, MS

\$4,800,000

- 56,180 RSF
- 444 Units
- 3.53 +/- Acres
- Excellent location with excellent visibility
- Fully fenced and gated with keypad access

**Bill Barnhill, CCIM
& Stuart LaGroue**

351-432-1287

stuart@selfstorage.com



NEW

Silver Lake, MN

\$1,800,000

- 33,305 RSF
- 157 Units
- 4.62 Acres
- Two-Property Portfolio
- Less than 1 hour from Twin Cities Metros
- Limited Competition - only facility within a 7-mile radius

**Nathan Gottlieb
& Tom Flannigan**

612-852-5048

nathan@selfstorage.com



NEW

OKC & Mustang, OK

Call for Offers

- Offers Due 12/1/23
- 145,115 RSF
- 986 Units
- 8.2 Acres
- Institutional-quality portfolio located in the Oklahoma City MSA (a Top 50 MSA)
- Stabilized assets with strong operating history

Jared Jones, CCIM

918-948-3941

jjones@selfstorage.com



Mankato, MN

\$875,000

- 15,900 RSF
- 78 Units
- 1.11 Acres
- Strong demographics with a population of 47,660 in the 3 mile radius
- High quality, all-steel Trachte buildings and asphalt paving

**Matt Haugen
& Tom Flannigan**

612-852-5048

mhaugen@selfstorage.com



Bay City, TX

\$5,700,000

- 40,567 RSF
- 375 Units
- 10.83 Acres
- NEW and best-in-class | 95% climate controlled
- Located on I-35 (main thoroughfare into Bay City)
- High Growth Area

Faith Pate

& Bill Brownfield, CRE

713-805-2907

fpate@mlbcre.com



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

Daphne	Call Broker	Bill Barnhill/Stuart LaGroue	251-510-1822
Daphne	\$5,700,000	Bill Barnhill/Sharon Wright	251-510-1822
Hoover	\$1,250,000	Bill Barnhill/Brian Rowley	251-421-0919
Loxley	\$2,650,000	Bill Barnhill/Sharon Wright	251-432-1287
Mobile	\$1,851,300	Bill Barnhill	251-432-1287
Mobile	\$398,000	Bill Barnhill/Brian Rowley	251-421-0919

Arizona

Lake Havasu City	\$5,300,000	Jeff Gorden	480-331-8880
Mesa	\$5,950,000	Jeff Gorden	480-331-8880
Star Valley	\$1,375,000	Donnie Dodson	480-331-8880
Wellton	SOLD	Jeff Gorden/Donnie Dodson	480-331-8880

Arkansas

Greers Ferry	\$3,750,000	Larry Goldman	913-707-9030
N. Little Rock	Call Broker	Jared Jones	918-948-3941

California

Sonora	\$225,000	Ken Miller	530-768-1650
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Colorado

Cañon City	Call Broker	Cole Carosella/Matthew Cox	720-909-8602
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Connecticut

New Milford	Call Broker	Linda Cinelli/Edan Cohen	908-722-5661
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Florida

Portfolio (6)	\$16,463,120	Josh Koerner/Frost Weaver	904-594-0140
Delray Beach	\$4,800,000	Josh Koerner/Frost Weaver	904-594-0140
Fort Myers	\$3,250,000	Josh Koerner/Frost Weaver	904-594-0140
Fort Pierce	\$1,300,000	Josh Koerner/Frost Weaver	904-594-0140
Palm Bay	\$2,300,000	Josh Koerner/Frost Weaver	904-594-0140
Port St. Joe	Call Broker	Linda Cinelli/Edan Cohen	908-722-5661
Port St. Lucie	\$3,250,000	Josh Koerner/Frost Weaver	904-594-0140
Sarasota	\$2,500,000	Josh Koerner/Frost Weaver	904-594-0140
Vero Beach	\$6,800,000	Josh Koerner/Frost Weaver	904-594-0140

Georgia

Albany	Call Broker	Ryan Haney/Josh Koerner	904-591-1556
Cataula	Call Broker	Brooks Dove	678-439-8441
Hahira	\$3,900,000	Ryan Haney/Josh Koerner	904-591-1556
Kathleen	Call Broker	Jared Jones/Brooks Dove	918-948-3941
Richmond Hill	\$1,650,000	Ryan Haney/Josh Koerner	904-591-1556
Valdosta	Call Broker	Ryan Haney/Josh Koerner	904-591-1556

Illinois

Crest Hill	\$1,115,000	Bruce Bahrmassel/Cole Carosella	312-518-3550
Seneca	SOLD	Bruce Bahrmassel/Cole Carosella	312-518-3550
Sleepy Hollow	\$750,000	Bruce Bahrmassel/Cole Carosella	312-518-3550

Indiana

Terre Haute	\$1,075,000	Rob Schick	317-403-1205
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Iowa

West Burlington	\$550,000	Tom Flannigan	612-790-3747
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Kansas

Iola	\$815,000	Larry Goldman	913-707-9030
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Kentucky

Elizabethtown	\$9,950,000	Rob Schick	317-403-1205
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Minnesota

Mankato	\$875,000	Tom Flannigan	612-790-3747
Oronoco	\$2,800,000	Tom Flannigan	612-790-3747
St. Cloud	\$4,200,000	Tom Flannigan	612-790-3747
Silver Lake	\$1,800,000	Tom Flannigan	612-790-3747

Mississippi

Pascagoula	\$4,800,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Sherman	\$850,000	Bill Barnhill/Brian Rowley	251-432-1287

Missouri

Harrisonville	Call Broker	Larry Goldman	913-707-9030
Liberty	\$2,270,000	Larry Goldman	913-707-9030
Wright City	\$1,580,000	Larry Goldman	913-707-9030

Montana

Billings	\$8,500,000	Kim VanDelinder/Larry Hayes	406-698-6850
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New Jersey

Wharton	\$3,495,000	Linda Cinelli/Edan Cohen	908-722-5661
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New York

Jordan	\$300,000	Guy Blake	845-787-1372
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North Carolina

Salisbury	Call Broker	Jamey Cox	704-995-9168
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Oklahoma

Moore	\$850,000	Jared Jones	918-948-3941
OKC/Mustang	Call Broker	Jared Jones	918-948-3941
Ponca City	\$1,800,000	Jared Jones	918-948-3941

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	\$1,500,000	Chad Snyder/Tyler Trahant	817-813-5642
Bay City	\$5,700,000	Faith Pate/Bill Brownfield	713-805-2907
La Marque	Call Broker	Faith Pate/Bill Brownfield	713-805-2907
Mexia	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642

Washington

Omak/Okanogan	\$750,000	Ryan Layton/Greg Meager	509-435-2424
Spokane	\$1,900,000	Ryan Layton/Greg Meager	509-435-2424
Tumwater	\$950,000	Ryan Layton	509-435-2424

Wyoming

Cheyenne	Call Broker	Cole Carosella/Matthew Cox	720-909-8602
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RECENT SALES



Congratulations to **Bruce Bahrmassel** who sold Sauk Valley Storage in Rock Falls, IL and Route 6 Storage in Seneca, IL! Contact Bruce at 312-518-3550 for details.



Congratulations to **Jeff Gorden, CCIM of KW Commercial** who sold Ourspace Storage in Welton, AZ! Contact Jeff at 480-331-8880 for details.



Pricing Discovery and Market Uncertainty: A Self-Storage Industry Update

Wednesday, November 29, 2023 at 2:00 PM Eastern

Self-storage values are very difficult to pin down in today's market due to rapidly rising interest rates, changing operating fundamentals, and Wall Street's wavering sentiment. During this webinar, Argus CEO Ben Vestal will share insights into the market fundamentals that are driving values today and help owners understand the profile of active buyers in today's self-storage market. [Click Here to Register](#)

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
Josh Koerner & Ryan Haney

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

251-432-1287
704-995-9168
770-530-8441
757-474-5364
904-591-0140
904-591-1556

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

Area CRE Services
NAI Pleasant Valley
Goldman Investment Advisors
Schick & Associates

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

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

SOUTH CENTRAL

Bill Barnhill, CCIM
Larry Goldman, CCIM
Mike Helline & Aaron Willis
Jared Jones, CCIM
Sam & Jacob Livingston
Faith Pate
Chad Snyder & Tyler Trahant

Omega Properties, Inc.
Goldman Investment Advisors
Column Realty
Jones Investment Properties
Livingston Brokerage LLC
MLB Commercial Real Estate
Dominus Commercial

251-432-1287
913-707-9030
502-296-4586
918-948-3941
915-581-8754
713-907-6497
817-980-7276

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

WEST

Jeff Gorden, CCIM
Jeff Gorden, CCIM
Kim VanDelinder & Larry Hayes
Scott King
Ryan Layton
Cole Carosella & Matthew Cox
Ken Miller
Tenere Williams
Thomas Wolter

KW Commercial
The Gorden Company
Hayes & Associates
Merit Commercial Real Estate
American Real Estate Associates
Argus Self Storage Advisors
Northstate Commercial Partners
Douglas Elliman Real Estate
RE/MAX Commercial

480-331-8880
702-643-1000
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541-890-6708
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720-909-8602
530-768-1650
626-788-7774
206-200-3325

AZ
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Eastern WA, Northern ID
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Southern CA
Western WA