ARGUS
Self Storage Advisors

MARKET MONITOR

AMERICA'S PREMIER SELF STORAGE BROKERS ISSUE XI-2025

Development and a K-Shaped Economy: A Growing Challenge for Self-Storage

by Cole Carosella

As the end of 2025 approaches, the self-storage industry finds itself navigating two converging headwinds: an increasingly active development pipeline, and the growing signs of a K-shaped economy. While each challenge is significant on its own, the combination presents a more structural issue for operators, owners, and investors. Development activity remains elevated across many U.S. markets, and despite widespread acknowledgment of "overbuilding," new supply continues to be delivered. Many people are still underestimating the pace and scale of ongoing development. This point resonates with what we are seeing on the ground, projects that broke ground during the low-rate era of 2021–2022 are now opening into a very different operating environment.

At the same time, broader economic trends suggest that households are not experiencing recovery or income growth equally. In discussing a K-shaped economy, it is important to highlight that the upper leg of the "K" represents households whose financial position has strengthened, buoyed by stable employment, strong asset appreciation, and stock market participation. The lower leg, however, reflects the reality facing many low- to middle-income Americans: persistent inflation, stagnating wage growth, rising consumer debt, and declining savings rates. Unfortunately for our sector, the self-storage core customer overwhelmingly sits on this lower leg of the "K." High-income households are not the primary drivers of storage demand, they tend to have larger homes, more discretionary space, and a greater ability to buy new items rather than store existing ones. The industry's demand profile relies heavily on life transitions, mobility, and space constraints, all of which are disproportionately felt by the middle-income consumer.

When the forces of more supply and a potentially weakening customer base intersect, several challenges form. Occupancy risk increases as new facilities open into markets that are no longer absorbing at historical rates. Stabilization periods lengthen, and existing operators must compete harder for the same pool of renters. Rate growth, which used to be a dependable lever once a property reached stabilization, has become more difficult to achieve in an environment where the consumer is under stress. The days of aggressive in-place rent increases are giving way to more cautious pricing strategies because customers simply have less ability to absorb higher monthly payments. New development, too, becomes riskier. Underwriting assumptions made during the boom years like strong absorption, healthy rate growth, and manageable operating expenses, now require recalibration. Developers facing extended lease-up timelines or more constrained revenue curves may experience erosion in their projected returns.

These dynamics create a widening performance gap between markets. Areas with strong income growth, job stability, and housing activity (the upward side of the K-curve), may still demonstrate resilient storage demand. But markets where incomes are flat, consumer stress is rising, or household budgets are strained will likely see greater volatility and more pronounced impacts from new supply. In this environment, operator excellence becomes even more critical. Efficient expense management, strong digital marketing, strategic pricing discipline, and a deep understanding of local demand trends will determine who gains market share and who struggles to keep pace.

As we look toward 2026, the message is clear: the fundamentals of the business are changing. Development momentum is not slowing fast enough, and the economic pressures on the core storage customer are intensifying. For owners and investors, it is essential to treat supply as a real and immediate risk factor and to consider how the lower leg of the K-shaped economy affects tenant behavior, churn, and pricing power. At Argus, these realities inform how we underwrite deals, advise clients, and assess long-term value. Our Argus Broker Affiliates have recently complied a detailed report of development projects nationwide and would be happy to share the details of these projects for the market areas you are interested in. Just reach out to your Argus Broker Affiliate listed on the back page of the Market Monitor to request a development report. The path forward remains attractive, but it will require sharper analysis, more conservative assumptions, and a more strategic approach than the self-storage industry has needed in the last decade. **MM**

Cole Carosella, Vice President, of Argus Self Storage Advisors can be reached at 800-55-STORE or cole@argus-realestate.com.

ARGUS
SELF STORAGE ADVISORS

PROPERTY SHOWCASE

NEW

Benson, AZ
$1,570,000

- 39,670 RSF
- 238 Units
- 4.9 Acres
- Expansion potential
- Prime I-10 location with high visibility and growing Southern Arizona market

Darsh Desai
701-405-3665
darsh@gorden-group.com

NEW

Sarasota, FL
Call for Offers

- Offers Due 11/19/25
- 46,688 RSF
- 130 Units
- 3.25 Acres
- 93% Occupancy
- Fully Stabilized Remotely-Managed
- Fully fenced, lit, and secure

Josh Koerner
904-591-0140
josh@coastalstorage.com

NEW

Boynton Beach, FL
Call for Offers

- Offers Due 12/4/25
- Development Site
- Proposed 4-story 139,000 GSF Class A climate-controlled self-storage building
- Strategically located with frontage on Boynton Beach Blvd with 43,500 cars per day

Josh Koerner
904-591-0140
josh@coastalstorage.com

NEW

Alma, GA
$350,000

- 5,600 RSF
- 59 Units
- 0.73 Acre
- Great visibility on major thoroughfare GA Highway 32 with 8,180 AADT
- Easy to run remotely

Ryan Haney & Josh Koerner
904-591-1556
ryan@coastalstorage.com

NEW

Bradenton, FL
$3,250,000

- 36,000 GSF
- 119 Units
- 4.51 +/- Acres
- Consistently stays full with a waiting list
- Unfinished office space can be converted into 4 additional 12x25 units
- 590' of frontage along 15th St E

Josh Koerner
904-591-0140
josh@coastalstorage.com

NEW

West Burlington, IA
$925,000

- 16,912 RSF
- 124 Units
- 2.03 Acres
- Secure & Well-Lit Property
- Strong, Stabilized Performance: The facility maintains a solid 84% occupancy

Alex Ihrke & Tom Flannigan
612-394-7553
alex@selfstorage.com

NEW

Miami, FL
Call for Offers

- Offers Due 12/10/25
- Development Site
- 122,944 GSF
- 0.71 +/- Acre
- Fully Site plan approved 6-story, 122,994 GSF Class A climate-controlled self-storage facility
- Excellent visibility

Josh Koerner
904-591-0140
josh@coastalstorage.com

NEW

McCall/New Meadows, ID
Call for Offers

- Offers Due 12/4/25
- Two-Property Portfolio
- 90,468 Total RSF
- 461 Total Units
- 34,332 Parking RSF
- Institutional-quality
- Stable demographics and growth tailwinds

Ben Vestal & Ryan Layton
303-317-6469 | bvestal@argus-realestate.com
509-435-2424 | rlayton@areanw.com

ARGUS
Self Storage Advisors

CURRENT LISTINGS

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

Loxley	$3,800,000	Bill Barnhill/Sharon Wright	251-432-1287

Arizona

Benson	$1,570,000	Jeff Gorden	480-331-8880
Surprise	$17,999,999	Jeff Gorden	480-331-8880
Tucson	$2,400,000	Jeff Gorden	480-331-8880
Vail	Call Broker	Darsh Desai	701-405-3665

Arkansas

Highland	$1,300,000	Larry Goldman/Derek Arnold	913-707-9030
Little Rock	$1,200,000	Larry Goldman/Derek Arnold	913-707-9030
Pine Bluff	$600,000	Larry Goldman/Derek Arnold	913-707-9030

Colorado

CO & TX Portfolio	Call Broker	Cole Carosella/Faith Pate	720-909-8602
Colorado Spgs	$3,500,000	Cole Carosella/Matthew Cox	720-909-8602
Golden	Call Broker	Cole Carosella/Matthew Cox	720-909-8602

Connecticut

Brookfield	$995,000	Guy Blake	845-522-5900

Florida

Arcadia	$1,950,000	Josh Koerner	904-594-0140
Belleview	Call Broker	Josh Koerner	904-594-0140
Boynton Beach	Call Broker	Josh Koerner	904-594-0140
Bradenton	$3,250,000	Josh Koerner	904-594-0140
Cocoa	$1,800,000	Josh Koerner	904-594-0140
Deltona	$1,550,000	Josh Koerner	904-594-0140
Fort Pierce	Call Broker	Josh Koerner	904-594-0140
Holly Hill	$2,400,000	Josh Koerner	904-594-0140
Miami	Call Broker	Josh Koerner	904-594-0140
Mims	$1,500,000	Josh Koerner	904-594-0140
Ocala	$1,380,000	Josh Koerner	904-594-0140
Palm Coast	Call Broker	Josh Koerner	904-594-0140
Port Charlotte	$1,500,000	Josh Koerner	904-594-0140
Saint Johns	$2,800,000	Josh Koerner	904-594-0140
Sarasota	Call Broker	Josh Koerner	904-594-0140
Titusville	$3,300,000	Josh Koerner	904-594-0140
Williston	$1,450,000	Josh Koerner	904-594-0140

Georgia

Alma	$350,000	Ryan Haney/Josh Koerner	904-591-1556
Cataula	Call Broker	Brooks Dove	678-439-8441
Douglas	$2,200,000	Ryan Haney/Josh Koerner	904-591-1556
Douglasville	Call Broker	Ryan Haney/Josh Koerner	904-591-1556
Dublin	$2,400,000	Ryan Haney/Josh Koerner	904-591-1556
Kingsland	**SOLD**	Ryan Haney/Josh Koerner	904-591-1556
Macon	$289,000	Ryan Haney/Josh Koerner	904-591-1556

Idaho

McCall	Call Broker	Ben Vestal/Ryan Layton	509-435-2424

Illinois

Rantoul	$2,500,000	Bruce Bahrmasel	312-518-3550
Springfield	$1,400,000	Larry Goldman/Derek Arnold	913-707-9030

Iowa

Newton	$2,500,000	Nathan Gottlieb/Alex Ihrke	612-790-3747
W. Burlington	$925,000	Alex Ihrke/Tom Flannigan	612-790-3747

Kansas

Gardner	$1,600,000	Larry Goldman/Derek Arnold	913-707-9030
Sterling	$750,000	Larry Goldman/Derek Arnold	913-707-9030

Louisiana

Hammond	$1,950,000	Stuart LaGroue/Bill Barnhill	251-432-1287

Massachusetts

Eastham	$2,550,000	Joe Robinson/Jessie Gilton	603-714-4019

Michigan

Allen Park	$975,000	Kevin Friedman	847-436-5483
Lansing	$1,200,000	Kevin Friedman	847-436-5483

Minnesota

Bemidji	$950,000	Nathan Gottlieb/Tom Flannigan	612-790-3747
Elgin	$1,100,000	Alex Ihrke/Tom Flannigan	612-790-3747
Rochester	Call Broker	Tom Flannigan	612-790-3747
Willmar	$1,800,000	Matt Haugen/Tom Flannigan	612-790-3747

Mississippi

Madison	$2,600,000	Bill Barnhill/Stuart LaGroue	251-432-1287
Radiant Portfolio	$3,566,000	Bill Barnhill/Stuart LaGroue	251-432-1287

Missouri

Harrisonville	Call Broker	Larry Goldman	913-707-9030
Moberly	$1,350,000	Larry Goldman	913-707-9030
Peculiar	$7,500,000	Larry Goldman	913-707-9030
Pleasant Hill	$6,500,000	Larry Goldman	913-707-9030

Montana

Billings	$1,750,000	Kim Van Delinder	406-698-6850

New Hampshire

Henniker	$3,335,000	Joe Robinson/Jessie Gilton	603-714-4019

New Jersey

Egg Harbor	Call Broker	Linda Cinelli	908-722-5661
Waretown	$1,650,000	Jim Remler	973-936-8250

Nebraska

S. Sioux City	$495,000	Cole Carosella	720-909-8602

North Carolina

Burlington	$395,000	Jamey Cox	704-995-9168

Oklahoma

Moore	$600,000	Jared Jones	918-948-3941
Muskogee	$675,000	Jared Jones	918-948-3941
Oklahoma City	$8,000,000	Jared Jones	918-948-3941
Stillwater	$3,200,000	Jared Jones	918-948-3941

Oregon

Grants Pass	$600,000	Scott King	541-890-6708
Medford	$375,000	Scott King	541-890-6708

Pennsylvania

Bechtelsville	$1,350,000	Chuck Shields	610-828-0100
Reading Portfolio	Call Broker	Cole Carosella/Chuck Shields	720-909-8602

Texas

Atlanta	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Bay City	$4,500,000	Faith Pate/Bill Brownfield	713-805-2907
Brownsville	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Burleson	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Conroe	$1,450,000	Chad Snyder/Tyler Trahant	817-813-5642
Crandall	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Dallas	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Odessa	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Weatherford	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642
Yantis	Call Broker	Chad Snyder/Tyler Trahant	817-813-5642

Wisconsin

Ashland	$1,600,000	Alex Ihrke/Tom Flannigan	612-790-3747

Wyoming

Cheyenne	Call Broker	Cole Carosella/Matthew Cox	720-909-8602
Cheyenne	$3,950,000	Cole Carosella/Matthew Cox	720-909-8602

RECENT SALES

Congratulations to **Ben Vestal and Cole Carosella of Argus Self Storage Advisors** who sold Parkside Self Storage in Colorado Springs, CO! Contact the team at 720-909-8602 for details.

Congratulations to **Chad Snyder and Tyler Trahant of Dominus Commercial** who sold KO Storage in Cleburne, TX! Contact the team at 817-242-2361 for details.

Congratulations to **Ryan Haney and Josh Koerner of Coastal Storage Group** who sold Kingsland Self Storage in Kingsland, GA! Contact Ryan at 904-591-1556 for details.

As we look ahead to 2026, many markets are experiencing a growing self-storage development pipeline. It's important to look "around the corner" and stay informed about new self-storage developments planned or under construction in your area. New supply can significantly impact both the valuation and performance of your property. By understanding upcoming developments, you can make more informed investment decisions and position your asset to outperform the market.

Please contact your local Argus Broker Affiliate to request your development report.

CONTACT AN ARGUS BROKER AFFILIATE

NORTHEAST

	Company	Phone	Territory
Guy Blake, CCIM	Pyramid Brokerage Company	845-522-5900	Upstate NY, Western CT
Jim Remler	Coldwell Banker Commercial	973-936-8250	Northern NJ, NY (NYC, Long Island)
Joseph Mendola	NAI Norwood Group	603-668-7000	MA, ME, NH, VT, Eastern CT
Chuck Shields	Beacon Commercial Real Estate	610-862-1645	Eastern PA, Southern NJ, DE

SOUTHEAST

Bill Barnhill, CCIM	Omega Properties, Inc.	251-432-1287	FL Panhandle
Jamey Cox	Percival Partners	704-995-9168	NC, SC
Ed Nicholson	The Nicholson Companies	757-474-5364	MD, VA
Josh Koerner & Frost Weaver	Coastal Storage Group	904-591-0140	FL (except Panhandle)
Josh Koerner & Ryan Haney	Coastal Storage Group	904-591-1556	GA

NORTH CENTRAL

Bruce Bahrmasel		312-518-3550	Northern IL, WI
Tom Flannigan	Area CRE Services / KW Integrity Lakes	612-790-3747	MN, ND, IA
Kevin Friedman	Hayes Ventures	847-436-5483	MI, OH
Alec Pacella, CCIM	NAI Pleasant Valley	216-831-3310	OH
Larry Goldman, CCIM	Goldman Investment Advisors	913-707-9030	KS, MO, Southern IL
Rob Schick	Schick & Associates	317-403-1205	IN

SOUTH CENTRAL

Bill Barnhill, CCIM	Omega Properties, Inc.	251-432-1287	AL, MS, LA
Larry Goldman, CCIM	Goldman Investment Advisors	913-707-9030	AR
Mike Helline & Aaron Willis	Column Realty	502-296-4586	TN, KY
Jared Jones, CCIM	Jones Investment Properties	918-948-3941	OK
Samuel Livingston & Jacob Livingston	Livingston Brokerage LLC	915-581-8754	West TX & NM
Faith Pate	MLB Commercial Real Estate	713-805-2907	Central & South TX
Chad Snyder & Tyler Trahant	Dominus Commercial	817-980-7276	North TX

WEST

Cole Carosella & Matthew Cox	Argus Self Storage Advisors	720-909-8602	CO
Jeff Gorden, CCIM	KW Commercial	480-331-8880	AZ, UT
Jeff Gorden, CCIM	The Gorden Company	702-643-1000	NV
Kim Van Delinder	Van Delinder Realty LLC	406-698-6850	MT
Scott King	Merit Commercial Real Estate	541-890-6708	OR
Ryan Layton	American Real Estate Associates	509-435-2424	WA, Northern ID
Ken Miller	Northstate Commercial Partners	530-768-1650	Northern CA