

A Tale of Two Markets: Soft Operations, Strong Values

by Ben Vestal

Over the past several years, the self-storage industry has found itself operating in a unique and, at times, contradictory environment. On one hand, operating fundamentals, particularly occupancy and rental rate growth, have softened meaningfully from their pandemic-era highs. On the other hand, investor demand for self-storage remains robust, capital is plentiful, and asset values continue to hold firm with cap rates being lower than historical averages considering the cost of debt today. This divergence between operating performance and investment demand has created one of the most nuanced ownership environments we have seen in recent memory.

To understand where we are today, it is important to revisit the extraordinary period self-storage experienced between 2020 and 2023. Fueled by unprecedented household mobility, stimulus-driven consumer spending, and operational pricing power, self-storage operators saw historic gains in both occupancy and rental rates. Many facilities achieved occupancy levels well into the mid-90% range, while street rates and in-place rents climbed rapidly. These gains translated directly into significant NOI growth and, in turn, record-high asset valuations.

However, as new supply delivered across many markets and household mobility normalized, operating performance began to moderate. Throughout 2024, 2025, and now into 2026, the industry has experienced a period of recalibration. Occupancy levels across many portfolios have declined from peak levels, often settling into the mid-80% range depending on the market. Rental rate growth has slowed, and in many cases, operators have had to offer concessions or moderate rate increases to maintain occupancy and tenant velocity. The softening in operating fundamentals has reset the valuations of all self-storage properties and only time will tell where valuations will stabilize. This softness is not indicative of a broken asset class. Rather, it reflects a normalization from historically elevated performance combined with the impact of new supply deliveries. Many development projects that were delivered during the peak years of 2020 and 2023 have since continued to stabilize into a more balanced demand environment. As a result, operators are competing more actively for tenants, and the operating environment has become more management-intensive.

While operating fundamentals have softened, the investment environment tells a very different story. Capital targeting self-storage investments remains abundant as institutional investors, private equity groups, REITs, and private buyers continue to view self-storage as one of the most durable and attractive commercial real estate sectors. This sustained capital demand has had a material impact on asset valuations. Despite softer operating fundamentals, cap rates have remained resilient. This is a direct function of the amount of capital actively seeking placement in the sector. From a valuation perspective, this creates a window of opportunity for owners looking to sell. Buyers are

still willing to price assets based on forward NOI projections and long-term confidence in the asset class, rather than strictly the current in-place income.

However, it is equally important to recognize that the operating environment is unlikely to shift materially in the near term. New supply deliveries are continuing in many markets, and while development starts have slowed, the existing pipeline will take time to fully absorb. Occupancy and rental rate growth may remain measured over the next several years as markets work through this supply. With the rapidly changing customer demographic, instability in the economy, weakening consumer buying power, it could take several years to work through the operating environment.

For owners, this creates a clear strategic inflection point. If you have been considering a sale, today's market presents a compelling opportunity. Values remain strong, buyer demand is deep, and capital is highly competitive. This combination allows owners to monetize their assets at attractive pricing levels relative to softer current operating conditions.

Conversely, if your strategy is to hold, it is important to do so with a long-term perspective. The next phase of the cycle will require patience and operational discipline. Owners who believe in the long-term strength of their assets and markets should be prepared to hold through this normalization period, which may take several years to fully play out. Over time, as supply moderates and demand continues its steady long-term growth, operating fundamentals are expected to strengthen once again. But as the self-storage industry matures and consolidates, it is clear that the market is and will continue to be competitive.

Self-storage remains one of the most compelling commercial real estate asset classes available today. Its long-term demand drivers, including population mobility, customer demographic shifts, household formation, downsizing trends, and business storage needs, remain firmly intact. The current softness in operations reflects a cyclical adjustment, not a structural decline.

Today's market presents owners with a clear choice: capitalize on strong valuations while capital remains aggressive and debt is available, or maintain conviction in the long-term outlook and hold through the current operating cycle. At Argus Self Storage Advisors, we continue to see firsthand the depth of buyer demand and the strength of pricing across the country. For owners evaluating their options, the current environment offers both opportunity and clarity. Whether your strategy is to sell now or hold for the next phase of the cycle, making an informed and deliberate decision has never been more important. **MM**

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

NEW

Pueblo West, CO
\$875,000

- 12,200 Storage RSF
- 4,620 Parking SF
- 60 Units
- Flexible acquisition structure with the operating facility offered at \$750,000, an adjacent one acre parcel offered at \$125,000, or \$875,000 for a combined purchase

Cole Carosella & Matthew Cox
720-909-8602
cole@argus-realestate.com



NEW

Middleville, MI
Call for Offers

- Offers Due 3/24/26
- 45,200 RSF
- Class A Asset: excellent opportunity to acquire five newly constructed self-storage buildings built in 2024 located in the affluent, growing market of Middleville, Michigan

Kevin Friedman
847-436-5483
kevin@hvstorage.com



NEW

Homewood, IL
\$1,350,000

- 16,180 RSF
- 136 Units
- 93% Occupancy
- Attractive Going-In Yield / Trailing ~9% Cap Rate
- Stabilized Operations with In-Place Cash Flow

Bruce Bahrmassel
312-518-3550
bruce@selfstorage.com



NEW

Romulus, MI
Call Broker for Price

- 63,475 GSF
- 52,850 RSF
- 393 Units
- 2.16 +/- Acres
- Attractive Mix of Interior Multi-Story CC and Exterior Single-Story NC product to accommodate a wide variety of customers

Kevin Friedman
847-436-5483
kevin@hvstorage.com



NEW

Evansdale, IA
\$580,000

- 11,800 RSF
- 71 Units
- 1.25 Acres
- ~94% occupancy, offering immediate income and upside through future rent growth with over 11,300 cars per day

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



NEW

Marshall & Garvin, MN
\$7,500,000

- 3-Property Portfolio
- 104,413 RSF
- 628 Units
- 7.4 Acres
- Versatile Storage Offerings: Drive-up and indoor units for a mix of uses

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



NEW

Basile, LA
\$145,000

- 4,650 RSF
- 49 Units
- 71% Occupancy
- 0.28 Acres
- Well maintained facility with new lights, security cameras and signage

Sharon R. Wright, CCIM & Bill Barnhill, CCIM
251-510-1822
sharon@selfstorage.com



NEW

Alamogordo, NM
\$750,000

- 17,250 RSF
- 111 Units
- 2.44 Acres
- Cinder block construction with metal roof
- Well-lit facility
- Compact screening driveways
- Security fenced area

Samuel Livingston
915-497-4054
samuel@jhl-tx.com



NEW

Mesilla Park, NM
\$2,600,000

- 15,420 RSF
- 148 Units
- 3.14 Acres
- Excellent road frontage on S. Main Street with access to I-10
- 24-hour access, electronic gate/ security cameras, and on-site management

Samuel Livingston
915-497-4054
samuel@jhl-tx.com



NEW

Mustang, OK
\$7,500,000

- Hard Bid Date 3/6/26
- 94,835 RSF
- 413 Units
- 7.05 Acres
- Recently delivered institutional-quality self-storage project, located in the Oklahoma City MSA a top 50 MSA.

Jared Jones, CCIM
918-948-3941
jjones@selfstorage.com



NEW

Fargo, ND
\$2,450,000

- 28,480 RSF
- 48 Units
- 1.86 Acres
- Purpose-built storage facility constructed in 2023, designed to serve strong demand for oversized vehicle, RV, boat

Nathan Gottlieb & Tom Flannigan
612-930-6614
nathan@storage-advisors.com



NEW

Ennis, TX
\$2,600,000

- 2-Property Portfolio
- 46,000 RSF
- 275 Units
- Located within 1/4 mile of the new Buc-ee's in Ennis; the other location is across from a 212-home planned development by Lennar Homes

Tyler Trahant & Chad Snyder
817-901-7600
ttrahant@dominuscommercial.com



NEW

Antrim, NH
\$449,000

- Development Site
- 17,600 +/- RSF TBB
- 92 Units
- 2.2 Acres
- Land, site plans, permits and approvals will be delivered upon closing

Jessie Gilton & Nathan Beliveau-Robinson
617-820-8443
jessie@nainorwoodgroup.com



NEW

North TX Portfolio
\$1,480,000

- 3-Property Portfolio
- 25,434 RSF
- 216 Units
- 94% Physical Occupancy
- Remote managed properties with efficient management in place

Tyler Trahant & Chad Snyder
817-901-7600
ttrahant@dominuscommercial.com



NEW

New Albany, OH
Call for Offers

- Offers Due 3/12/26
- 70,900 RSF
- 526 Units
- 8.27 +/- Acres
- Best-in-class construction with attractive mix of Interior CC (47%) / Exterior NC product (53%) and RV/Boat spaces

Kevin Friedman
847-436-5483
kevin@hvstorage.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

Josh Koerner & Carrie Stowell
904-591-0140
josh@coastalstorage.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

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

Arizona

Benson \$1,570,000 Jeff Gorden 480-331-8880
 Thatcher \$925,000 Jeff Gorden 480-331-8880
 Tucson \$1,850,000 Jeff Gorden 480-331-8880

Arkansas

Highland \$1,100,000 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

Colorado Spgs \$3,500,000 Cole Carosella/Matthew Cox 720-909-8602
 Pueblo West \$875,000 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
 Fort Pierce Call Broker Josh Koerner 904-594-0140
 Holly Hill \$2,400,000 Josh Koerner 904-594-0140
 Marianna \$2,000,000 Josh Koerner 904-594-0140
 Miami Call Broker Josh Koerner 904-594-0140
 Mims \$1,500,000 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
 Macon \$199,900 Ryan Haney/Josh Koerner 904-591-1556

Idaho

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

Illinois

Homewood \$1,350,000 Bruce Bahrmassel 312-518-3550
 Peoria Call Broker Alex Ihrke/Tom Flannigan 612-790-3747
 Rantoul \$2,500,000 Bruce Bahrmassel 312-518-3550
 Springfield \$1,400,000 Larry Goldman/Derek Arnold 913-707-9030

Iowa

Evansdale \$580,000 Alex Ihrke/Tom Flannigan 612-790-3747
 Newton \$2,500,000 Nathan Gottlieb/Alex Ihrke 612-790-3747
 W. Burlington \$875,000 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

Basile \$145,000 Sharon Wright/Bill Barnhill 251-432-1287
 Hammond \$2,190,000 Stuart LaGroue/Bill Barnhill 251-432-1287

Massachusetts

Eastham Call Broker 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
 Middleville Call Broker Kevin Friedman 847-436-5483

Michigan Cont.

Romulus Call Broker Kevin Friedman 847-436-5483

Minnesota

Clara City/Willmar Call Broker Nathan Gottlieb/Tom Flannigan 612-790-3747
 Hastings \$1,000,000 Nathan Gottlieb/Tom Flannigan 612-790-3747
 Marshall/Garvin \$1,000,000 Alex Ihrke/Tom Flannigan 612-790-3747
 Willmar **SOLD** Matt Haugen/Tom Flannigan 612-790-3747

Mississippi

Madison \$2,600,000 Bill Barnhill/Stuart LaGroue 251-432-1287
 Pass Christian \$240,000 Bill Barnhill/Stuart LaGroue 251-432-1287
 Radiant Portfolio **SOLD** Bill Barnhill/Stuart LaGroue 251-432-1287

Missouri

Carrollton \$400,000 Larry Goldman 913-707-9030

Nebraska

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

New Hampshire

Antrim \$449,000 Jessie Gilton 617-820-8443

New Jersey

Egg Harbor \$950,000 Linda Cinelli 908-722-5661
 Waretown \$1,650,000 Jim Remler 973-936-8250

New Mexico

Almogordo \$750,000 Samuel Livingston 915-497-4054
 Mesilla Park \$2,600,000 Samuel Livingston 915-497-4054

North Carolina

Burlington **SOLD** Jamey Cox 704-995-9168
 Greensboro \$6,100,000 Jamey Cox 704-995-9168

North Dakota

Fargo \$2,450,000 Nathan Gottlieb/Tom Flannigan 612-790-3747

Ohio

New Albany Call Broker Kevin Friedman 847-436-5483
 Wooster Call Broker Kevin Friedman 847-436-5483

Oklahoma

Broken Arrow \$6,400,000 Jared Jones 918-948-3941
 Collinsville \$4,600,000 Jared Jones 918-948-3941
 Moore \$600,000 Jared Jones 918-948-3941
 Mustang \$7,500,000 Jared Jones 918-948-3941
 Oklahoma City \$8,000,000 Jared Jones 918-948-3941
 Stillwater \$3,200,000 Jared Jones 918-948-3941
 Tulsa \$2,100,000 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

South Carolina

Portfolio \$3,700,000 Josh Koerner & Jamey Cox 904-591-0140

Tennessee

Smyrna \$1,300,000 Josh Koerner/Ryan Haney 904-591-0140

Texas

Amarillo Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Atlanta Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Brownsville Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Chappell Hill Call Broker Faith Pate/Bill Brownfield 713-805-2907
 Conroe \$1,450,000 Chad Snyder/Tyler Trahan 817-813-5642
 Crandall Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Dallas Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Denison Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Ennis \$2,600,000 Chad Snyder/Tyler Trahan 817-813-5642
 Odessa Call Broker Chad Snyder/Tyler Trahan 817-813-5642
 Portfolio \$1,480,000 Chad Snyder/Tyler Trahan 817-813-5642
 Weatherford Call Broker Chad Snyder/Tyler Trahan 817-813-5642

RECENT SALES



Congratulations to **Bill Barnhill, CCIM & Stuart P. LaGroue, Sr. & Sharon R. Wright, CCIM of Omega Properties, Inc.** who sold a 3-Property portfolio in Mississippi! Contact the team at 251-432-1287 for details.



Congratulations to **Tom Flannigan, Alex Ihrke & Nathan Gottlieb of Area Storage Advisors** who sold 19th Ave Storage in Willmar, MN! Contact the team at 612-790-3747 for details.



Congratulations to **Jared Jones, CCIM of Jones Investment Real Estate** who sold Glenpool Storage in Glenpool, OK! Contact Jared at 918-948-3941 for details.



Congratulations to **Jamey Cox of Percival Partners** who sold Storage on Webb in Burlington, NC and Mini Storage Depot in Fort Mill, SC! Contact Jamey at 704-995-9168 for details.



CONTACT AN ARGUS BROKER AFFILIATE

NORTHEAST

Guy Blake, CCIM
Jim Remler
Joseph Mendola
Chuck Shields

Company

Pyramid Brokerage Company
Coldwell Banker Commercial
NAI Norwood Group
Beacon Commercial Real Estate

Phone

845-522-5900
973-936-8250
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
Ed Nicholson
Josh Koerner & Frost Weaver
Josh Koerner & Ryan Haney

Omega Properties, Inc.
Percival Partners
The Nicholson Companies
Coastal Storage Group
Coastal Storage Group

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

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

NORTH CENTRAL

Bruce Bahrmassel
Tom Flannigan
Kevin Friedman
Alec Pacella, CCIM
Larry Goldman, CCIM
Rob Schick

Area CRE Services / KW Integrity Lakes
Hayes Ventures
NAI Pleasant Valley
Goldman Investment Advisors
Schick & Associates

312-518-3550
612-790-3747
847-436-5483
216-831-3310
913-707-9030
317-403-1205

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

SOUTH CENTRAL

Bill Barnhill, CCIM
Larry Goldman, CCIM
Mike Helline & Aaron Willis
Jared Jones, CCIM
Samuel Livingston & 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
713-805-2907
817-980-7276

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

WEST

Cole Carosella & Matthew Cox
Jeff Gorden, CCIM
Jeff Gorden, CCIM
Kim Van Delinder
Scott King
Ryan Layton
Ken Miller

Argus Self Storage Advisors
KW Commercial
The Gorden Company
Van Delinder Realty LLC
Merit Commercial Real Estate
American Real Estate Associates
Northstate Commercial Partners

720-909-8602
480-331-8880
702-643-1000
406-698-6850
541-890-6708
509-435-2424
530-768-1650

CO
AZ, UT
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OR
WA, Northern ID
Northern CA