

**Overview**

We tracked investment sales for self-storage properties throughout all 50 states over an 18-month period beginning in January 2019 and ending in June 2020. In order to find the primary drivers, we broke the market into multiple tranches. The following tranches include: "Under \$1.0 Million", "\$1.0 Million to \$5.0 Million", "\$5.0 Million to \$10.0 Million", "10.0 Million to \$20.0 Million", and "Over \$20.0 Million". While performing this study, we uncovered that one tranche (10.0 Million to \$20.0 Million) has been a major driving force accounting for 30.9% of the market's dollar volume over the study period.

**Number of Sales Transactions**

The number of monthly sales for all self-storage sales recorded in the US are segmented into tranches as seen below. Over the 18-month period, there have been a total of 855 self-storage transactions. Over 88 percent of these transactions were below \$10 million; roughly 9.7 percent were between \$10 million and \$20 million; and 1.6 percent were above \$20 million.

Historical Transaction Volume - US Self-Storage																				
Number of Transactions	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Total	% of Total
Up to \$1.0 Million	13	6	15	10	8	13	13	12	8	20	10	15	16	10	17	13	13	7	219	25.6%
\$1.001 to \$5.0 Million	16	17	12	31	22	24	22	28	25	34	27	29	28	18	19	15	15	7	389	45.5%
\$5.001 to \$10.0 Million	10	8	9	12	15	14	7	6	7	8	10	17	6	7	2	5	2	5	150	17.5%
\$10.001 to \$20.0 Million	3	3	6	5	4	7	5	8	1	3	4	11	2	5	3	6	2	5	83	9.7%
Over \$20.001 Million	0	1	2	1	0	0	1	1	0	1	1	1	1	1	3	0	0	0	14	1.6%
Total # Transactions	42	35	44	59	49	58	48	55	41	66	52	73	53	41	44	39	32	24	855	100.0%
% Change from Prior Month	-	-16.7%	25.7%	34.1%	-16.9%	18.4%	-17.2%	14.6%	-25.5%	61.0%	-21.2%	40.4%	-27.4%	-22.6%	7.3%	-11.4%	-27.3%	-38.5%	-	-

In terms of number of transactions, the highest number of monthly transactions occurred in December 2019, which also experienced one of the most significant percent increases from the prior month, at 40.4%. Compared to 73 sales in December 2019, the results for May and June 2020 were significantly lower, at 32 and 24 respectively. As shown in the graph, the number of sales began to slowly decrease in April 2020, but to a lesser extent when compared to other property types.

Most activity in the last two months appears focused on self-storage sales below \$5.0 million. In fact, 28 of the 32 transactions that occurred in May 2020 were below \$5.0 Million.

With continued uncertainty related to COVID-19 and the resultant economic malaise, market participants are expecting these trends to continue, with hopes that the market will improve in the coming months.

