SELF STORAGE REPORT

A Stable Market Faces a Complex Environment

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The self-storage sector enters 2026 from a position of relative strength, supported by broad consumer adoption, diversified demand drivers, and historically resilient cash flows. As the sector adjusts following several years of expansion, operating conditions are becoming increasingly market specific and more dependent on disciplined execution.

In this year's report, we examine how supply dynamics, customer preferences, and capital market conditions are shaping performance across this resilient sector. Read on for a data-driven look at the trends, risks, and opportunities in the year ahead.

A self-storage facility, also known as a storage unit or storage locker, is a space rented to individuals or businesses for storing personal or commercial belongings. These facilities typically provide secure, private storage units in various sizes that can be accessed by renters on a self-service basis.

Self-storage facilities typically provide basic security features such as CCTV monitoring, gated access, and individual unit locks to protect renters' belongings. Some facilities may also offer additional services such as climate control, pest control, and insurance options. Renters typically pay a monthly fee for the use of a self-storage unit and can access their unit during the facility's designated hours via a key or code.

There are an estimated 58,000 to 65,000 self-storage facilities in the United States, depending on the source, totaling roughly 2.7 billion rentable square feet nationwide. The average facility contains about 46,000 net rentable square feet, reflecting a mix of legacy drive-up properties and newer multi-story climate-controlled assets. Per-capita usage reached approximately 7.83 rentable square feet per person in 2024, up from 6.3 square feet the year prior, underscoring rapid expansion in both supply and demand. In addition, another 3,800 to 4,500 facilities are under construction nationally, based on varying industry estimates.

The Big Five Lead the Way

The table below provides a snapshot of the largest self-storage operators in the United States and their relative scale within the national market. It highlights the degree of consolidation among the industry's leading companies, comparing their facility counts, market shares, and—in cases where reported—revenue and profitability metrics for 2025.

Largest Self-Storage Operators in the U.S. (by number of facilities, owned or managed)

Company	Number of Facilities*	Number of Units	Net Rentable Square Footage	Market Share (%)
1 Extra Space Storage Inc. (includes Life Storage and Storage Express brands)	3,800 Facilities	2,639,000	292,000,000 RSF	10.8%
2 Public Storage	3,700 Facilities	2,638,000	264,000,000 RSF	9.8%
3 CubeSmart	1,500 Facilities	981,000	102,000,000 RSF	3.8%
4 U-Haul	2,050 Facilities	322,000	90,000,000 RSF	3.3%
5 National Storage Affiliates Trust	1,050 Facilities	542,000	69,000,000 RSF	2.6%

* Includes owned and managed properties.

The five largest self-storage operators are publicly traded REITs, collectively accounting for approximately 22% of all facilities and 28% of the nation's total square footage. Their portfolios consist primarily of properties they own and manage directly. The only exception is National Storage Affiliates (NSA), whose portfolio, as of 2024, does not include any third-party managed locations.

The U.S. self-storage sector is led by a small group of large national operators whose combined presence represents a significant share of the institutional market. Extra Space Storage Inc. (including Life Storage and StorageExpress) is the largest operator by facility count, with 3,800 locations, 2.64 million units, and approximately 292 million RSF, giving it a 10.8% market share. Public Storage follows closely with 3,700 facilities and 264 million RSF, representing 9.8% of the national market.

CubeSmart ranks third, operating 1,500 facilities totaling 102 million RSF and holding a 3.8% market share. U-Haul, though diversified beyond self-storage, controls 2,050 facilities and 90 million RSF, representing 3.3% of national inventory. Rounding out the top five, National Storage Affiliates Trust (NSA) manages 1,050 facilities with 69 million RSF, accounting for 2.6% of the market.

Together, these operators illustrate the concentration of professionally managed storage inventory, though the broader industry remains fragmented beyond the top tier.

Moderating Supply Growth, Resilient Pricing

The table below summarizes typical performance benchmarks for self-storage facilities in 2025 by class, outlining the defining characteristics, average unit counts, and corresponding cap rate and value ranges. These distinctions help illustrate how building quality, location, and configuration influence asset performance and market valuation across Class A, B, and C properties.

2025 Self-Storage Facilities - Performance by Class

Facility Type	Characteristics	Unit Count	2025 Cap Rate Range	2025 Value Range PSF
Class A	3 to 5 stories, high climate-controlled %, primary markets, institutional grade	600 to 900 units	5.00% - 5.50%	$175 - $215
Class B	Drive-up, limited CC units, secondary/outer ring locations	300 to 450 units	5.75% - 6.50%	$145 - $175
Class C	Older, converted, 1-story, small urban infill, heavy NCC %	200 to 300 units	6.75% - 8.00%	$110 - $145

* The figures presented in this table represent general market averages. Actual performance metrics may vary based on location, age, physical condition, operational characteristics, and other property-specific factors.

In 2025, self-storage asset performance varies notably by class, reflecting differences in quality, location, and operational efficiency. Class A facilities—larger, multi-story, and climate-controlled in primary markets, command the strongest pricing, with the lowest cap rates (5.00%–5.50%) and highest values, at $175–$215 PSF. Class B assets, typically drive-up or limited climate-controlled facilities in secondary markets, fall in the middle at 5.75%–6.50% cap rates and $145–$175 PSF values. Older, smaller Class C properties located in urban infill areas exhibit the widest risk profile, resulting in the highest cap rates (6.75%–8.00%) and lowest valuations of $110–$145 PSF.

The following tables summarize seven-year national trends in the self-storage sector, highlighting changes in inventory growth, climate-controlled versus non-climate-controlled product mix, vacancy rates, and street rents across major unit types. Together, these datasets provide a clear view of how supply, performance, and pricing have shifted, offering context for current operating conditions and market stability.

Self-Storage National Trends - 7 years

Year	Inventory	CC % of Total	NCC % of Total	Completions	Vacancy %	Net Absorption	CC Average Per Square Foot per Year*	NCC Average Per Square Foot per Year*	CC Premium over NCC (%)
2018	8,930,127	61.6%	38.4%	403,678	13.4%	197,979	$19.46	$16.06	21%
2019	9,286,088	61.9%	38.1%	317,783	14.5%	168,560	$18.87	$15.70	20%
2020	9,556,939	62.4%	37.6%	270,851	14.4%	246,094	$19.20	$15.96	20%
2021	9,741,288	62.6%	37.4%	184,349	12.0%	392,943	$21.98	$17.93	23%
2022	9,914,389	62.8%	37.2%	173,101	12.0%	150,599	$21.74	$17.89	22%
2023	10,073,496	63.0%	37.0%	159,107	12.9%	44,316	$20.99	$17.44	20%
2024	10,226,262	63.1%	36.9%	152,766	14.2%	-1,006	$20.02	$16.86	19%
2025	10,300,357	63.3%	36.7%	108,114	13.8%	129,515	$20.75	$17.39	19%

* Based on 10x10 unit.

In 2025, total national self-storage inventory reached approximately 10.3 million units, continuing a steady but slowing pace of growth as new completions declined for the second consecutive year.

Climate-controlled units now account for 63.3% of total inventory, reflecting the ongoing shift toward a higher-amenity product. Vacancy edged up to 13.8%, indicative of gradual normalization following several years of elevated absorption. Annual rents remained generally stable, with climate-controlled units maintaining a 19% premium over non-climate-controlled units and 10x10 units averaging $20.75.

Overall, 2025 reflects a balanced environment where supply growth is moderating and rental pricing remains resilient.

Climate Controlled Units - Monthly Rent

Year	Inventory	Completions	Vacancy	Rent 5x5	Rent 5x10	Rent 10x10	Rent 10x15	Rent 10x20
2018	5,503,253	254,599	12.3%	$68	$105	$162	$215	$276
2019	5,747,936	210,176	13.0%	$65	$100	$157	$208	$268
2020	5,959,779	183,752	12.8%	$67	$102	$160	$214	$277
2021	6,095,466	135,927	11.0%	$75	$116	$183	$242	$311
2022	6,230,352	134,886	11.0%	$74	$114	$181	$239	$308
2023	6,344,693	122,204	12.1%	$71	$110	$175	$234	$304
2024	6,454,171	114,303	12.6%	$67	$104	$167	$225	$294
2025	6,520,126	N/A	N/A	$69	$108	$173	$232	$304

In 2025, climate-controlled unit rents continued to show steady performance, reinforcing the segment's stronger long-term pricing power and broad appeal across urban and suburban markets.

Core unit sizes held firm, with 5x5 and 5x10 units at $69 and $108, with the standard 10x10 maintaining at $173 after incremental gains in prior years, while larger units such as 10x15 and 10x20 remained elevated at $232 and $304.

Despite modest rent softening in select years, the segment continues to demonstrate strong demand fundamentals, supported by its appeal in both urban and suburban markets and its ability to command consistent pricing premiums driven by growing consumer preference for modern, temperature-controlled storage options.

Non-Climate Controlled Units - Monthly Rent

Year	Inventory	Completions	Vacancy	Rent 5x5	Rent 5x10	Rent 10x10	Rent 10x15	Rent 10x20
2018	3,426,874	149,079	15.4%	$57	$86	$134	$177	$208
2019	3,538,152	107,607	17.3%	$55	$84	$131	$174	$207
2020	3,597,160	87,099	17.5%	$56	$86	$133	$178	$212
2021	3,645,820	48,422	14.5%	$62	$96	$149	$198	$236
2022	3,684,037	38,215	14.4%	$62	$96	$149	$198	$237
2023	3,729,803	36,903	15.3%	$61	$93	$145	$193	$233
2024	3,772,091	34,737	16.8%	$58	$89	$140	$188	$228
2025	3,780,231	N/A	N/A	$60	$93	$145	$194	$236

In 2025, rents for non-climate-controlled units held steady across most size categories, reflecting a sector that has entered a more stable phase after years of volatility. Core unit types such as 5x5, 5x10, and the standard 10x10 remained consistent at $60, $93, and $145, while larger units posted modest increases, with 10x15 rising to $194 and 10x20 to $236. Although vacancy and completion figures for 2025 were unavailable, the ability to maintain pricing despite rising inventories underscores the segment's resilient demand. Non-climate-controlled (NCC) facilities, often older and more common in secondary and tertiary markets, continue to perform reliably with stable occupancy and steady pricing, even if their long-term rent growth trails that of climate-controlled properties.

Normalization After The Boom

In 2025, the U.S. self-storage sector shifted from boom-time growth to a more normalized phase marked by ~88% occupancy, flat-to-slightly-positive rent growth, moderating but still elevated new supply, and higher operating costs—especially taxes and insurance—amid a capital-market reset that saw values decline ~10–15% and cap rates widen. Despite this cooling from pandemic-era peaks, demand remained resilient, supported by urbanization, downsizing, lifestyle mobility, and steady commercial usage from small businesses and e-commerce. Climate-controlled, tech-enabled facilities continued to gain prominence, and although revenue growth slowed, broad consumer adoption and diverse demand sources helped preserve strong long-term fundamentals even as short-term occupancy and pricing softened.

New supply remained a defining factor in 2025, with construction activity elevated in several high-growth Sunbelt metros. Nationally, the pipeline represented a moderate share of inventory, but local markets with 5–9% of stock under development experienced increased lease-up pressure and heavier discounting. Despite this, overall development momentum began to slow as financing costs rose and underwriting became more conservative. The market trended toward a more sustainable long-term growth rate as developers recalibrated to shifting demand and capital constraints.

Capital markets in 2025 reflected a broad repricing rather than systemic distress. Property values declined roughly 10–15% from 2022 peak levels, and cap rates widened across all classes amid higher interest rates and tighter underwriting. Institutional assets continued to price more competitively, while secondary and tertiary markets saw deeper cap-rate expansion and reduced sales activity.

Transaction volume declined as bid-ask spreads persisted, and refinancing became more challenging for highly leveraged owners. Even so, investor sentiment remained constructive given the sector's historically stable cash flows and defensive characteristics.

A Year When Customers Wanted More

Self-storage consumers in 2024–2025 increasingly prioritize safety, security, and convenience, and are willing to pay extra for features that enhance these areas. Pest control, 24/7 access, controlled entry systems, humidity and climate control, and in-unit security measures rank as the strongest value drivers, reflecting a shift toward more premium, professionally managed facilities. Proximity to home, drive-up access, and monitored gate systems highlight continued demand for ease of use and personal safety. Secondary priorities—such as flexible contracts, long-term rental discounts, emergency alarms, heated/cooled units, electronic keyless locks, and package services—point to a customer base expecting modern, tech-enabled amenities. Overall, the trend shows growing willingness to pay for higher-quality, cleaner, safer, and more accessible storage environments.

Significant Uncertainties Lie Ahead

Despite its overall resilience, the self-storage sector enters 2026 facing a more complex operating environment than in prior years. The combination of rising operating expenses, elevated interest rates, and slowing demand is pressuring margins at a time when new supply remains elevated in several high-growth Sunbelt markets. Operators are also navigating softer move-in activity, increased promotional activity, and widening bid-ask spreads that complicate acquisition and refinancing decisions. At the same time, macroeconomic uncertainty—ranging from slower household formation to potential consumer-spending pullbacks—adds further downside risk. Together, these factors signal a period in which disciplined management, careful market selection, and more conservative underwriting are essential to maintaining performance.

- Persistent Expense Growth: Property taxes and insurance are unlikely to retreat. If rent growth stalls while expenses rise, NOI margins will compress further, particularly for older Class-C assets or small mom-and-pop operators with limited pricing power. Operators maintained NOI largely by passing through costs via rents, but REIT data show same-store NOI still declining 2–3% YoY as of Q3 2025.
- Interest-Rate & Refinance Risk: If rates stay higher for longer, refinancing 2021–22 vintage loans at today's cap rates and DSCR requirements could force equity infusions or distressed sales.
- Localized Overbuilding: Markets with 5–9% of inventory under construction (many in Florida, Texas, Arizona, Nevada) face the greatest risk of prolonged lease-up, heavier concessions, and valuation pressure.
- Macro Shocks: A deeper housing slowdown, weak household formation, or a consumer-driven recession would likely hit move-in volumes and push operators toward more discounting.

The Key Themes That Will Define the Year

The self-storage sector enters 2026 in a period of recalibration, balancing elevated supply in select markets with gradually improving demand fundamentals. While capital markets remain sensitive to interest-rate movements, early signs of rent stabilization and moderating development point toward a more balanced operating environment.

2026 is expected to be a slow-growth, absorption-focused year. National occupancy should remain in the 87-89% range, with modest downside risk in overbuilt markets but stability in constrained urban cores. Rent growth is projected to improve slightly, likely in the 1 to 3% range, supported by recovering street-rent trends, particularly in climate-controlled units. New supply will remain a factor through late 2026, yet the broader trend points toward slowing development and a return to a sustainable long-term growth rate of roughly 1.5% annually.

In capital markets, modest interest-rate relief would help narrow bid-ask spreads and potentially stabilize or slightly compress cap rates, especially for high-quality urban and infill assets. Transaction activity is expected to improve gradually but selectively, with investor focus shifting toward core-plus and value-add strategies that can enhance NOI despite rising expenses. Favorable tax treatment, such as reinstated bonus depreciation, may support repositioning, expansions, and capex-heavy redevelopment initiatives.

SOURCES

Largest Self-Storage Operators in the U.S.
Sources: Self-Storage Almanac, IbisWorld, Radius+, TractIQ, StorTrack, and others, compiled by Integra Realty Resources

2025 Self-Storage Facilities - Performance by Class
Source: Integra Realty Resources

Self-Storage National Trends
Source: REIS, compiled by Integra Realty Resources

Climate Controlled Units - Monthly Rent
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Non-Climate Controlled Units - Monthly Rent
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ABOUT VIEWPOINT

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ABOUT IRR

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