



## GREAT LAKES REGION


### Great Lakes Show Great Opportunity

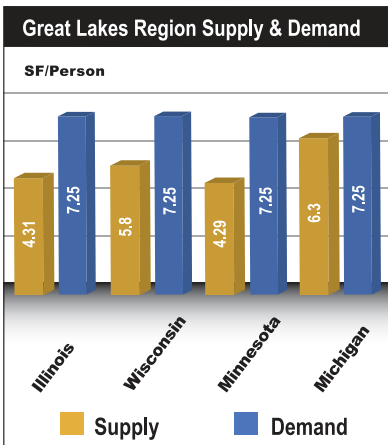
The Great Lakes States show great opportunity for self-storage. In four states and four CBSAs the market is either under-served or at equilibrium. This state and CBSA data can be useful for comparing other cities and states and as benchmarks to compare to demand in the local trade area.

In Michigan, however, the magnitude of economic decline suggests caution. Moreover, as demographic data ages (2010 Census underway now), some markets such as Michigan may be skewed in terms of population growth. These characteristics demonstrate that a local market analysis of the trade area is the most important metric for this asset class.

The supply and demand data is derived from the *2010 Self-Storage Almanac* Market Conditions by CBSA. The demand forecast by the Self Storage Industry Group of Cushman & Wakefield is based on a proprietary, econometric model that uses a mathematical regression of demand variables to existing supply in order to forecast stabilized demand in a CBSA or trade area. Key variables are population, percentage of renters, average household income and average household size regressed to size (measured in terms of square feet per person).

The Great Lake States analyzed indicate positive indicators for self storage demand. In all cases, existing supply is well below the national average. By analyzing demographic data, stabilized demand over the long run is forecast. The variance between supply and existing demand indicates generally positive results in the markets analyzed.

While the long run view shows opportunity, the short term economic challenges in some areas currently outweighs positive market fundamentals. In this environment, caution is warranted for new development with careful attention to project feasibility on a local basis. 



Source: Cushman & Wakefield's Self Storage Industry Group and 18th Annual Self-Storage Almanac 2010

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