SELF-STORAGE-STEADY IN GEORGIA

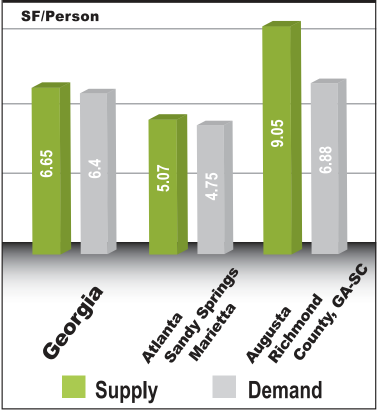
Self-storage market conditions are generally at equilibrium in Georgia and the Atlanta-Sandy Springs-Marietta CBSA (core based statistical area). However, there are challenges in other CBSA markets such as August-Richmond County, GA-SC and Chattanooga, TN-GA.

It is also interesting to note that market conditions have remained relatively unchanged since this market was last analyzed in 2007. With low levels of new construction and economic conditions gradually improving, this suggests a more robust outlook in the years ahead. Moreover, it indicates the market remained relatively steady during the years of downturn (in terms of supply and demand).

The data is based on peer group analysis and is published for all 50 states and top 100 CBSA's in the country in the 2011 Almanac. Self-storage is a neighborhood or trade area specific analysis. CBSA figures as depicted in the table and figure can be used to benchmark larger markets, but are not granular to the local trade area. Therefore, the CBSA analyses should only be used as a reference for market analysis. Only local market analysis within a trade area or neighborhood can determine the market conditions for a particular property.

In terms of operations, self-storage has struggled through the recession like all of real estate, but generally at lower losses in terms of income and occupancy. For markets near equilibrium, this suggests occupancy and income should improve in terms of collected income. In Georgia, steady market conditions are currently indicated.

Key Markets In Georgia



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

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