



# KANSAS

## A LOOK AT THE NUMBERS

### Self-Storage In Kansas: A Case Study In Local Market Analysis

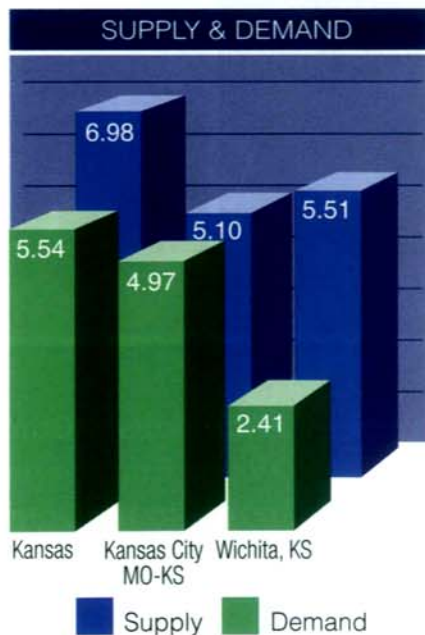
By R. Christian Sonne, MAI

An analysis of the Kansas market underscores the critical importance of local, market analysis. As industry concerns of over-building continue in a macroeconomic view, the winning self-storage projects demonstrate success is primarily a function of microeconomic analysis. In plain English, study the local trade area!

For example, according to the 2006 *Self-Storage Almanac*, the Kansas

has 6.98 square feet per person or significantly above the national average of 5.54 square feet per person. However, the Kansas City metropolitan statistical area (MSA) indicates 5.10 square feet per person and based on local demographics, the MSA is considered to be at equilibrium. In the Wichita MSA, existing supply of 5.51 square feet per person represents a significant over-supply compared to demand of 2.41 square feet per person. Available data in Kansas, as derived from the *Almanac*, is summarized in the Market Conditions Table.

The analysis is summarized graphically in the Supply and Demand Chart. The analysis indicates market conditions are best in the Kansas City MSA. In this case, the market analysis indicates significant over-supply in the state of Kansas and in the Wichita MSA in particular. Kansas is a case study that underscores that a local market analysis is best for the self-storage asset class. While the state appears to be over-supplied, a local market analysis (neighborhood) may cause one to think, "We're not in Kansas anymore". Local neighborhoods in Kansas warrant a closer look.



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