



MASSACHUSETTS

A LOOK AT THE NUMBERS

Go East! Demand for Self-Storage In Massachusetts

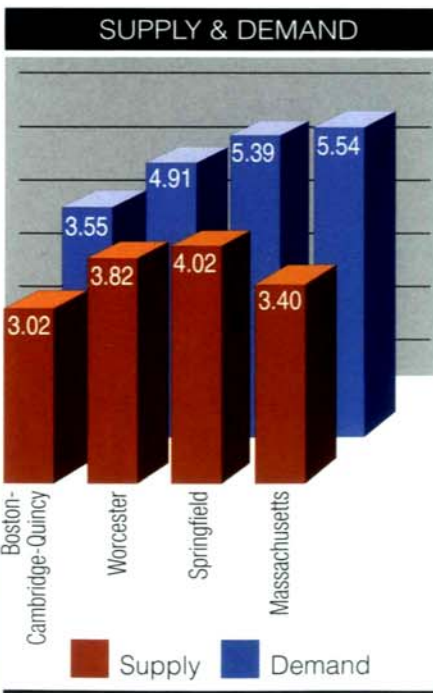
By R. Christian Sonne, MAI

Demand for self-storage in Massachusetts is very strong and that suggests there is capacity now for new development. In three Metropolitan Statistical Areas (MSAs) analyzed by Self Storage Economics and reported in the 2006 *Self-Storage Almanac*,

demand exceeds supply, demonstrating under-supplied conditions.

Eastern MSAs tend to have less existing supply of self-storage product than Western counterparts. Self-storage has typically been developed in emerging or growing communities in the West. As a result, well established MSAs in the East tend to have less supply. Existing developments in the Eastern MSAs tend to be more dense with limited vacant land available for development. Consequently, much of the new development in the East is adaptive/re-use of existing buildings, typically warehouse property.

A local, neighborhood analysis is always best for self-storage property. As most of the customer base is within a three-mile radius of the subject, market conditions can vary dramatically from one neighborhood to another. Nevertheless, this self-storage snapshot of market conditions in Massachusetts suggests strong macro market conditions for self-storage. Further, this suggests going east may find under-supplied trade areas with capacity for new self-storage development.



Source: Self Storage Economics

R. Christian Sonne, MAI is President of Huntington Beach, California-based Self Storage Economics, an appraisal, research, and analysis firm specializing in the self-storage asset class. He is also a member of the Appraisal Institute.