



TAMPA

A LOOK AT THE NUMBERS

Winning Teams in Florida

By R. Christian Sonne

The University of Florida football team and "team self-storage" are winners in the state of Florida. Football in Florida ended the year as the number one team in the country. In the Tampa-St. Petersburg-Clearwater CBSA, team self-storage is under-supplied providing for winning market conditions. The data is based on peer group analysis and is published for all 50 states and top 100 CBSAs (Central Business Statistical Areas) in the country in the *2007 Almanac*.

Like Coach Urban Meyer's Florida Gators, team self-storage has to select market-based plays carefully for a winning season. Self-storage is a neighborhood or trade area-specific game. CBSA figures as depicted in the accompanying table demonstrate overall market conditions and are not neighborhood-specific. Like a football game, there are good plays and bad plays within a CBSA. Therefore, they should only be used as a reference for market analysis. Only local market analysis within a trade area or neighborhood can determine a winning game strategy for team self-storage.

Nevertheless, the Tampa CBSA market suggests strong market conditions with demand exceeding supply. Typically, this suggests rental rates will continue to rise until supply meets demand (the foregoing analysis does not consider new construction in the pipeline). The Orlando CBSA appears to be similar to the state of Florida with market conditions essentially at equilibrium with respect to supply and demand.

In the near term, strong market conditions suggest a winning season for the self-storage asset class.

R. Christian Sonne is Managing Director of Cushman & Wakefield's Self Storage Industry Group, a nationwide team of appraisal, research, and analysis professionals specializing in the self-storage asset class. He is also a member of the Appraisal Institute.

SUPPLY & DEMAND



Source: Cushman & Wakefield's National Self-Storage Group