

## COLORADO A LOOK AT THE NUMBERS

### Deep Snow in Colorado

By R. Christian Sonne, MAI

The snow of the Colorado Rockies is famous for excellent skiing and snowboarding conditions. Sometimes, too much of a good thing leads to avalanches in unstable conditions. In Colorado self-storage, the market appears to be challenged by too much of a good thing. In state and CBSA analyses, the market appears to be

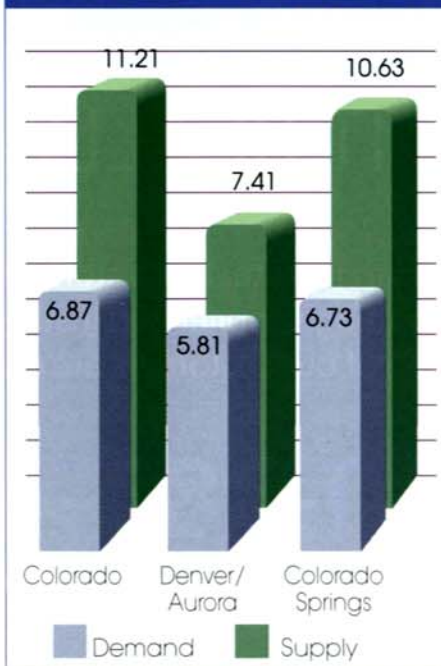
over-supplied. However, like snowboarding, the best runs are found by a careful, local analysis of each resort.

Data is based on peer group analysis in the *2008 Self-Storage Almanac*. The data is based on a national comparison, so should only be used as a broad benchmark. For self-storage, the best snapshot is within the local neighborhood or trade area. It can not be emphasized enough how important local market analysis is.

Nevertheless, these comparative analyses can be useful tools for understanding self-storage variables. The variances are a function of demographic dynamics, mostly population and density. Consequently, demand can vary significantly for self-storage product from one city to another and one state to another. Understanding demand for self-storage leads to the conclusion that a local market analysis is best.

Finding the best snowboard runs in Colorado requires a local analysis of the resorts. Similarly, in an over-supplied market, finding the best self-storage sub-markets requires a local analysis of the trade area. Have a great ride! 🏂

### COLORADO SUPPLY & DEMAND



Source: Cushman & Wakefield's Self Storage Industry Group

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.