



TENNESSEE

A LOOK AT THE NUMBERS


Searching For Demand In Tennessee

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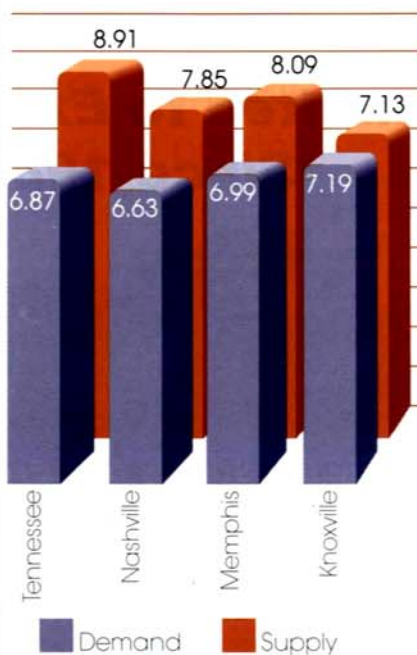
Searching for self-storage demand in Tennessee is a function of the local market. Macro market conditions for the asset class indicate oversupply through-out the state, with market equilibrium being indicated only in the Knoxville CBSA. While this data

may seem bearish, it underscores the unique characteristics of self-storage in relation to other real estate. Data is based on peer group analysis for all 50 states and top 100 CBSA's in the 2008 *Self Storage Almanac*.

These comparative analyses can be useful tools for understanding self-storage variables from one city to another and one state to another. The variances are a function of demographic dynamics, mostly population and density. Consequently, demand can vary significantly from one city to another and one state to another.

Based on the foregoing analyses of state data and trends, the conclusion is that the self-storage market continues to experience demand for financially viable projects. However, as implied by the limited specificity of the analysis, defining winners and losers in the self-storage market is very site specific and increasing in importance. These factors underscore the importance of market analysis in self-storage property and must be considered in the conclusions of the quantity, quality and durability of the income to ensure long-run viability of a self-storage investment. 

TENNESSEE SUPPLY & DEMAND



Source: Cushman & Wakefield's Self Storage Industry Group

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