SELF-STORAGE LOCAL DEMAND CHECKLIST

Use this checklist to test who needs storage, what they need and how much new space the market may be able to support.

DEFINE THE TRADE AREA

- [ ] Map typical drive times.
- [ ] Identify major roads and commuting patterns.
- [ ] Mark physical and psychological neighborhood boundaries.
- [ ] Account for traffic congestion.
- [ ] Identify bridges, railways, rivers and other barriers.
- [ ] Map competing facilities along the same travel routes.
- [ ] Map apartments, subdivisions, businesses and other demand generators.
- [ ] Define the type of storage being evaluated.
- [ ] Confirm the population boundary matches the actual competitive area.

POPULATION AND HOUSEHOLD GROWTH

- [ ] Determine whether people are moving into the area or growth is primarily coming from existing families.
- [ ] Determine whether new residents are forming separate households.
- [ ] Confirm whether growth is near the proposed facility or elsewhere in the county.
- [ ] Verify that population projections are supported by housing already approved or under construction.
- [ ] Determine whether projections rely on recent migration patterns that may be slowing.
- [ ] Identify whether the area attracts permanent residents, seasonal residents or both.
- [ ] Review homeownership and renter rates.
- [ ] Review residential vacancy rates.

HOUSING AND RESIDENTIAL DEMAND

- [ ] Count apartment units planned, approved and under construction.
- [ ] Review average apartment size.
- [ ] Evaluate garage and basement availability.
- [ ] Track condominium and townhome construction.
- [ ] Review new subdivision lot and home sizes.
- [ ] Map senior living and assisted living development.
- [ ] Map student housing.
- [ ] Map manufactured housing communities.

TEMPORARY DEMAND DISTORTIONS

- [ ] Check whether a military deployment is affecting demand.
- [ ] Check whether a college move-out period is affecting demand.
- [ ] Check whether storm or disaster recovery is affecting demand.
- [ ] Check whether a major employer relocation is affecting demand.
- [ ] Check whether a temporary housing shortage is affecting demand.
- [ ] Check whether a wave of residential construction is affecting demand.
- [ ] Check whether a sharp rise in home sales is affecting demand.
- [ ] Separate temporary demand from demand likely to continue.

VERIFY EXISTING SUPPLY

- [ ] Confirm all operating facilities were included.
- [ ] Confirm square-footage estimates use net rentable space rather than total building area.
- [ ] Include small independent properties.
- [ ] Include facilities outside the trade area when they compete for the same customers.
- [ ] Include approved and under-construction projects.
- [ ] Separate vehicle, RV and boat spaces from traditional storage measurements.
- [ ] Account for seasonal or commercial demand that population alone does not capture.

TEST OCCUPANCY QUALITY

- [ ] Identify delinquent units included in reported occupancy.
- [ ] Identify units rented at deeply discounted rates.
- [ ] Identify complimentary or owner-used units.
- [ ] Determine how many customers pay below-market rents.
- [ ] Compare occupancy by unit size.
- [ ] Flag strong small-unit occupancy paired with persistent vacancy in larger units.
- [ ] Distinguish physical occupancy from economic occupancy.

SHOP COMPETITOR AVAILABILITY

- [ ] Record which units are immediately available.
- [ ] Record which sizes are unavailable.
- [ ] Ask whether a waiting list is offered.
- [ ] Note whether the employee quickly suggests a different size.
- [ ] Repeat calls or checks when one conversation may not reflect normal availability.

SHOP COMPETITOR PRICING

- [ ] Record the current advertised rent.
- [ ] Record administrative and move-in fees.
- [ ] Record required insurance or protection-plan costs.
- [ ] Record lock charges.
- [ ] Record free-rent and introductory promotions.
- [ ] Record access hours.
- [ ] Confirm climate-control availability.
- [ ] Ask how long the quoted rate is expected to remain in place.
- [ ] Ask whether the rate is guaranteed for any period.
- [ ] Calculate the true move-in and first-year cost, not only the advertised rent.
- [ ] Test sample costs such as a $29 administrative fee, $15 monthly protection plan and required lock purchase.
- [ ] Account for a shorter introductory-rate period or an increase shortly after move-in.

TRACK THE DEVELOPMENT PIPELINE

- [ ] Search rezoning applications.
- [ ] Search conditional-use permit requests.
- [ ] Review planning commission agendas.
- [ ] Review site-plan submissions.
- [ ] Review building permits.
- [ ] Identify projects already under construction.
- [ ] Identify proposed conversions of retail or industrial buildings.
- [ ] Identify planned expansions at existing facilities.
- [ ] Record project size, status, expected opening date and likelihood of completion.

SEGMENT THE STORAGE PRODUCT

- [ ] Compare small, medium and large units separately.
- [ ] Separate climate-controlled and non-climate-controlled space.
- [ ] Separate ground-floor and upper-floor units.
- [ ] Separate drive-up and interior-access units.
- [ ] Separate traditional storage and commercial storage.
- [ ] Separate indoor, outdoor and covered vehicle storage.
- [ ] Evaluate RV and boat storage independently.
- [ ] Identify product gaps rather than relying only on total market vacancy.

EVALUATE COMMERCIAL DEMAND

- [ ] Count and classify small businesses in the trade area.
- [ ] Review industrial and commercial development.
- [ ] Estimate home-based business activity.
- [ ] Identify contractor concentration.
- [ ] Review rules governing commercial use of storage units.
- [ ] Evaluate loading access and delivery needs.
- [ ] Assess demand for electricity, shelving or extended access.
- [ ] Determine whether competitors actively serve commercial customers.

PRESSURE-TEST MARKET SIGNALS

- [ ] Compare rapid population growth with the number of large apartment developments.
- [ ] Test a seven-square-feet-per-capita estimate against three facilities under construction.
- [ ] Treat heavy move-in promotions and broad unit availability as possible signs of soft demand.
- [ ] Compare slow population growth with household income stability.
- [ ] Test a nine-square-feet-per-capita estimate against the lack of a meaningful development pipeline.
- [ ] Treat limited larger drive-up availability and stable rates with few promotions as product-specific evidence.
- [ ] Account for contractor and vehicle-storage demand that population ratios may miss.
- [ ] Evaluate the full pattern rather than relying on one benchmark.

STATE THE DEMAND CASE

- [ ] Identify the likely customer.
- [ ] Explain what creates the customer's need for storage.
- [ ] Identify the product the customer wants.
- [ ] Estimate what the customer can afford.
- [ ] Document what competitors currently offer.
- [ ] Document what new supply is coming.
- [ ] Estimate how much space the market can absorb.
- [ ] Estimate how long absorption is likely to take.
- [ ] Identify assumptions that still need independent support.

CONSIDER AN INDEPENDENT STUDY

- [ ] Obtain additional market support when building a new facility.
- [ ] Obtain additional market support when expanding an existing property.
- [ ] Obtain additional market support when entering an unfamiliar market.
- [ ] Obtain additional market support when the project is large relative to the trade area.
- [ ] Obtain additional market support when relying on aggressive lease-up assumptions.
- [ ] Obtain additional market support when the purchase depends on significant future growth.
- [ ] Confirm whether financing requires an independent market study.