FEDERATION OF EUROPEAN
FEDESSA
SELF STORAGE ASSOCIATIONS

CBRE

European self storage industry report 2022

FEDESSA AND CBRE RESEARCH

Contents/ key themes


LAGERBOX
Bäckerei & mehr
Claus

Introduction

In what is the 11th annual survey carried out by the Federation of European Self Storage Associations (FEDESSA), this year's report is produced jointly with CBRE for the first time. Despite the challenges faced throughout the past year, with COVID-19 disruptions and economic headwinds, the self storage market has continued to perform strongly and investor interest continues to grow with a significant mismatch between the depth of funds targeting the sector and available opportunities.

The report contains an overview of the market's trends, an opinion-led public survey, as well as the results of an operator survey of our associate members. We would like to thank all our respondents for taking the time to answer our questions. Their input has given us invaluable insight which we share in this report.

The industry survey was completed by 100 operators who represented over 1000 stores in 24 countries across Europe.

All operators were FEDESSA association members. The survey was completed in April-June 2022 based on data up to 31 March 2022. In addition, data from the 2022 SSA UK Industry report was used for comparison with the UK industry.

The public survey results consisted of a sample of over 1000 people in each market. The survey was completed between the 10-15 July 2022. It was conducted using an online interview administered to members of the YouGov Plc panel of 800,000+ individuals who have agreed to take part in surveys. The responding sample is weighted to the profile of the sample definition to provide a representative reporting sample. The profile is normally derived from census data or, if not available from the census, from industry accepted data.

Membership of FEDESSA

The following associations are current members of FEDESSA:

- Asociación Española de Self Storage – AESS (Spain)
- Associação Portuguesa de Self Storage - (Portugal)
- Associazione Imprese Selfstorage Italiane – AISI (Italy)
- Belgian Self Storage Association ASBL – BSSA (Belgium)
- Chambre Interprofessionnelle du Self-Stockage – CISS (France)
- De Nederlandse mini-opslag vereniging – NSSA (Netherlands)
- Irish Self Storage Association – ISSA (Ireland)
- Norwegian Self-Storage Association – NSSA (Norway)
- Pienvarastoyhdistys ry. (Finland)
- Self Storage Association Denmark (Denmark)
- Self Storage Association United Kingdom – SSA UK (United Kingdom)
- Sweden Self Storage Association (Sweden)
- Swiss Self-Storage Association – 3SA (Switzerland)
- Verband deutscher Self Storage Unternehmen e.V. (Germany)

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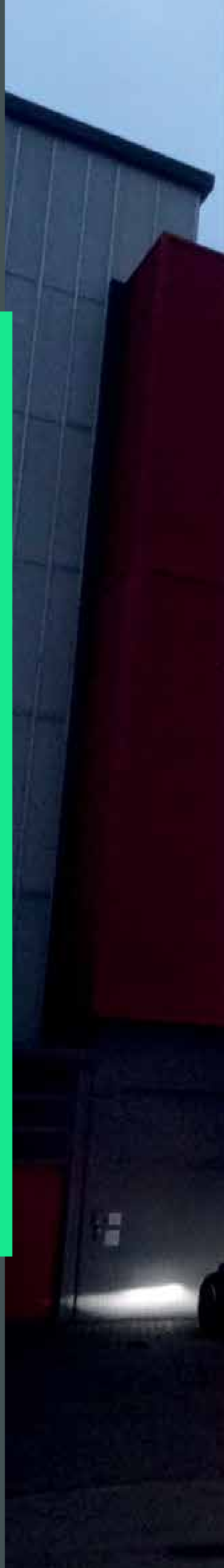
01

Investment overview




SHURGARD
SELF-STORAGE
SHURGARD
SELF-STORAGE
SHURGARD
SELF-STORAGE
SHURGARD

Investment overview

The self-storage investment market has had a record 12-18 months. 2021 total investment volumes reached €650m, representing a 3.5x increase on 2020 with EBITDA multiples continuing to rise, reflecting the sheer weight of demand and interest in the sector.

The 2022 year is expected to be another strong out-turn with YTD investment volumes already close to 2021 levels, driven by a number of major platform deals including Heitman's strategic investment into U-Store-It in Ireland, Safestore's acquisition of its remaining 80% equity stake in its 15 strong Benelux portfolio and Storage King's continued expansion in the UK.

The wider economy is weighing on the sector and this has been most prevalently seen in repricing of the debt market, inflationary pressures driving record construction costs and rising operating costs. Until now the weight of capital targeting the sector and operator trading performance has compensated rising costs with record pricing continuing to be achieved for high-quality opportunities. That said, whilst benchmark EBITDA multiples remain at record highs, particularly for best-in-class stabilised platforms, development activity particularly in low yield on cost markets including London, Paris and Frankfurt has been impacted with some operators including Big Yellow pausing development programmes until costs

2021 total investment volumes reached €650m, representing a 3.5x increase on 2020

subside. There are signs that competing property classes including industrial are experiencing a pull-back which may alleviate pressure in the short term.

The key drivers of the market have been well documented including operator aggregation, institutional adoption and digitalisation, but there are other enabling themes driving the investment market including weight of capital, growth of the alternative sectors generally, strong operator performance, shortage of management teams, and the maturing debt market for this asset class.

Key deals overview

Sweden

SALE PRICE

–

DATE

Nov 21

TYPE

Shares sale

Investor	Nuveen
Seller	Green Storage
# of stores	14

Nuveen acquires Green Storage, Sweden. 14 Greater Stockholm assets, 6 of which are under development. Price not disclosed.

Sweden

SALE PRICE

SEK 1,185M

DATE

Nov 21

TYPE

M&A

Investor	Nuveen
Seller	24 Storage
# of stores	27

Nuveen agrees the purchase of publicly listed 24 Storage AB at SEK76 per share, equating to SEK 1,185M for the entire share capital.

Germany

SALE PRICE

–

DATE

Dec 21

TYPE

Shares sale

Investor	Heitman
Seller	All Seasons Self Storage
# of stores	3

Heitman Acquires the 3-Property All Seasons Self Storage Portfolio in Germany.

UK

SALE PRICE

£37.5M

DATE

Jan 22

TYPE

Shares sale

Investor	Stor-Age/ Storage King
Seller	McCarthy's Storage World
# of stores	4

Storage King acquires four stores from McCarthy's Storage World (Project Mars).

Other significant transactions since October 2021 include:

Shurgard's acquisition of **CitySpace** facilities in London (Oct 21)

Shurgard's acquisition of **CityStore** Camden (May 22)

Mayfair Capital's purchase of **Storage Team** (Nov 21)

UK

SALE PRICE

£37.2M

DATE

Feb 22

TYPE

Sale & Manage back

Investor	Selfstorage Trading LLP
Seller	Lok'nStore
# of stores	4

Lok'nStore Sale and Manage back of four stores.

UK

SALE PRICE

£59M

DATE

Mar 22

TYPE

Shares sale

Investor	Stor-Age/ Storage King
Seller	Storagebase
# of stores	4

Storage King acquires four stores from Storagebase for £59M (Project Fiscardo). Three mature stores plus one newly opened development site.

Belgium & Netherlands

SALE PRICE

€139M

DATE

Mar 22

TYPE

80% Shares sale

Investor	Safestore
Seller	Carlyle/ Safestore JV
# of stores	15

Safestore acquires the remaining 80% of the equity owned by Carlyle Europe Realty (CER) in their JV, formed in 2019, for €67m (€139m cash outlay).

Ireland

SALE PRICE

-

DATE

Jul 22

TYPE

Shares sale

Investor	Heitman Global Real Estate Partners II
Seller	U-Store-It
# of stores	9

Heitman Global Real Estate Partners II makes a strategic investment into U-Store-It, Ireland's leading self storage platform.

HIG's acquisition of **5 Titan Storage Solution** facilities (Dec 21)

Big Yellow's purchase of **Simply Self Storage**, Aberdeen (Jun 22)

Almacenes Mini in Madrid by Bluespace (Jul 22)

Demand drivers

Social factors

Customers initially turn to self storage during some of life's biggest changes. Self storage gives customers short to long-term storage solutions for these needs. Often customers initially arrive with a short term storage need, but find the convenience of self storage appealing and continue storing beyond the initial short term, life changing moment.

Demographic changes

Millennials are becoming the target cohort for self storage facilities. Their lives have been shaped by the financial crisis, recession and the rise of technology. Many of this cohort have large student debt and have been priced out of the housing market. Depending on their tenancy, some will turn to self storage as a short term solution as they change tenancies.

Wide pool of customers

The industry has a far-reaching occupier base as both commercial businesses and domestic households seek use of self storage units. For example, in times of strong economic conditions, commercial businesses rely on self storage units to store stock during improved business performance but in an uncertain environment businesses see the benefit of short term flexible storage arrangements. During economic downturns, lack of available financing means home owners may forgo moving house and instead turn to home extensions, which was common during the global financial crisis (GFC). Self storage becomes an easy go-to for homeowners clearing space during renovations.

Increase in hybrid working

Since the COVID-19 pandemic, hybrid working has become a trend that looks like it is here to stay. As a result, businesses have been reconfiguring their office space, which in turn could boost demand for self storage. Furthermore, with the increase in hybrid working, many people have created a home office so have turned to self storage to create space for this by storing household items that they don't need every day.

Environmental Social Governance

ESG is at the forefront of occupiers' minds across the real estate industry. Investors are increasingly looking to invest in assets with a low carbon footprint. The self storage sector has a lower environmental impact compared to other real estate sectors due to the limited number of people on site and the low energy consumption of the buildings.

02

Public survey


MEDIUM
STORAGE
BOX
Contents:

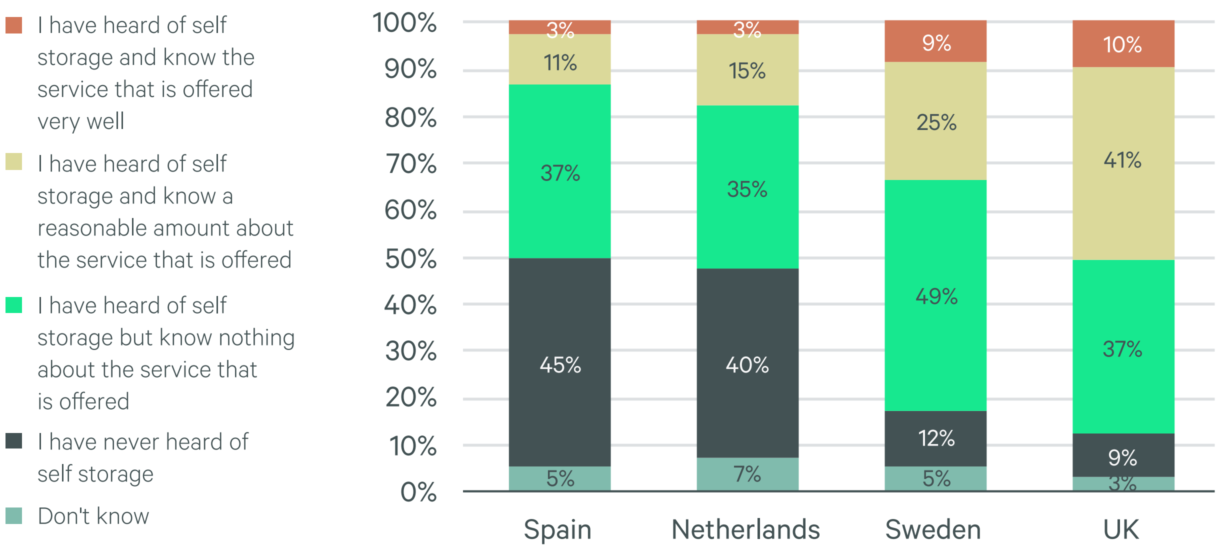
Industry awareness

Respondents claim to be aware of what self storage is. However the majority fail to understand key concepts such as private access to their belongings, flexible contract lengths and the range of unit sizes available.

The SSA UK Self Storage Annual Industry Report shows that people in the UK generally think self storage will be cheaper than it actually is. Across the countries sampled in the European survey, many respondents said they perceive self storage to be expensive, particularly for the 25-44 year old cohort.

Perception around high prices, coupled with concerns around security may be hindering take-up across the sector. Fewer than 18% of respondents across the survey area stated they believe self storage buildings to be "very secure", which is a concern for an industry that often markets on its level of security. The younger age groups in particular did not perceive self storage to be secure.

How aware are you of self storage?



Common positive responses

41%
Range of unit sizes offered

26%
Private access to belongings

21%
Flexible contracts from 1 month and bigger

18%
Buildings are very secure

Common negative perceptions

29%
No use for self storage

28%
Believe it would be expensive to store belongings

22%
Buildings are like a big warehouse inside

Brand awareness

Which, if any, self storage brands can you think of?

It is interesting to note that in all the markets we surveyed as well as the UK there is a single brand with significantly more market awareness than all others. This is despite there being a number of brands with significant portfolios in each market.

The most recognisable self storage brand varied across countries surveyed. Shurgard featured prominently in Sweden (18%) and the Netherlands (13%); meanwhile in the UK, Big Yellow came top of recognised brands (20%) followed by Shurgard (1.6%). Across all countries however, more than 60% of respondents did not recognise any self storage operator.

Survey respondents in capital cities were more likely to recognise larger operators, yet this did not translate into national brand recognition. Respondents living outside of metropolitan areas were more likely to answer “Don’t Know” when asked to name a self storage operator, highlighting that the industry still has some way to go in order to achieve national customer awareness. Whether an increase in brand recognition will translate into an increase in customer take-up is yet to be seen, nevertheless, growing industry awareness would benefit both the larger operators and smaller independents.

Source: YouGov

8%
Bluespace

SPAIN

13%
Shurgard

NETHERLANDS

18%
Shurgard

4%
Pelican Storage

SWEDEN

20%
Big Yellow

1.6%
Shurgard

UK

Intention to use self storage

Are you using or intending to use self storage?

Across all countries surveyed, over 60% of respondents answered "I have not considered or used self storage". This is not surprising given the low understanding of the product in the public and the fact self storage is a needs based purchase. Many people would not have a need for self storage so would not be considering using it.

The age group 35 - 44 had the highest number of people indicating they have considered using self storage but have not used it yet.

An increase in marketing promoting the benefits of self storage to potential users could increase sector knowledge and increase the overall customer base for the industry. Many self storage businesses focus their marketing using online keywords targeting people that are already looking for self storage.

SPAIN

61% **Have not used or considered self storage**

15% Have used self storage

20% Considering using self storage

NETHERLANDS

64% **Have not used or considered self storage**

18% Have used self storage

12% Considering using self storage

SWEDEN

66% **Have not used or considered self storage**

18% Have used self storage

12% Considering using self storage

Source: YouGov

03

Market trends


Pelican
Self Storage

Number of self storage facilities growing across Europe

We surveyed self storage operators across 24 countries in Europe.

In total, there is approximately 11.5 million square metres of lettable floor space spread across 5,435 facilities.

70%

INCREASE IN EUROPEAN FACILITIES IN PAST 5 YEARS

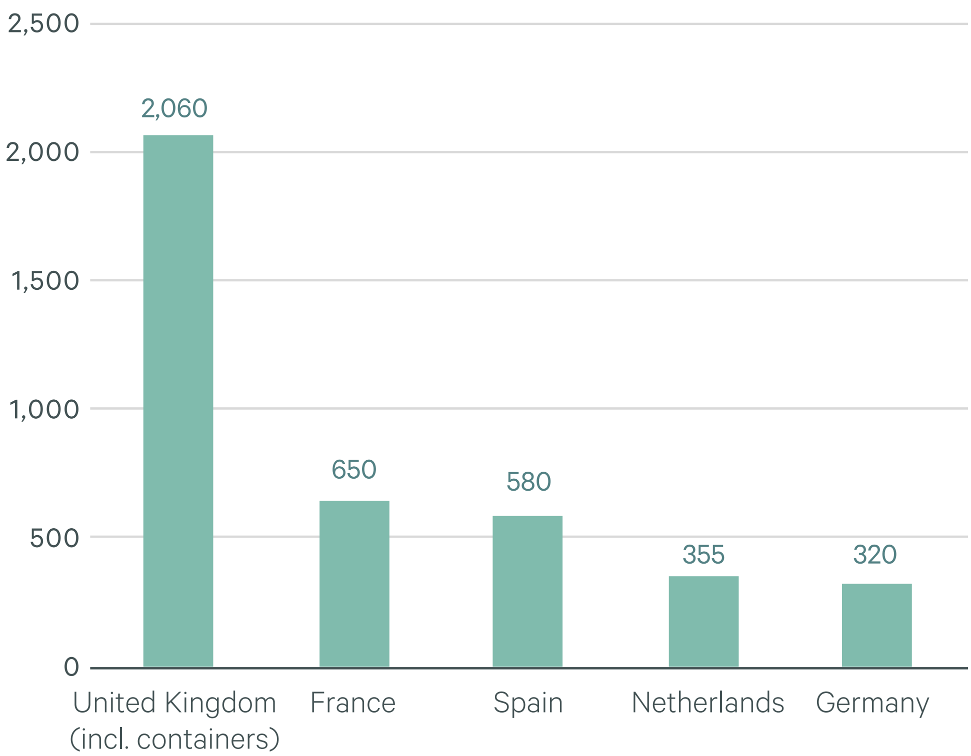
While the UK remains the market leader in terms of stock, momentum for self storage is growing across continental Europe where the number of facilities has increased 70% over the past five years.

38.6%	26.8%	11.8%	10.5%	6.6%	5.7%
United Kingdom	Rest of Europe	France	Spain	Netherlands	Germany

Source: CBRE Research/ FEDESSA/ SSA UK

Number of facilities

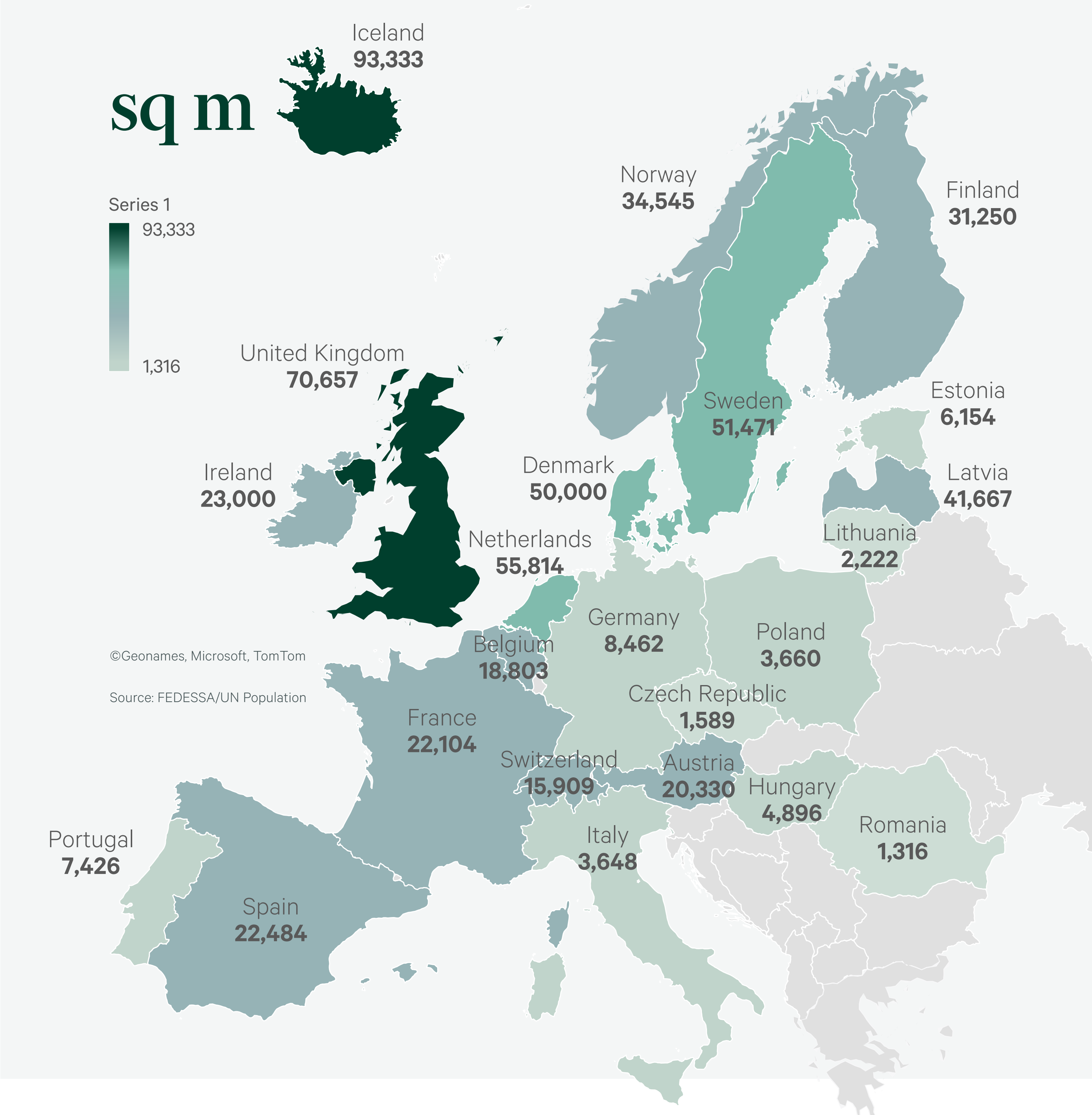
There is still considerable room for growth in more mature markets such as Spain, France and Germany, where the number of self storage facilities per million population are below the European average of 12.5. Markets are showing signs of consolidation as larger operators acquire more existing stores and some operators expand into new European countries.



No. of Facilities

Source: CBRE Research/ FEDESSA/ SSA UK

Floor space per million people



Net rental rates expected to increase

What do you expect to happen to **net rental rates** over the next 12 months?

Operators are more optimistic about rents rising in the coming 12 months than a year ago. However, this will partly reflect the recent high levels of inflation. If rates don't rise, operators' profitability will suffer given the backdrop of increasing business costs. Still, it is a positive sign for the industry that operators are confident they can increase rates given the weaker economic environment.

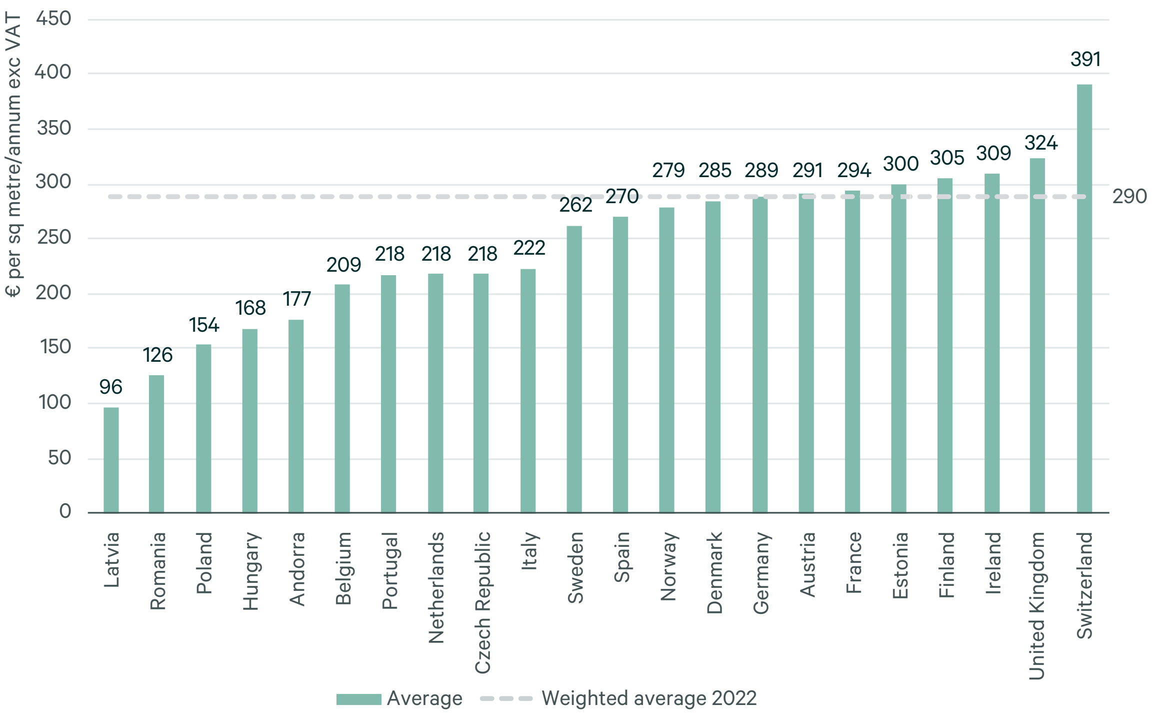
	2022	2021
Decrease	3%	5%
Remain the same	15%	37%
Increase slightly	24%	45%
Increase significantly	59%	13%

Source: CBRE Research/ FEDESSA/ SSA UK

Average rent achieved by country

What was the **rent achieved** per square metre per annum for storage space in March 2022?

The weighted average rent across our survey area was €290 per square metre per annum. Self storage rents have been rising steadily across Europe. Any rental falls recorded during the COVID-19 pandemic were short-lived with average rents from the survey now well above pre-pandemic levels. We believe that the survey results are impacted by changes in the number and make up of responses and that rents across most market's are significantly up since the start of the pandemic, based on published trading data and our discussions across the industry.

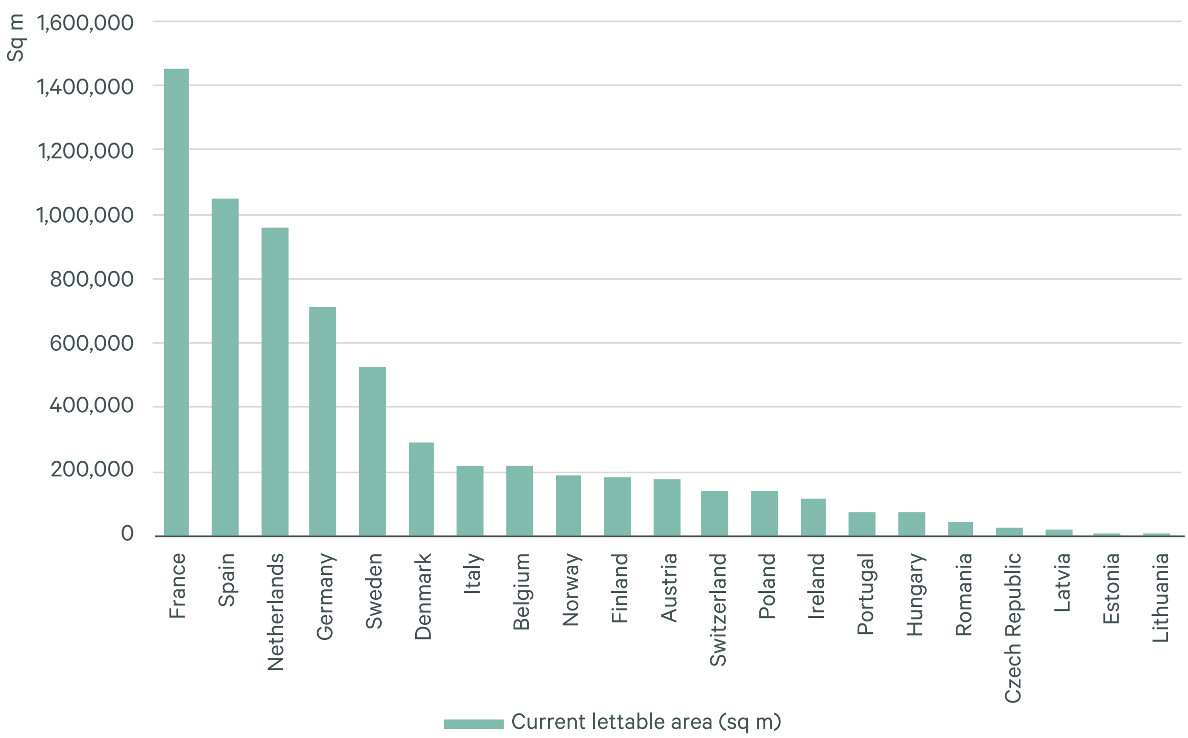


Source: CBRE Research/ FEDESSA/ SSA UK

Over 6 million square metres of self storage space in continental Europe

What is the size of the net self storage **rentable space** in the country?

Self storage supply has increased 5% year-on-year across our survey area. The number of facilities have also increased by 5% year-on-year, with higher percentage increases in developing countries like Poland. The self storage market is still relatively immature across some countries, giving scope for further expansion in the coming years.



*Excluding UK

Source: CBRE Research/ FEDESSA/ SSA UK

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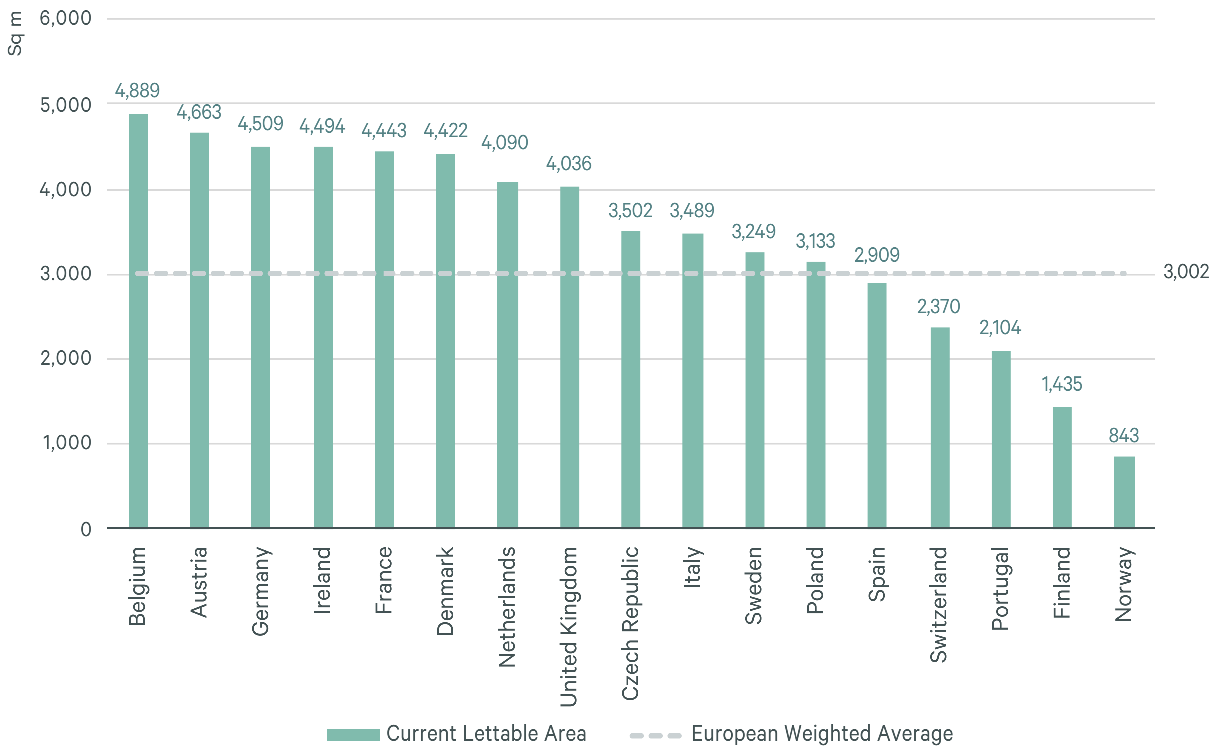
Average facility size by country

What is the average size of the net self storage **rentable space** per facility?

The average store size (based on current lettable area) remains on par with previous years, with facility sizes across Europe averaging approximately 3,000 sq metres. The location of the store influences the average unit size. Inner city stores tend to have more smaller units, while rural locations have a larger average unit size. Storage units are not priced on a lineal basis, so generally smaller units will demand a higher rent per square metre than larger units. However, larger units typically have less churn, often being occupied by commercial customers.



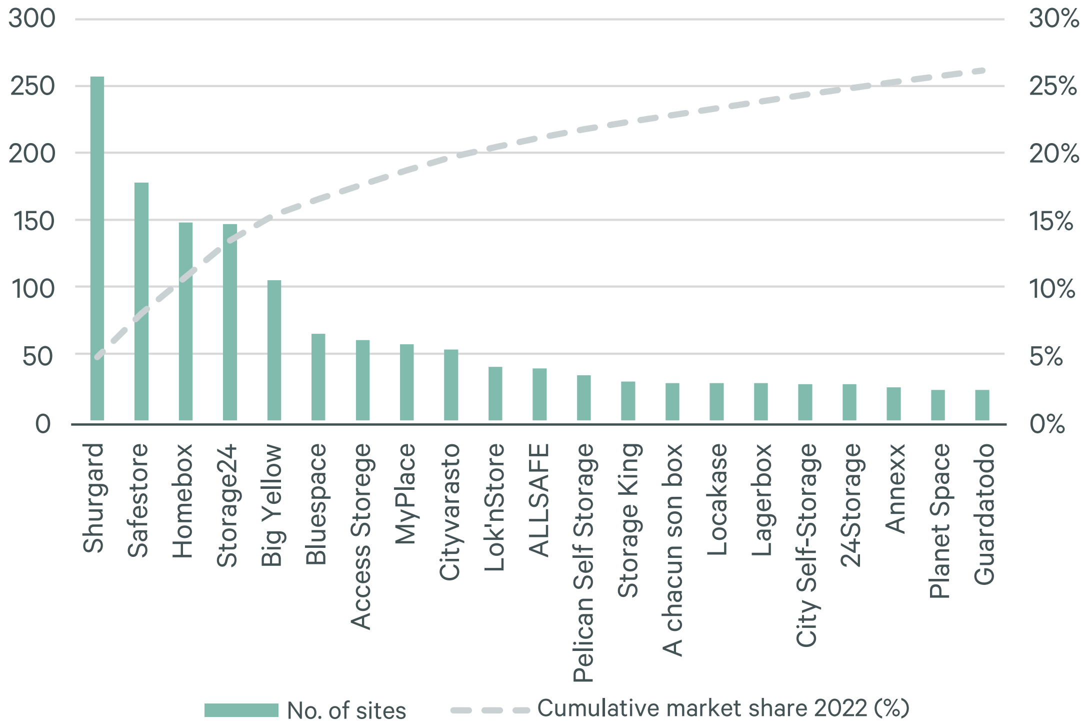
Source: CBRE Research/ FEDESSA/ SSA UK

Top 10 operators by number of facilities

The self storage market is still fragmented across continental Europe.

Ongoing consolidation has resulted in a small number of very large operators and then a large number of smaller independent stores with a limited number of mid-tier operators.

The largest operator is Shurgard which occupies 257 self storage sites across Europe, representing a 5% market share in terms of sites and 11% of the total available space. There are limited operators with stores in multiple countries or regions. However, this is changing with Safestore, Homebox and Bluespace, amongst others, all expanding into new countries recently.



Source: CBRE Research/ FEDESSA/ SSA UK

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Occupiers reporting occupancy rates >85%

What is the **occupancy rate** across your entire portfolio as of 31 March 2022?

Occupancy levels across self storage facilities have been rising over the past three years. Most businesses aim for occupancy of 85-90%; this provides better yield management than 100% occupancy and keeps product on the market for sale. Almost half the respondents are now recording occupancy above 85%.

Occupancy rates alone do not indicate the business is maximising revenue, they must be measured in conjunction with rental rates (per sq m) on the space.

Share of respondents

7%	0 - 50% Occupancy range
12%	51 - 70% Occupancy range
15%	71 - 80% Occupancy range
17%	81 - 85% Occupancy range
24%	86 - 90% Occupancy range
11%	91 - 95% Occupancy range
14%	>95% Occupancy range

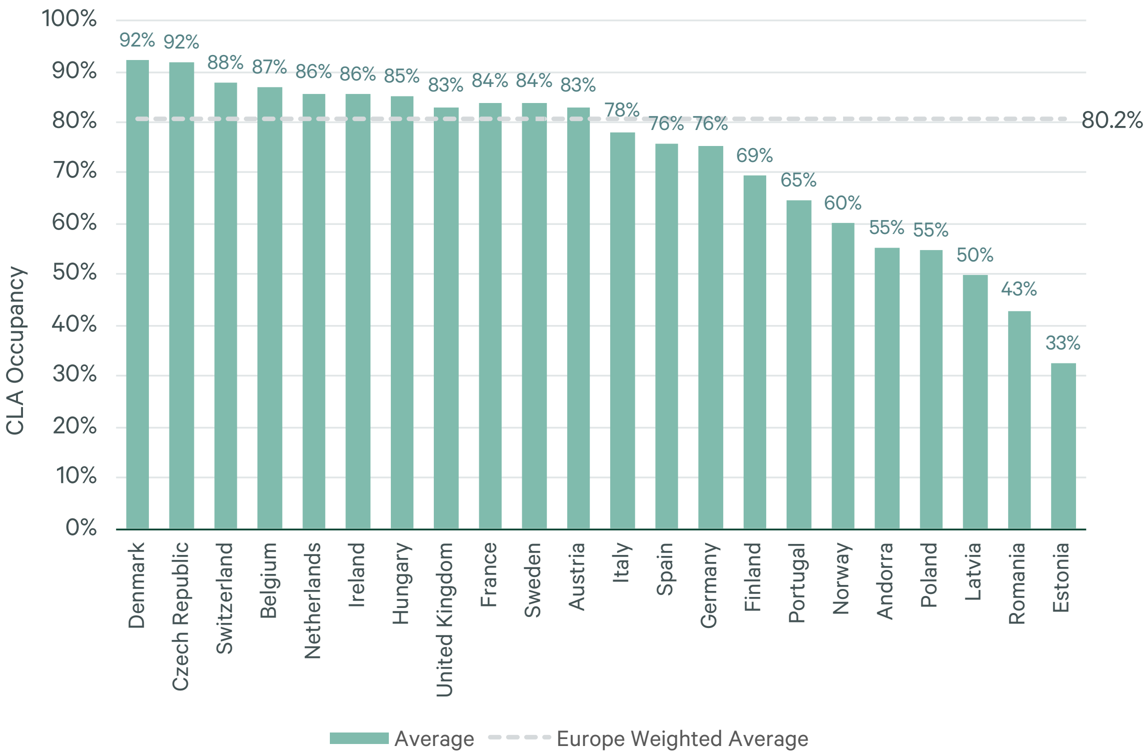
Source: CBRE Research/ FEDESSA/ SSA UK

Occupancy levels by country

What was the percentage of the **current lettable area occupied** at 31 March 2022?

Occupancy levels across self storage facilities have been at record levels since the start of the pandemic and most businesses target occupancy of 85-95%. As previously mentioned, this provides more scope for yield management (i.e. rental rate) and keeps an adequate range of product available for sale.

Stores that have recently opened or expanded will have a lower occupancy as they are in fill up stage. This will lower the average occupancy levels compared to mature sites and accounts for all the locations with occupancy levels below 50%.



Source: CBRE Research/ FEDESSA/ SSA UK

Overall strong occupancy levels expected

What do you expect to happen to **occupancy rates** over the next 12 months?

Given that occupancy rates are already at record highs, it is surprising that operators believe there will be further significant increases. Possibly, they are basing this on the trend from the start of 2022, which has been very positive, or they are including immature assets and further planned build-out opportunities to increase lettable area. It will be interesting to see if this optimism is founded and occupancy continues to increase throughout the remainder of 2022 and into 2023. Of course, as the industry grows the immature stores still in their initial fill period become a smaller proportion of the data set.

Source: CBRE Research/ FEDESSA/ SSA UK

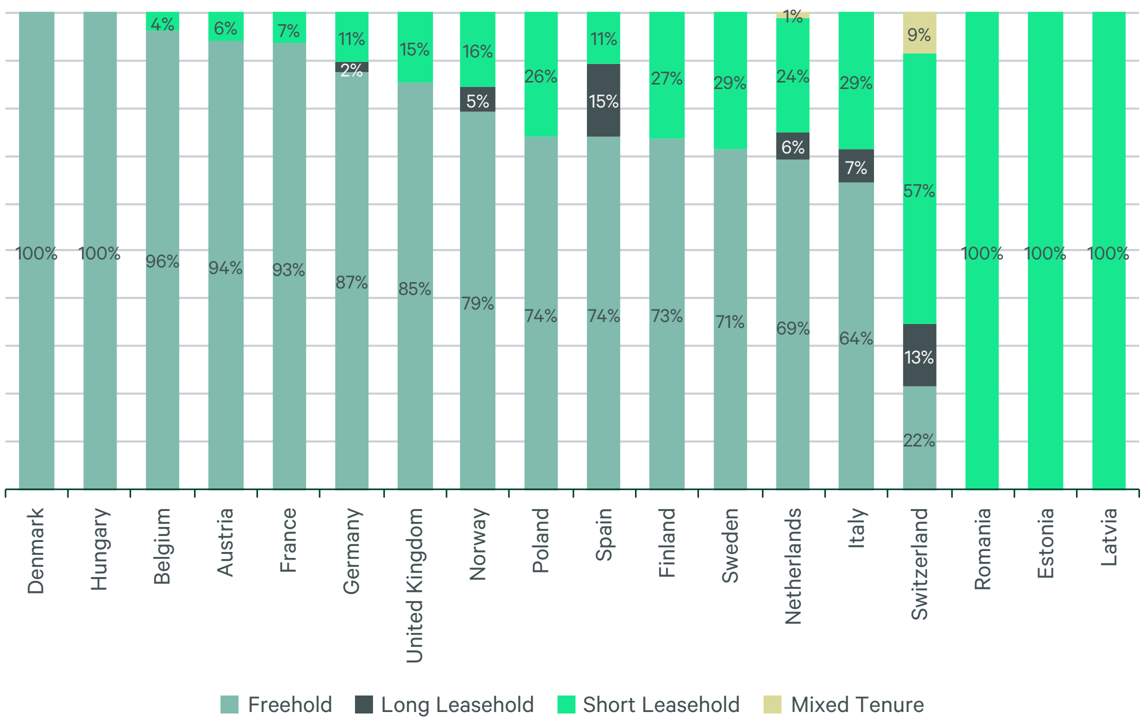
	2022	2021
Decrease	1%	
Decrease slightly	2%	
Remain the same	25%	28%
Increase slightly	22%	46%
Increase significantly	50%	26%

Freehold remains the desired tenure type

Is the facility occupied on a freehold, long leasehold (25+ yrs), short leasehold (<25 yrs) or mixed tenure basis?

Occupiers prefer a freehold tenure, due to the benefits that come with the long income profile of such tenure. This may also be driven by funders requirements (both equity and debt) with investors still focussed on the sector as a real estate play. However, Leasehold sites remain a lower cost entry option for new operators, and are also used by existing operators in locations where freehold sites are less available.

Approximately 82% of operators across our survey area report that their facility is occupied on a freehold or long leasehold basis; 19% occupy their facility on a short lease (<25 years).



Source: CBRE Research/ FEDESSA/ SSA UK

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Strong development pipeline shows continual growth in the sector

How many **new facilities** do you currently have in your secured pipeline?

The strong development pipeline shows that operators remain firmly determined to expand their portfolios. This is in spite of the escalating costs of construction and extensive delays in the planning process post COVID. It should be noted that not all developments in pre-planning come to development.

3421
Currently open

110
Under construction

60
Planning approved

278
Pre-planning/Awaiting planning approval

Source: CBRE Research/ FEDESSA/ SSA UK

Differing views towards mixed-use across Europe...

2022	2021	
20%	17%	I will be using it in a future development/expansion
31%	34%	I am considering it for a future development/expansion
49%	49%	No interest in mixed use

Are you considering future **mixed-use development** for either existing or future stores?

Around half of operators indicate they have no interest in mixed-use, which has remained largely the same over the past four years. However, we are seeing continual growth in the number of mixed-use sites from those that are considering it. Mixed-use is being used by some operators to access larger prime location sites that would not sustain self storage alone. It is also being used by operators to diversify their income stream and use the secondary business to attract more traffic to the self storage store.

Source: CBRE Research/ FEDESSA/ SSA UK

...but some operators are already including other uses

Will your new facilities include **other uses**?

Office and co-working/flexi-offices have traditionally been a common add-on for self storage operators. Office space is a relatively easy add-on to self storage and encourages more business use of the storage space, particularly for larger stores that may not be fully fitted-out.

In recent years, we have also seen the emergence of retail options such as trade counters and retail frontages. This could be a result of the rapid growth of online shopping, as small retailers consider alternative options to high street shops, looking for cheaper more flexible options to supplement their online trade.

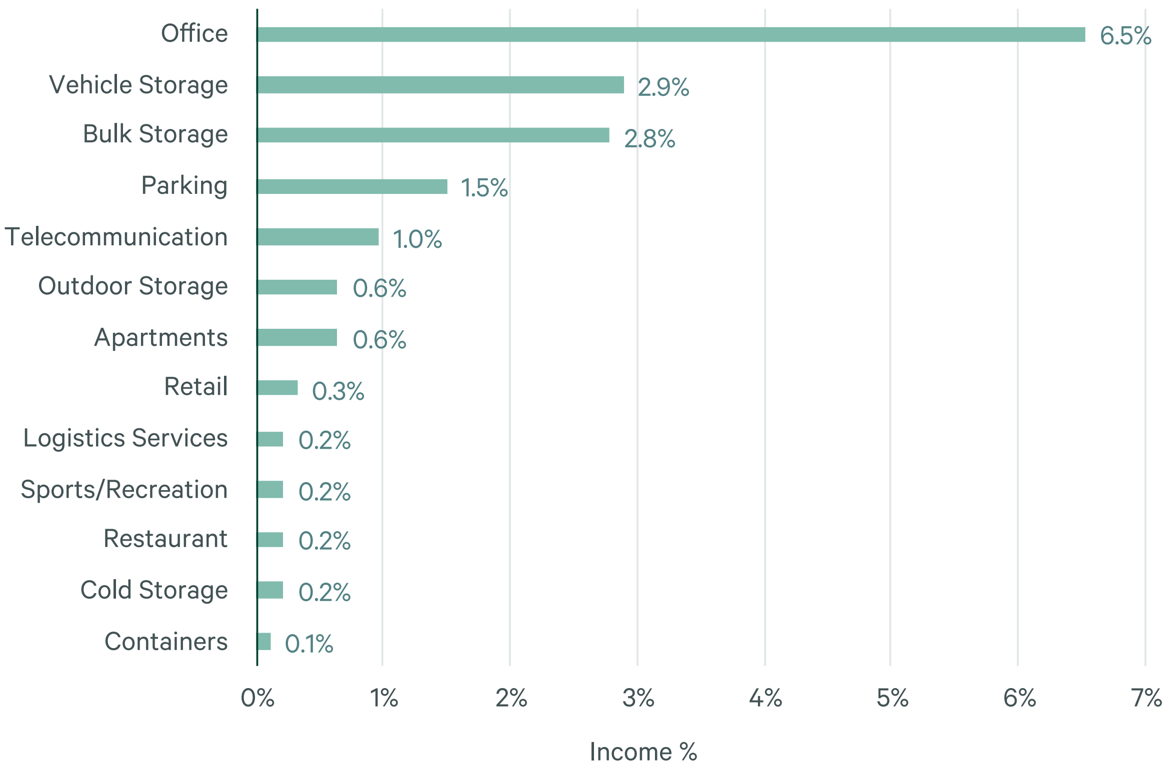
Larger industrial space is often used in larger buildings with operators looking for an easy means to fill up space not yet fitted out for small unit self storage. It usually provides significantly less income per square metre than traditional self storage.

Source: CBRE Research/ FEDESSA/ SSA UK

Office, vehicle storage and bulk storage leading auxiliary income

Is there any **income** generated from other uses?

As previously shown, 30% of operators are planning to incorporate retail (including trade counter and quasi-retail space) into their future facilities. However, interestingly for those stores that have retail space, it makes up less than 0.5% of their income. The bulk of the ancillary income typically comes from insurance and packaging sales and other items that are not occupying floor space. This is largely due to self storage being the most valuable use of space for mature facilities, although planning restrictions will clearly also play a part. It will be interesting to see if increasing demand for logistics infrastructure and last-mile facilities will drive a demand for larger commercial units in self storage.



Source: CBRE Research/ FEDESSA/ SSA UK

04

Operator trends


bluespace
900 250 900
Trasteros para Particulares
Almacenes para Empresas

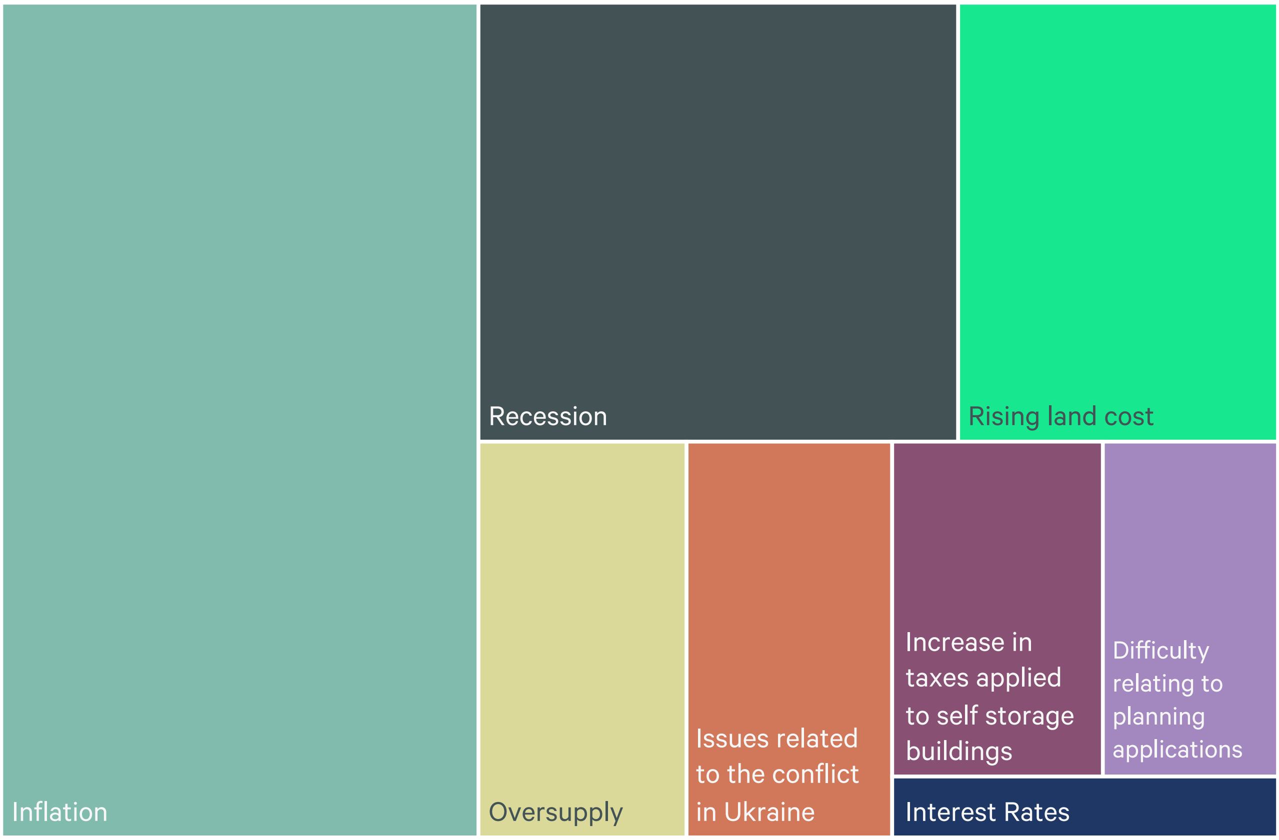
Inflation at forefront of occupiers' minds

We asked operators across our survey area what they perceive as the biggest and second **biggest challenge** to the industry over the next 12 months.

Unsurprisingly, inflation and recession were at the forefront of occupiers' concerns, considering Europe is bracing for recession that may do little to tame record inflation. In the short term, inflation is already driving up the cost of self storage construction. If steel costs continue to rise this will impact on the costs of delivering self storage buildings. The cost of borrowing is also increasing, which is putting further pressure on operators' expansion plans. Fortunately, at an operational level, self storage has a very low cost base, with minimal staffing, low energy use, and the ability to transfer a portion of insurance costs onto the customer. This means they should not have to escalate their income levels as much as other industries to maintain profitability.

Rising land cost was the third highest concern to occupiers, which traditionally had been the number one challenge. There is already fierce competition for development land across Europe, therefore, occupiers may choose to mitigate rising land and steel costs by becoming creative with their existing space and exploring more mixed-use options.

What do you perceive as the biggest challenge to the industry in the next 12 months?



Source: CBRE Research/ FEDESSA/ SSA UK

Despite economic headwinds, operators are optimistic

What are your **profit expectations** for your storage business in the coming 12 months?

Despite high inflation and rising energy costs, operators are feeling optimistic in their profit expectations for the coming year. This may reflect the counter cyclical nature demonstrated during COVID-19 and resistance to the impact of the 2008 global financial crisis. The risk-adjusted nature of the sector means that self storage is able to withstand periods of economic uncertainty. However, it has never had to adjust to rising inflation before and the impact this will have on cost of living and discretionary spending, as well as escalating interest rates and borrowing costs. Self storage is also at record high occupancy rates, with many mature stores at optimal occupancy, so growth other than from the development pipeline will need to be through rental increases or the expansion of space.

	2022	2021
Slight downturn	3%	6%
Unsettled results	5%	8%
Continual improvement	82%	73%
Significant improvement	10%	13%

Source: CBRE Research/ FEDESSA/ SSA UK

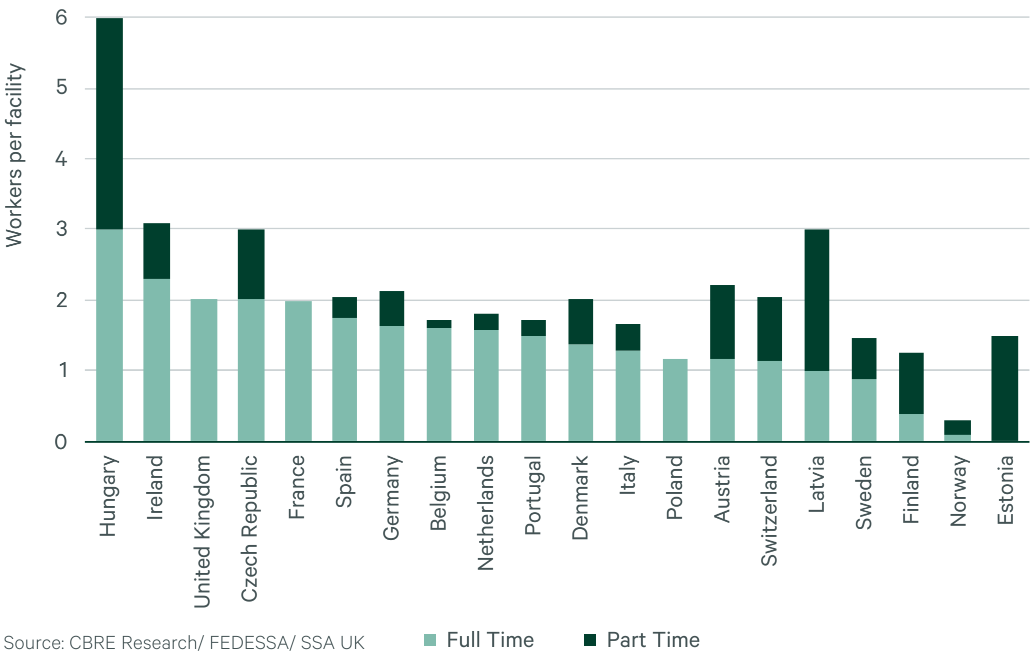
Operators facing a challenging labour market

How many people do you have working in the facility **full time** and **part time**?

Self storage like most other industries in Europe has been impacted by the tightening of the labour market and increasing costs of employment. Operators are looking to technology to reduce their labour costs with more automation entering the industry. These factors have driven a rise in the number of part-time employees.

Scandinavia is largely leading the industry in terms of adoption of automation, where they have a significant number of large stores that are fully automated with minimal (if any) staff on site. In other European markets, automation is being used in smaller sites, potentially opening up properties that could not support a facility large enough to justify full-time staff.

Some operators maintain that the strength of the industry is its staff and their interactions with customers. Others report that as more customers move online, automation streamlines the process for both customers and operators. It will be interesting to see how technology impacts future employment trends within the industry.



Source: CBRE Research/ FEDESSA/ SSA UK

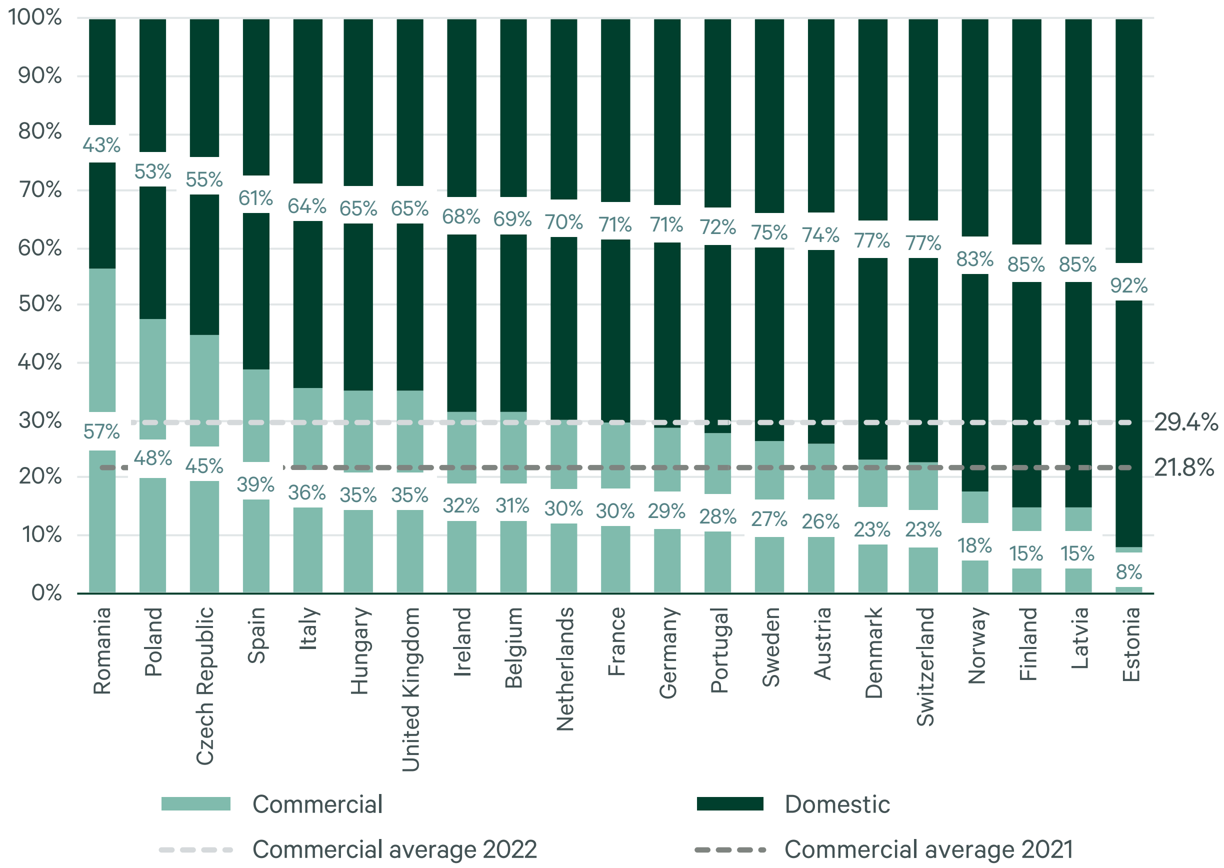
Domestic customers leading demand but commercial customers increasing

The average space occupied by commercial users has risen continually over the past three years. The share of commercial customers has risen from 22% in 2021 to 29% in 2022.

Indeed, operators in Romania noted that the share of commercial customers accounted for 57% of the total share. The increase in commercial occupiers may be a legacy from the COVID-19 pandemic, with commercial operators looking for an alternative to the traditional office lease. As shown on page 19, 30% of operators are already including other uses such as retail, this, coupled with the rise in e-commerce, means retail tenants will be creating upward pressure on demand as they require larger units to store stock.

Larger units in prime locations will appeal to commercial tenants who need to store larger items, whereas smaller units will still continue to appeal to domestic customers who are looking for short-term rental units.

What is the split of domestic vs. commercial customers?



Source: CBRE Research/ FEDESSA/ SSA UK

Increasing number of enquiries coming via social media

What is the approximate breakdown of **total enquiries**?

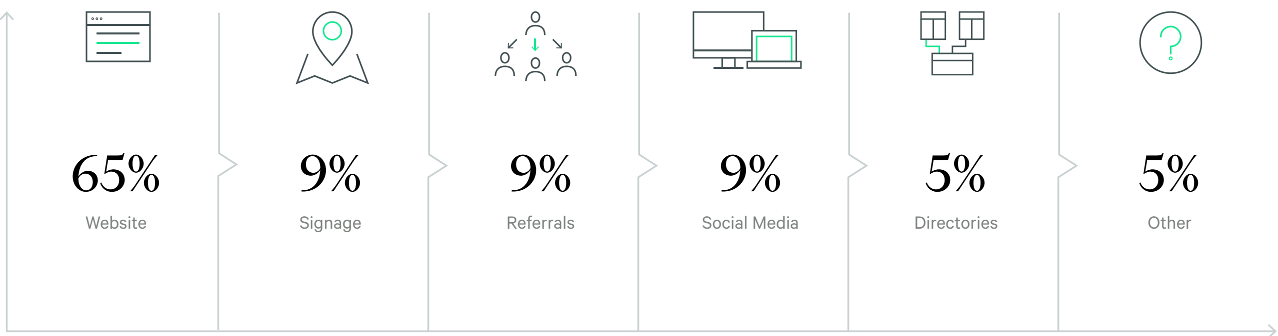
65%

OF TOTAL ENQUIRIES CAME FROM COMPANY WEBSITES

9%

SOCIAL MEDIA ENQUIRIES HAVE RISEN FROM 6% TO 9% IN THE LAST YEAR

Enquiries from websites and social media are expected to grow in the coming years as operators further embrace technology to grow their brand and online presence. This has largely been driven by growing internet penetration and a customer base accustomed to social media and booking services through phone apps.



Source: CBRE Research/ FEDESSA/ SSA UK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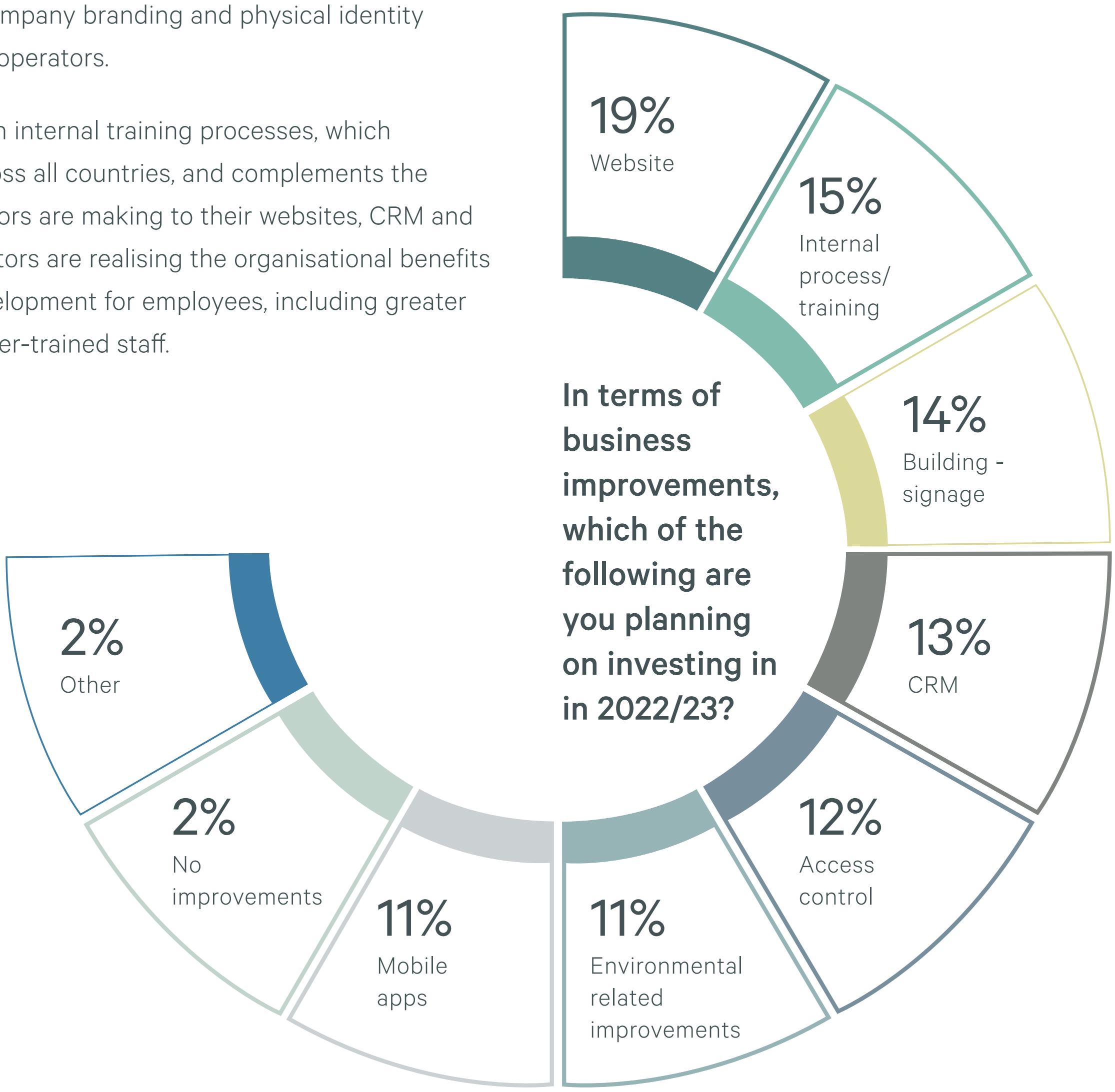
Elämän kaikissa
muutoksissa
CITY
NOUDA TÄSTÄ
paku
PALAUTA TÄHÄN
Yksityisalue

Branding and signage still important to operators

As previously stated 74% of enquiries came via company websites and social media, so it is unsurprising that across Europe operators are investing in their websites and mobile apps.

While we expect this trend to continue, building signage is the third most popular area where operators plan to invest, highlighting that company branding and physical identity is still important to operators.

15% plan to invest in internal training processes, which was noticeable across all countries, and complements the investments operators are making to their websites, CRM and mobile apps. Operators are realising the organisational benefits of training and development for employees, including greater efficiency from better-trained staff.



Source: CBRE Research/ FEDESSA/ SSA UK

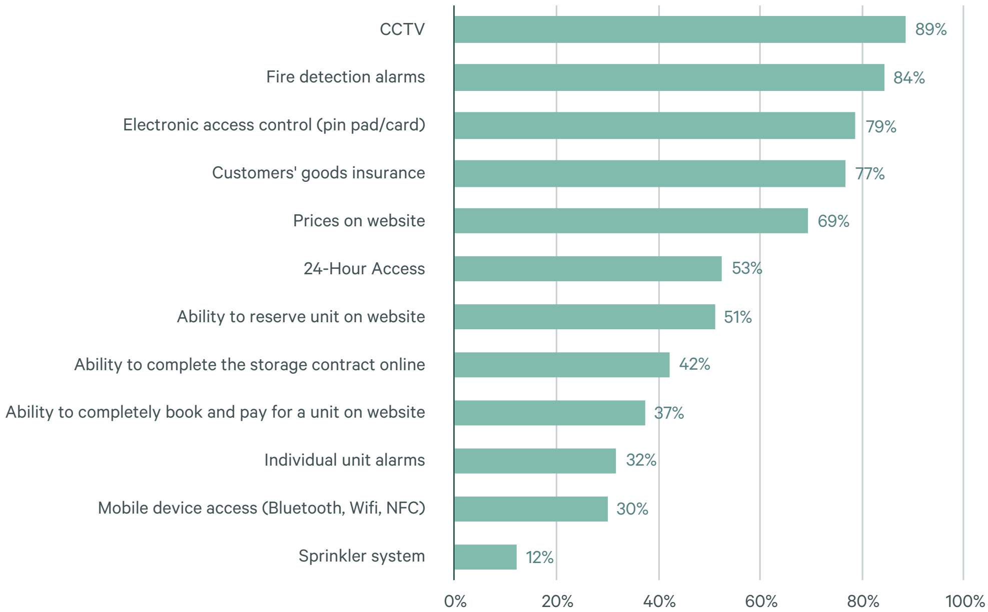
Operators are increasingly adopting technology into their operations

Technology remains a key area where operators can improve their services and operations.

While no feature or service dominates across the survey responses, operators have recognised that investment in technology in self storage facilities can drive productivity and business revenue.

There has been a 24% increase in 24-hour access which is a notable rise from previous years. Increasing use of automated technology and gate control access could be contributing to more 24 hour access with operators having the ability to select it for certain customers. Operators may charge a premium for 24-hour access so this will be another feature that will help occupiers to maximise profits.

From improved facility security, greater website functionality for customers, longer opening times and mobile device access, operators are not short of options available to provide more technologically-enhanced services to customers.



Source: CBRE Research/ FEDESSA/ SSA UK

05

ESG considerations

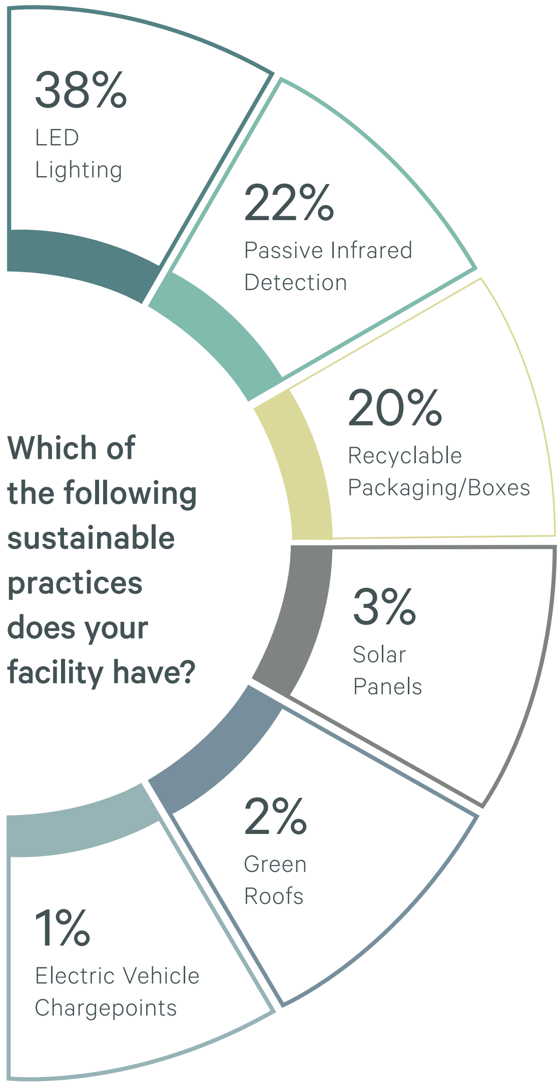

LESS MESS
STORAGE

Operators taking steps to reduce energy consumption

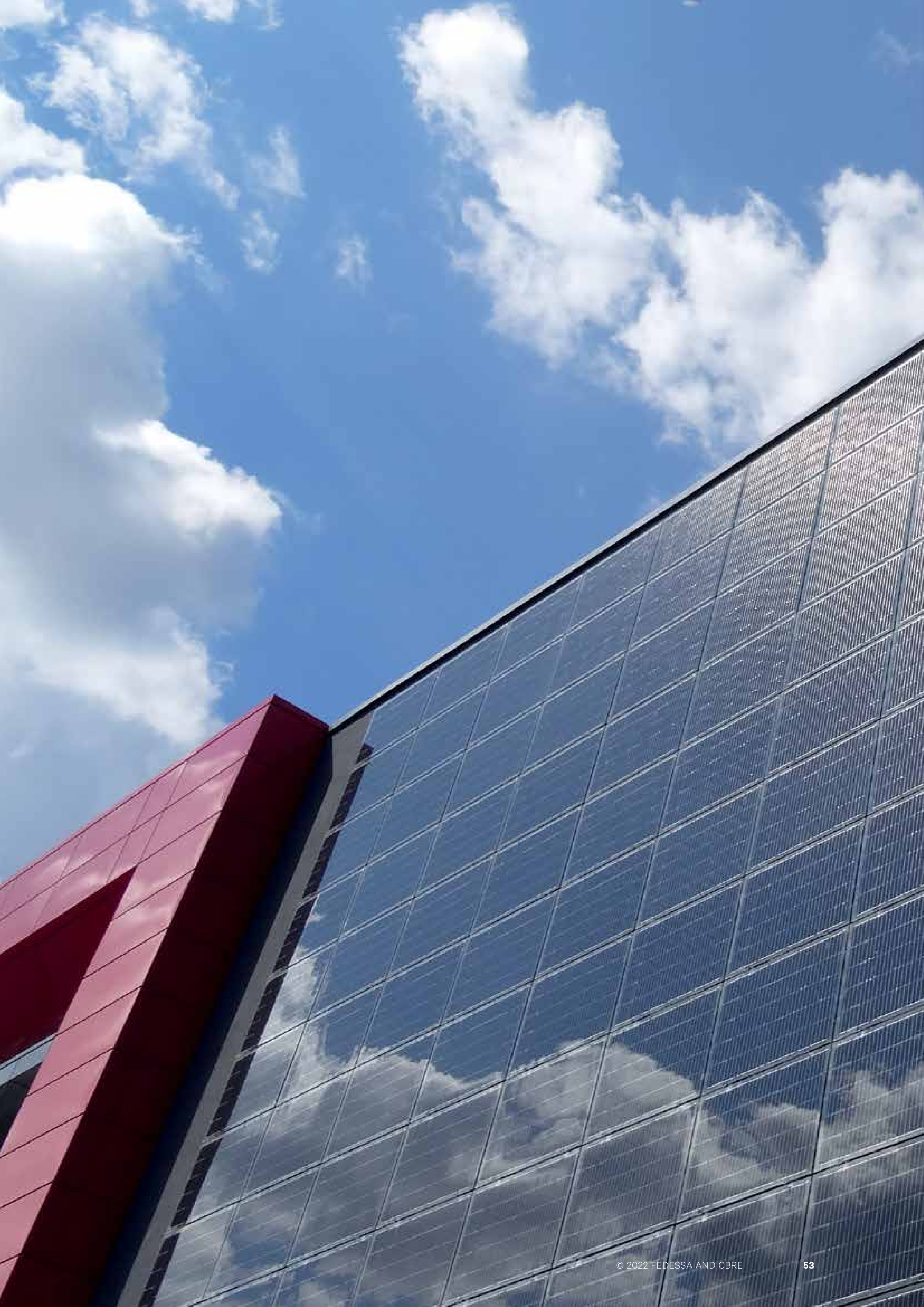
Implementing sustainable practices has evolved from being a niche add-on to something that is at the forefront of occupiers' minds.

The most common sustainable practices in use across our survey area include LED lighting and passive infrared detection, which help limit energy waste and reduce operational costs. Only a small number of sites have features such as solar panels, green roofs and EV charge points. This partly reflects the high upfront costs to install these features. It is likely that we will see more self storage sites with these features as operators absorb the higher initial costs to capitalise on the long-term environmental and financial reward.

In some respects, the sector has a low environmental impact compared to other real estate sectors, due to the limited number of people on site. For example, self storage sites generally have lower energy use, water consumption and waste.



Source: CBRE Research/ FEDESSA/ SSA UK



06

Key takeaways

Key takeaways

01 There has been a 5.1% growth in stores in Europe and a 4.8% growth in storage space in last 12 months

02 Average rent per square metre in Europe is €290, up 7.9% from last year

03 59% of operators are planning to raise rates significantly in next 12 months

04 Average occupancy is 80.2%, down from 81.5% last year

05 Over half of operators have average occupancy over 85%

06 77% of operators expect occupancy levels to rise in the next 12 months

07 Awareness of the product varies across Europe with 45% of people in Spain never having heard of self storage, whereas only 12% of respondents in Sweden and 9% of respondents the UK have never heard of self storage

08 Brand awareness is low with one major brand dominating in each market

09 In continental Europe, around 64% of people have never used, or considered using self storage

10 In the Netherlands and Sweden, 12% of people are considering using self storage, while 20% of people in Spain are considering using self storage

11 Inflation is the biggest concern for operators followed by recession and rising land costs

12 Commercial customers have increased from 22% in 2021 to 29% in 2022

13 ESG improvements remain low with only 38% of stores having LED lighting and 3% having solar panels

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07

European supply data


64110
64112
64111
64113

European supply data

Country	Population	No. of Facilities	Current lettable area (sq m)	Share of Total Europe area	Floor space per capita (sq m)	Facilities per million population
Austria	9,100,000	135	185,000	1.6%	0.020	14.8
Belgium	11,700,000	101	220,000	1.9%	0.019	8.6
Czech Republic	10,700,000	9	17,000	0.1%	0.002	0.8
Denmark	5,800,000	181	290,000	2.5%	0.050	31.2
Estonia	1,300,000	8	8,000	0.1%	0.006	6.2
Finland	5,600,000	83	175,000	1.5%	0.031	14.8
France	65,600,000	650	1,450,000	12.6%	0.022	9.9
Germany	83,900,000	320	710,000	6.2%	0.008	3.8
Hungary	9,600,000	20	47,000	0.4%	0.005	2.1
Iceland	300,000	13	28,000	0.2%	0.093	43.3
Ireland	5,000,000	45	115,000	1.0%	0.023	9.0
Italy	60,300,000	98	220,000	1.9%	0.004	1.6
Latvia	1,800,000	3	75,000	0.7%	0.042	1.7
Lithuania	2,700,000	5	6,000	0.1%	0.002	1.9
Netherlands	17,200,000	355	960,000	8.4%	0.056	20.6
Norway	5,500,000	278	190,000	1.7%	0.035	50.5
Poland	37,700,000	64	138,000	1.2%	0.004	1.7
Portugal	10,100,000	50	75,000	0.7%	0.007	5.0
Romania	19,000,000	10	25,000	0.2%	0.001	0.5
Spain	46,700,000	580	1,050,000	9.1%	0.022	12.4
Sweden	10,200,000	227	525,000	4.6%	0.051	22.3
Switzerland	8,800,000	140	140,000	1.2%	0.016	15.9
United Kingdom	68,500,000	2,060	4,840,000	42.1%	0.071	30.1
Total	**497,100,00**	**5,435**	**11,489,000**	**-**	**0.023**	**13.4**


BUDGET
BOX
Self Storage
BUDGETBOX Self Storage
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Thank you

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