FEDESSA
Federation of European
Self Storage Associations

CBRE

FEDESSA European Self Storage Industry Report 2025

October 2025

Key Findings

Revenue per square metre grows by 5.4% across Europe

European average occupancy down 0.8 percentage points

Debtors at 30 days increases to 1.6%

90% of self storage businesses actively using AI

4% point Increase in personal use customers

Increasing land costs of most concern to operators

70% of operators expect rates and occupancy to improve over next 12 months

Growth in remotely managed stores

Males have a higher awareness and understanding of self storage

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Methodology

Survey

This is the 14th annual survey conducted by the Federation of European Self Storage Associations (FEDESSA) in association with CBRE for a fourth year.

Report

The report analyses demand and supply trends, as well as operational performance across Europe's self storage market. The findings are informed by the results from the industry survey of FEDESSA members, and a public survey carried out over the last four years, which provides insight into the public perception of self storage. It also calls on data from the SSA UK annual industry report and other industry sources as referenced.

Operator

The operator survey summarises the key results from surveying 138 self storage operators across continental Europe. Respondents represented 1,447 stores from 16 countries, over a quarter of Europe's self storage market by storage space.

All operators surveyed were certified members of FEDESSA at the time of the survey. The operator survey was completed from May to June 2025, based on data in the year up to 31 March 2025. The survey questions targeted operators from continental Europe, where applicable.

Public

The 2025 public survey total sample size was 5084 adults. 2028 from Germany, 1011 from the Netherlands, 1029 from Sweden and 1016 from Portugal. Fieldwork was undertaken between 22nd July - 4th August 2025 using an online interview administered to members of the YouGov Plc panel of 2.5 million individuals. The survey was carried out online. The figures have been weighted and are representative of each country's adult population (aged 18+).

*Note: Some percentages will not total 100% due to rounding. The figures have been given an even weighting for each country to produce an 'average' value. In some cases, methodology used when calculating weighted averages has changed from previous years. Where this is the case, the previous year has been recalculated with the same weighting for comparison. Results are based on a sample and are therefore subject to statistical errors normally associated with sample-based information.

Market Size

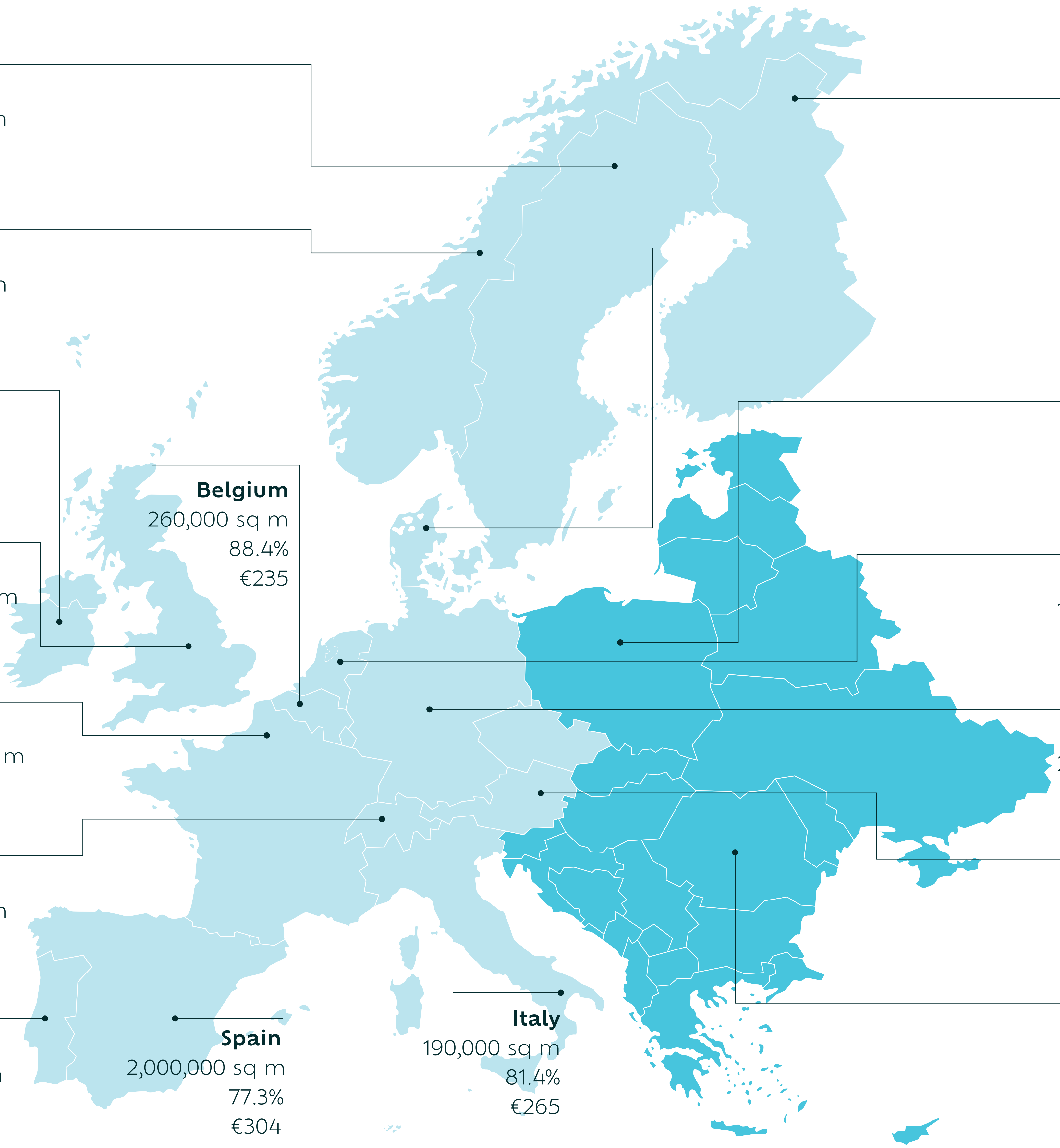
Determining the exact size of the self storage market in any country is difficult, as it is not a registered or recorded market sector and, as such, few authorities maintain a definitive list of self storage stores. There is also some debate around the precise definition of self storage. For example, some removals companies market themselves as self storage operators, even when customers do not have access to their goods without making an appointment. Similarly, mobile storage—where a unit is delivered to the customer and then removed and returned on request—is often referred to as self storage.

According to the CEN standard, the definition of self storage is a system of storage in which the service provider allocates, under the terms of a self storage contract, a finite, securable unit for storage to which the customer has the right to exclusive access. It defines a self storage unit as an individual, self-contained, securable unit of storage space which, once occupied, is static within a self storage facility. This would rule out most removals and mobile storage, although it would apply to container-based storage. When analysing the size of the industry, we have attempted to count stores based on the CEN definition.

Each year, FEDESSA conducts an in-depth analysis of one or two individual markets to gain a better understanding of their size. This involves referencing all known sources of data on the industry, online data analysis, and visiting stores to validate questionable data. This year, the German market was analysed.

Improved analysis each year often identifies sites that were not found in previous reports, particularly micro sites and container operators. This accounts for some of the growth in store numbers and total size, rather than it being solely due to new space added in the past 12 months.

We estimate that Europe has 10,571 self storage stores, with 17.7 million square metres of storage space. The top four countries—the UK, France, Spain and Germany—account for 68% of stores and 75% of total space. The UK holds 34.5% of self storage space in Europe, followed by France with 15.2%, Germany with 13.6%, and Spain with 11.3%.



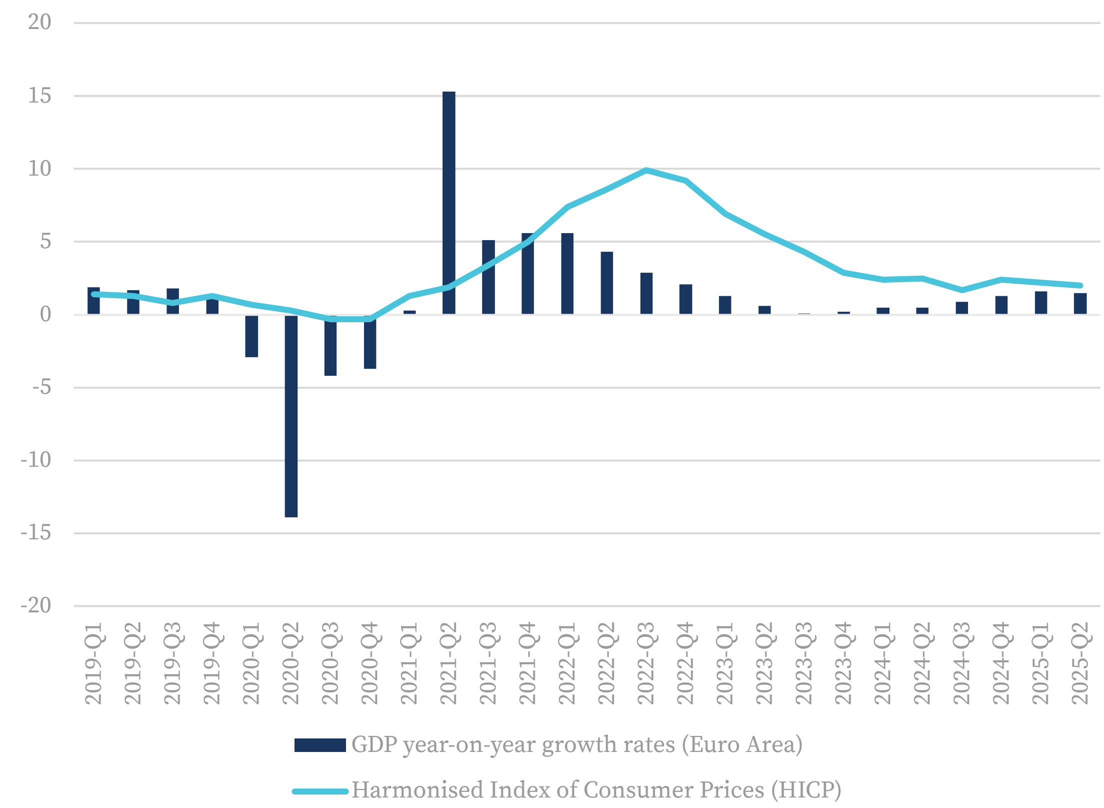
01

Economy and Industry Investment

Consumer led economic recovery continues

Despite increased uncertainty in the global economy, Europe's consumer-led economic recovery continues, albeit at a slower pace. Recent falling interest rates and rising real incomes continue to be supportive of consumer spending and there has been a recovery in consumer sentiment since the end of 2022. However, GDP growth across Europe has been weaker in the last two years owing to higher inflation, increases in interest rates, fiscal constraints and, more recently, uncertainty over U.S. tariff policy. This year, growth has remained below 2.5% when measured on a year-on-year basis. Spain has been an exception, experiencing the strongest growth over the past three years, with much of this attributable to tourism.

Euro Area GDP growth and HICP (%)

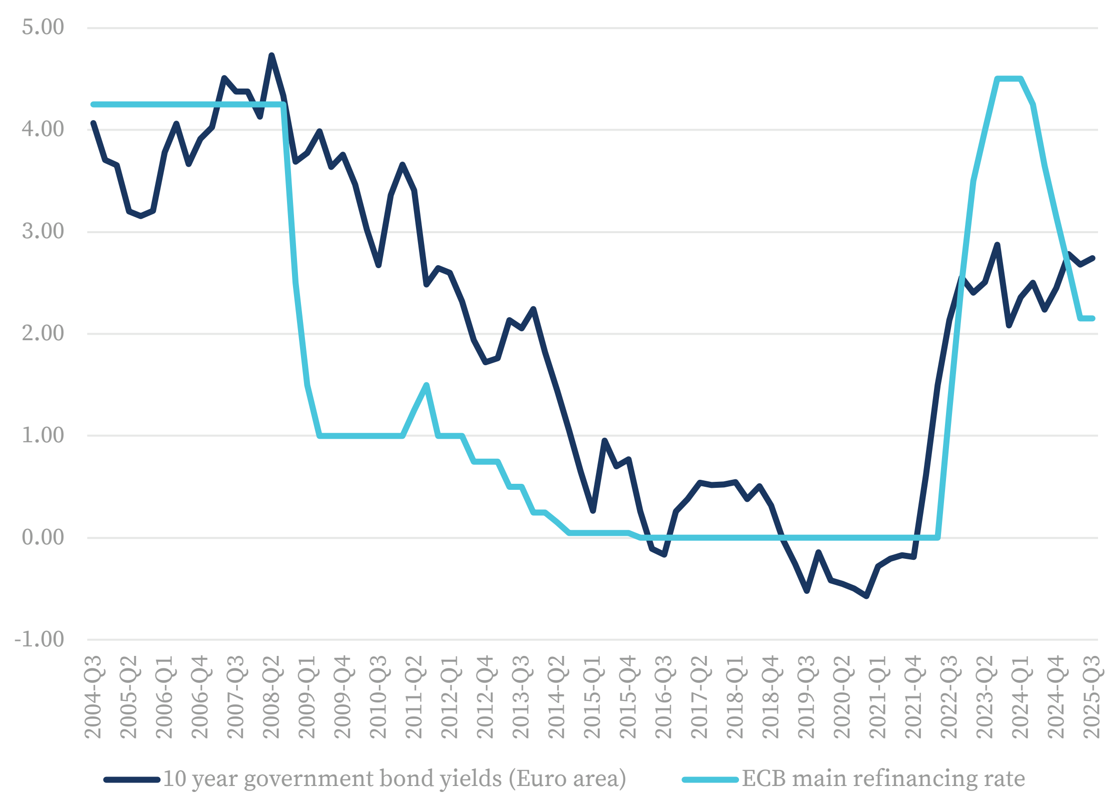


Source: Eurostat, ECB

Global uncertainty continues to be downside risk

Following four cuts by the ECB earlier this year, one further interest rate cut of 25bps towards the end of the year is expected, putting the main refinancing rate at 1.9% as inflation continues to hover around 2%. The BoE cut rates to 4.00% in August, and CBRE anticipate one more cut to the UK Bank Rate this year. Early in the year, the prospect of lower inflation and policy rate cuts helped reverse the increases in longer-dated debt costs that followed the German fiscal policy announcement in March. However, this reversal has not been sustained and, through the rest of the year, inflation concerns and political instability mean it is likely that long rates will stay elevated in the medium-term.

Euro Area 10 year government bond yields and ECB rates (%)



Source: Eurostat, ECB

Increased global uncertainty continues to be a downside risk to the economic outlook. Changes to U.S. trade policy created headwinds for the global economy and stunted activity this year. U.S. President Trump and the President of the European Commission, Ursula von der Leyen, have negotiated a deal in principle for a 15% tariff on almost all European exports to the U.S., except for steel, aluminium, and pharmaceuticals. A UK deal was reached in May that set a 10% tariff on UK exports to the U.S., with similar exceptions and some exemptions. The pace of policy changes has lowered business sentiment and long-term growth expectations. As a result, firms remain cautious, limiting employment growth in the short-term.

Real estate investment activity in Europe continued to grow gradually in the first half of the year. While the start of Q2 was affected by trade policy uncertainty, the transaction market has improved since June as global investor sentiment recovered and the outlook for H2 is promising. The recovery in real estate capital markets is largely driven by liquidity in debt financing. Improved sentiment among lenders is evident from CBRE's 2025 European Lenders Intention Survey, where after two years of low origination activity, almost 80% of lenders expect to lend more to real estate in 2025. There was increased interest in Self Storage compared with last year, bringing the sector to fourth place among preferred alternative sectors to lend against.

A challenging year for self storage

Despite a stand-out year for the European self-storage investment market in 2024, undoubtedly the sector has faced challenges in 2025, resulting in a more nuanced performance year to date. Sustained economic and political uncertainty has weighed on the sector, dampening investor sentiment and activity. The sector has had to navigate long term fall-out of tariff negotiations globally, softening of European housing markets, material tax hikes in the UK as well as major political elections. This has led to a marked reduction in transaction volumes with investors becoming more circumspect and cautionary when deploying capital.

Despite this, the European self-storage investment market has proven its resilience. It remains underpinned by strong operator profitability and strong financing liquidity, enabling operators and investors to weather a softening observed in the wider market. This is particularly seen when comparing with more heavily geared operational sectors like hospitality and leisure. We have seen operators continuing to expand across Europe with Safestore entering Italy, Bluespace entering Portugal and Italy and Zebrabox moving into France and Spain, as well as significant M&A transactions proliferating.

A number of high value portfolios were placed on the market in 2024/5 but then subsequently paused or removed for a variety of reasons, primarily focussed around global economic uncertainty. Access Self Storage in the UK being the most significant. Had any of these sales proceeded then then the level of investment in the industry would have been similar or greater than the last couple of years.

It is hard to predict the level of transactional activity in the next 12 months. Some of the large, paused transactions may return to market and other smaller operations are preparing for sale. The investment market has also continued to mature, attracting a broader buyer landscape looking for new investment products able to cater for institutional pension funds, superannuation funds and infrastructure funds.

Self storage investment softens as global economic uncertainty tests pricing

Toward the end of Q4 2024, we saw the market continue to gather momentum supported by an improving macro-economic environment and an expectation that successive rate unwinding between the US Federal Reserve, European Central Bank and Bank of England would see the return of low-cost capital seeking operational risk and diversifying their existing real estate holdings. Transaction volumes last year were the highest on record, with €1.2bn transacted, buoyed by large purchases by Shurgard in particular, whist Nuveen took SSG private in November 2023.

The positive momentum began to flatten in Q1 2025, with the Trump administration launching a series of co-ordinated trade tariff discussions with major partners globally. This caught the investment market off-guard and the continued fall out of this, the ongoing conflict in Ukraine and the Middle East and resultant political uncertainty has served to dent investor participation in all real estate sectors inclusive of the self-storage sector.

With fewer investors participating in self storage M&A processes and remaining participants more risk averse than they were 12 months before, pricing levels were re-tested and trading volumes have been significantly impacted.

Since H1 2025, investor sentiment has improved, buoyed by private and public operator trading updates, which have demonstrated the long-term profitability of the sector as whole.

Since Q1 2025, financial institutions have become less active, and private equity funds are now making up a circa 60% of YTD transaction volumes. These investors are typically deploying value-add strategies and targeting geared IRR's of over 17%. This differs from previous years where capital has typically originated from REITS and financial institutions, who typically deploy lower cost capital.

YTD Investment Volumes (by investor type)

2025	Total
Institution	12%
Private Equity	59%
REIT / Operator	12%
Money Manager	17%
Private Operator	0%

Real Estate Private Equity re-enters self storage market

Encouragingly, we have also seen high profile real estate private equity funds re-enter markets across Europe after exiting historic investments. Examples include Centerbridge's acquisition of Second Space in the Nordics as well as the acquisition of Servistore by Heitman. These investors have a deep track record of acquiring growth platforms and exiting to lower cost capital institutions at strong EBITDA multiples.

Whilst there are pockets of Core+ capital continuing to underwrite the self storage sector, some of these investors have repriced their cost of equity, to reflect heightened risk globally, softened consumer sentiment and shifts in the self storage investor landscape.

In terms of capital geographical origination, the sector continues to see an influx of North American and Middle Eastern capital looking to take advantage of sidelined capital and this includes new strategic operators considering European expansion as well as new limited partners, including sovereign wealth and superannuation funds looking to collaborate with general partners. These investors continue to see the European self storage sector as a nascent but high growth market capable of diversifying their capital and driving long term rental growth and capital appreciation. Examples include PGIM's entrance to the French self-storage market, partnering with Pithos Capital and Zebrabox.

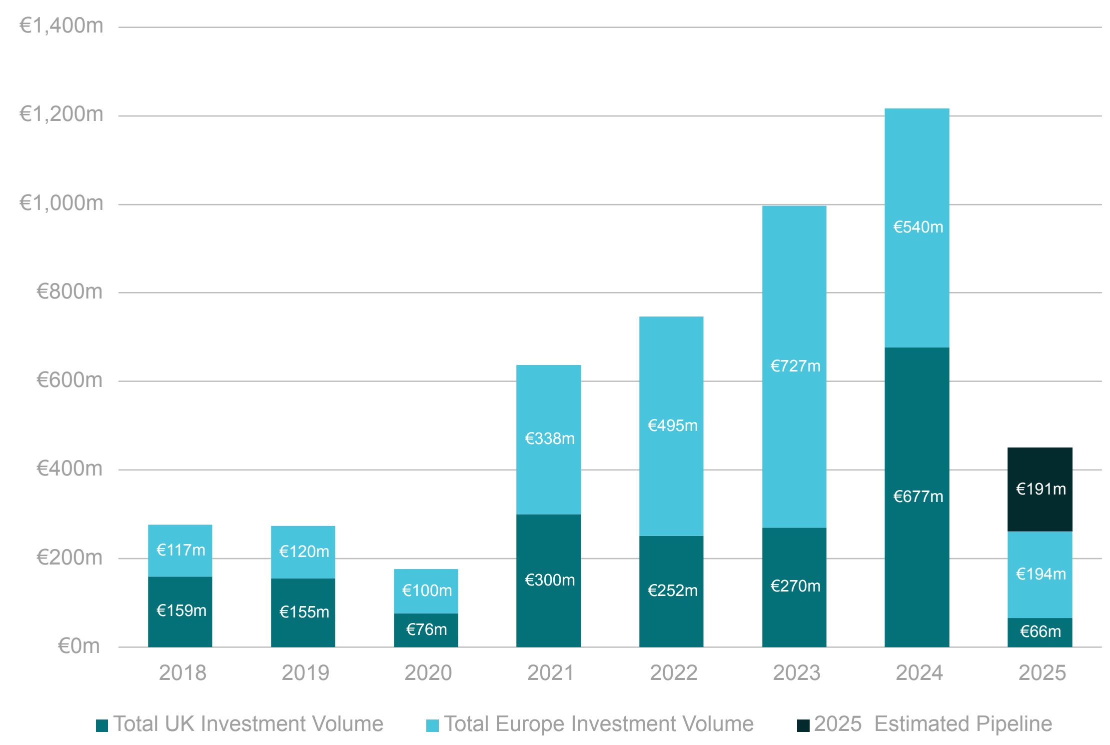
2025 YTD transaction volumes are €260m and are over 3x lower than 2024 LFL performance of €875m. Whilst there is a further circa €200m of pipeline deals expected to close in 2025, this would still show a significant normalisation of transactional evidence compared to the full year 2024 record of €1.2bn. We have also seen a preference to transact in Europe, with UK transactions only recording €66m YTD versus €591m YTD last year. This is primarily driven by a perception of stronger medium term growth rates in Europe and the cost of debt, which remains significantly lower than UK SONIA. It should also be noted that last years UK figures were inflated by the €473M enterprise value purchase of Lok'n Store by Shurgard.

Transaction volumes have been disproportionately impacted by multiple high-profile transactions on pause. Those include Storage24 in Germany, France and Nordics, Less Mess in Poland & Czechia and Access Self Storage in the UK. Together, these transactions account for circa €2.5bn of transaction volume.

Transactions completed within the last 12 months include Nuveen's successful Dec-24 acquisition of EasyBox in Italy, which was structured as a Joint Venture with Safestore. This was a major benchmark transaction for the Italian market and was funded by Nuveen's General Account. Pricing was reported at €175m, reflecting circa 27x on forward looking 12-month EBITDA. The business traded with 10 operational stores and 2 development assets, totalling 72,762 sqm of MLA.

In the UK market Schroders closed the acquisition of three additional stores for their continued self-storage expansion programme. This involved two stores in ramp-up and a development site. The stores are operated and managed by Flexiss Group. In France, Ardian has continued its expansion via the purchase of Atout-Box, with 7 stores in the Occitanie region. Since the acquisition of Costockage in 2023, the business has grown to 19 stores.

Total EU Self Storage Investment Volumes (€m) 2018-2025 (Pipeline)



Positive outlook with some stability

Whilst the European self storage investment market continues to face challenges, it's well positioned to weather short term economic headwinds underpinned by structural under-supply, increasing urbanisation rates and low public awareness rates.

Investors continue to view the sector favourably with significant amounts of equity available for deployment. New entrants to the market including superannuation funds continue to search for prime, mature trading, purpose-built portfolios of scale operated by a proven management team capable of optimising and further expanding the business. Where these opportunities can be identified and verified through detailed due diligence, platform premium pricing can be achieved. We will continue to see the bifurcation of product between purpose built, best in class facilities classified as investment grade and lower quality legacy assets marked accordingly.

The sector also continues to benefit from one of the strongest debt markets in the operational real estate sector and so we would expect operators to continue focusing on organic platform growth strategies including strategic development and investment into management, technology and sustainability accreditation.

We anticipate a stabilising of transaction volumes in 2025/26 whilst economic sentiment normalises, and the impact of successive rate cuts and trade deals take effect. During this period, we will also see new supply trade-up to a mature position, thereby providing new investment opportunities that cater to a growing interest from institutional investors with Core+ capital pots and a requirement for deploying at scale day 1.

That said, the continued success of the sector depends on re-building momentum in the domestic housing sectors as well as improvement in business sentiment more generally. If these factors are addressed, we will likely see the return of large M&A transactions and a significant uplift in transaction volumes.

We expect to see close to €450m of self storage volume transacted by year end. A number of high profile M&A deals are being tracked, which if closed would lead to a return to €1bn+ investment volumes. However the majority of these deals are expected to come to market in 2026-2027.

02

Awareness and Usage

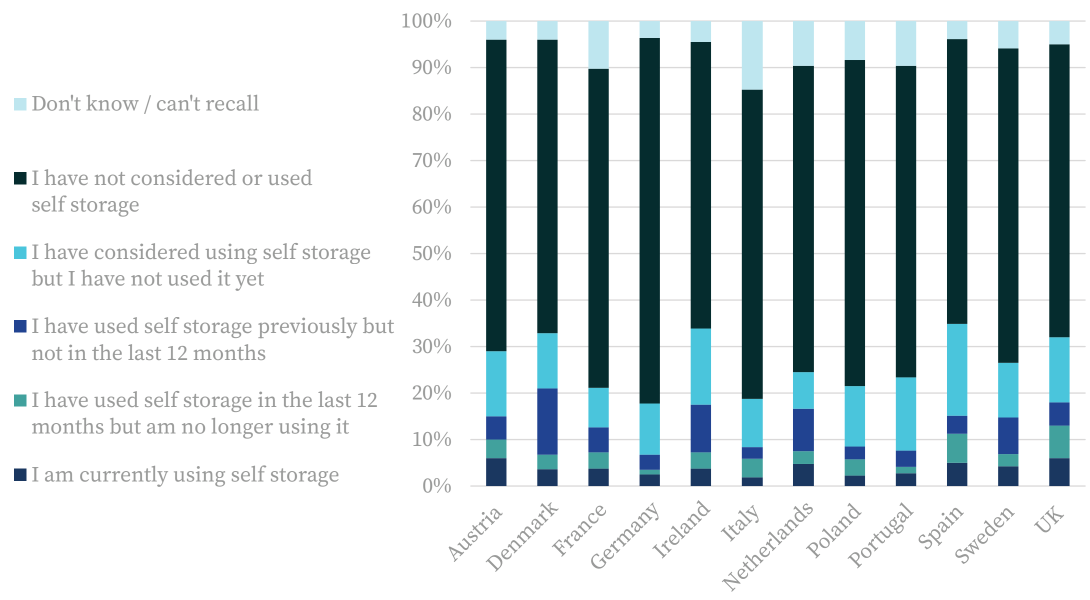
Potential for growth in usage

Across Europe, an average of around 4% of the population currently use self storage, 10% have used it in the past, and 12% have considered it but have yet to become customers. While these figures may seem low, particularly when compared with the USA, where usage is roughly five times higher, the European market operates under very different conditions. Land and property suitable for self storage development are scarcer, and planning restrictions are often more stringent. As a result, even if demand were to rise sharply, the available supply would be insufficient to meet it.

Historically, European markets have grown at a relatively steady, linear pace, with supply and demand kept in balance through careful pricing. On a like-for-like basis, self storage in Europe is typically more expensive than in the USA, largely due to this limited supply and the difficulty of adding new space quickly.

The data also reveals a substantial pool of potential customers. People who have considered self storage but ultimately chosen not to use it. Understanding why these individuals fail to convert is key. Do they opt for free alternatives, such as storing goods with relatives? Do their circumstances change, removing the need for storage? Or does price remain the main barrier? Converting even a quarter of this group into active customers would have a significant impact on market dynamics, influencing both supply-demand balance and the prices operators could command.

Usage



Awareness higher with general marketing campaigns and store concentration

Awareness of self storage remains a significant challenge for the industry in Europe. On average, only 29% of survey respondents said they knew at least a reasonable amount about self storage, while 36% had never heard of it. Given the industry's rapid expansion across Europe, most people in the surveyed countries are likely to have at least one self storage facility in their local area, so awareness should be higher.

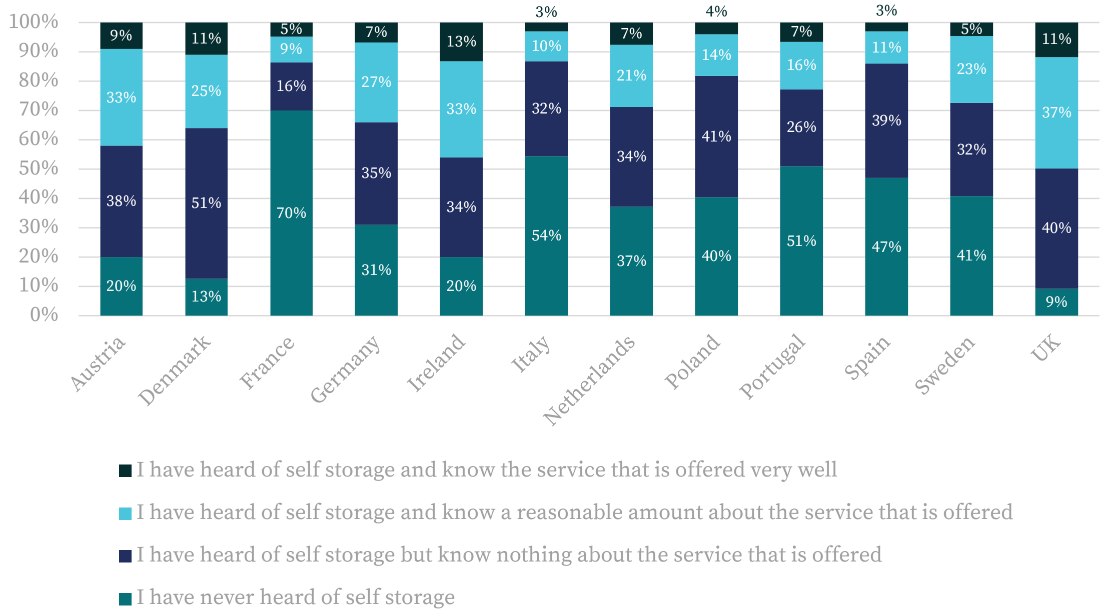
One contributing factor is that much of the industry's marketing spend is directed towards AdWords and similar online advertising, which primarily targets people already searching for self storage. As a result, awareness is often driven by exposure to high-profile or nearby stores, or through increased usage and word of mouth. This means awareness generally improves as the industry grows. The UK, as the most mature market in Europe with the highest supply per capita, also enjoys the highest awareness levels.

Ireland ranks second for awareness, likely boosted by the broad-based advertising campaigns of NESTA, one of Dublin's major operators. Their extensive billboard and mass media campaigns actively promote the use of self storage. Awareness is particularly high in Dublin, where these campaigns are concentrated, although the city also has the highest store density in the country.

A similar pattern emerges in Poland. In this developing market, where self storage provision per capita is still low, awareness is noticeably higher in major cities where Less Mess operates. This is supported by their extensive general marketing, aimed at encouraging people to consider self storage.

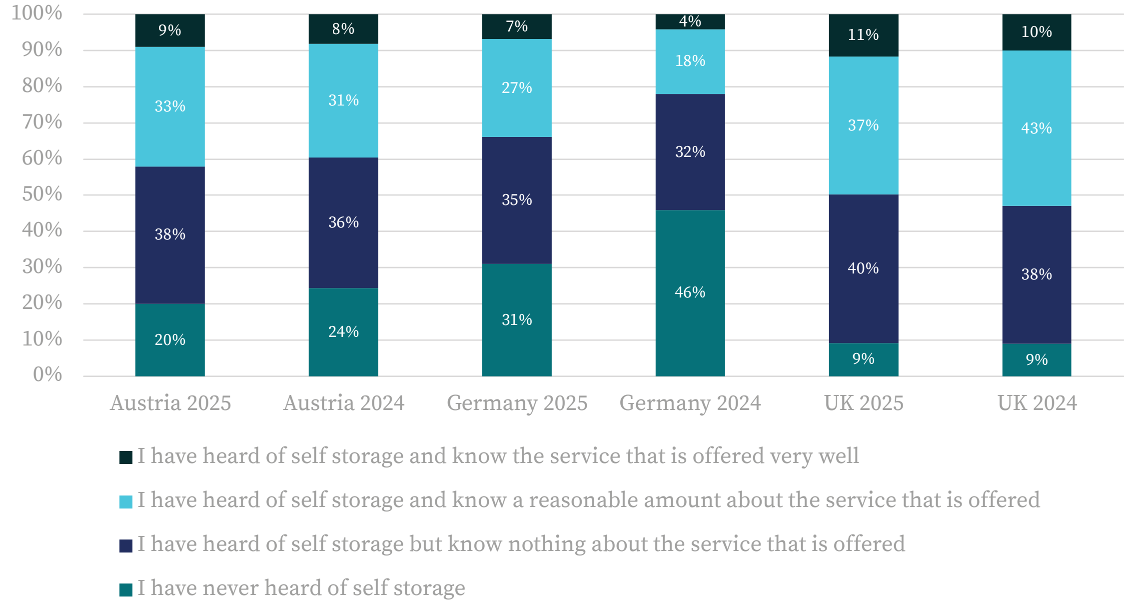
Austria also records relatively high awareness, likely influenced by the large number of small unmanned stores, particularly in major cities such as Vienna. Austria has the highest concentration of these facilities, with multiple sites sometimes located on the same street, meaning people are far more likely to encounter a store close to where they live or work.

Industry Awareness



This data is now collected regularly for a select number of countries, and results show that awareness is generally improving over time. However, the rate of improvement is less pronounced in mature markets such as the UK. Sweden, another mature market, even recorded a slight decline in awareness between 2023 and 2025. This supports the view that awareness tends to rise as a market develops and people are exposed to more stores, but the pace of improvement slows once the market reaches maturity.

Awareness Over Time

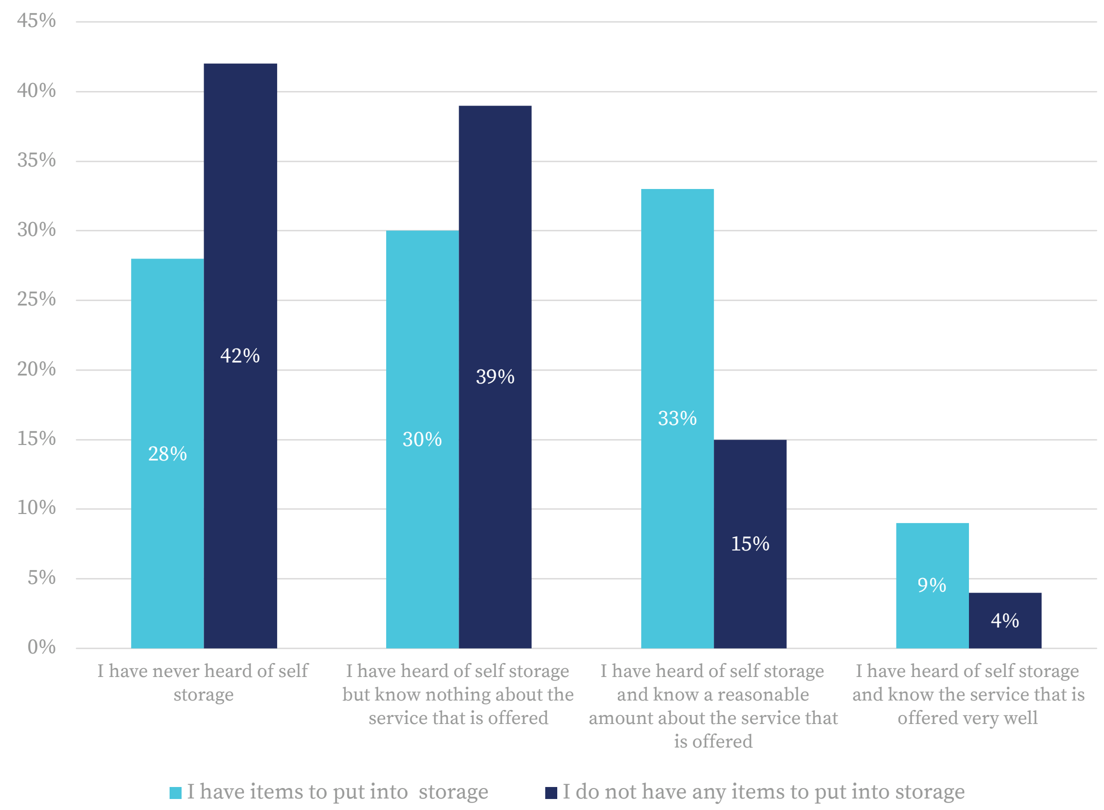


A needs based product

It is important to recognise that self storage is a needs-based product. People with no perceived need for it are unlikely to actively search for self storage and, as a result, are less likely to be aware of it. This is similar to how people without pets are often unable to name their local veterinary practices.

When the awareness data is analysed by respondents who indicated they had items they would place in storage, it becomes clear that those with a perceived need have a greater understanding of, and familiarity with, the industry. The challenge for operators is to identify and reach people who may in fact have a need for self storage but, due to limited awareness or understanding, do not recognise it as a viable solution.

Awareness by potential need

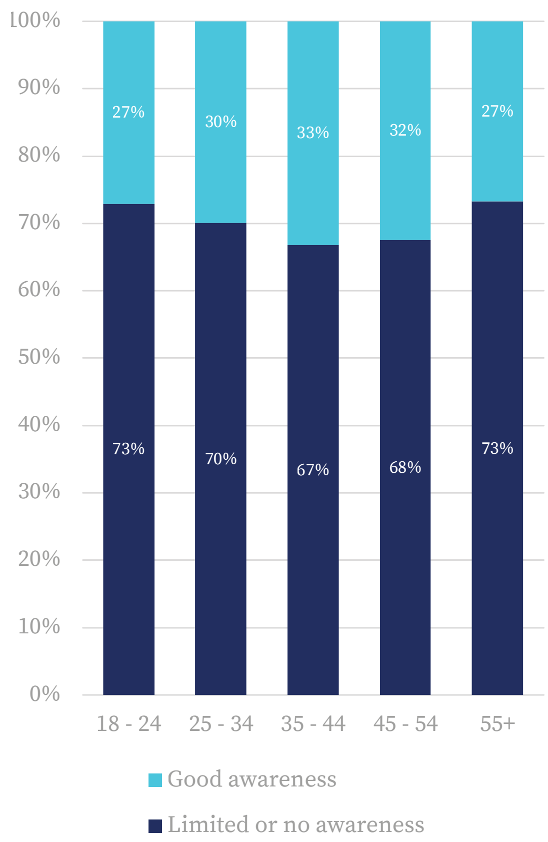


Males have higher awareness

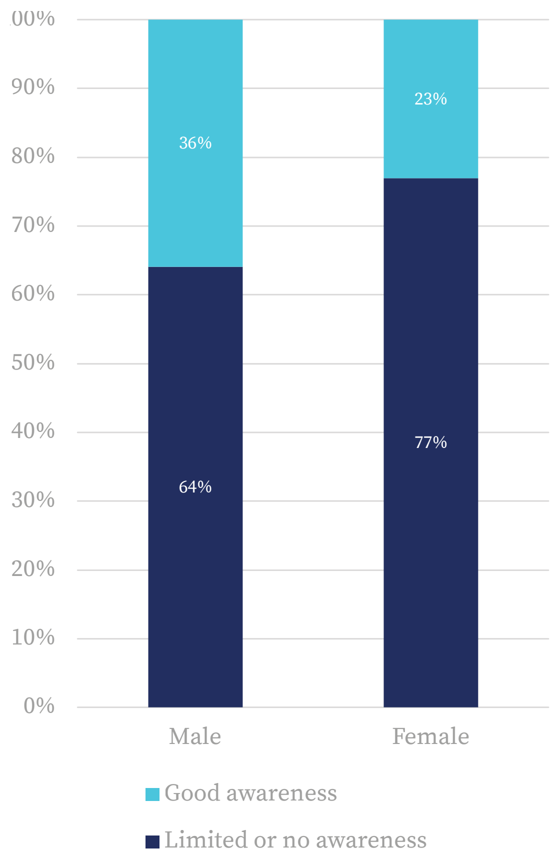
When analysing the data by age and gender, there is a slight increase in awareness among people aged 35–54, which is also the demographic most likely to use self storage. Awareness is noticeably higher among men than women, although usage patterns show only a marginally greater uptake by men.

This raises the question of whether self storage marketing is currently more effective at reaching men, or whether men are more likely to have an initial pressing need for the service and therefore actively seek out local facilities. If so, this could present an opportunity for operators to more deliberately target female customers through tailored messaging and marketing channels.

Awareness by age



Awareness by gender



Store concentration increases awareness

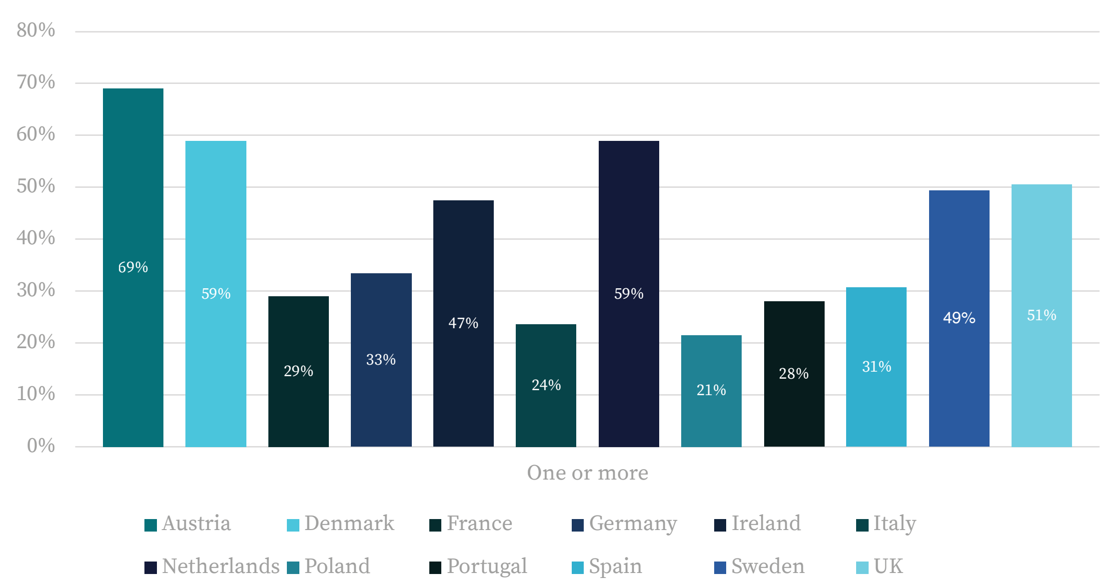
Across Europe, only 42% of people were aware of a self storage facility in their local area. The Netherlands records the highest level of store recognition, supported by one of the highest levels of self storage provision per capita and strong penetration across the entire country. Several operators also have portfolios featuring very high-profile sites, further boosting visibility.

As noted previously, Austria benefits from a large number of small stores in its major cities, contributing to higher awareness levels. In contrast, Italy, Poland, and Portugal are still developing markets, with secondary cities and rural areas having limited self storage presence.

These markets also have fewer major operators with prominently located sites, which contributes to lower recognition rates.

France remains an anomaly in the data. Despite being a relatively mature market with facilities spread across much of the country, it scores lower than other similarly mature markets such as Sweden and Germany in all measures of awareness and understanding. Language may be a contributing factor, as “self storage” does not translate directly into French. Instead, operators use a variety of terms based on “boxes” and “warehousing” to describe the product, which may dilute public recognition.

Can you name one or more local storage brands?

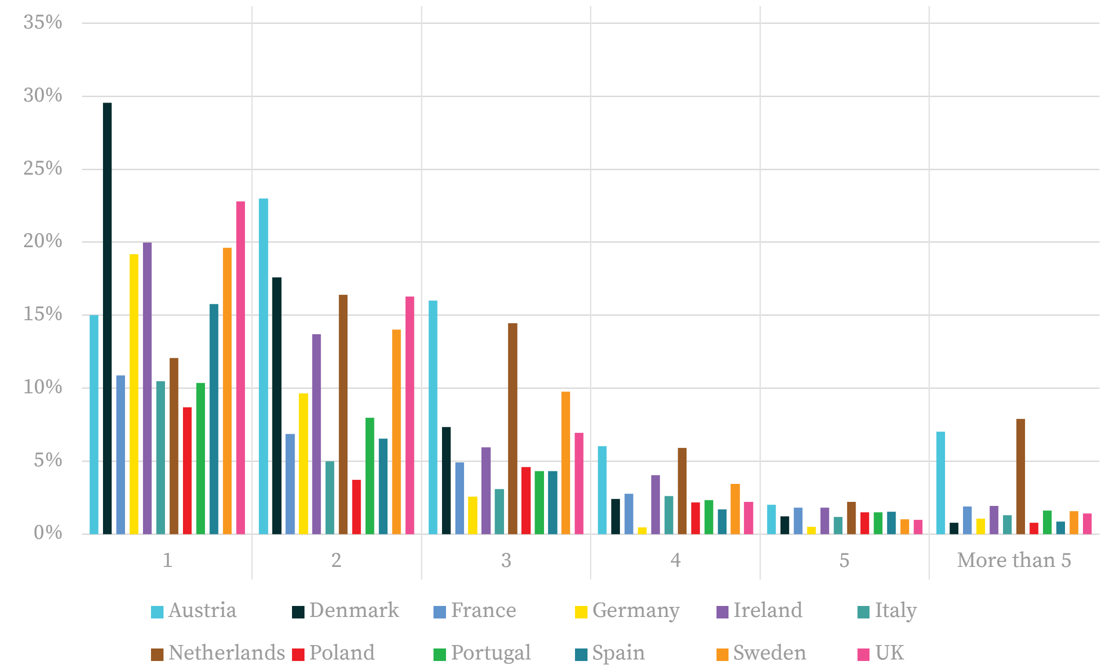


Further analysis shows that store recognition is notably higher in the Netherlands, where 8% of people recognise five or more self storage facilities in their local area—compared with just 1–2% in most other countries. Sweden also records relatively high recognition of multiple stores.

In Germany, a large proportion of people are aware of one store in their area, but recognition drops sharply beyond that, with few identifying three or more. This pattern supports the idea that store recognition is stronger in more urbanised countries. Approximately 93% of the Dutch population live in urban areas, compared with around 88% in Sweden, 81% in France, and 78% in Germany.

Self storage typically performs best in high-density population areas, which often coincide with smaller homes, limited storage space, and, in major cities, above-average income levels. These conditions support a greater number of stores—often larger, high-profile facilities—within a small geographic area. Given that most customers do not travel more than 15 minutes to their chosen self storage facility, urban environments maximise the potential customer base within each store’s catchment area.

How many local stores do you know of?

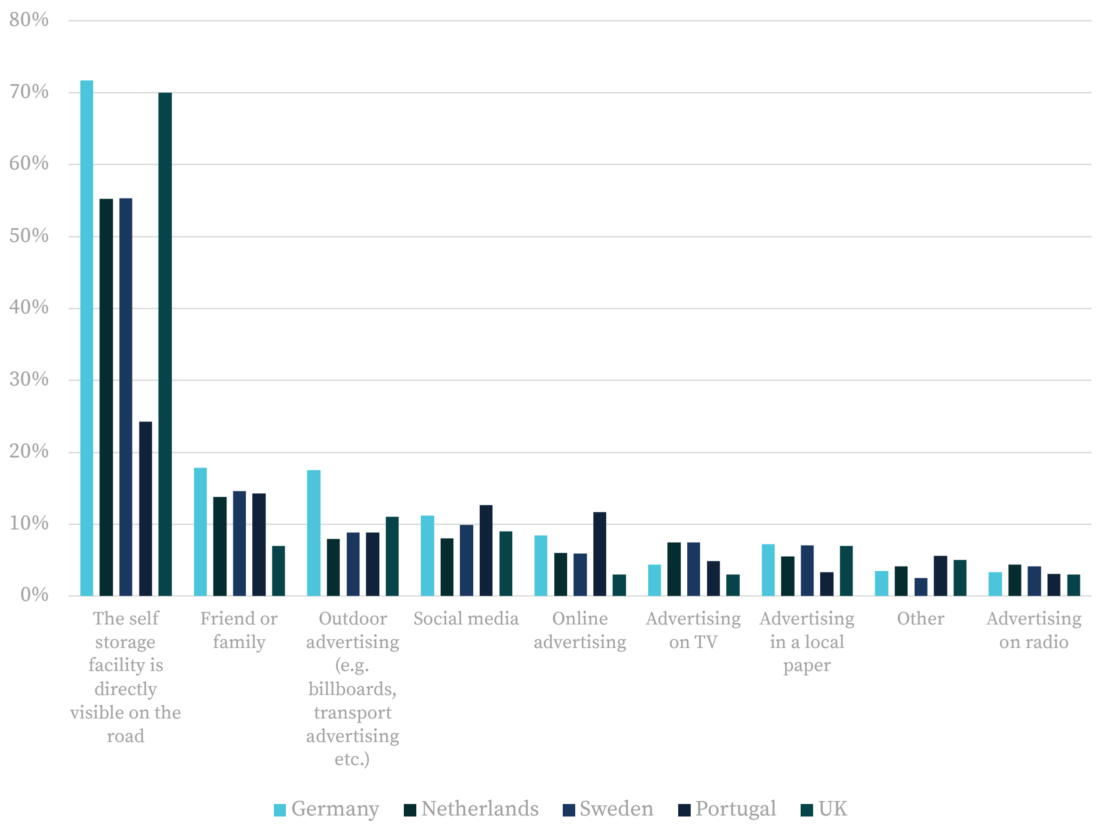


Social channels a high source of awareness

This year, additional questions were included to determine how people became aware of their local self storage facilities. Respondents could select multiple answers, and those unable to recognise a site were excluded from the analysis.

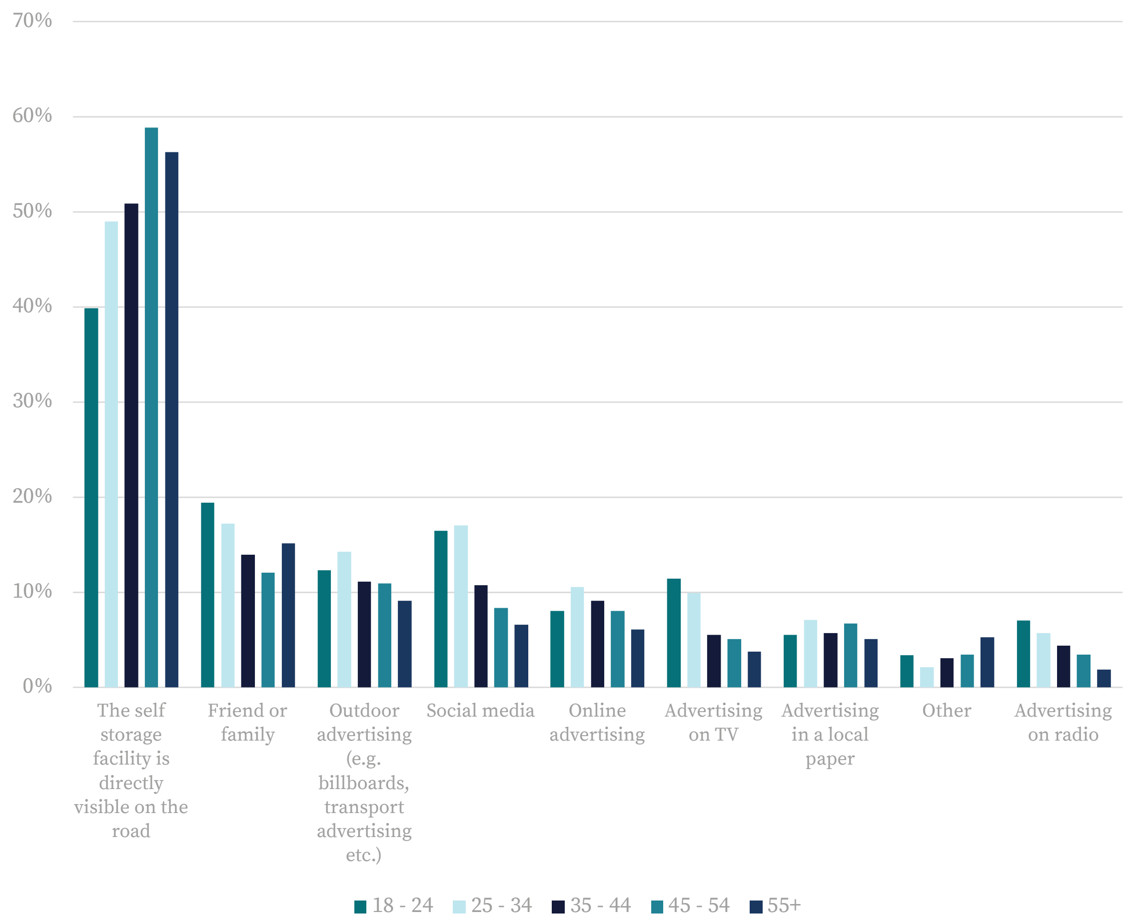
Across most countries, site visibility emerged as the most common source of awareness, with the exception of Portugal—a developing market with fewer facilities—where it played a smaller role. Notably, online advertising, despite accounting for the majority of the industry's marketing spend, ranked among the lowest sources of awareness and was surpassed by social media in most markets. Referrals were the second most common source of recognition, yet many self storage operators do not currently run active referral programmes.

Source of recognition



When breaking down this data by age, it becomes clear that younger generations are more likely to learn about self storage through social channels such as friends and family, social media, or advertising, rather than through store visibility or location. As this demographic ages and becomes more likely to use self storage, it will be important for operators to adapt their marketing strategies to reflect this trend, placing greater emphasis on the channels that resonate most with younger audiences. There was negligible difference in the data by gender.

Source of recognition (By age)



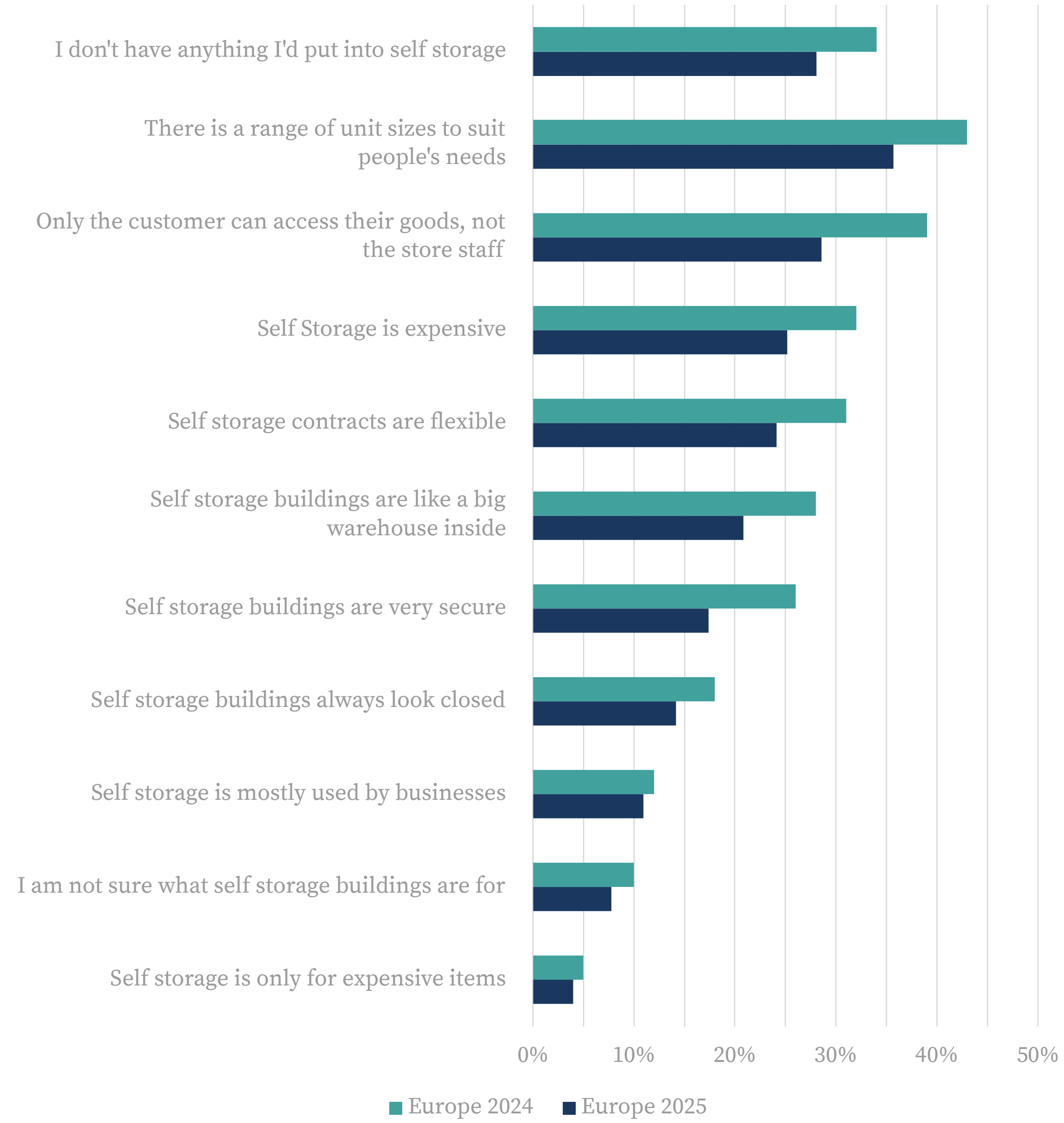
Understanding of benefits is low

Respondents were also asked to qualify their knowledge of self storage by answering key questions about the services offered. The results revealed that some customers who believed they understood self storage well were unaware of core features such as flexible contracts and the principle of "you lock it and keep the key."

On a positive note, there was a significant decrease in the proportion of people stating they did not have anything to put into self storage, as well as a decrease in those who believed the service was expensive. However, improvements in understanding other key elements were mixed. Fewer respondents recognised that only they have access to their goods, and that contracts are flexible.

While awareness that self storage exists—and that goods can be stored in these facilities—appears to be growing, the data highlights an ongoing gap in understanding how the service operates and the benefits it offers potential customers.

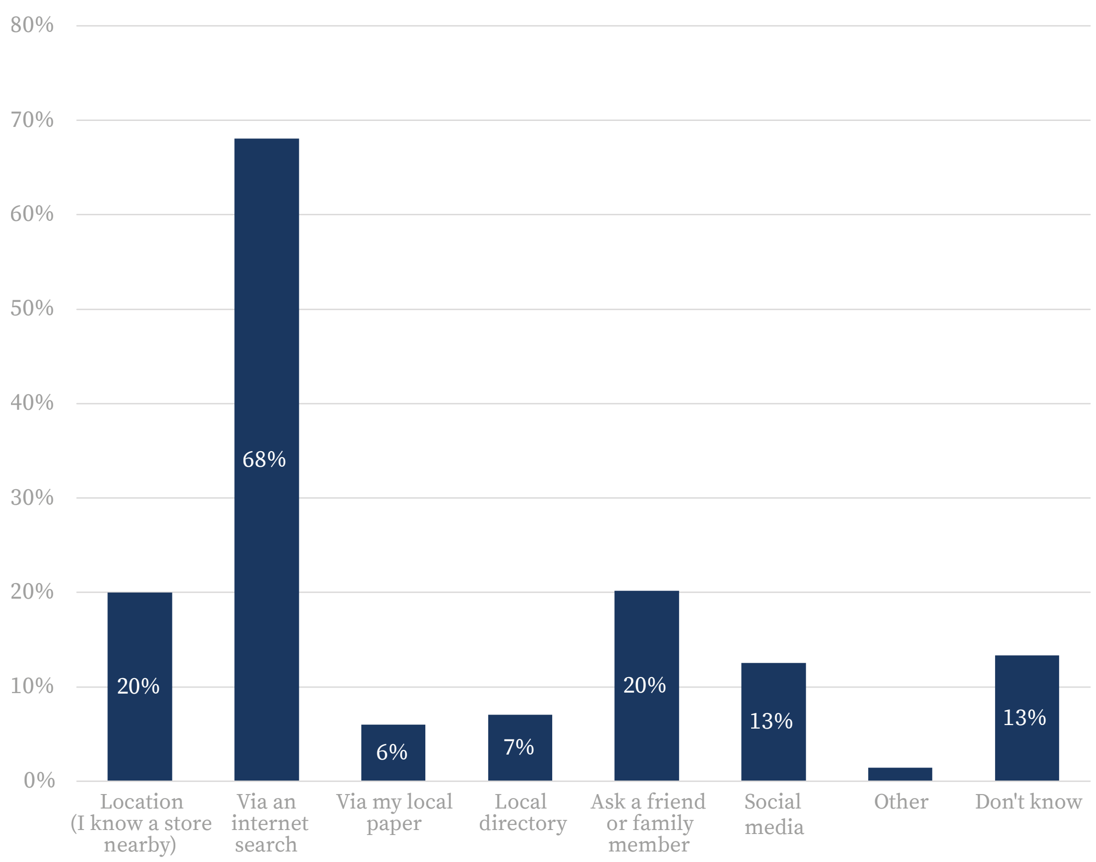
Understanding



Store visibility less important when researching a store

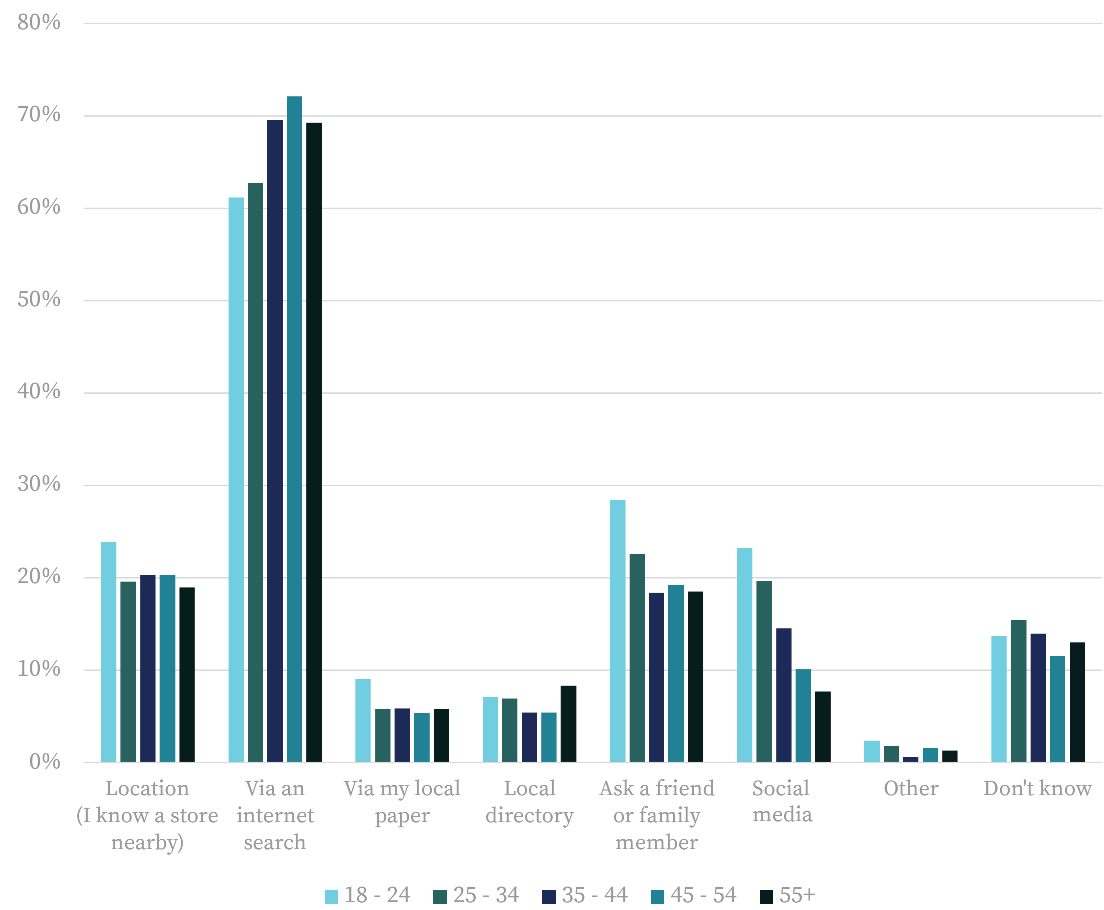
When asked how they would find a store to contact, the internet was, unsurprisingly, the most common source of information. However, at 68% of respondents, this figure is perhaps lower than expected. Once again highlighting the influence of referrals, asking a friend or family member was just as popular as having prior knowledge of a store's location. This suggests that while people may be aware of a business due to its physical presence, they will not automatically choose it. Instead, they are likely to conduct further research, either online or through their personal networks, before making a decision.

How would you find a self storage store to contact?



Looking at the data by age, the growing influence of social media and referrals among younger people is clear. Interestingly, those under 35 are less likely to use the internet to research a store compared with older generations. This suggests that self storage operators aiming to attract this demographic should place greater emphasis on social media engagement and targeted referral campaigns to drive awareness and conversion.

How would you find a self storage store to contact? (By age)

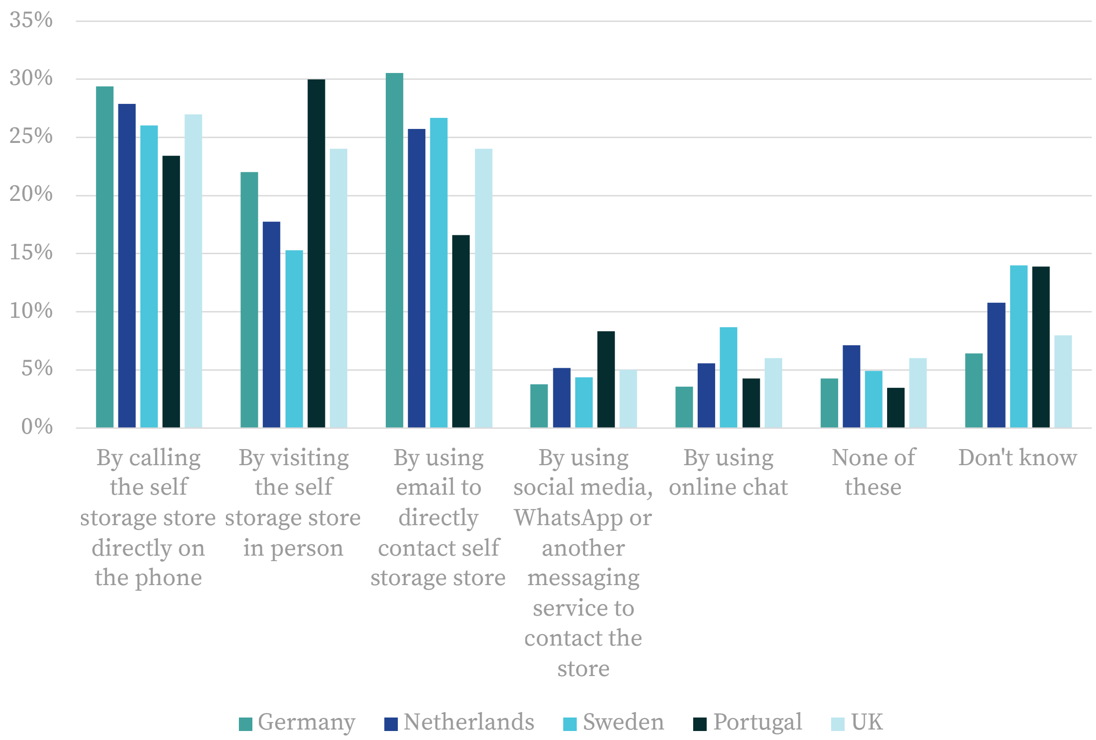


Multi-channel approach required for enquiries

The survey also explored how people prefer to contact a store to make a booking, revealing notable regional variations. In Portugal, customers are more likely to visit a store in person. This can be advantageous for operators, as walk-in customers are less likely to visit multiple locations, resulting in higher conversion rates. However, it also means that if a customer chooses a competitor's store to visit, there is little opportunity to be considered.

In Sweden, where technology adoption is generally more advanced and the proportion of unmanned stores is higher than average, reliance on walk-ins is lower. Instead, customers are more inclined to use online chat and email. Despite these regional differences, no single contact method dominates across all markets.

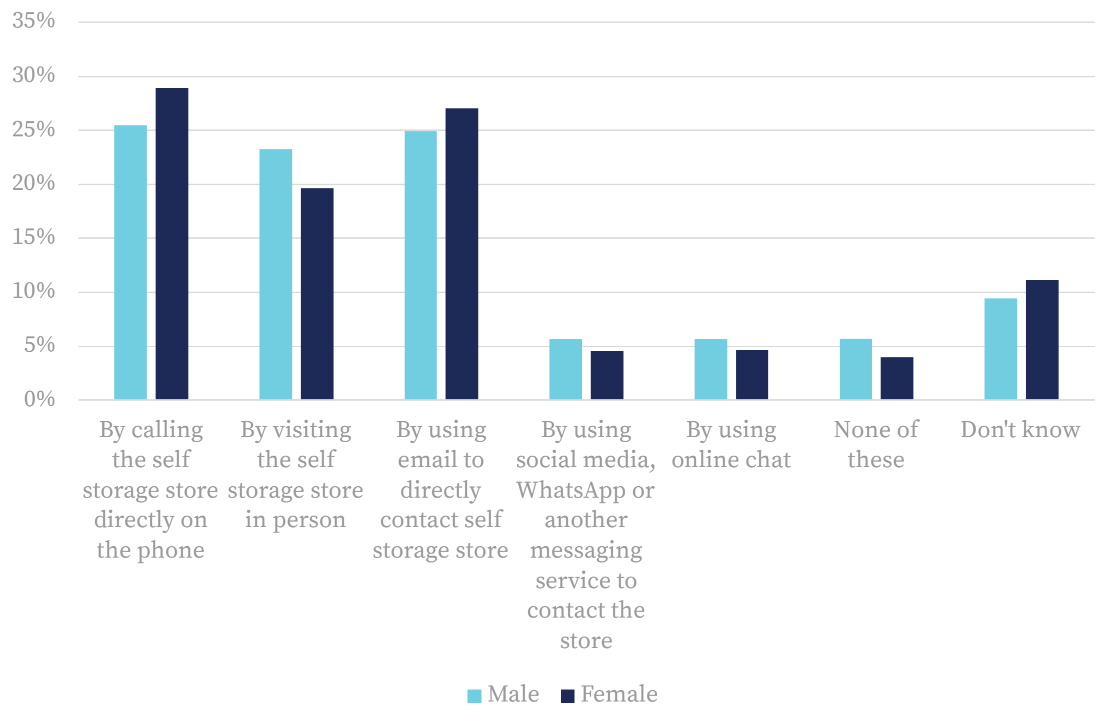
How would you prefer to contact a store to make a booking?



Breaking the data down by age reveals trends consistent with earlier findings: younger demographics are more likely to use social media and online chat, and less likely to email or visit a store in person. The 55+ age group is more inclined to visit a store to make a booking. Gender differences are also apparent, with men more likely to visit a store, while women show a preference for calling by phone or sending an email.

While it may be tempting for operators to steer customers towards phone or in-person interactions, methods that often make the sales process easier and improve conversion rates, this data highlights the importance of offering a true multi-channel approach. Providing multiple contact options ensures that customer preferences are met. It will be interesting to monitor whether the use of social media and online chat continues to grow over time, particularly as AI reshapes the way people interact with businesses online.

How would you prefer to contact a store to make a booking? (By gender)



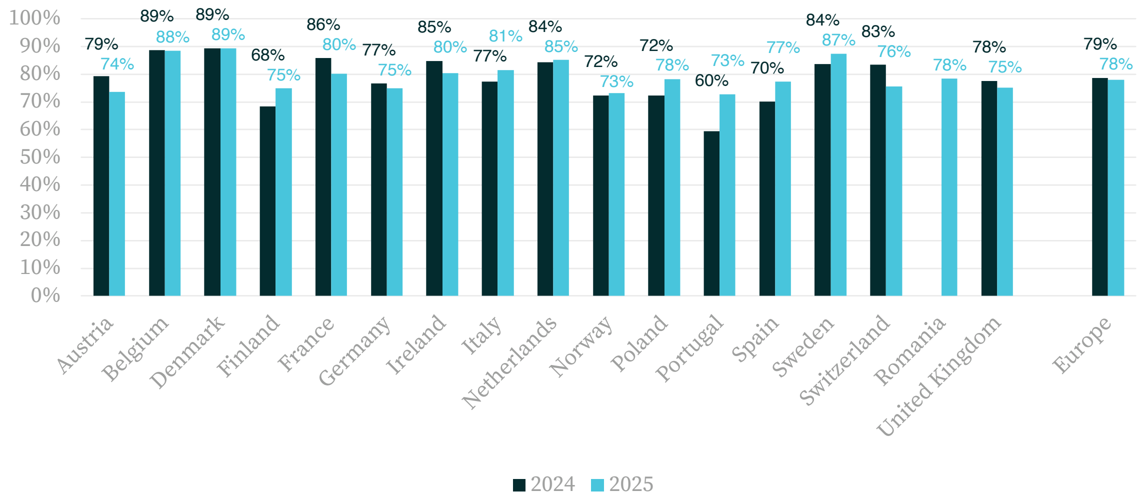
03

Income Metrics

Occupancy changes vary between countries

The 12 months to April 2025 were a challenging time for the industry. The ongoing impact of inflationary pressures, numerous elections, and political uncertainty, along with a softening of the residential property market in most countries, combined to impact demand for self storage. Whilst demand continued to grow, it was not at the levels seen previously. Combined with more supply entering the market than in previous years, there was also more competition for customers. This led operators to consider their pricing and discounting policies. In many markets, up-front discounting increased as a means for operators to increase their occupancy. However, not all operators chose to focus on occupancy; others instead pushed up rental rates, particularly on existing customers, potentially sacrificing some occupancy to increase overall revenue from storage space. This resulted in mixed results in terms of both occupancy and revenue, but when balanced out, most businesses increased their levels of profits overall.

Occupancy



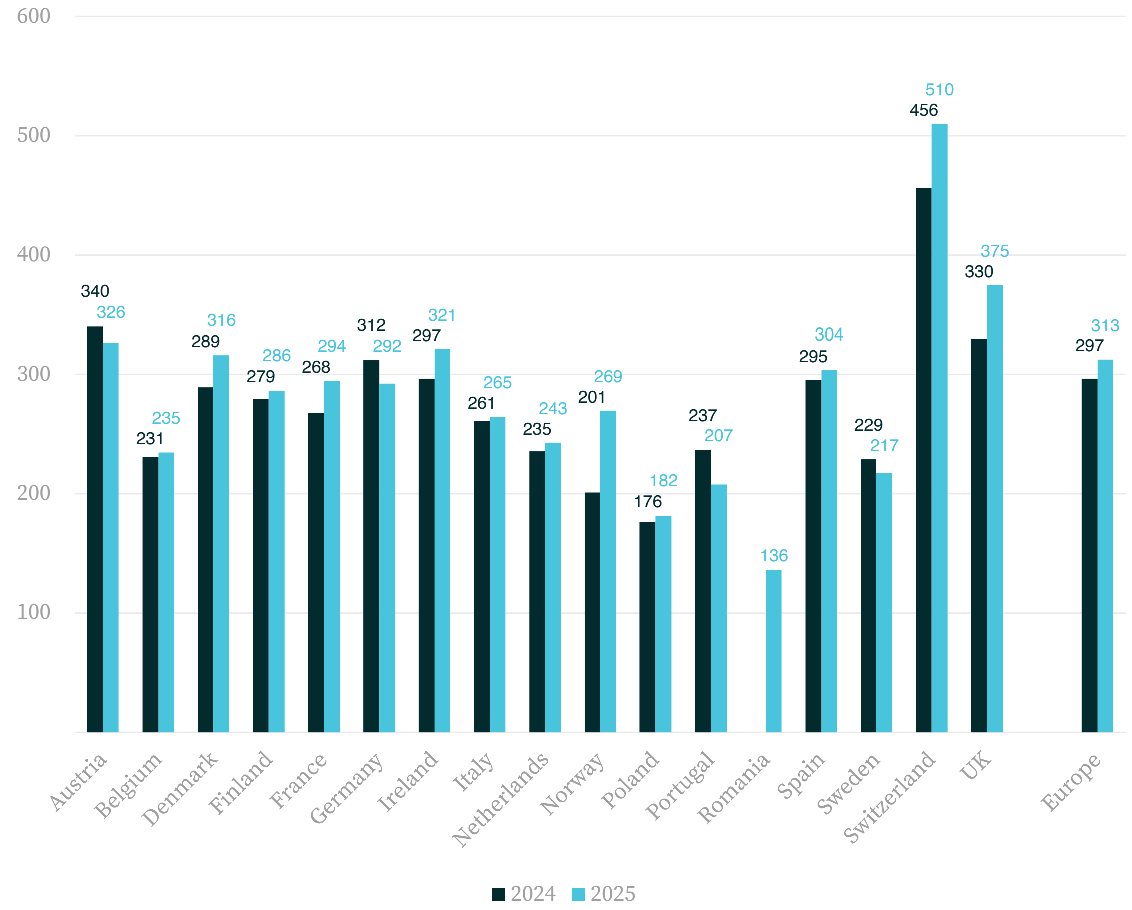
Overall, occupancy across Europe dropped by 0.8 percentage points. As the chart shows, this averages out some countries like Spain, Portugal, Finland and Poland, who all increased occupancy by more than 5 percent, while Switzerland, France and Austria, all saw drops of more than 5 percent.

This data needs to be considered alongside the following revenue growth chart to evaluate if the occupancy changes are a result of pricing decisions or reflective of other influences from the broader market.

Rental rates increase in most markets

Rental rates per square metre of occupied space across Europe increased by 5.4 percent to €312.56. This is significantly more than the drop in occupancy, indicating the industry overall was more profitable in terms of income from storage space. Once again, we can see that some countries have more aggressively pushed rates, while others, like Sweden and Germany, have seen a decrease in rental rates from storage space. Note also that all figures have been converted into Euros, so currency conversion changes can also affect comparison of rates somewhat.

Average rental rate for storage space per square metre of occupied space ex VAT (€)

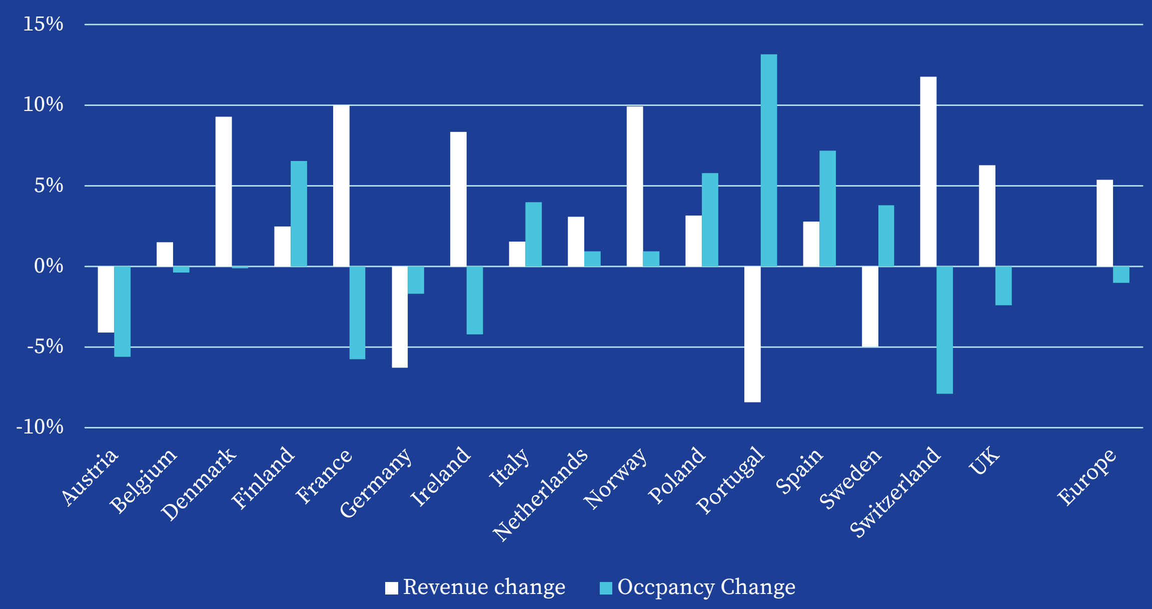


Different approaches to pricing and occupancy

This chart more clearly shows how each country has performed in totality by showing how both occupancy and revenue have changed. You can see the countries that are pushing rates while potentially losing occupancy, and those that have managed to increase both rental rates and occupancy. Germany and Austria stand out as the only markets that dropped both occupancy and revenue. They are also the markets with the largest amount of small, micro stores, which could be influencing the results. Portugal is a developing market with more stores in fill up stage. This would likely explain the push for occupancy at the expense of rates. Generally, a greater portion of customers take up front discounts, and churn is higher in younger stores. Most countries have increased rates or occupancy at a larger rate than they have dropped the other element, while some countries, such as Italy and Spain, have increased both to maximise their increase in overall revenue.

It will be interesting to see how this changes in the next 12 months and if those markets like Switzerland that have aggressively pushed fees, will be able to pick up the lost occupancy while maintaining strong fees if demand for the product increases.

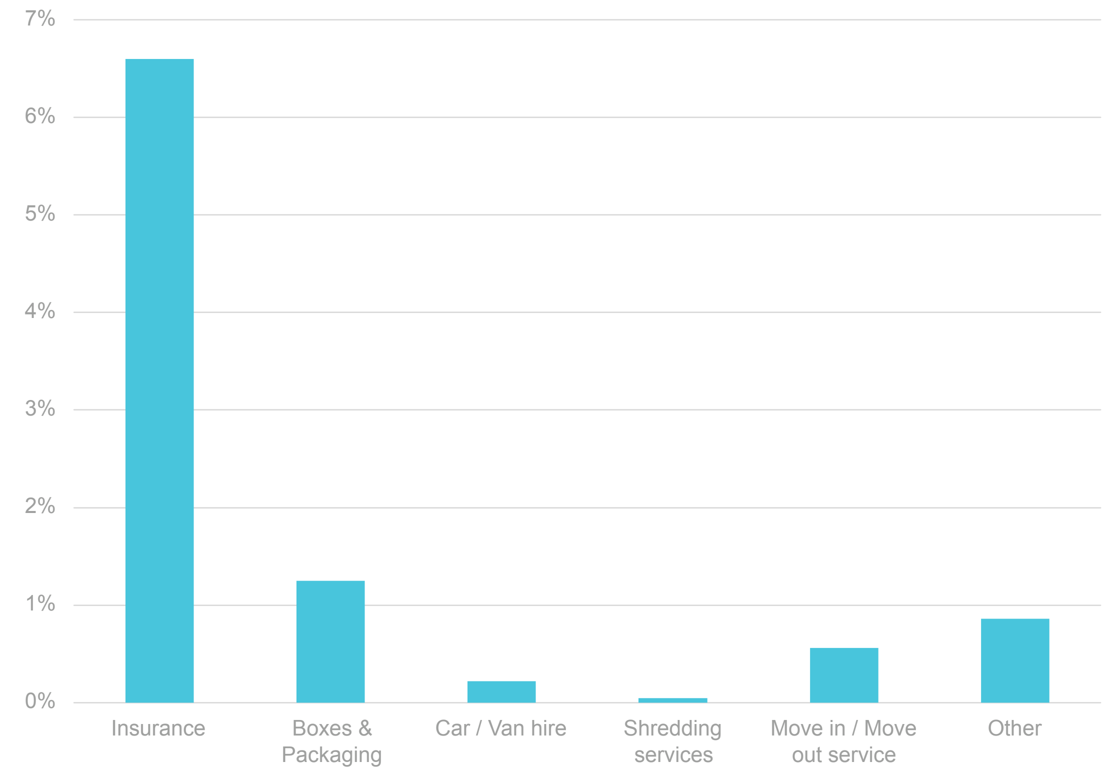
Change in metrics 2024 - 2025



Opportunities for increasing ancillary income

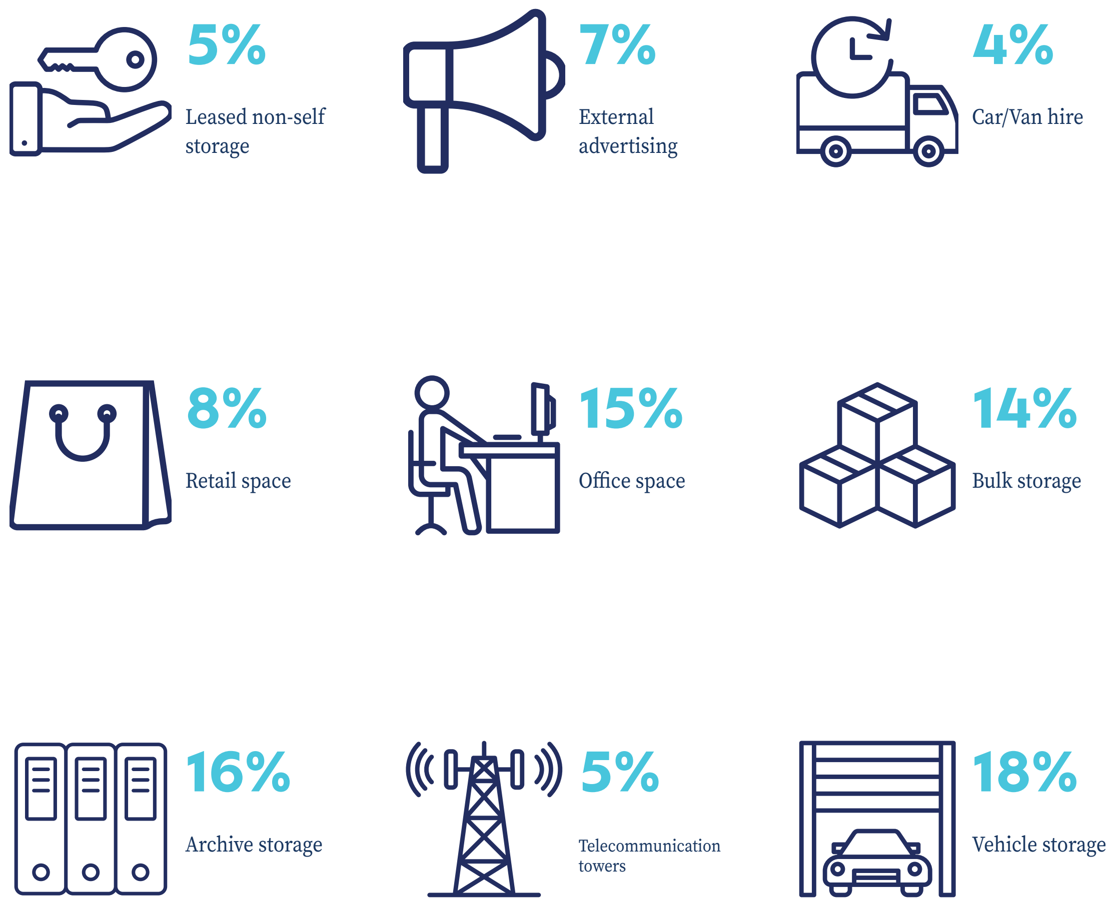
Operators continue to focus primarily on storage fees for revenue, with total ancillary sales making up less than 7 percent of revenue for most operators. Insurance income dropped slightly from last year, as many operators reduced the cost of insurance to further entice customers to use self storage. The sale of boxes and packaging as a percentage of total income is significantly lower in Europe than in markets like Australia and the USA. It is unclear whether that is because the market for these items is more competitive in Europe or because operators are not pushing sales of these items as aggressively. They often try and upsell to customers on packaging, especially with online transactions. Comparing this to other markets where every customer is offered a packing solution, and they have a much more retail-focused approach to packing sales.

Additional income from customers as a percentage of total income



Operators are focussed on using their buildings for additional income streams other than just traditional self storage, with around 90 percent of stores having some form of additional revenue from their facility. Car/Van hire has also been steadily increasing over the past few years, as has external advertising.

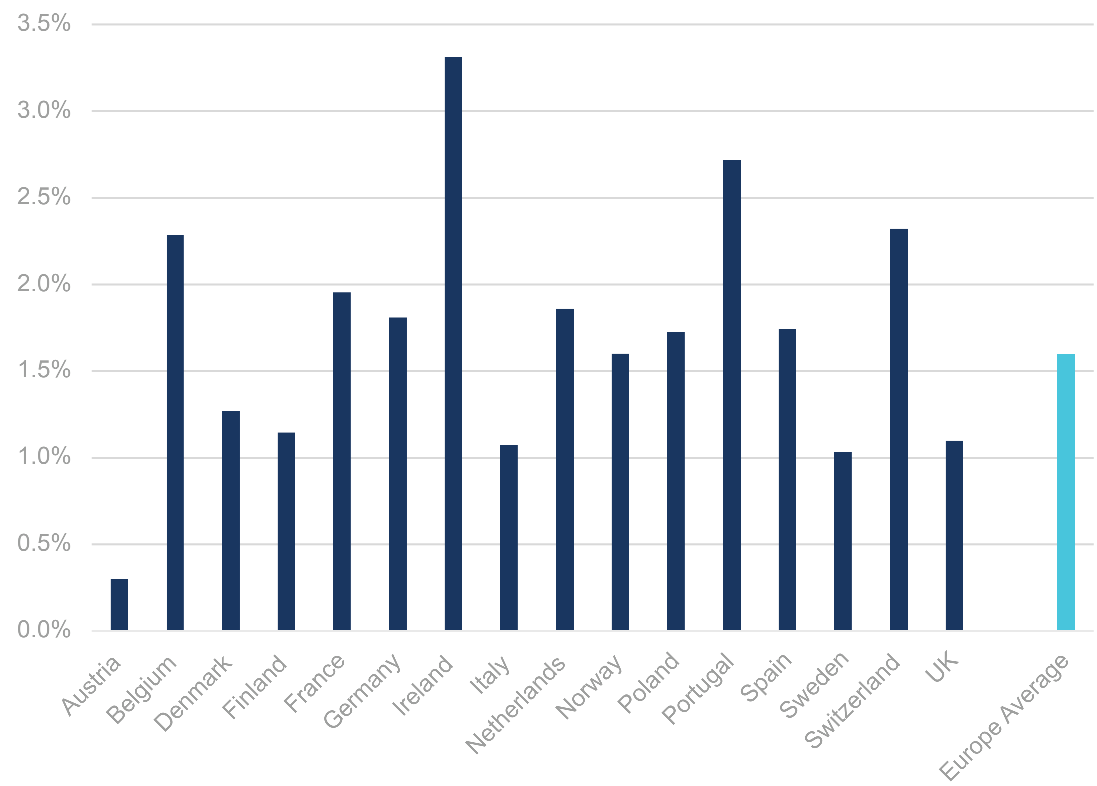
Percentage of stores with additional income from external sources



Small increase in debtors

The self storage industry has a low level of customer debt compared to many other industries. The ability to prevent customers from accessing their goods if storage fees are unpaid is a good incentive for customers to pay their storage fees on time. Contracts are usually renewed on a monthly basis, so customers can also remove their goods from storage and terminate the contract relatively easily if they are no longer able to afford their storage fees. The level of debt across Europe did increase from 1.15 percent to 1.6 percent, another indication that greater economic conditions are making it harder for people to afford self storage. Interestingly, countries like Switzerland that aggressively increased their rates also had a larger increase in bad debt.

Debt over 30 days as % of total storage income

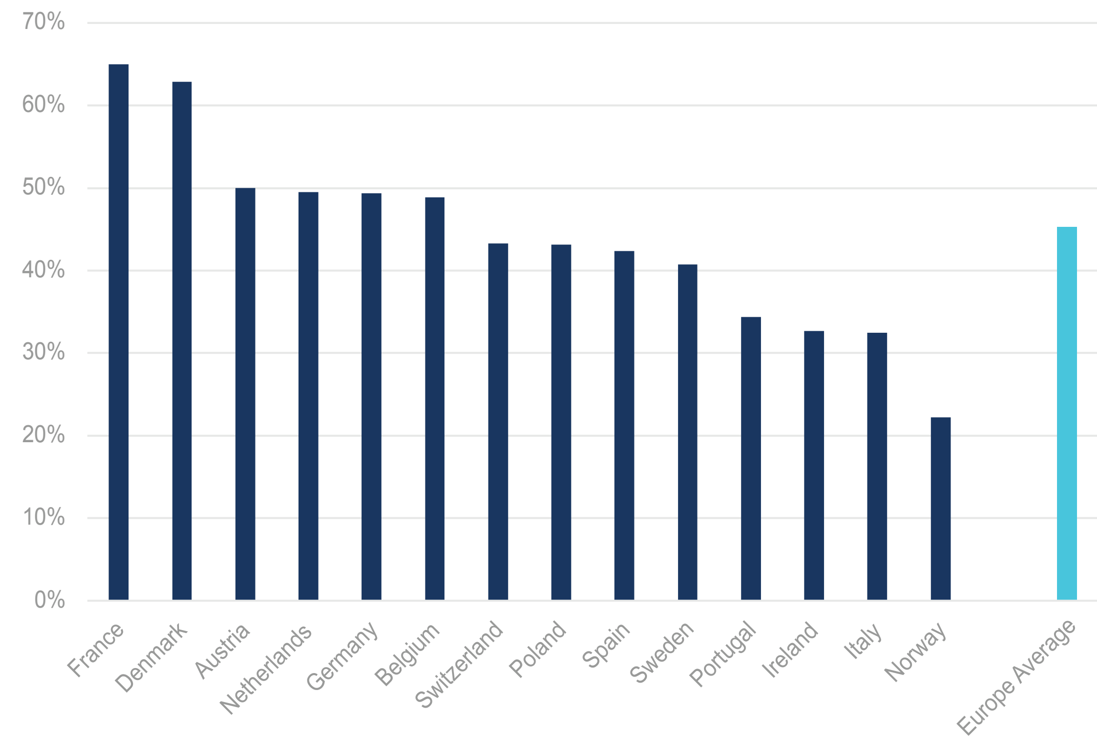


Solid EBITDA expectations

Operators were asked for their expected stabilised EBITDA expressed as operating profit as a percentage of gross revenue. Operating profit should be gross revenue minus all store level costs (including rent paid to third party property owners but excluding head office, management or owner's costs) and before any adjustments for interest, company/owner's tax, depreciation or amortisation.

It is interesting to note the differences between countries expectations as some are significantly higher than others. It might have been expected that more mature markets had higher EBITDA, which is largely true. However, Poland bucks this trend being a developing market and Sweden would be generally considered more mature than Denmark. There is also no pattern in terms of the size of the market or the level of consolidation and impact of larger operators.

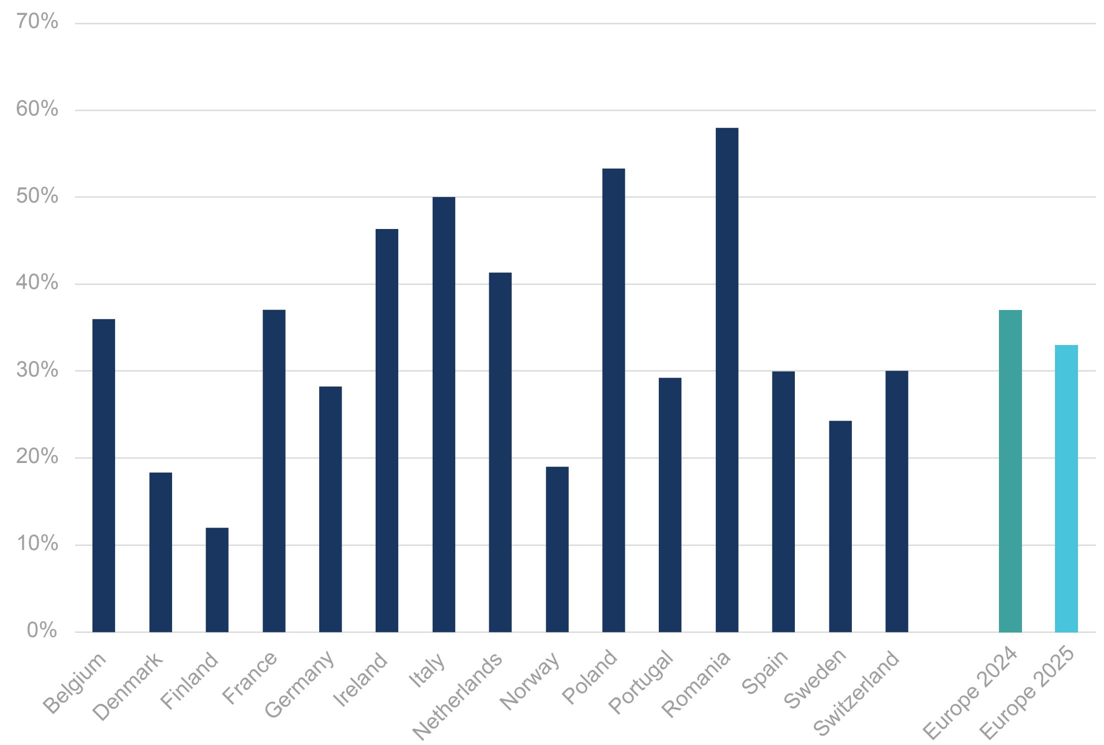
EBITDA expectations by country



Increase in personal use customers

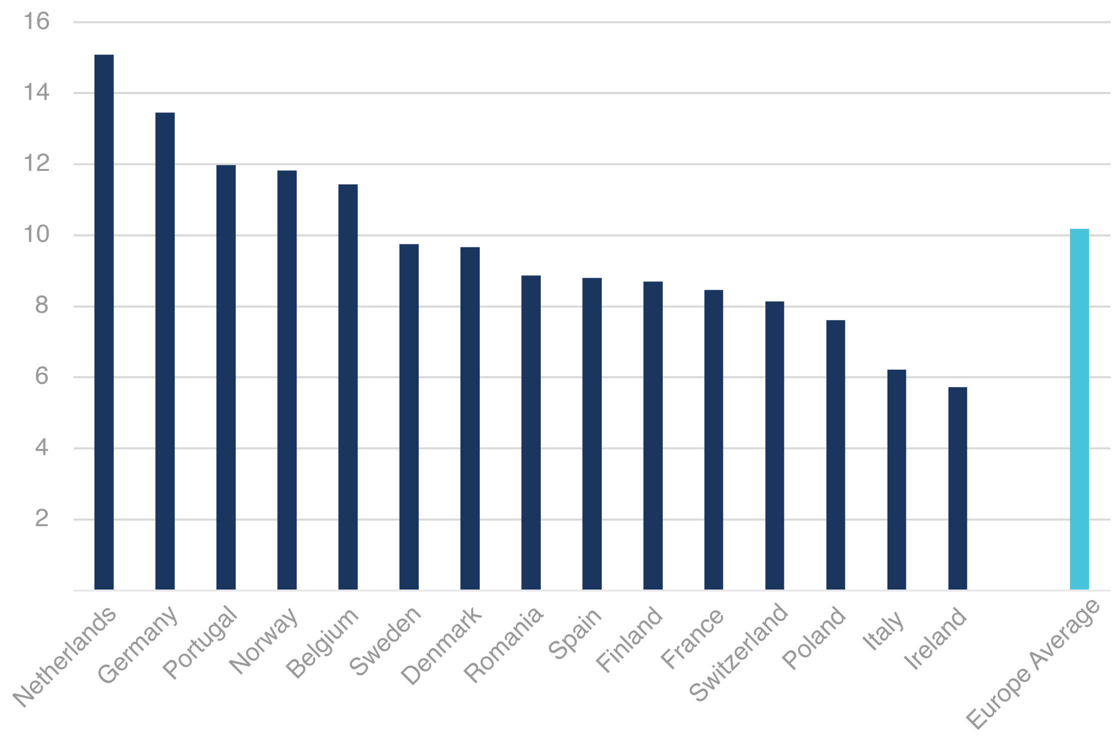
For the first time since this report was produced, there was a significant drop in the percentage of space taken by commercial customers. Commercial use had been slowly increasing over recent years but dropped 4 percent for the period of this report. Commercial customers are often preferred by operators as they stay longer and can be perceived to have less chance of defaulting on payments. However, they also take up larger units which generally earn less income per square metre than smaller units. It is not unusual for self storage businesses to actively seek large commercial customers during fill-up, to quickly increase both occupancy and revenue. Once at maturity, these larger units can be broken down into smaller units that can be more attractive to personal use customers and return more revenue per square metre. Self storage units are rarely priced lineally, a large unit is cheaper than the same space made up of smaller units.

% of occupied space taken by business customers



The average length of stay increased significantly during the pandemic years and has been gradually decreasing ever since, but remains well above levels seen in 2019, pre-pandemic. Care must be taken when considering the average length of stay, as it encompasses a broad range of data and can be measured in different ways. Customers tend to fall into two groups. Short stays typically stay 3 – 9 months, and long stays typically stay 2 years or more. The average length of stay averages both these groups. As a store matures, it will gain more long-term customers, so the average length of stay will usually increase. However, some operators only measure length of stay when a customer moves out, which can result in “lifetime” customers being missed from the calculation. Others take a snapshot at a given point in time, so customers who have just moved in, show as a short stay. Generally, the industry underestimates the average length of stay overall.

Average length of stay in months



04

Store Features

Technology changing the industry

Technology is changing the self storage industry in Europe. An industry where stores traditionally required very little investment in capital improvement or maintenance once established, is now faced with decisions on implementing new technology to maintain security, improve the customer experience, and facilitate a smoother online sales process. They may also be considering investing in sustainability improvements to either reduce energy costs, comply with regulations, or potentially increase the value of their stores to purchasers.

Technology has also resulted in an increase in remotely managed stores with fewer or no staff on site. This reduces staff costs but also opens up smaller sites previously not viable for staffed stores. The emergence of the micro store, some of which have as few as 20 units or less, is a result of improved access control systems, remote security, and operational management systems.

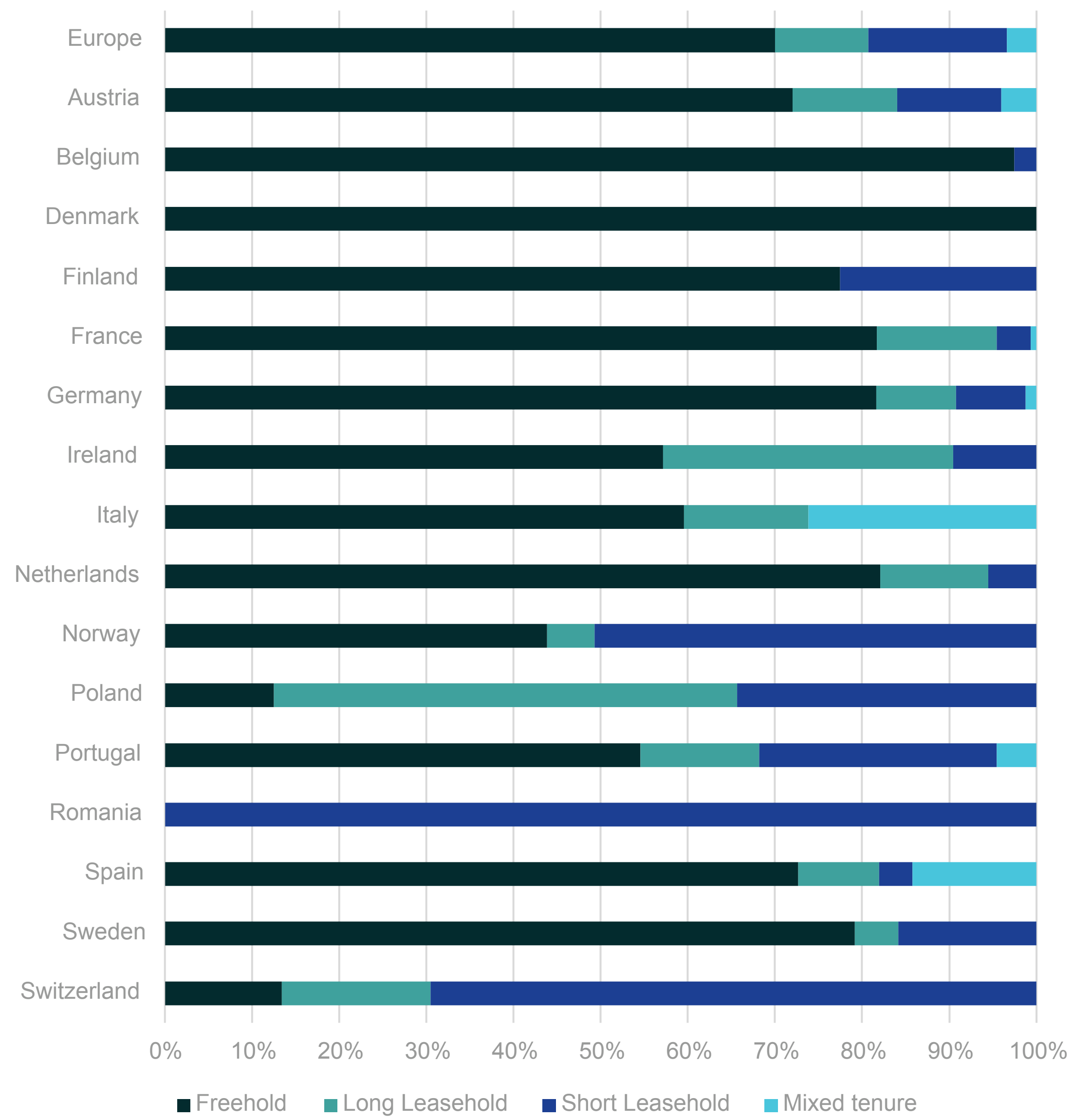
More customers are completing their entire self storage journey online, often with no personal contact with a staff member. Businesses must adapt their online systems and sales processes to deal with customers' expectations for a more seamless and customised online experience.

Leasehold sites increasing by necessity

Freehold property remains the preference for most self storage operators, allowing them to benefit from both the cash flow profits of a strong operating business and the improvement in capital value of the underlying property asset. The challenge for this model is that it is capital intensive and finding suitable freehold properties can be challenging, limiting the pace of growth. Some operators choose leasehold to access the market initially with less capital. Others, particularly container storage operators, can use leasehold to grow faster. Some operators will take a leasehold site in under supplied areas with a lack of freehold sites available. As a result, we are seeing a slow but steady increase in the number of leasehold sites in most countries.

Mixed tenure is also slowly increasing as operators look to partner with other businesses to maximise traffic to the site or potentially capitalise on a site too large for self storage alone. Often, self storage shares with retail establishments like drive through coffee, supermarkets or fast food. These kinds of businesses have a high daily footfall of people who may not be aware of self storage and can act as a marketing tool for the self storage business. They also seek the high profile sites that self storage does. Challenges can come when applying for planning for these mixed use sites, as often retail is in a different planning category than self storage. It can be easier from a planning perspective to share with offices and other light industrial businesses that have more similar zoning and planning restrictions.

Property Ownership



Online services increase

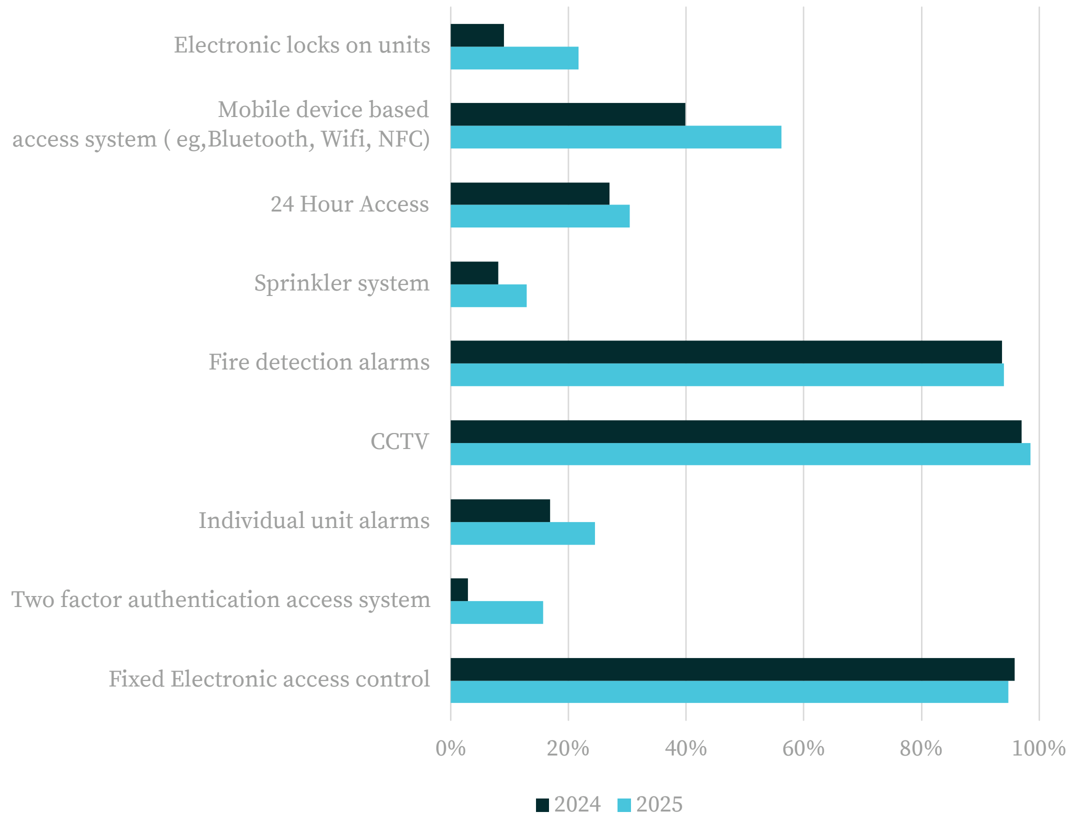
Not surprisingly, self storage businesses are offering more services to customers online. App usage has more than doubled, and almost half the businesses surveyed allow for customers to completely book and pay for their unit online. There have been some changes to the way in which self storage insurance is sold to customers in Europe, which has resulted in more operators offering self storage insurance to their customers, and even more allowing customers to sign up for insurance or a similar form of goods protection cover online.

Online features for customers

Operators invest in security

Security features in stores have also increased, as operators use improved technology to combat criminals looking to break into self storage. The decrease in fixed access control is due to some stores moving to a completely app-based access system, with no fixed terminals for PIN or card access required. The use of such systems increased from less than 40 percent of stores to 56 percent, largely through smaller unmanned stores, but also adoption from some of the larger operators like Shurgard. Currently, most operators are retaining the fixed access systems for those customers that do not have or want app-based access as part of the transition. We would expect to see more stores using only app-based access moving forward. Similarly, 2 factor authentication has increased in use and is often paired alongside app-based access.

Security features



Sustainability investment continues despite changing priorities

Businesses continue to invest in sustainability improvements, primarily in areas that will also reduce energy costs, such as LED lighting and solar panels. The uptake on electric vehicle charging points is likely to be driven more from planners and sustainable building guides than customer demand. Building standards like BREEAM are becoming increasingly referenced by planners. Having EV chargers is often a relatively easy way for businesses to get positive reviews for facilities, despite the fact that most self storage customers only stay on site for a short period of time and prefer to park their vehicles close to their unit or loading areas. The EV chargers are more commonly used by store staff.

Sustainability Features

89% LED Lighting

52% Passive Infrared Detection

39% Recyclable Packaging/boxes

35% Solar Panels

35% Electric vehicle chargepoints

23% Conservation measures

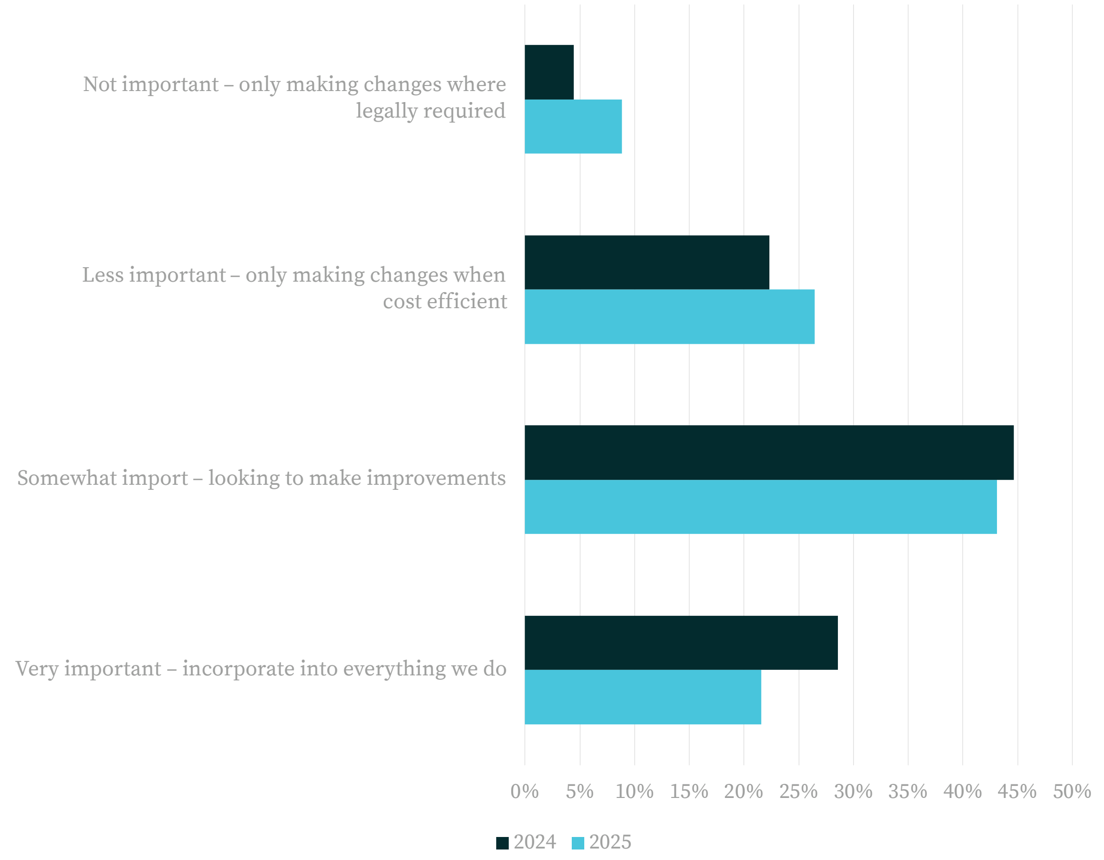
19% Wind turbines or other renewable systems

7% Green Roofs

4% Sustainable drainage systems

As is often the case in other industries, as business get tighter and costs are being more closely examined, sustainability improvements that have a less immediate impact on the bottom line can be delayed or dropped completely. Generally, the attitude towards sustainability improvements in the industry has lessened in the last 12 months. That said, 65 percent of operators still consider it somewhat, or very important, and are considering making improvements that are not immediately cost efficient.

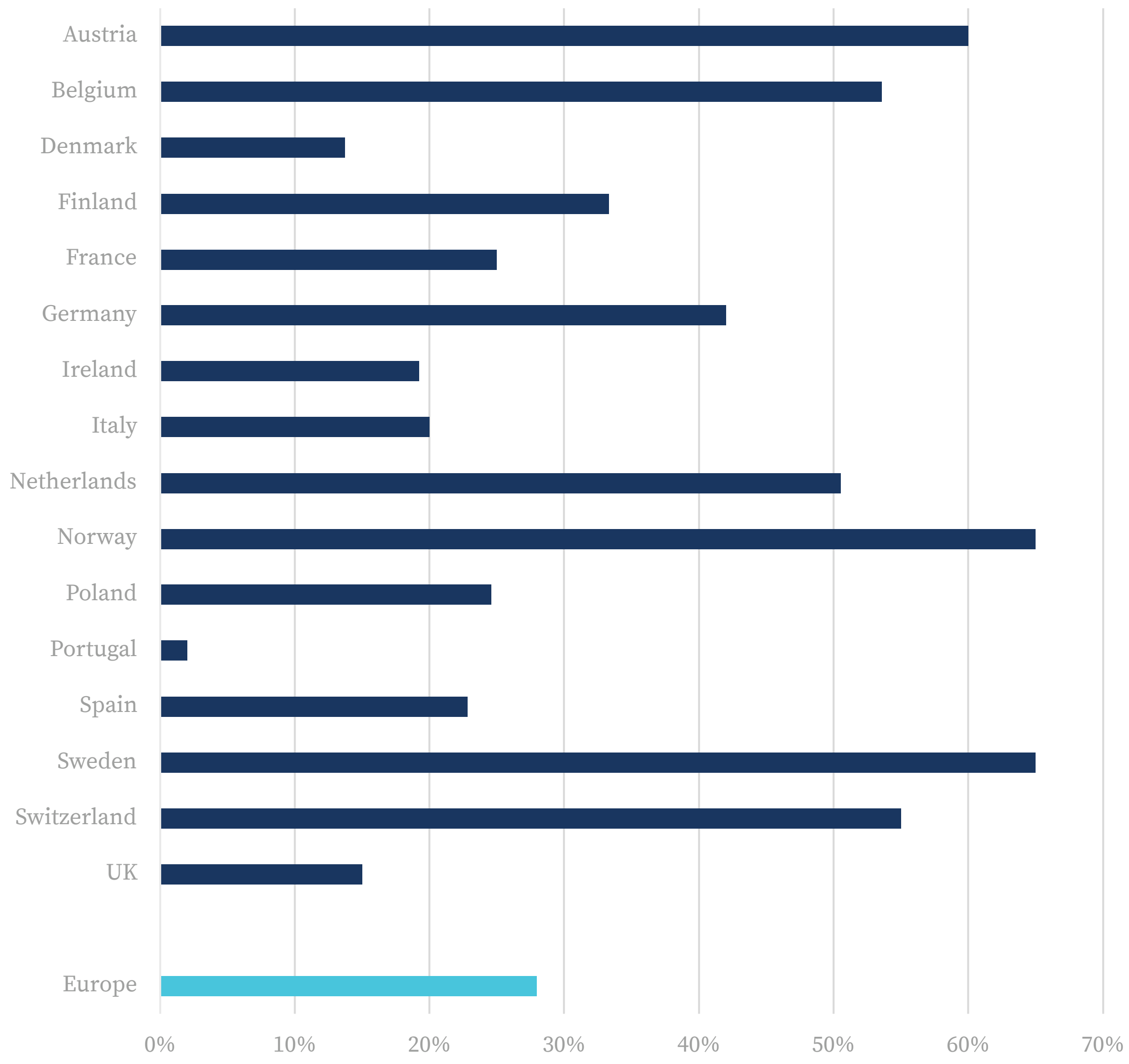
How important are sustainability improvements to your business



Growth in remotely managed stores

As has been stated previously, the number of remotely managed stores with no staff stationed permanently on site is increasing. These stores will have staff visit them for routine inspections and maintenance but have no customer service staff on site. The stores are typically smaller, so the total space under this system of management would be considerably less in most markets. The exception is Sweden, where one of the largest operators, Green Storage, has committed to remotely managing all of its stores. Austria, on the other hand, has the highest number of micro stores, which raises the percentage of remotely managed stores there. Germany also has a large percentage of micro stores. Adoption of remotely managed stores has been much slower in the UK and is largely limited to container stores and smaller independent operations.

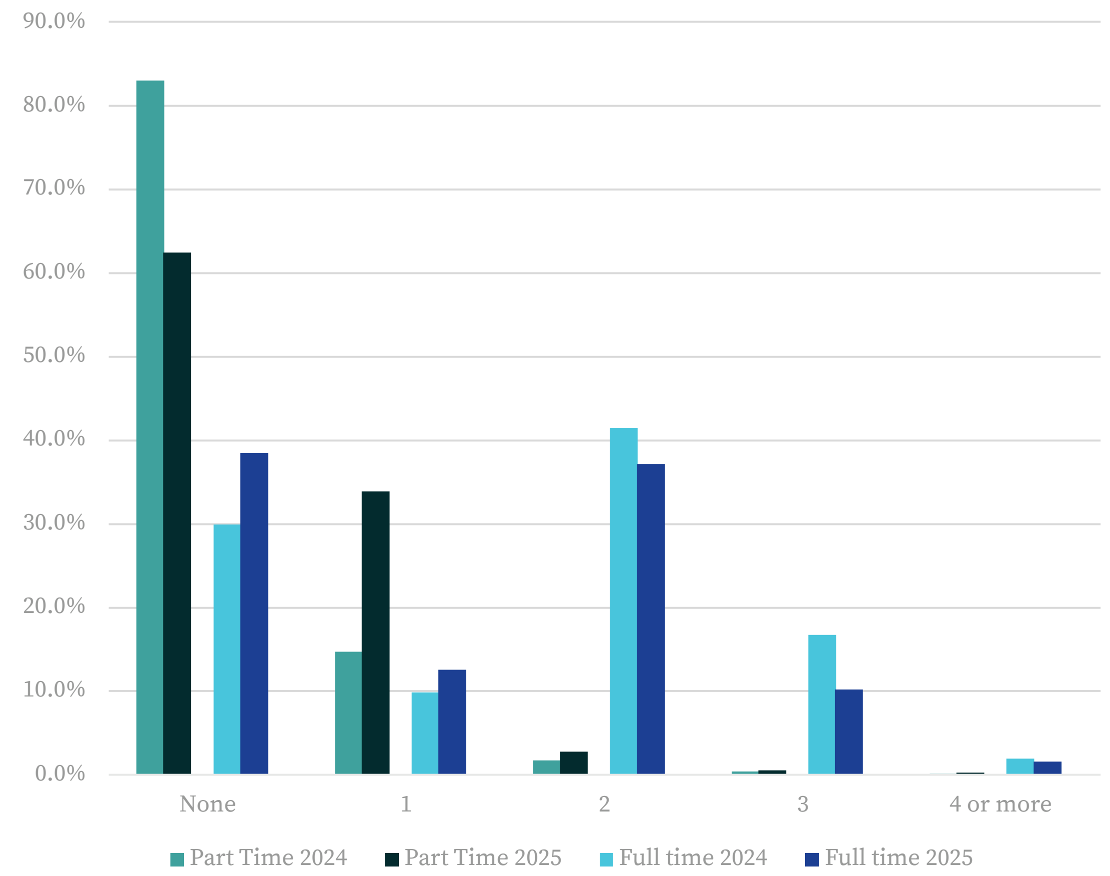
Percentage of remotely managed stores



Staffing mix changes

Not surprisingly, with the increase of remotely managed stores, there is also a decrease in staff per store and an increase in use of part time staff. Even larger stores that are operated by businesses not looking to go staff free, are using technology to centralise more sales related tasks that were previously performed by store staff, resulting in less staff required in stores. Some stores are also decreasing the hours that they are manned.

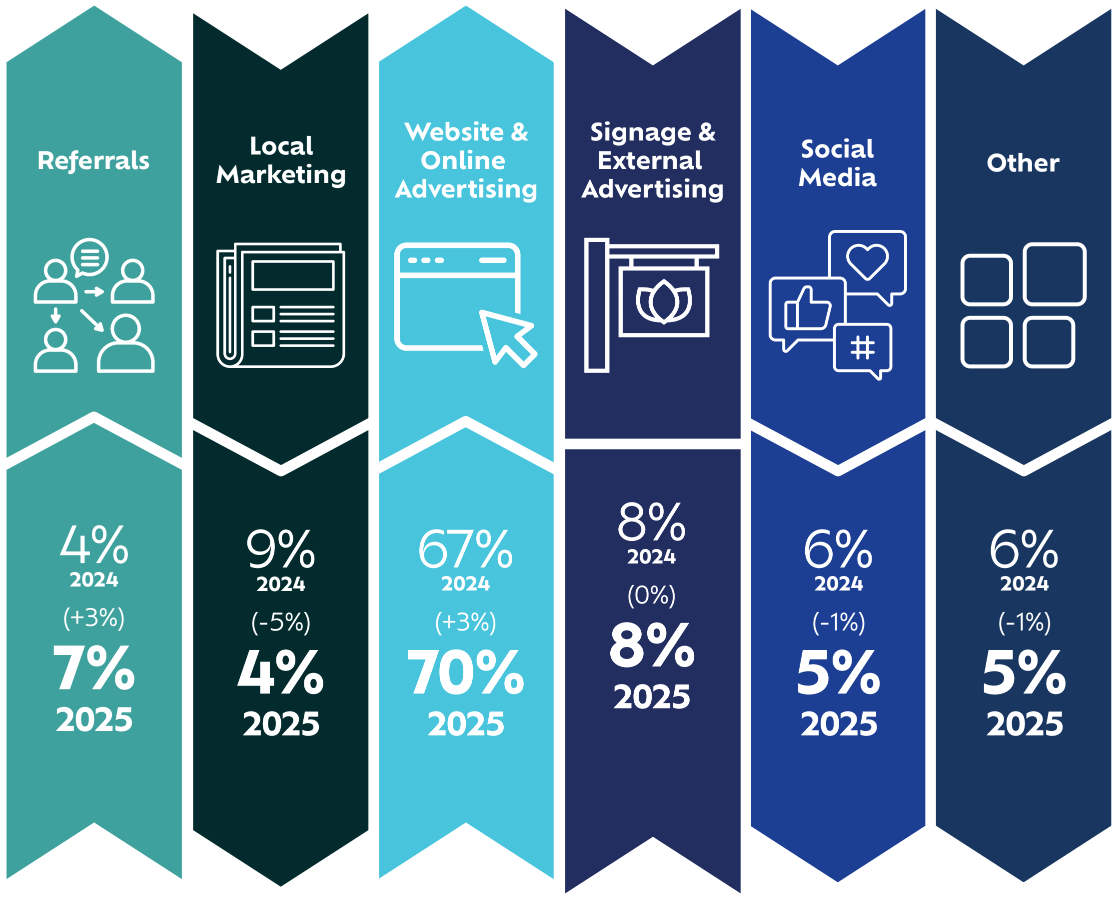
Number of staff per store



Online enquiries continue to grow

There continues to be a growing number of customers sourced via online methods. What is interesting is that the only other medium to increase enquiries was offline marketing. We are seeing more operators committing increasing amounts of their marketing budget to offline marketing, with messaging specifically appealing to people who may not be purposely considering using self storage. The aim being to attract more new customers to both the stores and the industry, rather than fighting for people already actively seeking self storage online.

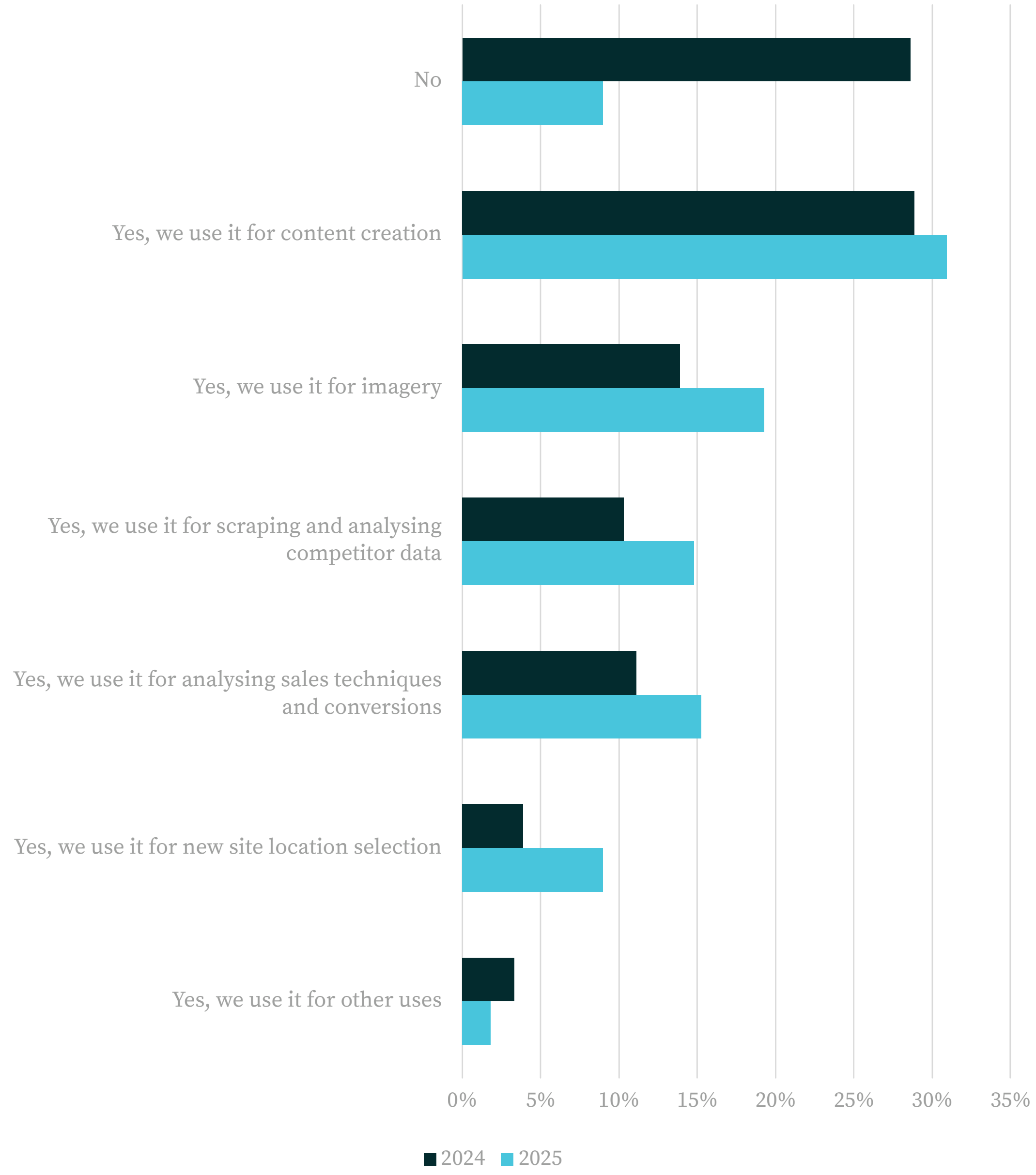
Source of enquiries



Businesses invest in Artificial Intelligence

Operators continue to explore the use of AI to improve their business, with over 90 percent of businesses now using AI in some form. There is also more use of AI for data analytics rather than simple content creation and imagery. Third party applications specifically designed for self storage using AI for pricing models, site selection and data analysis are now available for operators in Europe. This makes the technology accessible even for operators with limited technical understanding of AI.

AI Use



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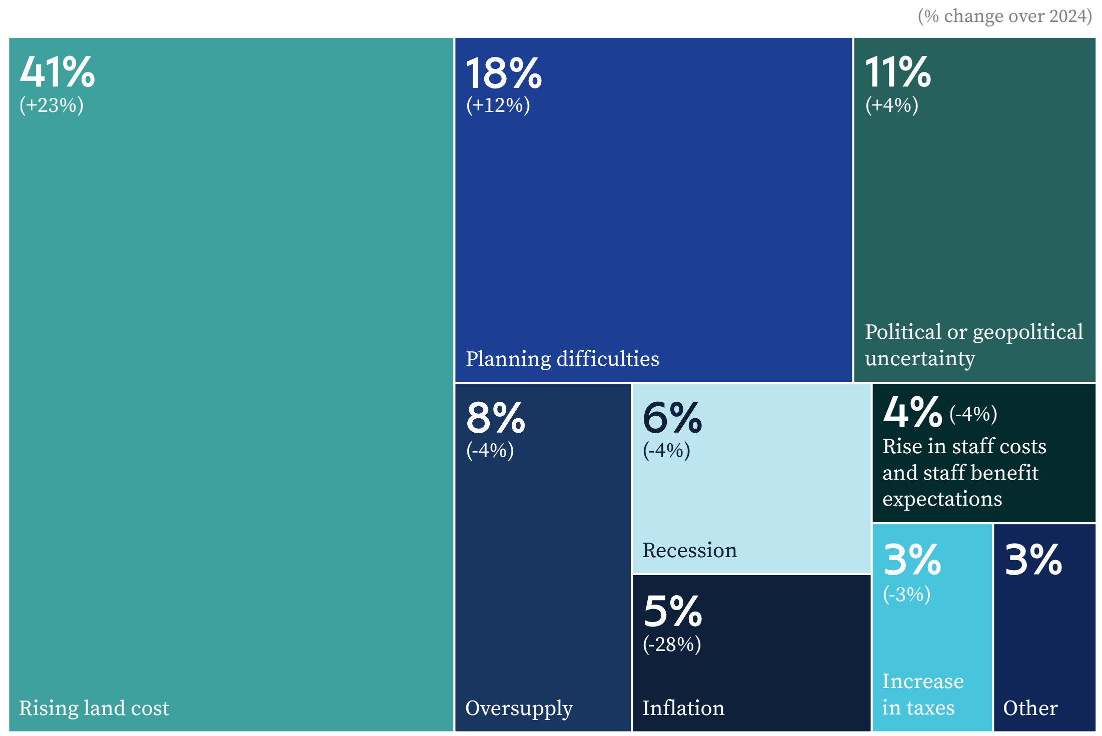
05

Future Expectations and Challenges

Concerns shift to land costs

After a somewhat challenging year, operators are mostly upbeat about the future of the industry, predicting solid growth in profits and rental rates with a slightly more cautious outlook on occupancy growth. While the industry continues to grow there are indications that the amount of space being added over the coming couple of years will be less than the record breaking growth experienced since post pandemic 2022.

Concerns of operators

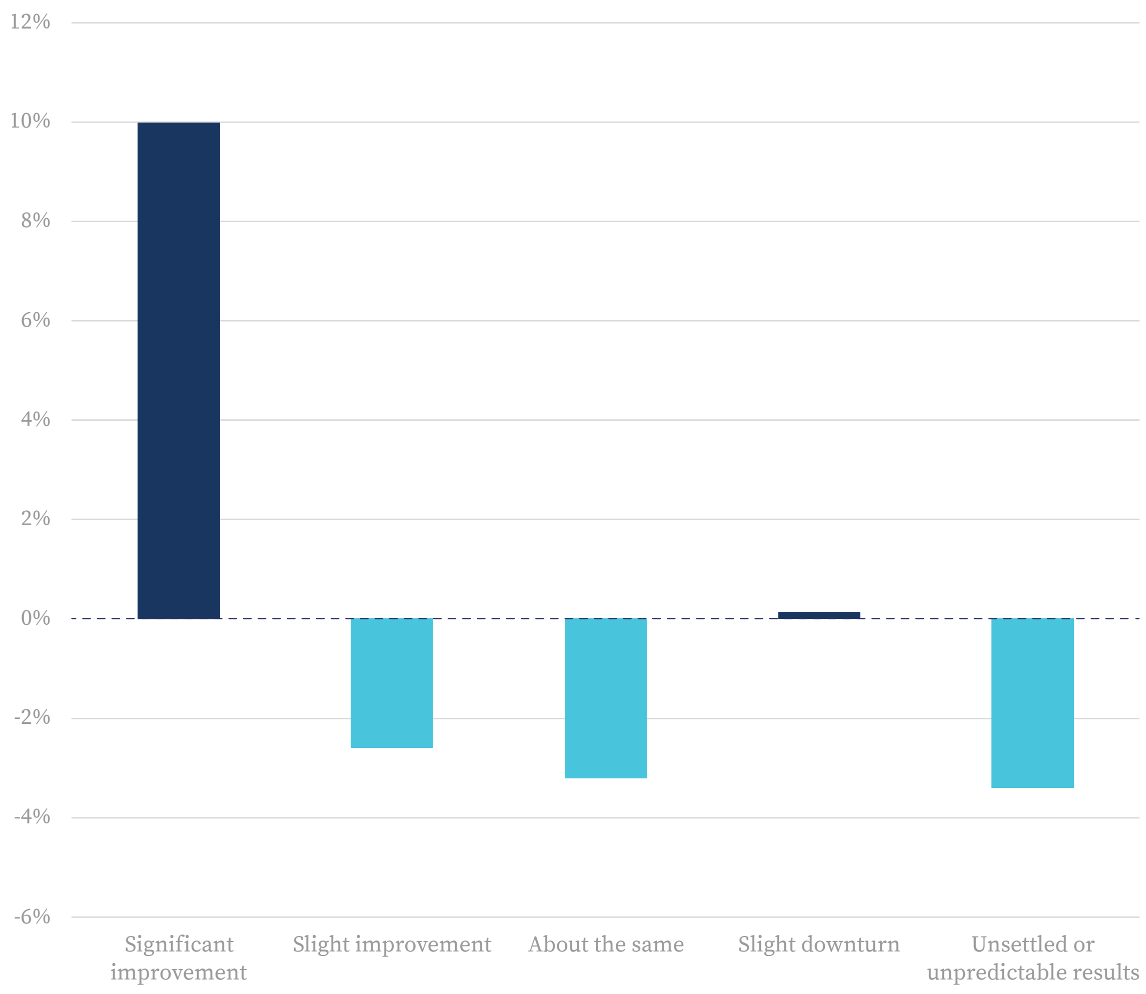


While inflation was the main concern last year; the cost of land is now the most considerable concern for over 40 percent of operators. Access to suitable property for development is becoming increasingly difficult, and this is one reason the growth is expected to slow slightly in the coming years. Planning difficulties also grew in concern considerably, so operators are worried that expanding their business will be difficult. Oversupply is less of an issue, all indicators are that operators are finding it more difficult to develop new stores.

Operators optimistic for future profit growth

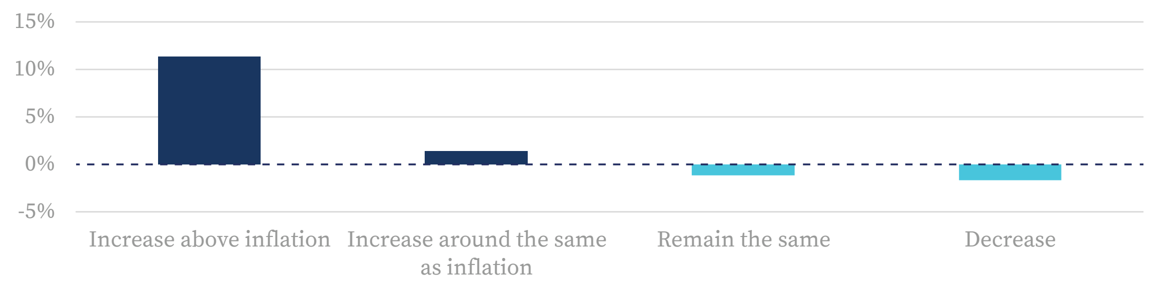
There is a big shift in operators believing there will be a significant improvement in profits. This could be due to some business's profits not being as good as expected in the past 12 months, so they then see room for improvement. That said, it is comforting that they are confident of improvement, and not necessarily anticipating another difficult year.

Profit expectations % difference from 2024

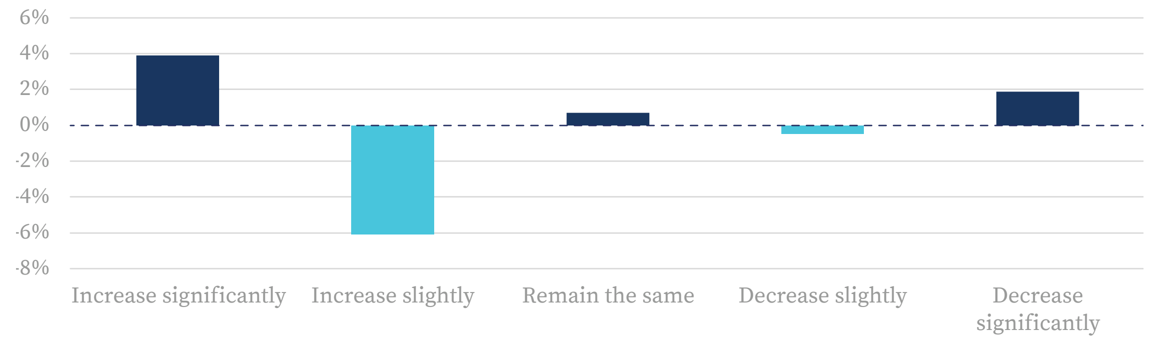


It is clear that operators believe the improvement in profits will come largely from rental rate increases. They are possibly considering reducing discounting, or it could be they hope to be able to maintain the increased levels of rental increases obtained during the inflationary period, even though inflationary rises have since eased.

Rental rate expectations % difference from 2024



Occupancy expectations % difference from 2024

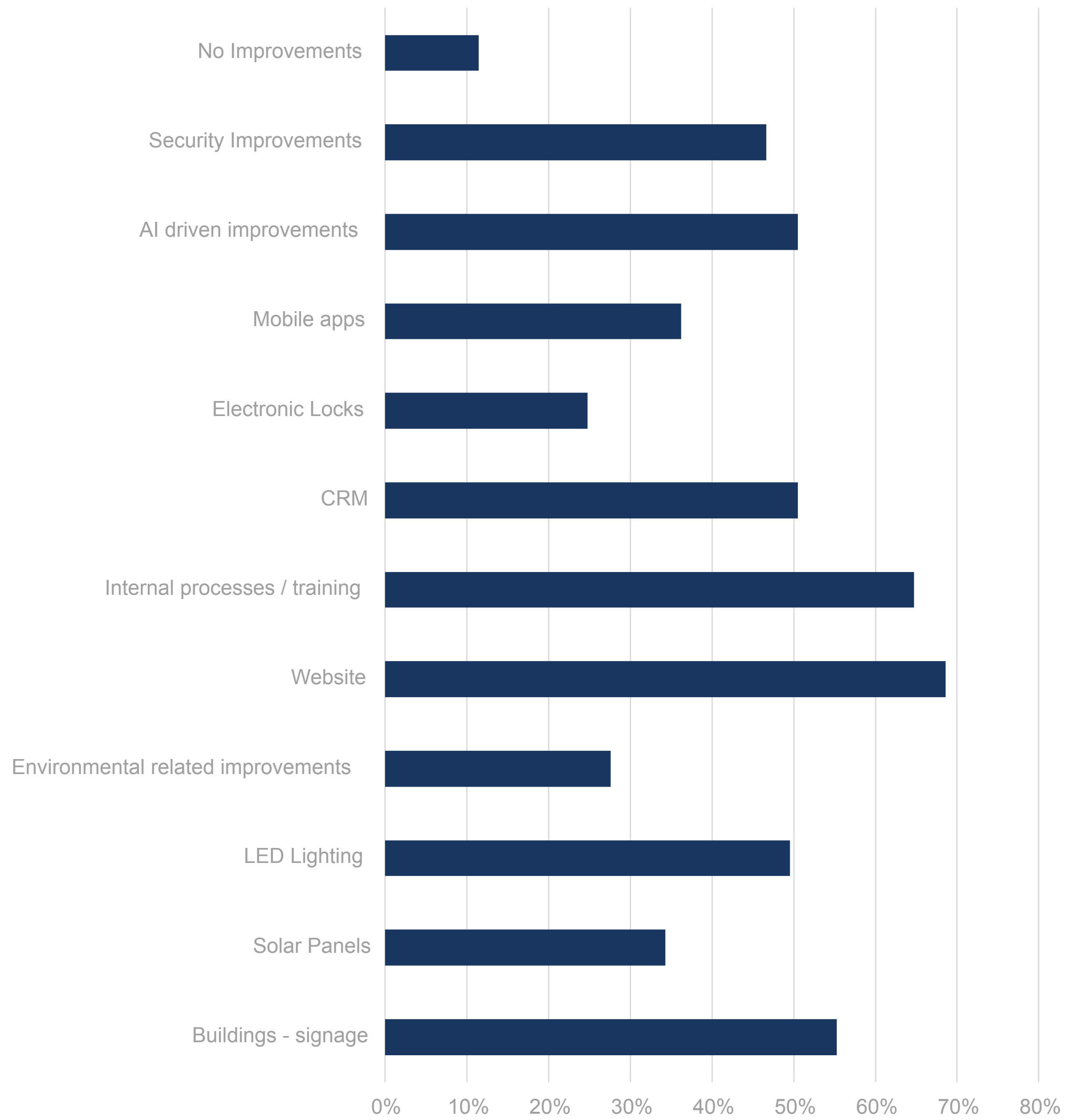


Expectations for occupancy growth are a little more cautious, with some thinking occupancy will fall significantly. Bearing in mind that if a store is already at mature occupancy there is no way of improving this significantly so any increase in profits will need to come from rental increases.

Investment in store and business improvements grows

Operators continue to invest in their stores with 89 percent considering some form of investment in capital or IT improvements, the most in the last 6 years. Unsurprisingly, the biggest growth is in AI driven improvements. Operators investing in security, increased by 18 percent, while the number of businesses investing in sustainability improvements, softened slightly.

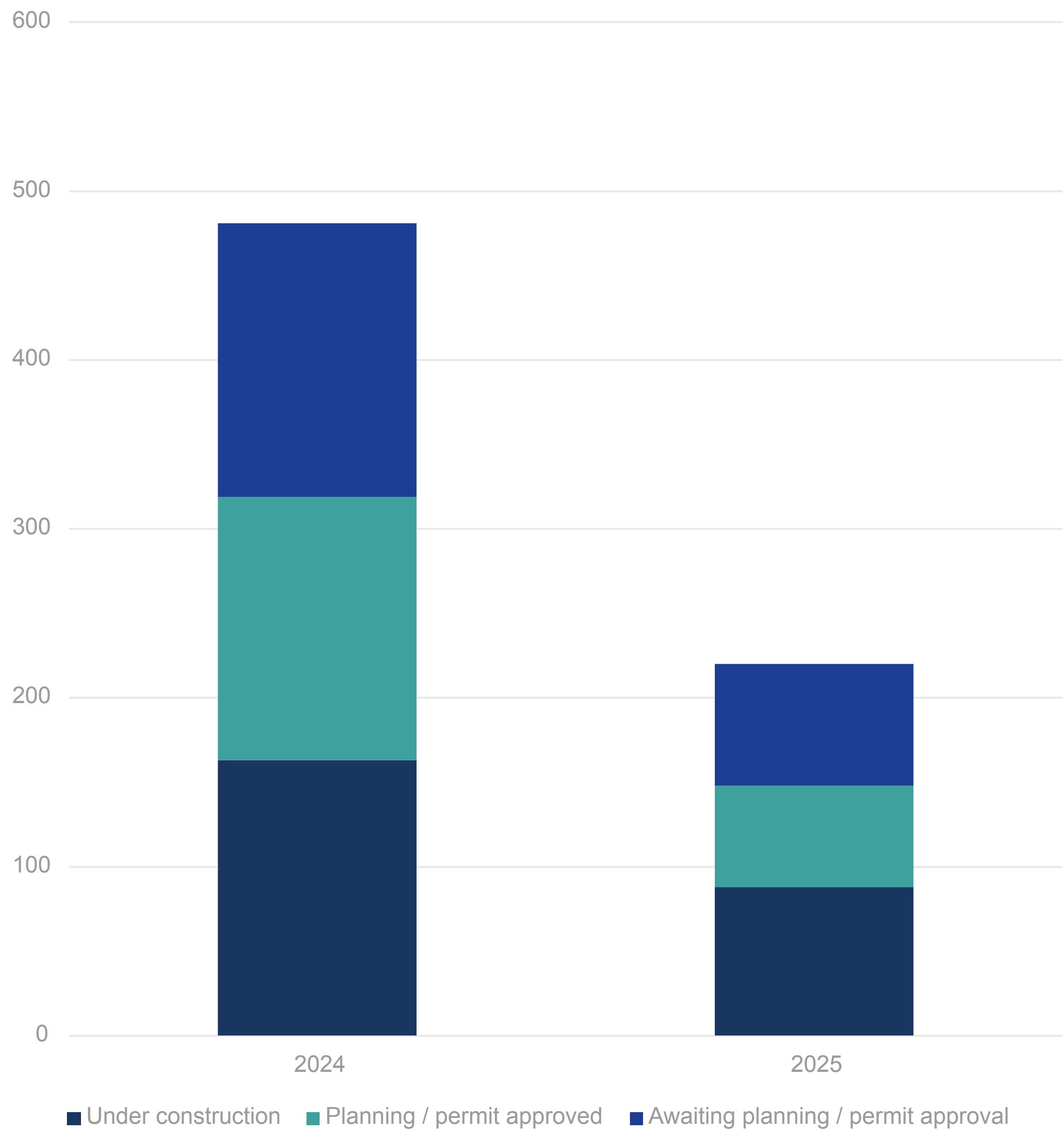
Future investment



New development slows from record highs

This chart shows that the record strong growth of the industry over the past few years is slowing down. This data only represents stores from the sample group and should not be considered representative of the total growth of the industry. It does however indicate that fewer stores are in development or planning than previous years, as operators struggle to find suitable property for development. Extended times for approving planning in most countries is also slowing down the opening of new stores.

Sites in development excluding UK



06

FEDESSA Membership

FEDESSA accredited members

- **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 and Austria)

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