

# Self-Storage Feasibility Study

Southern Grove, Port St. Lucie, FL

Presented by LandPark Advisors



LANDPARK

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## Population

Port St. Lucie is a city located in St. Lucie County, Florida. It is the most populous municipality in the county with a population of 204,851 for the 2020 census. It is located 125 miles southeast of Orlando and 113 miles north of Miami. The Port St. Lucie Metropolitan Area includes the counties of St. Lucie and Martin and as of 2016 had an estimated population of 465,208. Port St. Lucie is also contained within the Miami - Fort Lauderdale - Port St. Lucie Combined Statistical Area with an estimated population of 6,832,588.

The city of Port St. Lucie had a population of 204,851 according to the 2020 Census, which represents an average annual 2.46% increase over the 2010 Census amount of 164,603. The city of Port St. Lucie added an average of 4,025 residents per year over the 2010 – 2020 period, and its annual growth rate is greater than that of the state of Florida. The current metro area population of Port St. Lucie in 2022 is estimated to be 545,000, and the city’s expected growth is projected to continue to outpace Florida’s growth. In addition, the state of Florida has already seen unprecedented population growth projections showing that Florida’s population will increase to 26 million people by 2030.

Population Trends - Port St. Lucie, FL			
	Population		Annual % Change
	2010 Census	2020 Census	2010-2020
Port St. Lucie, FL	164,603	204,851	2.46%
Florida	18,801,310	21,538,187	1.52%
Source: United States Census Bureau Data			

## Employment

Despite the effects of Covid-19, the average annual employment for 2021 in the Port St. Lucie MSA was 218,102 jobs. From 2011 to 2021, employment grew by roughly 46,000 jobs, equivalent to a roughly 27% gain over the entire period.

A comparison of unemployment rates is another way of gauging an area's economic health, where a higher unemployment rate is a negative indicator. Over the past decade, the average Port St. Lucie MSA unemployment rate of 5.8% has been comparable to the Florida rate; however, over the past decade the Florida unemployment has slightly outperformed the Port St. Lucie MSA unemployment rate. Recent data for unemployment in 2021 has shown the Port St. Lucie MSA unemployment rate averaging around 4.7%, in comparison to Florida's unemployment rate averaging around 4.8% for 2021, which is a positive sign for the Port St. Lucie MSA economy.

**Employment Trends - Port St. Lucie MSA**

Year	Employment (Annual Average Total)				Unemployment Rate (Ann. Avg.)	
	Port St. Lucie MSA	Change	Florida	Change	Port St. Lucie MSA	Florida
2011	171,704	-	8,333,319	-	11.6%	10.0%
2012	174,885	1.82%	8,529,774	2.30%	10.4%	8.7%
2013	177,907	1.70%	8,708,973	2.06%	9.4%	7.5%
2014	183,959	3.29%	8,931,062	2.49%	7.6%	6.4%
2015	189,333	2.84%	9,108,453	1.95%	6.1%	5.5%
2016	195,381	3.10%	9,360,141	2.69%	5.5%	4.9%
2017	200,763	2.68%	9,605,686	2.56%	4.9%	4.3%
2018	206,392	2.73%	9,797,291	1.96%	4.2%	3.6%
2019	211,439	2.39%	9,992,352	1.95%	3.9%	3.3%
2020	201,856	-4.75%	9,328,406	-7.12%	7.3%	7.9%
2021	218,102	7.45%	9,902,682	5.80%	4.7%	4.8%

Source: United States Bureau of Labor & Statistics

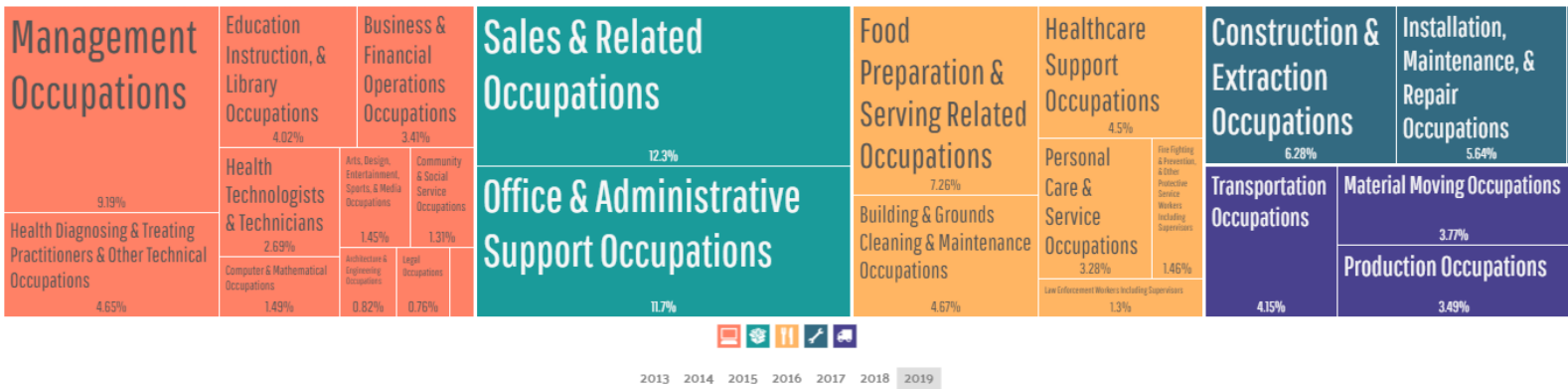
# Port St. Lucie Market Area Analysis

## Employment Sectors

The composition of the Port St. Lucie, Florida job market are illustrated in the charts below, which uses 2019 data from the U.S. Census Bureau.

### Employment by Occupations:

Total: 85.4k



### Employment by Industries:

Total: 85.4k



The most common jobs held by residents of Port St. Lucie, FL, by number of employees, are Sales & Related Occupations, Office & Administrative Support Occupations, and Management Occupations. In addition, the most common employment sectors for those who live in Port St. Lucie, FL, are Health Care & Social Assistance, Retail Trade, and Construction.

### Major Employers

The table below contains some of the major employers in St. Lucie County, Florida.

Major Employers - St. Lucie County, FL	
Employer	Number of Employees
St. Lucie Public Schools	5,564
Indian River State College	2,338
Lawnwood Regional Medical Center & Heart Institute	1,615
Teleperformance	1,600
City of Port St Lucie	1,164
Walmart Distribution Center	890
Cleveland Clinic Martin Health	850
St. Lucie Medical Center	850
St. Lucie County	797
Florida Power & Light Co.	772
Change Healthcare	549
Convey Healthcare Solutions	450
St. Lucie County Fire District	434
New Horizons of the Treasure Coast	408
Maverick Boat Group	406
Blue Goose Growers / Construction	400
Pursuit Boats	367
MAXIMUS	354
City of Fort Pierce	337
Treasure Coast Hospice	282
Source: St. Lucie EDC	

## Gross Domestic Product

The growth in Gross Domestic Product (GDP) of the Port St. Lucie MSA has consistently outpaced the growth of Florida's GDP over the past decade.

Gross Domestic Product - Port St. Lucie, FL MSA				
Year	\$mil		\$mil	
	Port St. Lucie MSA	Change	Florida	Change
2011	13.6	-	772,021.3	-
2012	13.9	2.19%	778,545.0	0.84%
2013	14.3	2.67%	794,842.1	2.05%
2014	14.9	4.34%	817,233.5	2.74%
2015	15.7	4.64%	852,242.4	4.11%
2016	16.2	3.23%	881,539.2	3.32%
2017	16.8	3.43%	912,966.2	3.44%
2018	17.7	5.32%	943,463.4	3.23%
2019	18.4	3.87%	971,619.2	2.90%
2020	18.7	1.30%	944,000.8	0.06%

Source: United States Bureau of Economic Analysis

Gross Domestic Product is a measure of economic activity based on the total value of goods and services produced in a specific geographic area.

## Household Income

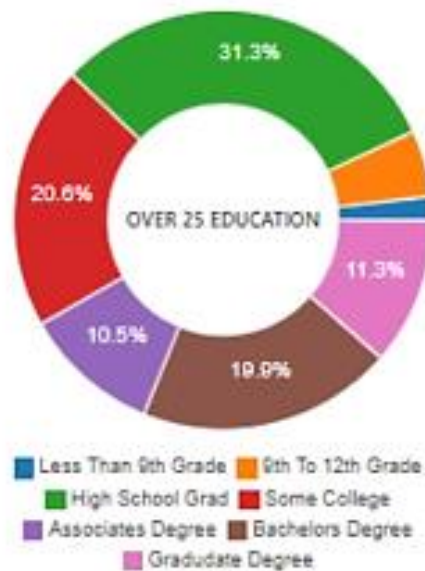
According to the United States Census Bureau the median household income for Port St. Lucie, Florida is \$60,587, while Florida's median household income is \$55,660.

## Education and Age

Residents of the Port St. Lucie MSA have a higher level of educational attainment than those in Florida. An estimated 31.2% of the Port St. Lucie MSA residents are college graduates with four-year degrees or higher, while Florida residents have an estimated 29% with at least a four-year degree. People in the Port St. Lucie MSA are approximately 26% older in age than their peers in Florida. The median age of the Port St. Lucie MSA is 53.2, while Florida is 42.2 years.

[CSV](#)   [JSON](#)

Education Attained	Count	Percentage
Less Than 9th Grade	158	1.51%
9th to 12th Grade	516	4.92%
High School Graduate	3,288	31.33%
Some College	2,160	20.58%
Associates Degree	1,099	10.47%
Bachelors Degree	2,085	19.87%
Graduate Degree	1,189	11.33%





## Market Area Analysis Summary

The Port St. Lucie MSA's economy is expected to continue to benefit from a rapidly growing population base and diverse economy. The Port St. Lucie MSA saw a strong increase in the number of jobs in the past 10 years and its unemployment rate has recovered significantly since the beginning of the pandemic and has begun to outpace the state of Florida's unemployment rate as well. Furthermore, the Port St. Lucie MSA is well-positioned to continue to gain in population as Florida remains one of the migrated to states in all the United States. We project that the Port St. Lucie MSA's economy will continue to improve, and employment will continue to grow, strengthening the demand for real estate and self-storage.



### **Boundaries**

The subject is located in the St. Lucie West submarket, which is generally bound as follows:

- North: Okeechobee Road
- South: SW Martin Highway
- East: St. Lucie River

### **Demographics**

A snapshot of the surrounding area demographics, including population, households, and income data, is displayed in the table on the following two pages.

As illustrated on the following page, the 2020 population within a three-mile radius of the subject property is 36,796. In addition, the median household income of the surrounding three-mile radius is \$82,359. In most cases, our minimum threshold for median income is \$45k to \$50k, so the median income significantly exceeds our threshold here.

**Single Location Demographic Report 2020 for: SW Village Pkwy, Port St Lucie, FL 34987, United States**

	1 mile radius	3 mile radius	5 mile radius
<b>SE:T001:Population &amp; Growth</b>			
2020 Total Population	10,279	36,796	84,718
2020 Population Density	302.9	870.1	1,467.4
2010-2020 Growth	1,901.00	6,633.00	14,846.00
2010-2020 Average Annual Growth	190.00	661.00	1,477.00
2025 Total Population	10,673	38,203	87,942
2025 Population Density	314.5	903.3	1,523.3
2020-2025 Projected Population Growth	394.00	1,407.00	3,224.00
2020-2025 Projected Average Annual Growth	78.00	279.00	639.00
2010 Total Population	8,378	30,163	69,872
2000 Population	1,411	10,209	29,353
1990 Population	450	3,256	11,424
<b>SE:T002:Households &amp; Growth</b>			
2020 Households	4,262	12,805	28,932
2010-2020 Growth	787.00	2,310.00	5,070.00
2010-2020 Average Annual Growth	78.00	229.00	501.00
2025 Households	4,404	13,231	29,889
2020-2025 Growth	142.00	426.00	957.00
2020-2025 Average Annual Growth	28.00	84.00	187.00
2010 Households	3,475	10,495	23,862

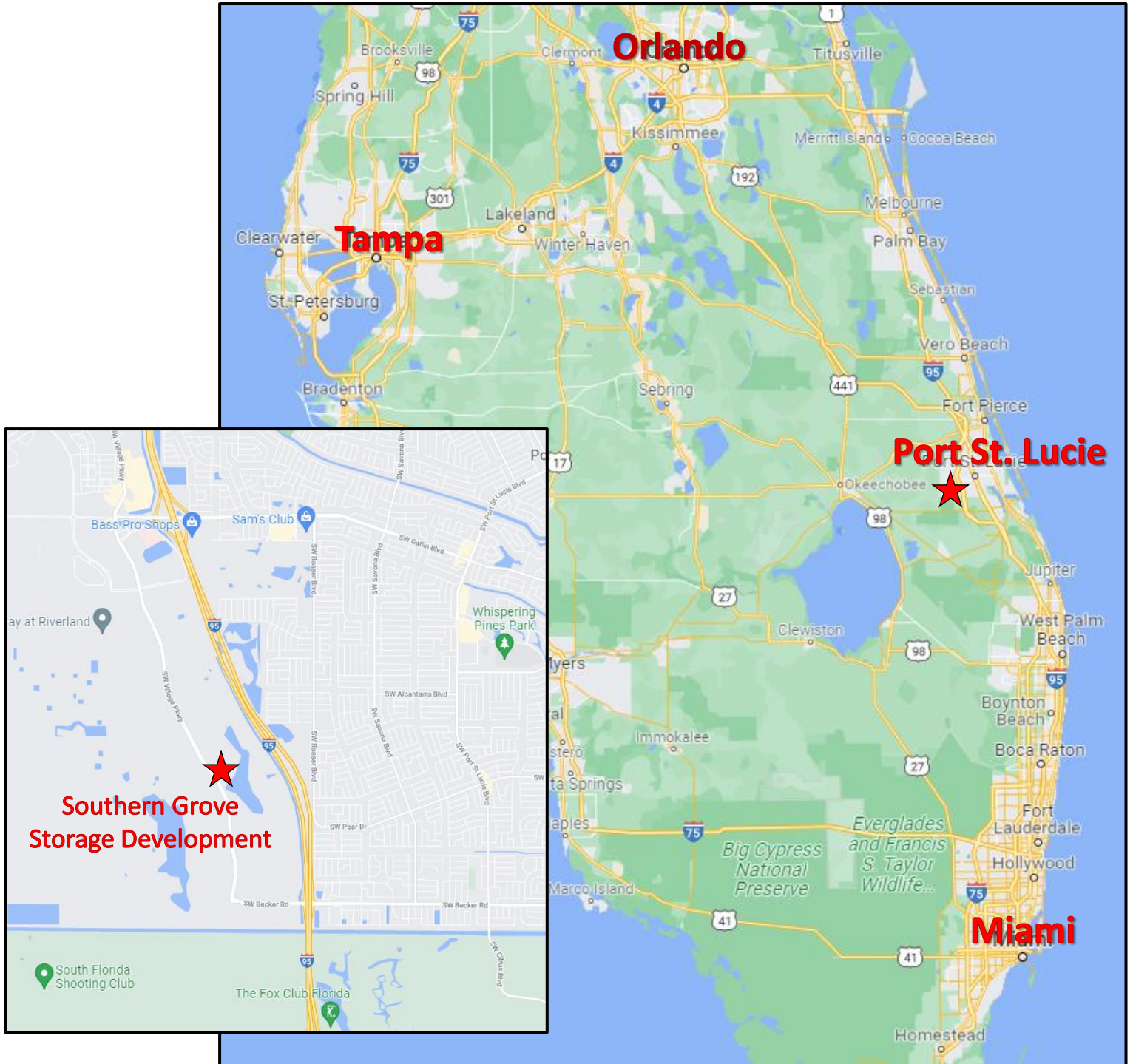
**Single Location Demographic Report 2020 for: SW Village Pkwy, Port St Lucie, FL 34987, United States**

	1 mile radius	3 mile radius	5 mile radius
<b>SE:T003:Families</b>			
2020 Families	3,157	9,993	22,449
2025 Families	3,247	10,284	23,096
<b>SE:T004:Income</b>			
2020 Aggregate Household Income	\$625,292,150	\$1,341,578,970	\$2,706,439,972
2020 Average Household Income	\$146,713	\$104,770	\$93,545
2020 Median Household Income	\$103,058	\$82,059	\$76,964
2020 Per Capita Income	\$60,832	\$36,490	\$31,999
2025 Aggregate Household Income	\$676,731,415	\$1,470,320,867	\$2,968,831,701
2025 Average Household Income	\$153,663	\$111,127	\$99,329
2025 Median Household Income	\$110,702	\$89,376	\$83,597
2025 Per Capita Income	\$63,406	\$38,517	\$33,812
<b>SE:T005:Daytime Demographics</b>			
Daytime Population	10,488	29,272	64,804
Employees, Total	2,516	3,632	7,308
Total Retail Sales	212,416	347,439	705,554

# Surrounding Area Analysis

## Location Map

*Southern Grove Storage Development*



## Site Description

Southern Grove Development – Port St. Lucie, FL

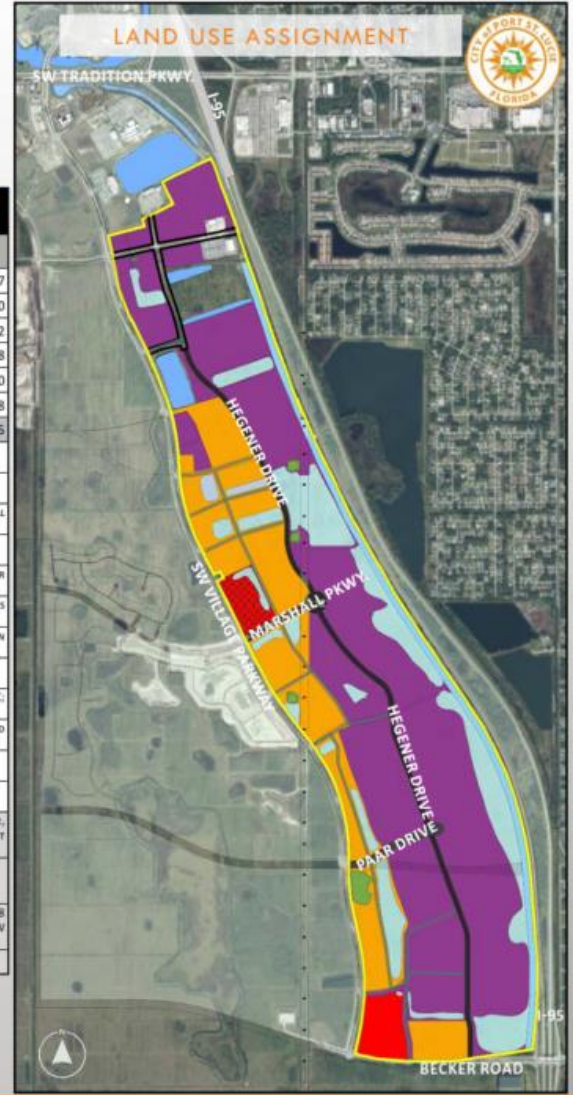


**SOUTHERN GROVE MASTER PLAN  
LAND USE DISTRIBUTION**

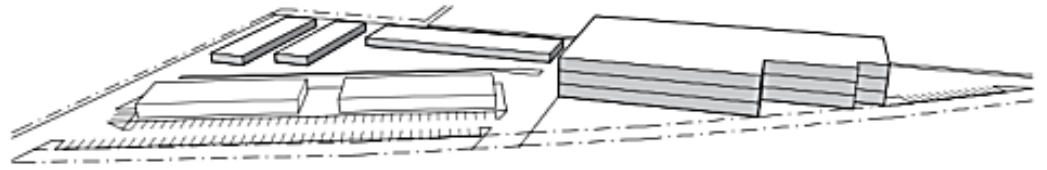
LAND USE	NET ACREAGE
MIXED-USE	234.7
EMPLOYMENT CENTER	668.0
LIFESTYLE / COMMERCIAL	43.2
SECONDARY ROAD NETWORK <sup>1</sup>	44.8
DUDA CANAL	55.0
MASTER STORMWATER SYSTEM <sup>2</sup>	174.8
<b>TOTAL GFC LAND</b>	<b>1,220.5</b>

- FOOTNOTES**
- STUDY AREA BOUNDARY<sup>3</sup>
  - AERIAL (PROPERTIES NOT OWNED BY GFC SHOWN AS BASE AERIAL WITHOUT COLOR OVERLAY, EXCLUDED FROM GFC LAND USE TOTALS)
  - WETLANDS (8.8 ACRES, EXCLUDED FROM GFC LAND TOTALS)<sup>4</sup>
  - EXISTING STORMWATER LAKES (18.6 ACRES; EXCLUDED FROM MASTER STORMWATER SYSTEM AND GFC LAND TOTALS)
  - PENDING LAND TRANSFER TO GFC (21 ACRES; FORMER MATTAMY HOMES PROPERTY INCLUDED IN GFC LAND USE TOTALS)
  - FFL EASEMENT (22.8 ACRES; INCLUDED IN ADJACENT LAND USE TYPES IN GFC LAND USE TOTALS)
  - MARSHALL PARKWAY ROW
  - FORMER PAAR DRIVE ROW (12.8 ACRES; TO BE ABANDONED TO GFC, INCLUDED IN GFC LAND TOTALS)
  - NEW PAAR DRIVE ROW (7.3 ACRES; TO BE ABANDONED TO GFC, INCLUDED IN SECONDARY ROAD NETWORK TOTALS)
  - RECOMMENDED ALIGNMENT FOR LOCAL ROADS

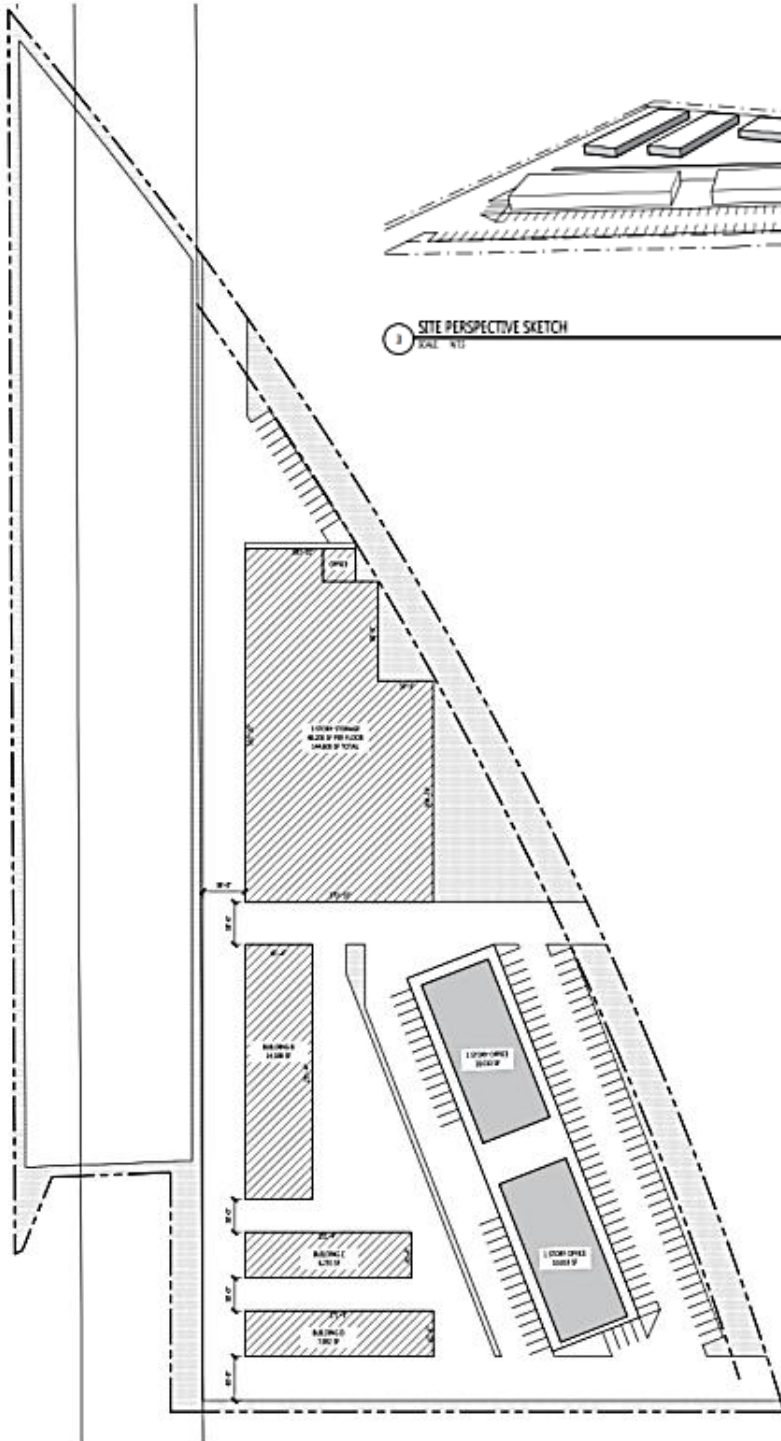
- FOOTNOTES**
- <sup>1</sup> SECONDARY ROAD NETWORK INCLUDES PORTIONS OF HEGENER DRIVE, MARSHALL PKWY & PAAR DRIVE (ROW = 100-150'). STORMWATER TREATMENT FOR SECONDARY ROADS INCLUDED IN MASTER STORMWATER SYSTEM.
  - <sup>2</sup> MASTER STORMWATER SYSTEM = 15% OF TOTAL DEVELOPABLE LAND. ADDITIONAL ON-SITE PRE-TREATMENT WILL BE REQUIRED (UP TO 5% OF NET DEVELOPABLE AREA)
  - <sup>3</sup> BOUNDARY INCLUDES: 1,182 ACRES ORIGINAL GFC PURCHASE (+ 12.8 ACRES PAAR DRIVE ROW ABANDONMENT + 4.7 ACRES MARSHALL PEWY ROW ABANDONMENT + 21 ACRES MATTAMY HOMES TRANSFER)
  - <sup>4</sup> WETLAND PRESERVATION PER US ARMY CORPS OF ENGINEERS PERMIT.



Site Plan Sketch



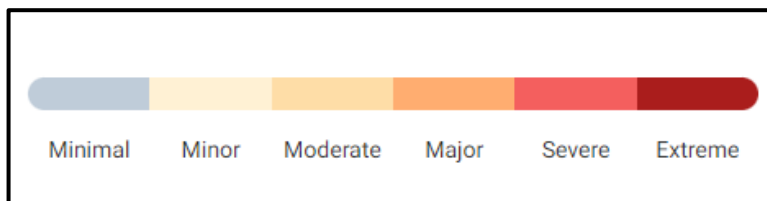
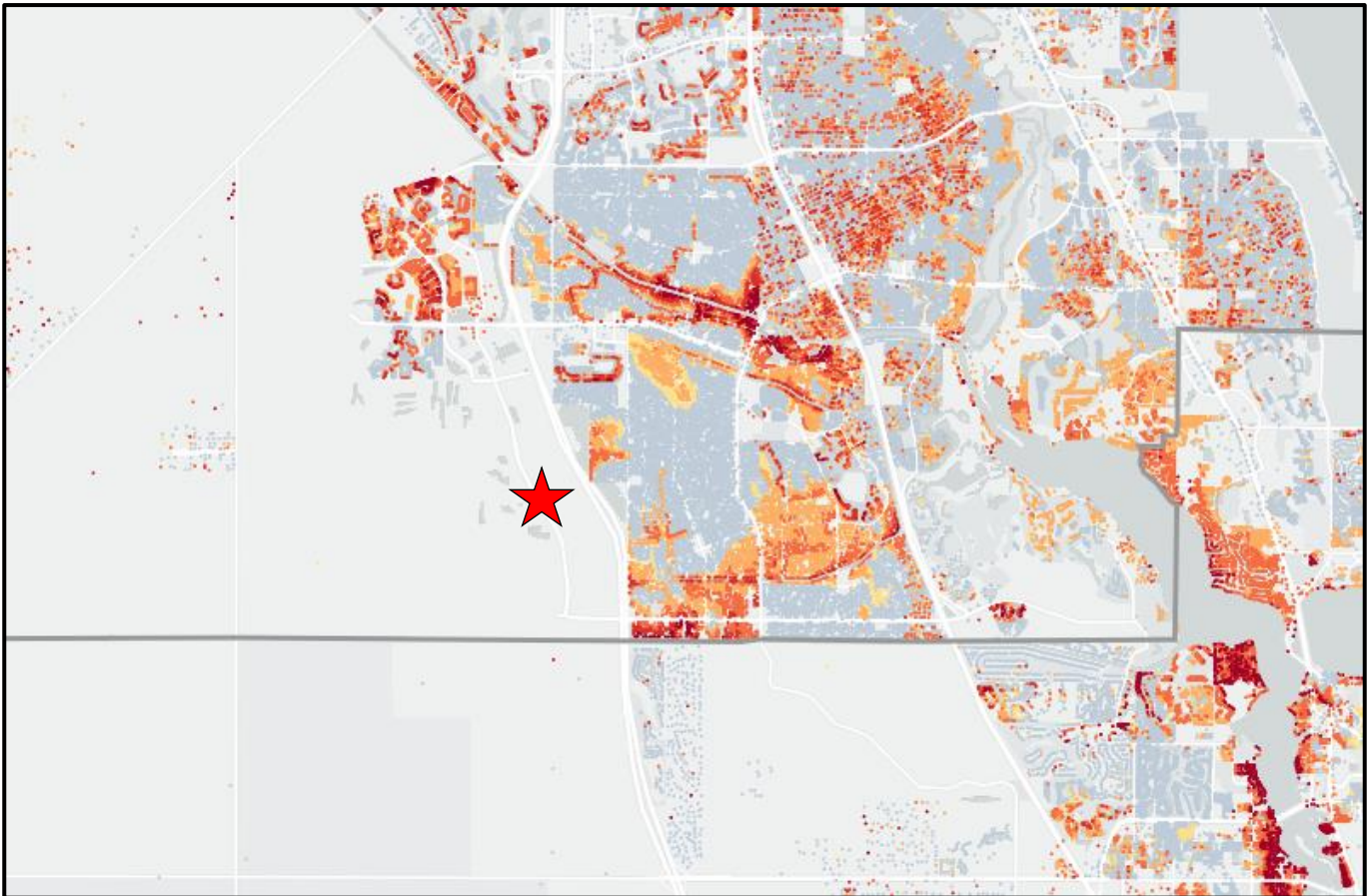
1 SITE PERSPECTIVE SKETCH  
SCALE: N/A



2 SITE PLAN SKETCH  
SCALE: 1"=10'

### Flood Zone

The Subject Property is not located within a flood zone; however, risks of flooding may significantly change as new development is built in the area.





## Self Storage Market Analysis

The following analysis pertains to existing conditions in the United States South Atlantic Region self-storage market as of the effective date of this appraisal report. Supply and demand indicators for self-storage space in the South Atlantic and country are shown on the following pages of this section. The data was obtained from the 2020 Self Storage Almanac.

### National Self-Storage Inventory

For the 2020 Almanac, the nationwide property list has been compiled to reflect only the core self-storage assets in each of the 50 states-only those properties identified as having self-storage operated as the core business at the address.

<b>National Data</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Total Number of Facilities	47,863	45,547	44,149
Average Facility Net Square Footage	39,668	37,523	52,352
Total Rentable Square Footage	1,898,604,872	1,709,095,816	1,672,505,621
Average Rentable Square Footage per Person	5.7	5.4	7.06
<b>State Information</b>			
State with Most Facilities	Texas - 5126	Texas - 4,904	Texas - 4,136
State with Fewest Facilities	Rhode Island - 86	Rhode Island - 84	Rhode Island - 78
State with Most Rentable Square Footage per Person	Idaho - 10.67	Idaho - 10.76	Wyoming - 14.56
State with Least Rentable Square Footage per Person	New York - 2.75	New York - 2.52	3.14 - Hawaii

*Source: MiniCo Publishing*

Using the methodology above, Table 1.1 indicates that there are approximately 47,863 facilities nationwide with an average of 39,668 rentable square feet. This equates to an industry total of 1,898,604,872 rentable square feet. The data indicates that Texas continues to be the state with the largest number of self-storage facilities.

# Self Storage Market Analysis

There are six publicly traded companies among the top operators in the self-storage industry, as seen in Table 2.1. These six companies hold an approximately 19% share of the market when counted by number of facilities in their portfolio (8,999). The remaining operators within the top 100 own 4,584 facilities, thereby giving them a 9.6% share of the overall market. The remainder of the market share – 34,280 facilities or 71.6% – is held by smaller operators.

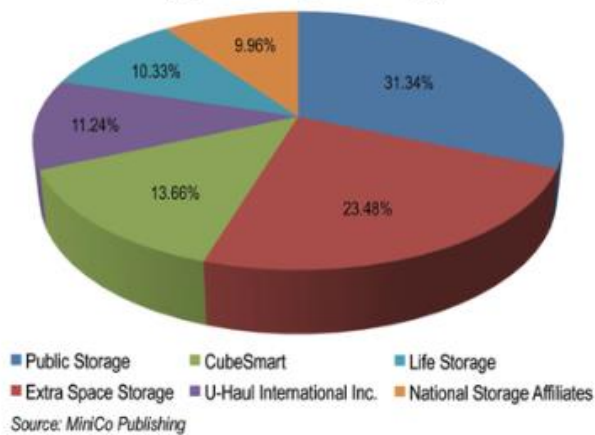
**Table 2.1 – Self-Storage Public Companies (REITs and U-Haul\*)**

Company Name	Number of Facilities	Net Rentable Square Footage	Number of Units
Public Storage	2,687	179,000,000	1,723,000
Extra Space Storage	1,752	134,099,707	1,237,739
CubeSmart	1,159	78,022,068	764,971
*U-Haul International Inc.	1,698	64,207,220	733,653
Life Storage	818	58,985,373	534,377
National Storage Affiliates Trust	885	56,900,000	455,900
<b>TOTAL</b>	<b>8,999</b>	<b>571,214,368</b>	<b>5,449,640</b>

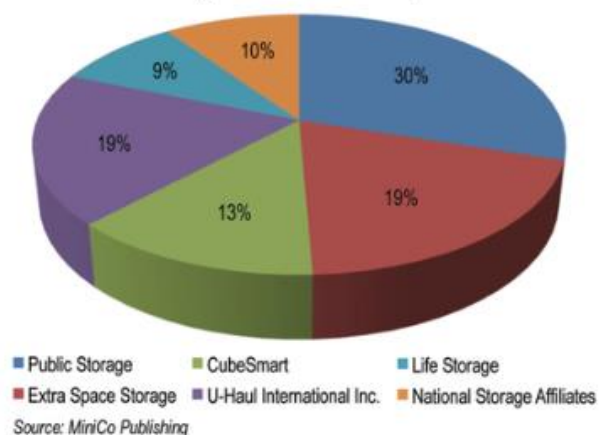
\* U-Haul is a publically traded company but is not a REIT

Source: Mini-Storage Messenger 2019 Top Operators

**Chart 2.1 – Public Companies Market Share (By Rentable Square Footage)**



**Chart 2.2 – Public Company Market Share (By Number of Facilities)**



## Rental Rates

Rental rates have remained fairly stable over the past decade. The following tables show both the national and regional rental rates for both non-climate and climate-controlled units.

**Table 8.1 – Historical National Rental Rates (Non-Climate-Controlled)**

Year	Non-Climate-Controlled 5x5 Asking Rent	Non-Climate-Controlled 5x10 Asking Rent	Non-Climate-Controlled 10x10 Asking Rent	Non-Climate-Controlled 10x15 Asking Rent	Non-Climate-Controlled 10x20 Asking Rent
2011 Q4	\$50.09	\$69.03	\$109.00	\$142.70	\$171.31
2012 Q1	\$50.40	\$69.60	\$109.61	\$143.35	\$172.26
2012 Q2	\$51.03	\$70.40	\$110.82	\$145.07	\$174.22
2012 Q3	\$51.38	\$71.05	\$112.12	\$146.31	\$175.39
2012 Q4	\$51.34	\$70.97	\$112.15	\$146.43	\$176.19
2013 Q1	\$51.74	\$71.43	\$112.74	\$146.93	\$177.21
2013 Q2	\$52.27	\$72.15	\$113.83	\$147.89	\$179.74
2013 Q3	\$52.54	\$72.78	\$115.04	\$149.02	\$180.99
2013 Q4	\$52.10	\$72.11	\$114.10	\$147.93	\$179.76
2014 Q1	\$52.74	\$73.19	\$115.84	\$150.30	\$182.26
2014 Q2	\$54.22	\$75.21	\$119.06	\$154.05	\$186.85
2014 Q3	\$54.47	\$75.61	\$119.66	\$154.78	\$187.63
2014 Q4	\$54.00	\$74.87	\$118.41	\$153.53	\$186.27
2015 Q1	\$55.07	\$76.49	\$120.93	\$156.81	\$190.00
2015 Q2	\$56.87	\$79.12	\$125.24	\$162.22	\$196.39
2015 Q3	\$56.47	\$78.64	\$124.68	\$160.98	\$195.28
2015 Q4	\$56.23	\$78.29	\$123.54	\$159.81	\$193.95
2016 Q1	\$57.28	\$79.75	\$125.68	\$162.94	\$196.98
2016 Q2	\$59.00	\$82.29	\$129.23	\$167.59	\$202.85
2016 Q3	\$48.90	\$69.30	\$109.10	\$137.00	\$157.20
2016 Q4	\$45.20	\$65.80	\$103.00	\$130.80	\$157.60
2017 Q1	\$47.20	\$64.60	\$102.60	\$129.30	\$155.40
2017 Q2	\$48.00	\$68.80	\$106.10	\$134.30	\$161.30
2017 Q3	\$49.40	\$71.00	\$109.60	\$141.40	\$164.40
2017 Q4	\$45.80	\$66.30	\$102.90	\$129.50	\$152.30
2018 Q1	\$45.30	\$65.00	\$100.40	\$127.40	\$148.90
2018 Q2	\$47.30	\$68.00	\$105.60	\$132.70	\$155.60
2018 Q3	\$47.59	\$68.90	\$106.93	\$135.84	\$156.28
2018 Q4	\$45.78	\$66.28	\$105.27	\$131.71	\$152.53
2019 Q1	\$45.21	\$65.25	\$102.78	\$128.77	\$153.22
2019 Q2	\$47.23	\$67.94	\$107.11	\$132.97	\$156.41

Source: Radius+

## Self Storage Market Analysis

**Table 8.2 – Historical National Rental Rates (Climate-Controlled)**

Year	Climate- Controlled 5x5 Asking Rent	Climate- Controlled 5x10 Asking Rent	Climate- Controlled 10x10 Asking Rent	Climate- Controlled 10x15 Asking Rent	Climate- Controlled 10x20 Asking Rent
2011 Q4	\$63.48	\$89.08	\$139.57	\$182.92	\$225.43
2012 Q1	\$63.81	\$89.73	\$140.14	\$183.17	\$226.42
2012 Q2	\$64.62	\$91.09	\$141.80	\$185.30	\$228.66
2012 Q3	\$65.14	\$91.83	\$143.06	\$186.89	\$230.51
2012 Q4	\$64.96	\$91.73	\$143.11	\$187.32	\$230.78
2013 Q1	\$65.21	\$92.01	\$143.80	\$188.81	\$232.86
2013 Q2	\$66.21	\$93.35	\$145.70	\$190.81	\$234.23
2013 Q3	\$66.39	\$93.99	\$147.20	\$191.75	\$235.51
2013 Q4	\$65.37	\$92.81	\$145.62	\$190.01	\$233.61
2014 Q1	\$65.99	\$93.99	\$147.89	\$193.15	\$237.38
2014 Q2	\$67.95	\$96.89	\$152.42	\$198.69	\$244.00
2014 Q3	\$68.18	\$97.00	\$153.04	\$199.28	\$244.50
2014 Q4	\$67.40	\$95.74	\$151.17	\$197.38	\$242.50
2015 Q1	\$68.36	\$97.53	\$153.98	\$201.05	\$246.78
2015 Q2	\$71.14	\$101.52	\$159.95	\$208.45	\$255.00
2015 Q3	\$70.76	\$100.95	\$158.59	\$206.64	\$253.34
2015 Q4	\$69.85	\$99.72	\$156.06	\$204.28	\$250.71
2016 Q1	\$71.17	\$101.45	\$158.25	\$207.25	\$254.26
2016 Q2	\$73.52	\$104.87	\$162.83	\$213.39	\$260.28
2016 Q3	\$59.60	\$89.60	\$138.20	\$179.60	\$225.20
2016 Q4	\$54.30	\$84.10	\$131.60	\$171.50	\$220.90
2017 Q1	\$56.40	\$84.10	\$130.50	\$170.80	\$218.40
2017 Q2	\$58.90	\$87.40	\$135.60	\$176.80	\$223.70
2017 Q3	\$58.30	\$88.00	\$136.40	\$180.50	\$230.30
2017 Q4	\$55.10	\$83.10	\$129.60	\$170.70	\$219.10
2018 Q1	\$53.90	\$80.60	\$127.00	\$166.50	\$213.90
2018 Q2	\$55.90	\$83.30	\$131.40	\$169.70	\$215.30
2018 Q3	\$56.20	\$84.56	\$132.01	\$172.40	\$218.18
2018 Q4	\$54.10	\$81.83	\$127.79	\$166.57	\$212.54
2019 Q1	\$53.69	\$81.03	\$127.25	\$166.11	\$215.71
2019 Q2	\$56.10	\$84.46	\$132.66	\$173.32	\$222.49

Source: Radius+

## Self Storage Market Analysis

**Table 8.3 – National Rental Rates Per Square Foot (Non-Climate-Controlled)**

Date	25 Sq. Ft. 5x5	50 Sq. Ft. 5x10	100 Sq. Ft. 10x10	150 Sq. Ft. 10x15	200 Sq. Ft. 10x20
Jan-18	\$1.80	\$1.29	\$1.00	\$0.84	\$0.74
Feb-18	\$1.81	\$1.30	\$1.00	\$0.85	\$0.74
Mar-18	\$1.83	\$1.30	\$1.01	\$0.86	\$0.75
Apr-18	\$1.87	\$1.34	\$1.04	\$0.88	\$0.77
May-18	\$1.89	\$1.37	\$1.06	\$0.89	\$0.78
Jun-18	\$1.92	\$1.37	\$1.06	\$0.89	\$0.79
Jul-18	\$1.93	\$1.38	\$1.07	\$0.90	\$0.78
Aug-18	\$1.92	\$1.39	\$1.08	\$0.92	\$0.79
Sep-18	\$1.86	\$1.36	\$1.06	\$0.90	\$0.78
Oct-18	\$1.84	\$1.34	\$1.05	\$0.89	\$0.76
Nov-18	\$1.83	\$1.32	\$1.06	\$0.88	\$0.76
Dec-18	\$1.82	\$1.31	\$1.05	\$0.87	\$0.76
Jan-19	\$1.81	\$1.30	\$1.02	\$0.85	\$0.76
Feb-19	\$1.80	\$1.31	\$1.03	\$0.86	\$0.77
Mar-19	\$1.82	\$1.31	\$1.04	\$0.86	\$0.77
Apr-19	\$1.86	\$1.34	\$1.06	\$0.87	\$0.78
May-19	\$1.90	\$1.37	\$1.07	\$0.89	\$0.78
Jun-19	\$1.90	\$1.38	\$1.08	\$0.89	\$0.78

Source: Radius+

**Table 8.4 – National Rental Rates Per Square Foot (Climate-Controlled)**

Date	25 Sq. Ft. 5x5	50 Sq. Ft. 5x10	100 Sq. Ft. 10x10	150 Sq. Ft. 10x15	200 Sq. Ft. 10x20
Jan-18	\$2.15	\$1.61	\$1.27	\$1.11	\$1.07
Feb-18	\$2.16	\$1.61	\$1.27	\$1.11	\$1.08
Mar-18	\$2.16	\$1.61	\$1.27	\$1.11	\$1.06
Apr-18	\$2.21	\$1.65	\$1.31	\$1.13	\$1.06
May-18	\$2.25	\$1.67	\$1.31	\$1.13	\$1.08
Jun-18	\$2.25	\$1.68	\$1.32	\$1.14	\$1.09
Jul-19	\$2.27	\$1.71	\$1.33	\$1.15	\$1.10
Aug-19	\$2.26	\$1.69	\$1.32	\$1.15	\$1.10
Sep-19	\$2.22	\$1.68	\$1.30	\$1.14	\$1.08
Oct-19	\$2.18	\$1.65	\$1.29	\$1.12	\$1.07
Nov-19	\$2.16	\$1.64	\$1.28	\$1.11	\$1.06
Dec-18	\$2.15	\$1.62	\$1.27	\$1.10	\$1.06
Jan-19	\$2.15	\$1.62	\$1.26	\$1.09	\$1.06
Feb-19	\$2.14	\$1.61	\$1.27	\$1.10	\$1.08
Mar-19	\$2.15	\$1.63	\$1.28	\$1.13	\$1.10
Apr-19	\$2.21	\$1.66	\$1.31	\$1.14	\$1.11
May-19	\$2.25	\$1.70	\$1.33	\$1.15	\$1.11
Jun-19	\$2.27	\$1.71	\$1.34	\$1.17	\$1.11

Source: Radius+

## Self Storage Market Analysis

Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, and the District of Columbia make up the South Atlantic region for the Self-Storage Almanac's database. Some of the largest cities within the South Atlantic region include Atlanta, GA; Baltimore, MD; Charleston, SC; Charlotte, NC; Daytona Beach, FL; Miami, FL; Orlando, FL; Raleigh, NC; Richmond, VA; Tampa, FL; Virginia Beach, VA; and Washington, D.C.

**Table 8.17 – South Atlantic Rental Rates**

	Climate-Controlled Units					Non-Climate-Controlled Units				
	5x5	5x10	10x10	10x15	10x20	5x5	5x10	10x10	10x15	10x20
Jul-16	\$62.81	\$89.85	\$142.05	\$180.80	\$226.95	\$51.08	\$72.47	\$114.81	\$145.00	\$167.90
Aug-16	\$58.82	\$88.76	\$137.33	\$176.64	\$217.57	\$48.26	\$67.69	\$106.36	\$132.78	\$158.96
Sep-16	\$56.23	\$86.05	\$133.68	\$172.92	\$213.68	\$45.86	\$65.75	\$103.89	\$131.93	\$154.95
Oct-16	\$55.01	\$84.51	\$131.10	\$170.36	\$213.52	\$44.73	\$64.64	\$102.48	\$130.54	\$153.85
Nov-16	\$54.13	\$82.78	\$130.25	\$170.63	\$213.26	\$43.97	\$64.72	\$104.15	\$131.73	\$157.20
Dec-16	\$54.10	\$82.59	\$130.38	\$176.38	\$210.91	\$44.75	\$66.84	\$106.37	\$135.71	\$163.84
Jan-17	\$55.40	\$83.41	\$127.86	\$168.61	\$208.44	\$45.18	\$65.49	\$103.12	\$132.10	\$156.94
Feb-17	\$56.41	\$83.77	\$128.21	\$166.83	\$211.09	\$45.10	\$65.13	\$102.42	\$130.38	\$155.23
Mar-17	\$56.01	\$83.49	\$128.31	\$167.22	\$209.76	\$45.36	\$64.20	\$102.07	\$130.50	\$155.00
Apr-17	\$58.41	\$85.55	\$131.49	\$171.33	\$217.75	\$48.13	\$66.70	\$105.76	\$134.37	\$159.56
May-17	\$60.06	\$85.94	\$130.49	\$173.04	\$221.31	\$49.31	\$68.21	\$106.28	\$135.02	\$161.09
Jun-17	\$60.41	\$86.53	\$132.73	\$176.68	\$223.19	\$49.27	\$69.34	\$108.23	\$136.54	\$163.70
Jul-17	\$60.08	\$87.98	\$133.74	\$179.83	\$231.47	\$51.17	\$70.53	\$109.26	\$140.98	\$170.97
Aug-17	\$58.64	\$88.02	\$135.47	\$179.16	\$231.47	\$50.63	\$71.37	\$110.25	\$162.60	\$168.85
Sep-17	\$57.37	\$85.92	\$132.82	\$176.99	\$227.92	\$48.84	\$69.84	\$108.40	\$174.20	\$163.20
Oct-17	\$55.93	\$84.04	\$131.01	\$173.32	\$222.74	\$47.44	\$67.24	\$105.89	\$134.73	\$157.56
Nov-17	\$54.80	\$82.91	\$129.48	\$168.94	\$214.87	\$46.10	\$65.81	\$103.44	\$131.71	\$154.04
Dec-17	\$53.41	\$80.74	\$126.47	\$163.84	\$208.94	\$45.08	\$64.49	\$101.55	\$128.84	\$151.61
Jan-18	\$53.30	\$79.74	\$124.56	\$162.43	\$208.89	\$44.79	\$64.03	\$100.73	\$127.73	\$149.72
Feb-18	\$53.25	\$79.25	\$124.77	\$162.42	\$208.85	\$45.13	\$63.93	\$101.11	\$128.68	\$149.28
Mar-18	\$53.01	\$78.57	\$124.43	\$162.11	\$209.66	\$45.17	\$64.45	\$102.41	\$129.92	\$150.67
Apr-18	\$54.24	\$80.35	\$128.29	\$165.80	\$213.24	\$46.19	\$66.06	\$105.02	\$132.61	\$156.09
May-18	\$54.71	\$80.28	\$129.12	\$167.13	\$217.12	\$47.69	\$66.55	\$105.76	\$134.92	\$157.72
Jun-18	\$54.50	\$80.46	\$130.10	\$167.61	\$215.02	\$47.70	\$67.23	\$106.85	\$135.71	\$158.53
Jul-18	\$54.91	\$81.63	\$132.48	\$170.73	\$218.74	\$47.32	\$67.81	\$107.96	\$135.64	\$160.66
Aug-18	\$55.02	\$81.64	\$131.14	\$172.43	\$219.34	\$46.64	\$67.24	\$107.18	\$136.23	\$159.28
Sep-18	\$53.80	\$81.07	\$128.32	\$170.20	\$216.34	\$45.20	\$65.67	\$105.35	\$134.47	\$158.64
Oct-18	\$52.68	\$79.93	\$126.14	\$166.12	\$211.91	\$44.59	\$65.26	\$106.03	\$133.23	\$156.67
Nov-18	\$51.92	\$79.46	\$125.08	\$163.98	\$209.05	\$44.77	\$65.52	\$120.05	\$132.29	\$154.89
Dec-18	\$52.81	\$78.91	\$123.17	\$162.17	\$208.04	\$44.91	\$64.79	\$121.64	\$131.10	\$153.49
Jan-19	\$53.18	\$78.70	\$123.61	\$162.22	\$208.62	\$44.32	\$64.17	\$102.76	\$130.59	\$153.15
Feb-19	\$52.98	\$78.04	\$123.37	\$161.72	\$209.36	\$44.07	\$64.04	\$102.57	\$130.96	\$154.49
Mar-19	\$53.09	\$79.51	\$125.04	\$163.84	\$210.03	\$44.27	\$65.16	\$104.01	\$132.04	\$156.01
Apr-19	\$54.32	\$81.51	\$127.41	\$166.51	\$213.50	\$46.20	\$67.34	\$105.85	\$134.34	\$158.93
May-19	\$55.39	\$82.84	\$128.75	\$168.28	\$217.06	\$46.87	\$67.74	\$106.11	\$137.06	\$159.68
Jun-19	\$55.48	\$83.06	\$130.88	\$170.30	\$220.06	\$46.42	\$67.90	\$106.06	\$138.32	\$159.56

Source: Radius+

## Occupancy Rates

The occupancy rate of a property is often tied with the overall national economy, with tenants often cutting costs in self-storage rentals when economic times are poor. This trend can be seen with declining/increasing occupancy trends during the Great Recession, approximately from 2006 through to 2010. The following table shows historic occupancy trends since 1987 by year and since 2011 by quarter.

**Table 7.1 – Historical National Occupancy**

Year	Occupancy
1987	78.4%
1988	80.4%
1989	85.9%
1990	81.5%
1991	86.4%
1992	85.0%
1993	88.3%
1994	89.9%
1995	88.5%
1996	88.3%
1997	85.1%
1998	82.9%
1999	86.9%
2000	83.7%
2001	86.1%
2002	85.4%
2003	84.6%
2004	84.2%
2005	83.0%
2006	83.0%
2007	81.4%
2008	80.3%
2009	76.7%
2010	75.7%
2011	79.7%
2012	85.0%
2013	87.8%
2014	89.1%
2015	90.2%
2016	91.2%
2017	92.8%
2018	91.7%
2019	91.0%

\*Based on 2nd Quarter Numbers  
Sources: 2019 Almanac and Radius+

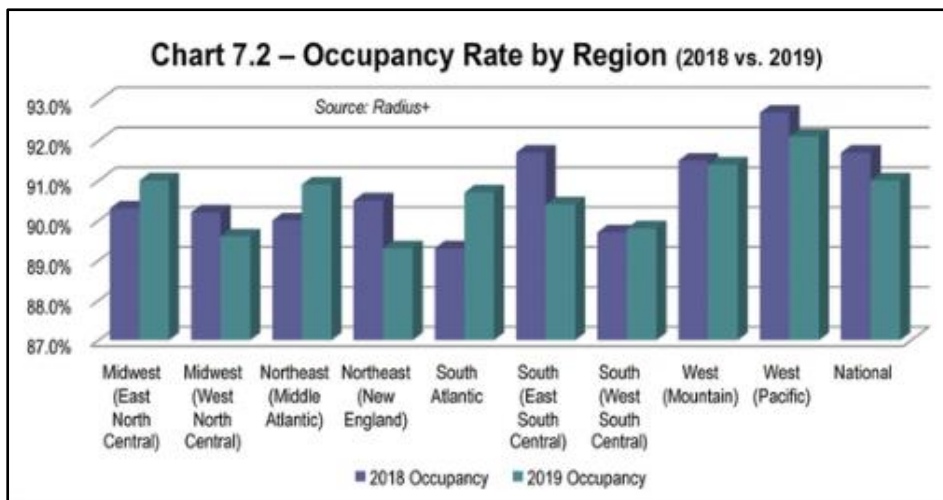
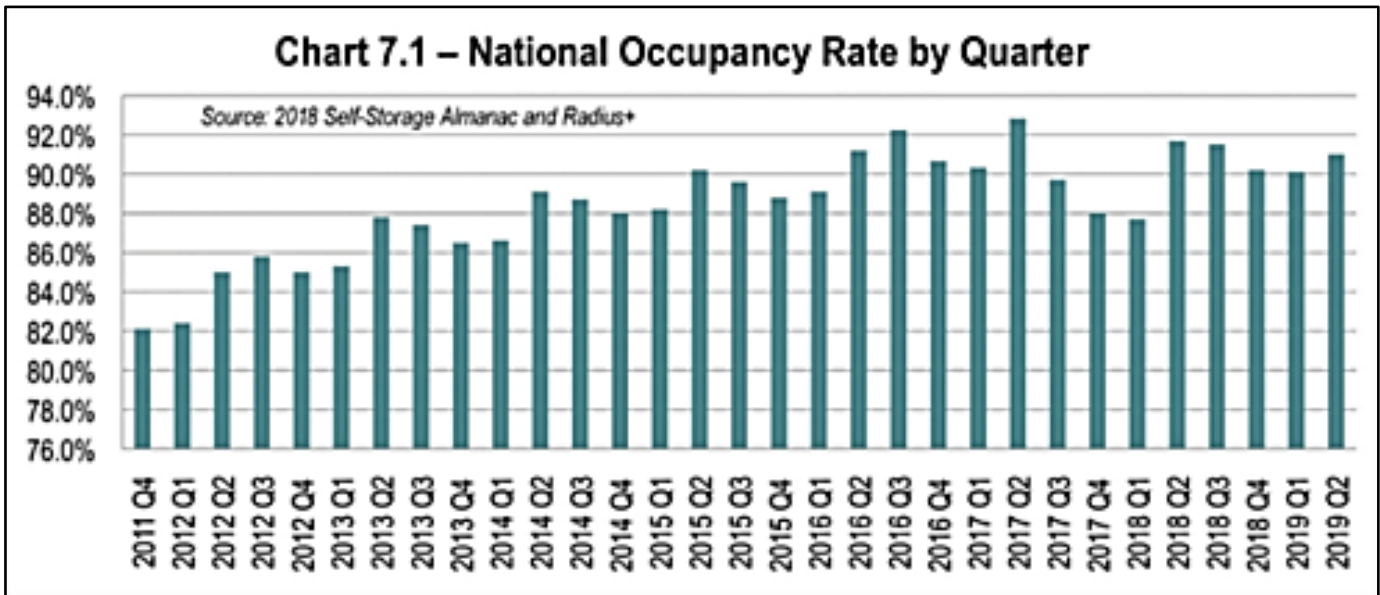
**Table 7.2 – National Occupancy Rate by Quarter**

Year	Rate
2011 Q4	82.1%
2012 Q1	82.4%
2012 Q2	85.0%
2012 Q3	85.8%
2012 Q4	85.0%
2013 Q1	85.3%
2013 Q2	87.8%
2013 Q3	87.4%
2013 Q4	86.5%
2014 Q1	86.6%
2014 Q2	89.1%
2014 Q3	88.7%
2014 Q4	88.0%
2015 Q1	88.2%
2015 Q2	90.2%
2015 Q3	89.6%
2015 Q4	88.8%
2016 Q1	89.1%
2016 Q2	91.2%
2016 Q3	92.2%
2016 Q4	90.7%
2017 Q1	90.3%
2017 Q2	92.8%
2017 Q3	89.7%
2017 Q4	88.0%
2018 Q1	87.7%
2018 Q2	91.7%
2018 Q3	91.5%
2018 Q4	90.2%
2019 Q1	90.1%
2019 Q2	91.0%

Sources: 2019 Almanac and Radius+

# Self Storage Market Analysis

National occupancy rates have been slowly improving since Q4 2011. On a national basis, from the end of 2011 to mid-2019 the occupancy level rose from 82.1% to 91.0%, an 8.9% improvement. The following table shows national occupancy rates above 85% for the past twenty-six quarters.



**Table 7.10 – South Occupancy (West South Central)**

Q3 2016	91.4%
Q4 2016	89.0%
Q1 2017	88.7%
Q2 2017	89.9%
Q3 2017	90.9%
Q4 2017	89.9%
Q1 2018	89.0%
Q2 2018	89.7%
2018 Q3	89.9%
2018 Q4	89.4%
2019 Q1	88.4%
2019 Q2	89.8%

Source: Radius+



# Self Storage Market Analysis

## Florida Rental Rate Trends

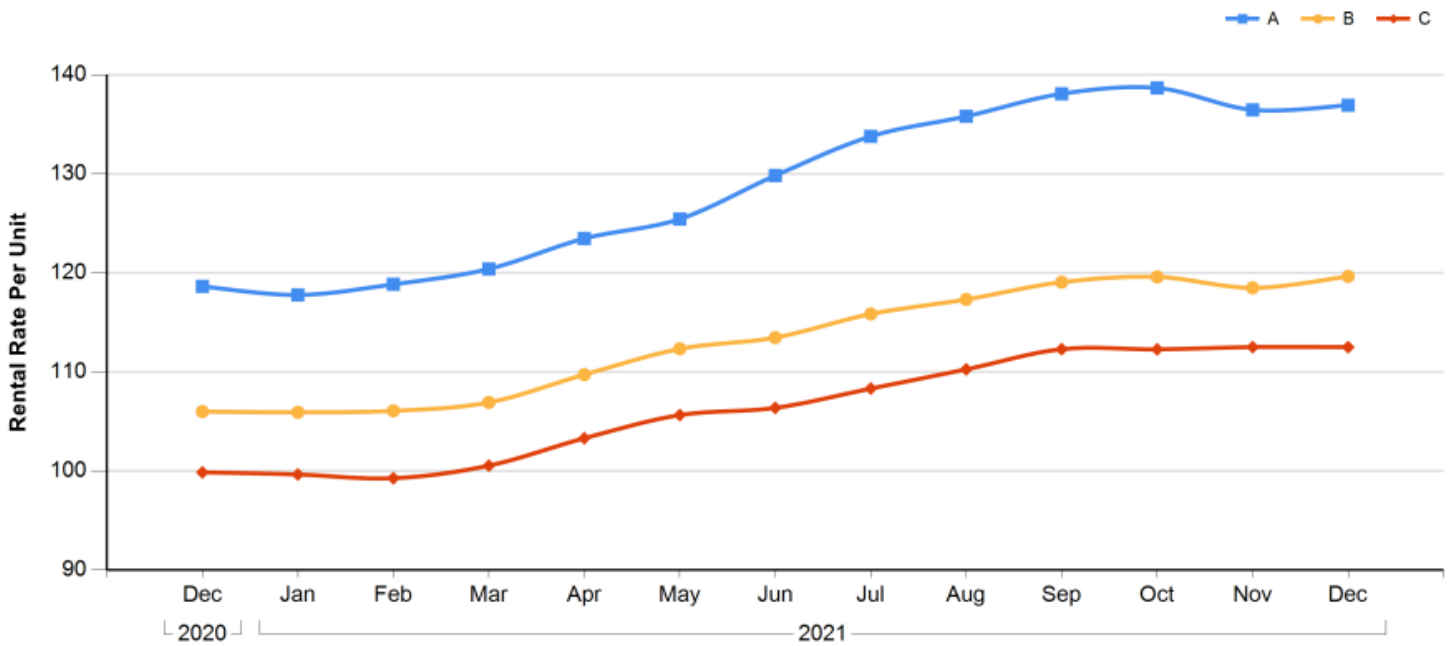
The following table and chart show the trend in rents for 10x10 climate-controlled units in the major market areas in Florida.

### RENTAL MARKET TRENDS

Market	Jacksonville, Miami, North Central Florida, Orlando, Southwest Florida Coast, Tallahassee, Tampa - St Petersburg - Clearwater
Group By	Improvements Rating
Report View	Rental Rate per Unit
Rent Period	Between '12,2020' And '12,2021'
Report Period	Monthly
Unit Type	10x10

Improvements Rating	12 Month(s) Change		2020	2021											
	Total	%	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
A	\$18	15.13%	\$119	\$118	\$119	\$120	\$123	\$125	\$130	\$134	\$136	\$138	\$139	\$136	\$137
B	\$14	13.21%	\$106	\$106	\$106	\$107	\$110	\$112	\$113	\$116	\$117	\$119	\$120	\$118	\$120
C	\$13	13.00%	\$100	\$100	\$99	\$101	\$103	\$106	\$106	\$108	\$110	\$112	\$112	\$113	\$113
<b>Total</b>	<b>\$15</b>	<b>13.76%</b>	<b>\$109</b>	<b>\$108</b>	<b>\$109</b>	<b>\$110</b>	<b>\$113</b>	<b>\$115</b>	<b>\$117</b>	<b>\$120</b>	<b>\$122</b>	<b>\$124</b>	<b>\$124</b>	<b>\$123</b>	<b>\$124</b>

### Improvements Rating



### Capitalization Rate Trends

Measuring the movement in cap rates remains difficult due to the fact that most sales of self-storage facilities are not considered a Class A investment product. Anecdotal evidence suggests that facility owners agree that the bottom of the recession has passed and downward movement in self-storage cap rates for Class A facilities is obvious. Nationwide, the underlying fundamentals of self-storage remain relatively strong, and sales of non-Class A facilities continue to indicate average cap rates in the mid 6% and below range, on par with investor surveys and newsletters. Buyers anticipate future income and occupancy for Class A facilities to increase, leading to an expectation of real returns above 7% in the near future on current purchases. Some recent purchases resulted in overall rates below 6%, but these transactions are rare. Other reasons for these low overall rates may indicate they are not true market cap rates. These reasons typically involve above average buyer motivation, expenses which are above market therefore indicating upside, or economies of scale in operation typically by purchasers who own multiple properties in the same market. Many of these purchases recently are by Public Storage, who has a commanding presence in most of the markets they purchase in. Therefore, this operator is able to achieve economies of scale in operation that many operators are not.

### Capitalization Rate Analysis

A stabilization trend in cap rates is apparent with rates scattered around the mid 5% - 6% range. Those facilities with overall rates which are above 7.5% are typically small and in very secondary markets and are considered Class C properties. Overall rates nationwide have decreased/increased for all classes of assets from an average in the low to mid 8% range to the low 6% range over the past several years. Many of the more recent sales are occurring in the low 6% to mid-5% range depending on location and quality of the asset.

## Self Storage Market Analysis

Many in the industry agree that there is bifurcation in overall rates depending on the class of asset. Owners/operators, buyers, brokers, and mortgage brokers generally view the acceptable range of overall cap rates for self-storage properties nationwide was as follows:

- Class A: 6% and lower
- Class B: 6%-7%
- Class C: 7% and higher

Class A facilities are the top performing assets located in high rent and occupancy markets. Most of these facilities are centered in high density locations within major MSA's. These are properties which are rarely offered on the market. When they are offered, most buyers are operators with large portfolios such as REITs. These facilities are owned by the most sophisticated operators.

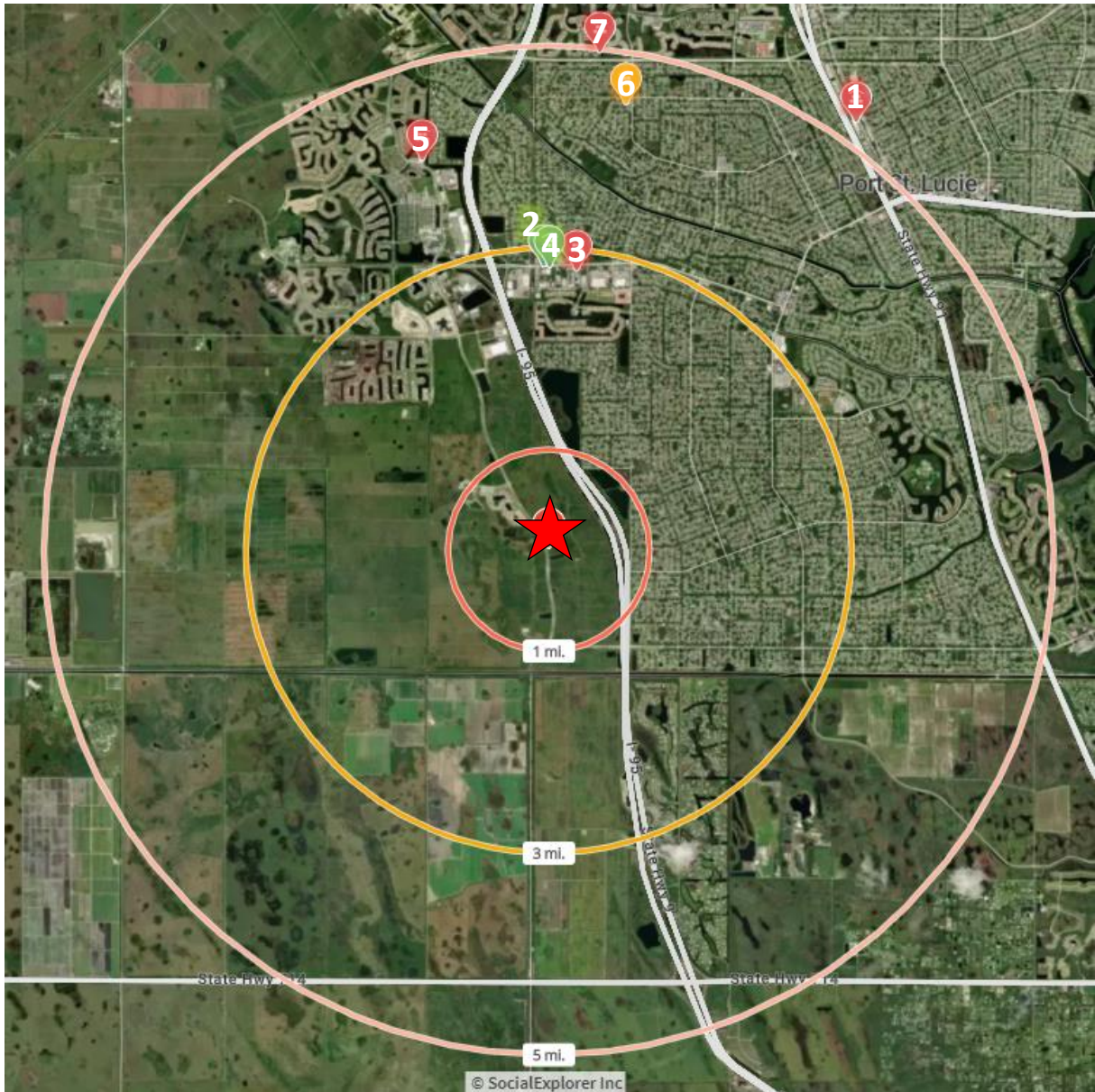
Class B facilities perform well but are in more average markets in comparison with Class A locations. These facilities are typically ill maintained and are purchase by local or national investors.

Class C facilities are the remaining facilities. These investments are located in less dense area, typically have higher vacancy, possible very high competition levels, and are owned by less sophisticated operators. These facilities are known as "Ma and Pa" types of operations.

### **Market Analysis Key Takeaways**

- National self-storage occupancy rates have steadily rose over the past decade increasing by almost 9% with the latest national occupancy levels reported at 91%.
- The occupancy rates for the South Atlantic region have remained at roughly 90% over the past four years.
- Asking rents (\$/Unit) for 10x10 climate-controlled units in Florida have risen roughly 14% over the past 12 months.

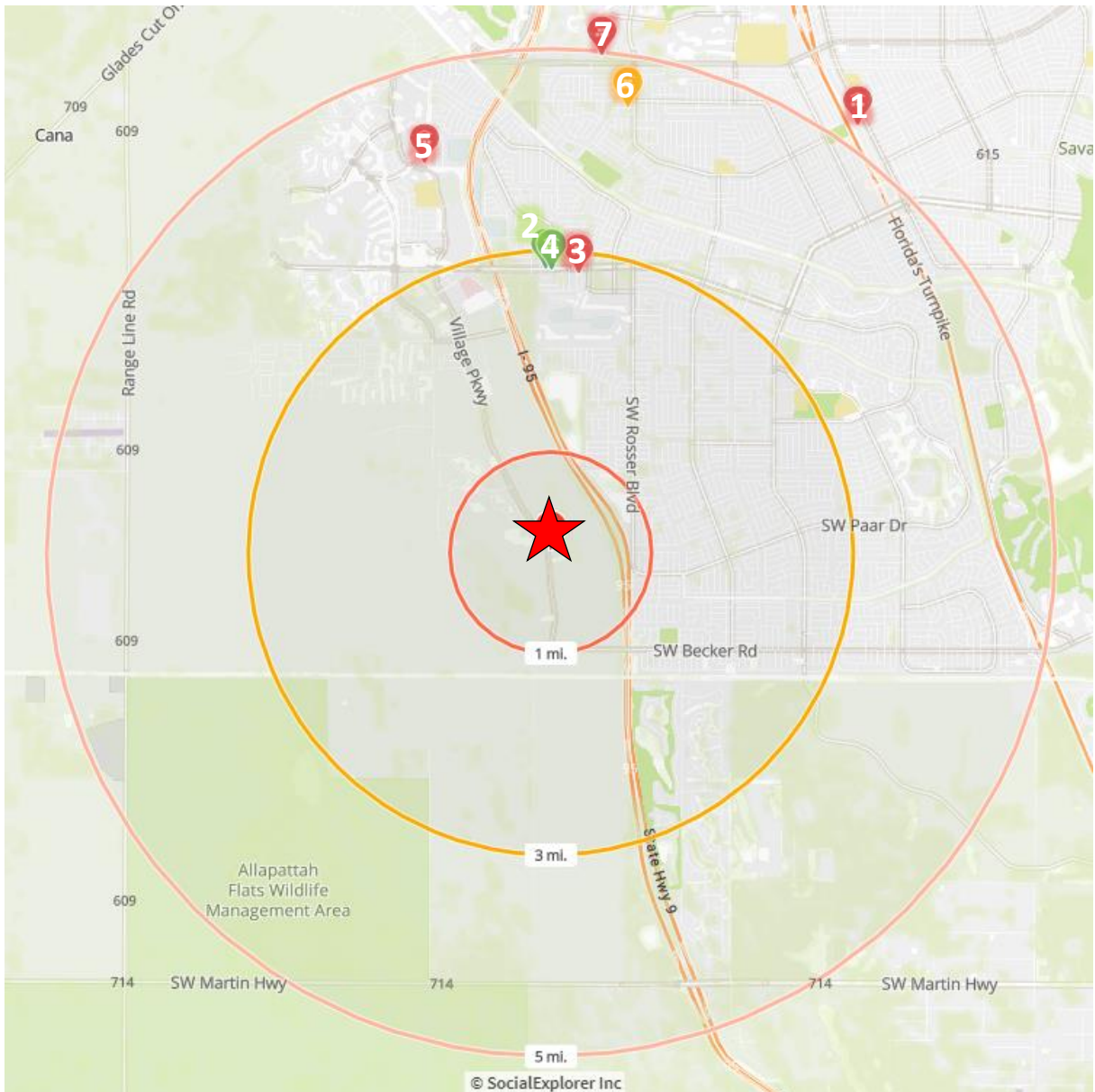
## Competitor Satellite Map



1. American Personal Storage
2. CubeSmart Self Storage
3. Economy Self Storage
4. Extra Space Storage
5. Farrell Storage
6. Lux Storage
7. Tradition Storage

1 mi

## Competitor Street View Map



1. American Personal Storage
2. CubeSmart Self Storage
3. Economy Self Storage
4. Extra Space Storage
5. Farrell Storage
6. Lux Storage
7. Tradition Storage

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## Submarket Overview

### Submarket Rental Comps

CLIMATE CONTROLLED							
Property Name	Address	City	Unit Type Detail	Floor	Unit SF	Asking Rental Rate	Rate Per SqFt
CubeSmart Self Storage	2140 Gatlin Blvd	Port St. Lucie	5x5 (Climate)	1st	25	\$ 57.75	\$ 2.31
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	5x5 (Climate)	1st	25	\$ 49.00	\$ 1.96
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	5x5 (Climate)	Upper	25	\$ 57.00	\$ 2.28
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	5x5 (Climate)	1st	25	\$ 67.00	\$ 2.68
					<b>25</b>	<b>\$ 58</b>	<b>\$ 2.31</b>
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	5x10 (Climate)	1st	50	\$ 84.00	\$ 1.68
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	5x10 (Climate)	Upper	50	\$ 69.00	\$ 1.38
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	5x10 (Climate)	1st	50	\$ 94.00	\$ 1.88
					<b>50</b>	<b>\$ 82</b>	<b>\$ 1.65</b>
CubeSmart Self Storage	2140 Gatlin Blvd	Port St. Lucie	10x10 (Climate)	1st	100	\$ 193.50	\$ 1.94
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x10 (Climate)	1st	100	\$ 139.00	\$ 1.39
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x10 (Climate)	Upper	100	\$ 114.00	\$ 1.14
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	10x10 (Climate)	1st	100	\$ 232.00	\$ 2.32
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	10x10 (Climate)	Upper	100	\$ 154.00	\$ 1.54
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	10x10 (Climate)	Upper	100	\$ 169.00	\$ 1.69
					<b>100</b>	<b>\$ 167</b>	<b>\$ 1.67</b>
CubeSmart Self Storage	2140 Gatlin Blvd	Port St. Lucie	10x15 (Climate)	1st	150	\$ 252.00	\$ 1.68
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x15 (Climate)	1st	150	\$ 184.00	\$ 1.23
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x15 (Climate)	Upper	150	\$ 165.00	\$ 1.10
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	10x15 (Climate)	1st	150	\$ 240.00	\$ 1.60
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	10x15 (Climate)	Upper	150	\$ 234.00	\$ 1.56
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	10x15 (Climate)	Upper	150	\$ 269.00	\$ 1.79
					<b>150</b>	<b>\$ 224</b>	<b>\$ 1.49</b>
CubeSmart Self Storage	2140 Gatlin Blvd	Port St. Lucie	10x20 (Climate)	1st	200	\$ 360.75	\$ 1.80
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x20 (Climate)	1st	200	\$ 279.00	\$ 1.40
Ekonomy Self Storage	2732 SW Buckhart St	Port St. Lucie	10x20 (Climate)	Upper	200	\$ 219.00	\$ 1.10
Extra Space Storage	2100 SW Gatlin Blvd	Port St. Lucie	10x20 (Climate)	Upper	200	\$ 312.00	\$ 1.56
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	10x20 (Climate)	Upper	200	\$ 357.00	\$ 1.79
					<b>200</b>	<b>\$ 306</b>	<b>\$ 1.53</b>
CubeSmart Self Storage	2140 Gatlin Blvd	Port St. Lucie	10x25 (Climate)	1st	250	\$ 561.75	\$ 2.25
Farrell Storage at Traditions	10218 SW Village Pkwy	Port St. Lucie	10x25 (Climate)	Upper	250	\$ 367.00	\$ 1.47
					<b>250</b>	<b>\$ 464</b>	<b>\$ 1.86</b>

### Submarket Asking Rent Key Takeaways

- The current average rent \$ per sq. ft. of 10x10 climate-controlled units is \$1.67 within the Subject Property's submarket, which suggests that the storage facilities within the submarket have strong occupancy rates.
- The sub-market for Climate-Controlled unit rates are performing significantly better than the entire Florida market. Furthermore, this is an indicator that the submarket has an undersupply of self-storage because current self-storage operators in the submarket have been able to keep pushing rental rates higher.

## Submarket Overview

### Supply in Trade Area

<b>Client:</b>	Farrell Storage	<b>Current Sq Ft/Capita</b>		<b>3.62</b>
<b>Subject Property:</b>	Southern Grove Development			
<b>Location:</b>	Port St. Lucie, Florida			
<b>DEMAND CRITERIA</b>				
			<b>2020</b>	<b>2025</b>
BASED ON POPULATION			847,180	879,420
COMMERCIAL DEMAND MULTIPLIER			1.10	1.10
GROSS MARKET DEMAND			931,898	967,362
		<b>LESS COMPETITION</b>	307,048	307,048
<b>NET DEMAND (In Rentable Sq. Ft.)</b>			<b>624,850</b>	<b>660,314</b>
<b>COMPETITION SUPPLY (SF) within a 5-Mile Radius</b>				
<b>COMPETITION</b>			<b>2021</b>	<b>2026</b>
TRADITION STORAGE	10650 SW CROSSTOWN PKWY	PORT ST LUCIE FL	50,000	50,000
FARRELL STORAGE @ TRADITIONS	10218 SW VILLAGE PKWY	PORT ST. LUCIE FL	73,945	73,945
CUBESMART SELF STORAGE	2140 GATLIN BLVD	PORT ST LUCIE FL	30,086	30,086
EXTRA SPACE STORAGE	2100 SW GATLIN BLVD	PORT ST. LUCIE FL	42,839	42,839
EKONOMY SELF STORAGE	2732 SW BUCKHART ST	PORT ST LUCIE FL	50,861	50,861
LUX STORAGE	COMMERCE LAKES DR	PORT ST LUCIE FL	59,317	59,317
<b>TOTALS</b>			307,048	307,048
<b>MULTIPLIERS:</b>				
RESIDENTIAL DEMAND BY SQFT/PERSON			10	10
COMMERCIAL MULTIPLIER			10.0%	10.0%
<b>MARKET POPULATION</b>				
<b>TOTAL POPULATION</b>			84,718	87,942
<b>Notes:</b>				
<i>Prepared By: LandPark Advisors, LLC</i>				



### Demand Analysis

While the performance of an individual self-storage facility is more dependent on local market conditions, national, state, or regional trends can be useful for benchmarks and comparisons to local trade areas. The 2020 Self-Storage Almanac reports that Florida had a 2020 rentable self-storage square feet per person ratio of 6.59, above the national average of 5.71. The current sub-market square feet per capita is 3.62. This number is very low and shows that there is a significant undersupply of self-storage in the area. The previous page shows a snapshot of the calculations made to find the current sub-markets square feet per capita of 3.62.

Many self-storage properties throughout Florida are achieving high occupancies and high rental rates with their square feet per capita in the 10 to 13 range. If the subject property's submarket added the proposed 133,930 net square of self-storage the square foot per capita within a five-mile radius of the property would only rise to 5.23. Furthermore, this is not accounting for any increase in population that the submarket will see the future. As more residential and multifamily housing is developed and occupied in the area the self-storage square feet per capita will continue to be pushed lower if no new self-storage supply is developed.

Even with the proposed 1,290 self-storage units and 133,930 net square feet of storage supply there would still be an undersupply of storage within the trade area. In addition, another strong indicator showing the undersupply of storage is the fast pace that properties in the submarket have leased up at. For example, other self-storage properties that we have done feasibility analysis's for in the area have reached stabilization in under 2 years. Based on these factors, we conclude that there is a significant undersupply of self-storage within a five-mile radius of the subject property, and it would be feasible that the Subject Property's sub-market will be able to absorb 133,930 net square feet of climate-controlled storage space.

## Cash Flow Projections

### Unit Mix Projections

The Subject Property is proposed as a three story, self-storage facility containing 1,290 climate controlled self-storage units totaling 133,930 net rentable square feet. Based on the Submarket Rental Comparison Properties on page 29, we conclude a market rental rate of \$1.60 per square foot per month as the Subject Property's average rental rate. Please refer to the unit mix below and on the following page. In addition, please refer to the appendix for the 10-year proforma.

UNIT MIX							
# of Units	UNIT TYPE	SQFT PER UNIT	TOTAL SQFT	Proforma Rent / Unit / Month	Potential Rent \$ / SQFT	Proforma Rent - Monthly	Proforma Rent - Annual
<b>CLIMATE CONTROLLED UNITS</b>							
100	5 x 5	25	2,500	\$ 59.00	\$ 2.36	\$ 5,900	\$ 70,800
12	5 x 7.5	38	450	\$ 82.50	\$ 2.20	\$ 990	\$ 11,880
307	5 x 10	50	15,350	\$ 90.00	\$ 1.80	\$ 27,630	\$ 331,560
109	7.5 x 10	75	8,175	\$ 129.00	\$ 1.72	\$ 14,061	\$ 168,732
2	9 x 10	90	180	\$ 152.00	\$ 1.69	\$ 304	\$ 3,648
398	10 x 10	100	39,800	\$ 165.00	\$ 1.65	\$ 65,670	\$ 788,040
6	7.5 x 15	113	675	\$ 180.00	\$ 1.60	\$ 1,080	\$ 12,960
2	10 x 12	120	240	\$ 185.00	\$ 1.54	\$ 370	\$ 4,440
58	10 x 14	140	8,120	\$ 200.00	\$ 1.43	\$ 11,600	\$ 139,200
106	10 x 15	150	15,900	\$ 210.00	\$ 1.40	\$ 22,260	\$ 267,120
3	10 x 18	180	540	\$ 225.00	\$ 1.25	\$ 675	\$ 8,100
<b>1,103</b>		<b>83</b>	<b>91,930</b>	<b>\$ 136</b>	<b>\$ 1.64</b>	<b>\$ 150,540</b>	<b>\$ 1,806,480</b>
<b>DRIVE-UP NON-CLIMATE CONTROLLED UNITS</b>							
141	10 x 20	200	28,200	\$ 240.00	\$ 1.20	\$ 33,840	\$ 406,080
46	10 x 30	300	13,800	\$ 275.00	\$ 0.92	\$ 12,650	\$ 151,800
<b>187</b>		<b>225</b>	<b>42,000</b>	<b>\$ 249</b>	<b>\$ 1.11</b>	<b>\$ 46,490</b>	<b>\$ 557,880</b>
<b>1,290</b>		<b>104</b>	<b>133,930</b>	<b>\$ 153</b>	<b>\$ 1.47</b>	<b>\$ 197,030</b>	<b>\$ 2,364,360</b>

# Cash Flow Projections

## Unit Mix Projections

SOUTHERN GROVE, TRADITIONS, FL												
	WIDTH	DEPTH	FEET PER UNIT		1ST	2ND	3RD	UNIT SUBTOTAL	S.F. SUBTOTAL	% OF TOTAL (BY	% OF TOTAL	UNIT SIZE
<b>3-STORY BUILDING A</b>												
	5	5	25	QUANTITY	37	30	33	100		8.5%	2.3%	5x5
				S.F.	925	750	825		2500 s.f.			
	5	7.5	37.5	QUANTITY	0	6	6	12		1.0%	0.4%	5x7.5
				S.F.	0	225	225		450 s.f.			
	5	10	50	QUANTITY	36	117	154	307		26.0%	14.3%	5x10
				S.F.	1,800	5,850	7,700		15350 s.f.			
	7.5	10	75	QUANTITY	1	54	54	109		9.2%	7.6%	7.5x10
				S.F.	75	4,050	4,050		8175 s.f.			
	9	10	90	QUANTITY	0	1	1	2		0.2%	0.2%	9x10
				S.F.	0	90	90		180 s.f.			
	10	10	100	QUANTITY	79	153	166	398		33.7%	37.1%	10x10
				S.F.	7,900	15,300	16,600		39800 s.f.			
	7.5	15	112.5	QUANTITY	0	3	3	6		0.5%	0.6%	7.5x15
				S.F.	0	338	338		675 s.f.			
	10	12	120	QUANTITY	0	1	1	2		0.2%	0.2%	10x12
				S.F.	0	120	120		240 s.f.			
	10	14	140	QUANTITY	38	10	10	58		4.9%	7.6%	10x14
				S.F.	5,320	1,400	1,400		8120 s.f.			
	10	15	150	QUANTITY	54	32	20	106		9.0%	14.8%	10x15
				S.F.	8,100	4,800	3,000		15900 s.f.			
	10	18	180	QUANTITY	1	1	1	3		0.3%	0.5%	10x18
				S.F.	180	180	180		540 s.f.			
	10	20	200	QUANTITY	35	11	1	47		4.0%	8.8%	10x20
				S.F.	7,000	2,200	200		9400 s.f.			
DU	10	20	200	QUANTITY	30	0	0	30		2.5%	5.6%	10x20
				S.F.	6,000	0	0		6000 s.f.			
					311	419	450	1180		100.0%	100.0%	
					37,300 s.f.	35,303 s.f.	34,728 s.f.		107,330 s.f.			
					48,200 s.f.	48,200 s.f.	48,200 s.f.		144,600 s.f.			
					77%	73%	72%		74%			
					1ST	2ND	3RD	UNIT SUBTOTAL	S.F. SUBTOTAL			
										<b>MIX RATIO</b>		
										90.96		

EXTERIOR D.U. BUILDINGS B, C, D													
10	20	200	QUANTITY	64	0	0	64			100.0%	100.0%	10x20	
			S.F.	12,800	0	0		12800 s.f.					
10	30	300	QUANTITY	46	0	0	46			100.0%	100.0%	10x30	
			S.F.	13,800	0	0		13800 s.f.					
								110	26,600 s.f.	<b>MIX RATIO</b>			
									27,520 s.f.	241.82			
					<b>TOTAL UNITS</b>		<b>TOTAL NRSF</b>				<b>TOTAL MIX RATIO</b>		
					1290		133,930 s.f.				103.82		
							TOTAL SF						
							172,120 s.f.						
							78%						

### Summary of Conclusions

- The sub-market has plenty of room to grow to a 12-13 square foot per capita equilibrium from existing inventory. This would allow for up to 524,636 additional square feet of self-storage being added to the market beyond the Subject Property over the next 5 years. The proposed development of 1,119 self storage units totaling 133,930 net rentable square feet would still leave the submarket substantially undersupplied.
- Demand has continued to follow migration patterns and the Port St. Lucie MSA is experiencing unprecedented population growth. Also, the local businesses and seasonal population create additional storage customers that are normally not picked up by statistics.
- The average per square foot rate on a 10x10 Climate Controlled space in the subject property's submarket is \$1.67, which well exceeds our minimum target of \$1.25/sqft. This also likely indicates that facilities within the submarket have high occupancy rates and there is likely not enough self-storage supply to meet the demand.
- The median income in the surrounding area of the Subject Property is over \$80,000, which greatly exceeds our threshold. Generally, we do not recommend new construction under \$45,000. Furthermore, the current levels of income and density demographics indicate the area will retain or improve its overall market value over time.

LandPark Advisors recommends proceeding with the development of the property. There is a significant shortage of net rentable self-storage square feet in the submarket and therefore we project that the Subject Property should be able to lease up to 85% stabilized economic occupancy within 36 months and will be marketable to a variety of investors once stabilized. In addition, there are many positive infrastructure improvements and demographic trends that point toward stable to improving values for the subject property and immediate trade area.

