

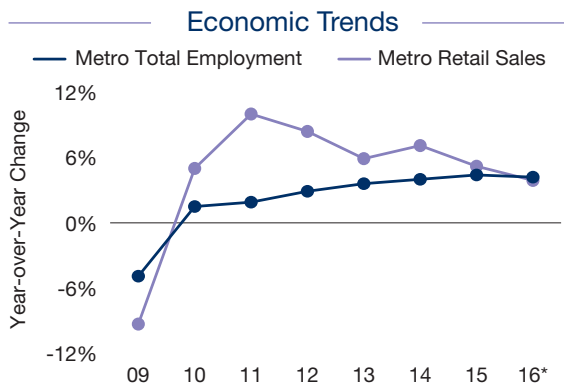
Self-Storage Research Market Report

Second Half 2016

Orlando Area

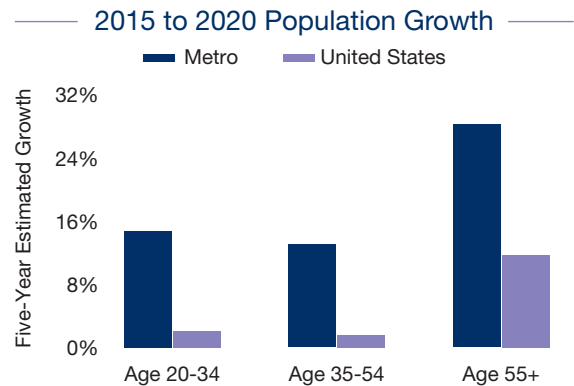
Economic Trends

Over the last 12 months ending in the second quarter, employment in Orlando expanded with the addition of 51,200 jobs, growing the labor force 4.4 percent. This year employers will add 50,000 new workers to company payrolls, a 4.2 percent increase. Retail sales will climb 3.9 percent this year on the back of strong job gains. Last year retail sales increased at a pace of 5.2 percent.



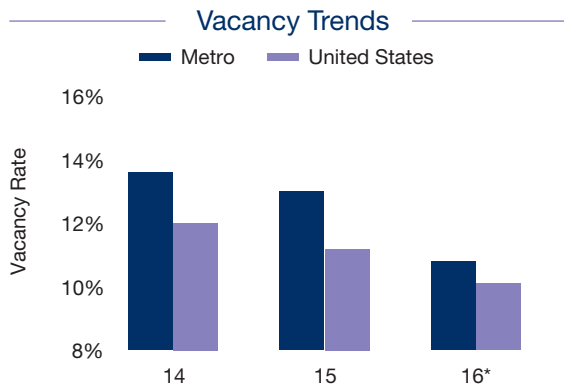
Population Trends

Growth in the 20- to 34-year-old cohort is estimated to surge 14.7 percent from 2015 to 2020, far outpacing the national prediction of 2.1 percent. This age group will drive demand for self-storage space as many are renter households who commonly have less space for storage. The 55 and older segment will also drive demand, expanding 28.2 percent in this time.



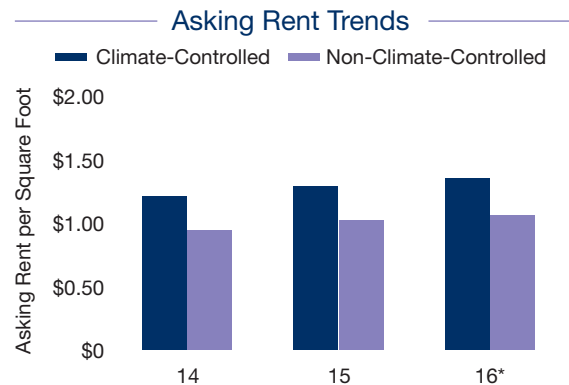
Vacancy Trends

Following a 60-basis-point drop last year, strong demand for self-storage units will drive the vacancy rate down another 220 basis points to 10.8 percent in 2016. The Orlando self-storage market is on pace to achieve the greatest decline in vacancy among all the South Atlantic markets.



Rent Trends

Asking rent climbed 3.9 percent and 4.4 percent over the yearlong period ended in June for climate-controlled and non-climate-controlled space, respectively. This year rent will increase 4.4 percent to \$1.35 per square foot at climate-controlled centers and 4.6 percent to \$1.06 per square foot at non-climate-controlled space.



* Forecast
Sources: Marcus & Millichap Research Services; CoStar Group, Inc.; REIS Services, LLC

Self-Storage Market Trends

The South Atlantic vacancy rate will slide 120 basis points this year, reaching 10.2 percent. The average asking rent for climate-controlled units will jump 4.3 percent to \$1.59 per square foot in 2016. The average rent for non-climate-controlled facilities will rise 3.8 percent to \$1.17 per square foot.

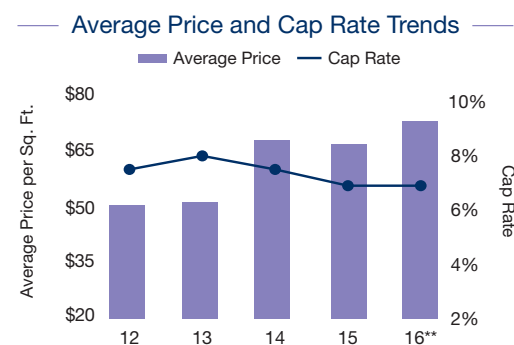
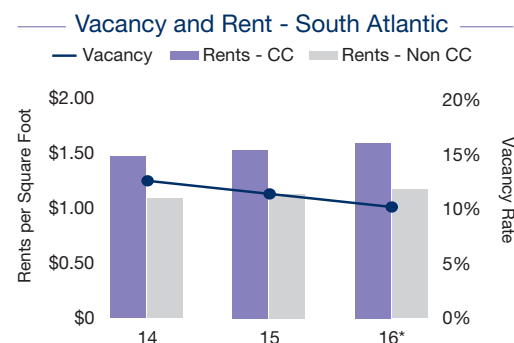
South Atlantic Region Sales Highlights



Property Name	City, State	NRSF***	Sales Price	Price per Sq. Ft.
Tampa MSA Portfolio	Palm Harbor, FL	223,903	\$47,925,000	\$214
Space Shop Self Storage Portfolio	Loganville, GA	216,201	\$25,100,000	\$116
US 1 A/C Self Storage	Boynton Beach, FL	74,679	\$17,900,000	\$240
North Miami Storage	North Miami, FL	70,374	\$11,050,000	\$157
Fayette Self Storage	Fayetteville, GA	151,916	\$9,200,000	\$61
Budget Self Storage	Sterling, VA	56,795	\$8,900,000	\$157
My Neighborhood Storage Center	Orlando, FL	64,480	\$8,500,000	\$132
Mr. Store-It	Wilmington, NC	69,785	\$8,500,000	\$122

*** Net Rentable Square Footage

Sources: Marcus & Millichap Research Services; CoStar Group, Inc.; REIS Services LLC



* Forecast

** Trailing 12 months through 2Q

Note: CC stands for Climate-Controlled

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The information contained in this report was obtained from sources deemed to be reliable. Every effort was made to obtain accurate and complete information; however, no representation, warranty or guarantee, express or implied, may be made as to the accuracy or reliability of the information contained herein. Note: Metro-level employment growth is calculated based on the last month of the quarter/year. Sales data includes transactions valued at \$1,000,000 and greater unless otherwise noted. Sources: Marcus & Millichap Research Services, Bureau of Labor Statistics, CoStar Group, Inc., Moody's Analytics, National Association of Realtors, Real Capital Analytics, MPF Research, TWR/Dodge Pipeline, U.S. Census Bureau.