

**URBIS**

# **URBIS STORAGE INDEX**

**AS AT 30 JUNE 2020  
RELEASED AUGUST 2020**



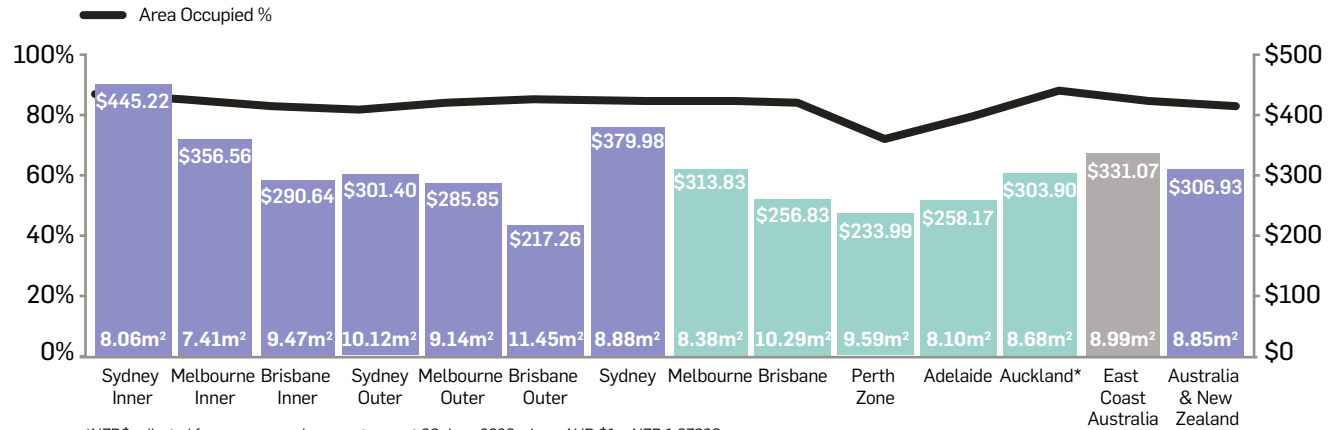
# THE RESULTS

## THE FIRST MARKET TEST SINCE COVID-19

The June 2020 release of the Urbis Storage Index provides the first market measure of the initial impact of COVID-19 on the self storage industry in Australia and New Zealand. At the time of this release, the effects of this global pandemic continue to evolve and place a major strain on the Australian and New Zealand economies. Various stages of lockdown have all but crippled many industries across the states and districts, with the economic repercussions of these unprecedented measures being widespread.

While the extent of the economic crisis continues to unfold, data from this edition of the Index provides the first snapshot of market movement since the outbreak of COVID-19. The results may also help us understand and predict the longer term impacts of the global pandemic on the self storage market.

### Weighted average \$ rate/sq.m., weighted average unit size and area occupied (%) as at 30 June 2020



\*NZDS adjusted for currency exchange rates as at 30 June 2020 where AUD \$1 = NZD 1.07030  
Source: RBA

## AREA OCCUPIED

Since the December 2019 release of the Urbis Storage Index, area occupied has generally declined across the markets that we track. The only market to achieve growth in area occupied was the Sydney Inner market, increasing by 2.53%. The Perth market has remained stable with a modest 0.01% increase. The remaining markets have witnessed a decline in area occupied.

However, annual movement in occupancy is positive. Most markets are still ahead of area occupied levels as at June 2019. Stand out results have been achieved in the Brisbane Outer and Sydney Inner markets which recorded area occupied growth of 4.18% and 3.11% respectively over the 12 month period.

## AVERAGE STORAGE FEE RATES

Since December 2019, the only market to achieve positive average storage fee rate growth was Auckland, increasing marginally by 0.22%. All other markets recorded negative average storage fee rate growth.

More broadly, the generally stable occupancy levels achieved since June 2019 have been at the expense of fee rate growth, with the average movement in the achieved storage fee rate (excluding the December 2019 added Adelaide data) being -1.08%.

## REVENUE

Occupancy and average storage fee rate results provide a good indication of the health of the market, although overall revenue provides the most complete measure of market performance. While the impact of COVID-19 is widespread across Australia and New Zealand, revenue movement highlights the markets which have been more heavily impacted.

Since December 2019, the Melbourne Inner market demonstrated the largest decline in revenue, at -4.16%. The Melbourne Outer market followed experiencing a decline of -2.49%. It should be noted that these results were recorded as of June 2020 and were prior to the recent imposing of Stage 4 restrictions in Melbourne. We would expect that continued pressure on revenue growth will be apparent over the next six months across Melbourne with these restrictions.

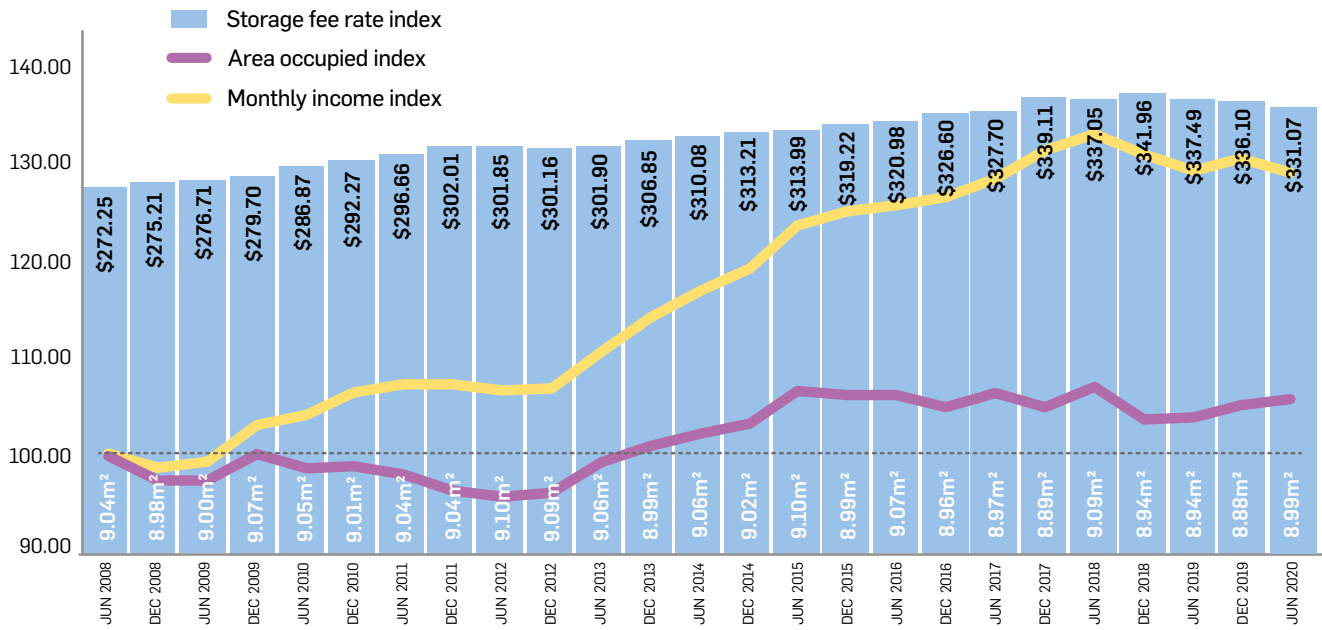
The only market to experience a positive revenue result since December 2019 was Inner Sydney which increased by 1.67%. All other markets experienced negative growth of between -0.09% and -2.35% (excluding Melbourne Inner and Outer markets).

## CONCLUSIONS

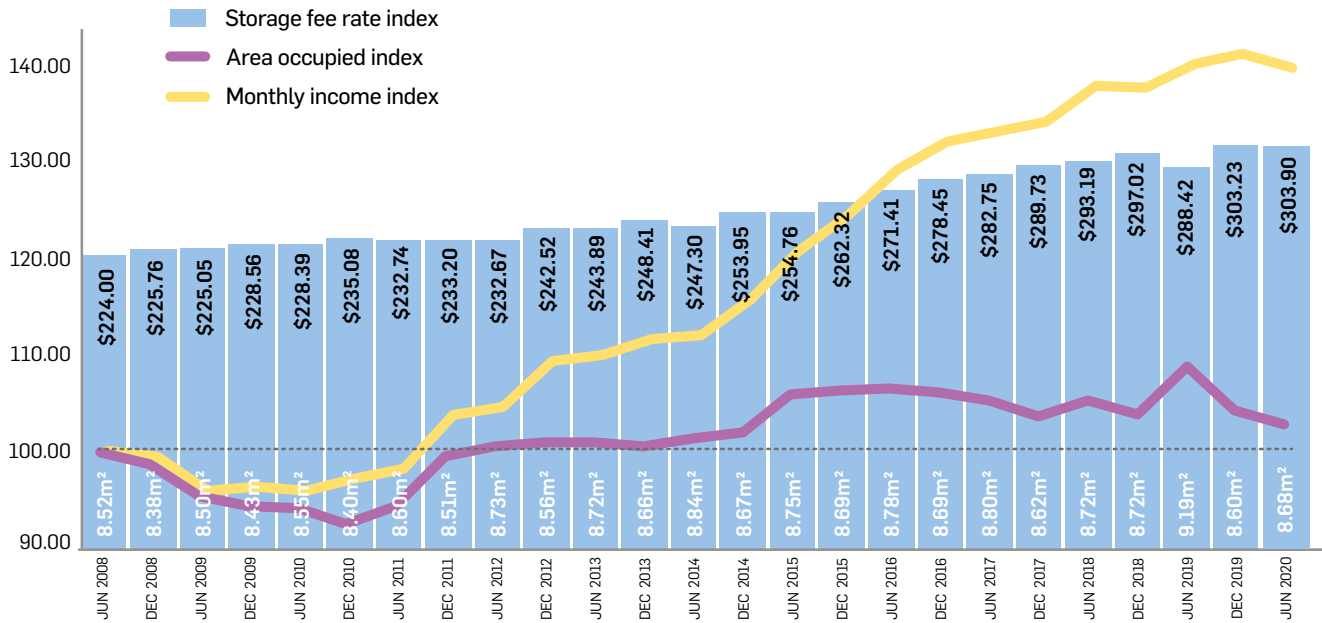
While the June 2020 Index has demonstrated generally negative growth across the markets that we track, we consider that the results recorded are fairly contained overall and demonstrate the resilience of the self storage industry. As we learn to 'live with COVID-19', we are hopeful that the December 2020 story will be a more positive one.

Zone	Occupancy by Area
Sydney Inner	86.21%
Sydney Outer	81.50%
Sydney	84.01%
Melbourne Inner	84.81%
Melbourne Outer	83.76%
Melbourne	84.16%
Brisbane Inner	82.31%
Brisbane Outer	84.90%
Brisbane	83.48%
Perth	71.74%
Adelaide	79.20%
Auckland	87.74%
East Coast Australia	83.94%
Australia & New Zealand	82.41%

### East Coast Australia Zone: SFR index, AO index, MR index and average unit size occupied



### Auckland Zone: SFR index, AO index, MR index and average unit size occupied



# PERFORMANCE INDICES

## Storage Fee Rate Index Area

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	100.66	103.03	101.75	99.73	103.93	100.05	100.79	-	-
30-Jun-09	100.86	101.64	103.09	102.99	103.84	100.73	100.47	-	-
31-Dec-09	102.15	103.78	103.89	103.22	106.66	101.27	102.04	-	-
30-Jun-10	103.57	106.66	110.42	106.34	108.10	102.04	101.96	-	-
31-Dec-10	105.76	108.23	112.24	111.21	108.72	101.74	104.94	-	-
30-Jun-11	107.64	109.37	115.43	112.09	109.67	102.73	103.90	-	-
31-Dec-11	109.95	110.02	117.91	115.65	111.33	104.11	104.11	-	-
30-Jun-12	111.66	111.02	117.11	113.58	110.71	102.76	103.87	-	-
31-Dec-12	111.27	110.53	118.76	113.55	110.68	103.95	108.27	-	-
30-Jun-13	111.95	109.86	117.10	113.04	112.34	105.62	108.88	-	-
31-Dec-13	115.66	111.04	116.63	116.33	113.86	104.56	110.90	-	-
30-Jun-14	116.78	113.09	115.90	119.80	113.30	105.91	110.40	-	-
31-Dec-14	117.53	115.32	116.47	120.61	114.07	106.96	113.37	-	-
30-Jun-15	117.62	118.00	115.86	120.08	112.72	107.68	113.73	-	-
31-Dec-15	119.69	119.80	117.18	123.08	114.70	107.67	117.11	-	-
30-Jun-16	120.77	120.31	117.77	124.83	116.27	106.11	121.16	-	-
31-Dec-16	123.41	123.89	119.13	127.62	116.14	105.63	124.31	-	-
30-Jun-17	124.31	123.44	121.44	128.65	113.88	105.41	126.23	-	-
31-Dec-17	129.51	127.22	126.63	132.55	115.24	110.13	129.34	100.00	-
30-Jun-18	129.02	126.91	124.64	133.89	112.61	113.89	130.89	97.25	-
31-Dec-18	128.78	128.54	127.21	136.42	115.18	113.19	132.60	96.13	-
30-Jun-19	128.01	126.08	127.00	131.82	114.47	112.13	128.76	96.03	-
31-Dec-19	127.43	124.90	130.37	132.84	112.42	109.53	135.37	95.53	100.00
<b>30-Jun-20</b>	<b>125.53</b>	<b>121.49</b>	<b>128.72</b>	<b>130.99</b>	<b>111.50</b>	<b>106.74</b>	<b>135.67</b>	<b>94.36</b>	<b>99.44</b>

## Area Occupied Index

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	94.96	95.77	97.81	100.43	101.80	98.64	98.77	-	-
30-Jun-09	94.94	98.93	98.08	97.42	99.69	99.32	95.47	-	-
31-Dec-09	96.08	100.21	101.72	103.70	101.57	103.01	94.49	-	-
30-Jun-10	95.95	98.01	96.27	102.46	102.06	100.32	94.18	-	-
31-Dec-10	94.68	98.85	97.55	103.56	104.35	98.01	92.59	-	-
30-Jun-11	94.58	97.13	97.05	103.03	103.51	97.43	94.54	-	-
31-Dec-11	92.44	98.42	94.26	98.66	100.06	97.77	99.67	-	-
30-Jun-12	90.46	97.77	93.54	98.37	101.07	99.93	100.74	-	-
31-Dec-12	89.44	97.49	91.46	99.92	104.66	103.10	101.14	-	-
30-Jun-13	93.02	99.75	95.72	103.58	106.85	105.54	101.12	-	-
31-Dec-13	92.59	101.99	100.41	105.57	107.09	107.51	100.78	-	-
30-Jun-14	93.38	103.11	103.63	105.95	108.09	110.93	101.46	-	-
31-Dec-14	94.35	102.97	106.28	107.67	110.64	108.71	102.14	-	-
30-Jun-15	97.62	105.25	110.20	114.30	113.08	109.89	106.19	-	-
31-Dec-15	96.81	104.58	112.69	114.08	111.97	107.48	106.41	-	-
30-Jun-16	95.35	107.87	112.85	114.76	107.06	108.74	106.76	-	-
31-Dec-16	93.99	105.33	113.35	113.45	106.84	108.12	106.38	-	-
30-Jun-17	95.26	107.92	111.58	114.28	110.88	108.18	105.54	-	-
31-Dec-17	93.88	105.52	113.68	111.89	109.68	107.12	103.76	100.00	-
30-Jun-18	93.22	109.18	114.19	114.13	112.10	113.34	105.45	102.65	-
31-Dec-18	93.81	101.96	113.43	109.05	109.68	107.51	103.97	101.14	-
30-Jun-19	93.61	103.77	112.72	110.66	107.44	106.05	109.02	104.96	-
31-Dec-19	94.20	104.29	112.50	111.05	110.65	112.77	104.40	105.82	100.00
<b>30-Jun-20</b>	<b>97.23</b>	<b>105.29</b>	<b>109.20</b>	<b>109.81</b>	<b>108.95</b>	<b>115.61</b>	<b>103.02</b>	<b>106.27</b>	<b>99.82</b>

## Monthly Revenue Index

Date	Sydney Inner Zone	Sydney Outer Zone	Melbourne Inner Zone	Melbourne Outer Zone	Brisbane Inner Zone	Brisbane Outer Zone	Auckland Zone	Perth Zone	Adelaide
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-	-
31-Dec-08	95.59	98.67	99.52	100.16	105.81	98.68	99.54	-	-
30-Jun-09	95.76	100.56	101.11	100.34	103.52	100.05	95.92	-	-
31-Dec-09	98.14	104.00	105.67	107.03	108.33	104.31	96.41	-	-
30-Jun-10	99.37	104.54	106.30	108.96	110.33	102.36	96.03	-	-
31-Dec-10	100.13	106.99	109.49	115.17	113.45	99.72	97.17	-	-
30-Jun-11	101.80	106.23	112.02	115.49	113.52	100.09	98.22	-	-
31-Dec-11	101.63	108.28	111.15	114.10	111.40	101.79	103.76	-	-
30-Jun-12	101.00	108.54	109.55	111.72	111.90	102.68	104.64	-	-
31-Dec-12	99.52	107.76	108.61	113.46	115.84	107.18	109.50	-	-
30-Jun-13	104.13	109.59	112.09	117.08	120.03	111.47	110.10	-	-
31-Dec-13	107.09	113.25	117.10	122.82	121.93	112.41	111.77	-	-
30-Jun-14	109.05	116.60	120.10	126.93	122.46	117.48	112.01	-	-
31-Dec-14	110.89	118.74	123.78	129.85	126.22	116.27	115.80	-	-
30-Jun-15	114.82	124.20	127.68	137.26	127.46	118.33	120.77	-	-
31-Dec-15	115.86	125.29	132.05	140.41	128.43	115.72	124.61	-	-
30-Jun-16	115.15	129.78	132.90	143.25	124.48	115.38	129.35	-	-
31-Dec-16	115.99	130.49	135.04	144.78	124.08	114.21	132.24	-	-
30-Jun-17	118.42	133.23	135.50	147.02	126.27	114.04	133.23	-	-
31-Dec-17	121.59	134.24	143.95	148.32	126.40	117.97	134.20	100.00	-
30-Jun-18	120.28	138.56	142.33	152.82	126.23	129.07	138.02	99.83	-
31-Dec-18	120.81	131.06	144.30	148.77	126.33	121.69	137.86	97.23	-
30-Jun-19	119.84	130.84	143.15	145.87	122.98	118.92	140.36	100.80	-
31-Dec-19	120.05	130.26	146.67	147.52	124.40	123.52	141.33	101.08	100.00
<b>30-Jun-20</b>	<b>122.05</b>	<b>127.91</b>	<b>140.56</b>	<b>143.84</b>	<b>121.47</b>	<b>123.40</b>	<b>139.77</b>	<b>100.27</b>	<b>99.26</b>



# THE URBIS STORAGE INDEX

Urbis has been monitoring the self storage industry in Australia and New Zealand since 2008.

The USI has monitored the movement of the self storage industry through three primary performance measurement indices. These indices include:

- **Storage fee rate (SFR) index** – The total accrued monthly revenue (ex GST) as at the respective index date for all facilities included in the zone, divided by the total area of occupied storage space measured in square metres for all facilities included in that zone. The monthly SFR is then annualised to produce a weighted average annual SFR as at the index date.
- **Area occupied (AO) index** – The total storage area occupied in square metres for all facilities within each zone.
- **Monthly revenue (MR) index** – The total accrued monthly revenue (ex GST) as at the index date. The MR Index is effectively a function of the above two (2) indices, as it represents the total amount of storage area occupied and the achieved SFR's. The results of the above primary performance measurements are converted to an index, where the base point of 100 is set as at 31 December 2008.

# GEOGRAPHICAL STRUCTURE

Recognising that there are significant variations in average storage fee rates, occupancy and monthly revenue in different geographic locations, the indices have been prepared for a series of geographic zones. These are:

- Sydney Inner Zone
- Sydney Outer Zone
- Melbourne Inner Zone
- Melbourne Outer Zone
- Brisbane Inner Zone
- Brisbane Outer Zone
- Perth Zone
- Adelaide Zone
- Auckland, New Zealand Zone
- Total East Coast Australia Zone (combined Sydney, Melbourne and Brisbane).
- Total Australia and New Zealand

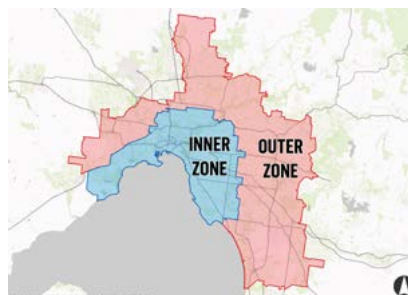
The Urbis Storage Index incorporated the Perth Zone from 31 December 2017 and the Adelaide Zone from 31 December 2019.

# AUSTRALIAN ZONE BOUNDARIES

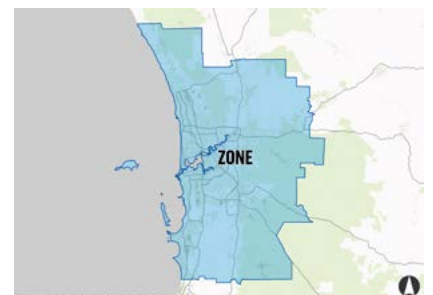
The Urbis Storage Index monitors over 100 mature self storage facilities over nine (9) core zones, representing a sample size in excess of 10% of the overall self storage market in each zone.

The geographical structure of the Sydney, Melbourne, Brisbane, Adelaide and Perth Zones can be seen in the maps below.

## MELBOURNE ZONE BOUNDARIES



## PERTH ZONE BOUNDARY



## SYDNEY ZONE BOUNDARIES



## BRISBANE ZONE BOUNDARIES



## ADELAIDE ZONE BOUNDARY



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# A CLEARER SENSE OF VALUE

In today's dynamic and complex markets, putting a value on property involves much more than local knowledge and simple sums.

Our valuations take account of everything likely to impact the value of a property, now and in the future. Drawing on extensive experience across every sector, we look at property from more angles to give institutional and private investors, corporate clients and government more insightful analysis, more nuanced advice plus a clearer sense of value – and how to maximise it.

With consultants specialising in the industrial, residential, retail, commercial and self storage sectors, we provide insightful analysis and accurate reporting to help minimise risk and maximise opportunities.

Our national business model ensures our clients get access to the right people to deliver timely and reliable advice. Work is shared amongst consultants in our Sydney, Melbourne and Brisbane offices to make sure we deliver optimum results within the required timeframes.

Our team of self storage experts live and breathe self storage. We are registered to value facilities in every state and region across Australia and New Zealand. We have the people, the expertise and the coverage to deliver the best advice every time.

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The Urbis Storage Index has been monitoring the self storage industry in Australia and New Zealand since 2008. This substantial data series is the first of its kind in the Australasian self storage industry. Urbis has established itself as the industry leader, providing our clients with a measured approach and proven expertise in: Valuation, Feasibility Analysis, Transaction Management and Specialised Research.

**“We analyse the data and produce this Index to help you make the best decisions.”**

**Linda Sharkey**  
Director

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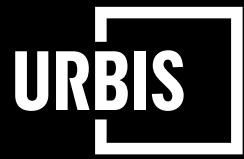
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