

The Self Storage Industry

What mini storage business owners don't want entrepreneurs to know



The average net income for a mini storage business owner has increased 147% since 2014.



The Great recession officially lasted from December 2007 - June 2009 and this historic event caused many homeowners to downsize



Homeowners who were forced to downsize need a place to store their belongings and a storage unit is cheaper than renting another bedroom

Average Rental Rates by Size

10x15

Climate Controlled
\$303 per unit

Avg. High Normal Units
\$171 per unit

Avg. Low Normal Units
\$78 per unit

10x10

Climate Controlled
\$248 per unit

Avg. High Normal Units
\$140 per unit

Avg. Low Normal Units \$64 per unit

5x5

Climate Controlled
\$211 per unit

Avg. High Normal Units
\$119 per unit

Avg. Low Normal Units \$54 per unit

Case Study

Unit Mix

Revenue

Breakeven

Example Unit Mix and Cost Ranges

Based on the estimate below, how long would it take you to breakeven and start to profit at an 87% occupancy rate?

# Units	Size	Materials Cost Range
150 (30%)	5' x 5'	\$18,750 - \$30,000
300 (60%)	10' x 10'	\$150,000 - \$240,000
50 (10%)	10' x 15'	\$62,500 - \$100,000
500 (100%)	TOTALS	\$231,250 - \$370,000

Revenue and Breakeven

At the rates below, it would take you approximately 4-8 months to pay off your initial investment in 500 mini storage units. However, according to NationalRealEstateInvestor.com mini storage properties used to take around 48 months to stabilize but today they are taking an average of 36 months to reach average occupancy levels.

87% Occupancy	Avg. Monthly Low	Avg. Monthly High
5 x 5 (130 rented)	\$7,020	\$8,320
10 x 10 (261 rented)	\$31,059	\$36,540
10 x 15 (43 rented)	\$9,178	\$10,788
434 Units Rented	\$47,247	\$55,648

What Matters?



Expert Insights

According to a study conducted by sparefoot.com, potential storage space renters rank price as their number one concern followed by security, location, access hours, cleanliness, friendliness and of course, positive reviews.

Breakeven



$\$370,000 / \$55,648 = 6.64$ Months

Learn More:

[Self Storage Business Plan](#)