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Self Storage Supply Forecast Update

For the Q2 2026 update, the self storage supply forecast has been increased for all years by 2.3% to 3.5%. The increase accounts for the 30 new markets Yardi Matrix has added to its coverage since July 2025. The overall shape of the forecast is unchanged. The supply forecast continues to model supply falling to approximately 1.75% of stock by 2028.

Self Storage New Supply Forecast, Q2 2026 vs. Q1 2026

Year	Q2 2026	Q1 2026	% Chg
2026	52,880,850	51,102,372	3.5%
2027	45,037,343	44,022,508	2.3%
2028	38,619,606	37,585,481	2.8%
2029	39,046,143	38,014,820	2.7%
2030	39,619,632	38,573,890	2.7%
2031	40,033,835	38,679,847	3.5%

Source: Yardi Matrix

Near-Term Forecast: 2026 Through 2028

A modest increase in new self storage development activity marked the end of 2025. As a result, year-end 2025 saw the under-construction pipeline increase to 54.46 million net rentable square feet. Current construction completion times suggest most but not all of this inventory will be completed in 2026, roughly 52.88 million NRSF.

Q1 2026 construction starts are currently 29% below the pace recorded one year ago. This suggests 2025's decline in new construction is continuing into 2026. How new construction activity evolves over the coming year will largely determine how much new supply arrives in 2027.

There are few signs that a near-term rebound in self storage demand will take hold in 2026. Advertised rental rates remain under pressure, especially in Sun Belt markets that are struggling to absorb excess supply. In addition, long-term interest and mortgage rates remain elevated. The former elevates cap rates, suppressing valuations, transactions and new development. The latter suppresses single-family home sales, a key self storage demand driver.

As a result, the supply forecast continues to expect 2027 new supply to decline to approximately 2.5% of existing stock, or 45.04 million NRSF, with a further decline in 2028 new supply to 1.72% of existing stock, or 38.62 million NRSF.