

**URBIS**

# **URBIS STORAGE INDEX**

**AS AT 30 JUNE 2018  
RELEASED AUGUST 2018**

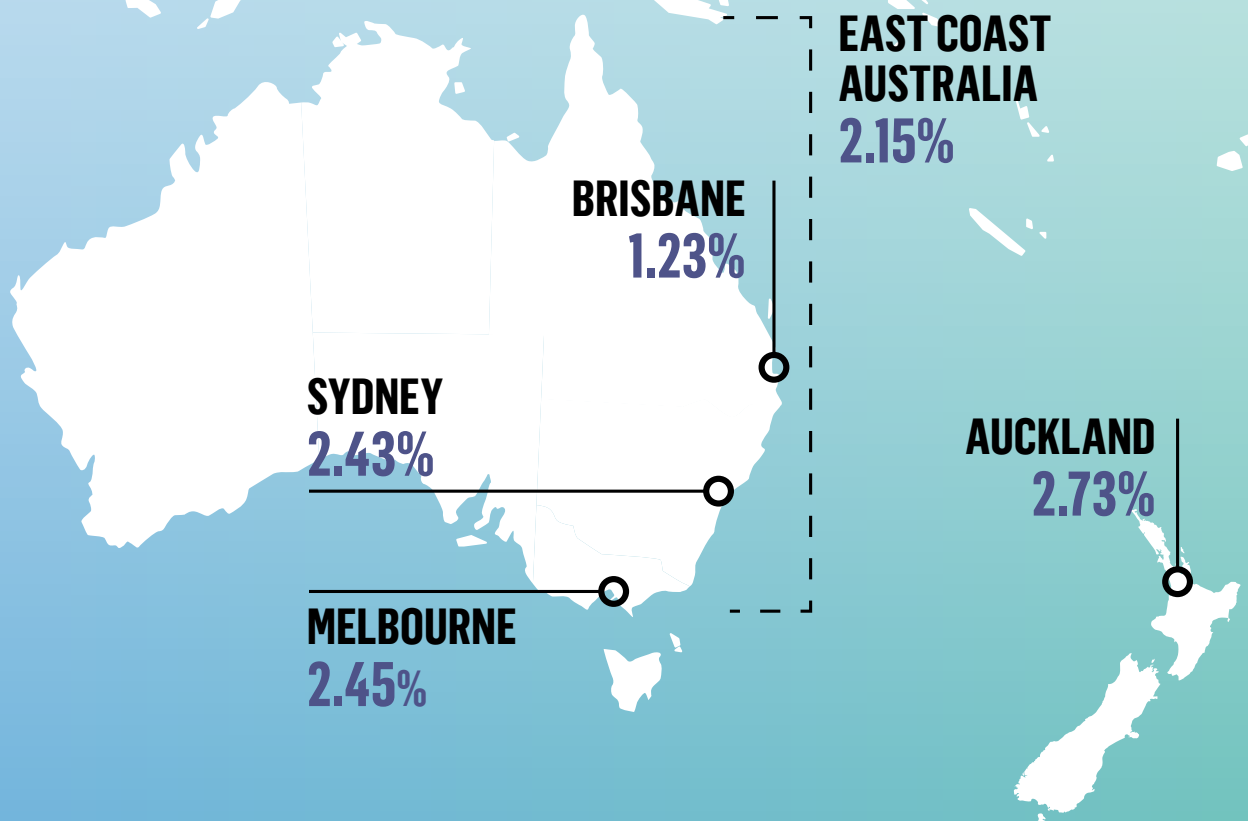


# 10 YEARS OF THE URBIS STORAGE INDEX

This edition marks the 10 year anniversary of the Urbis Storage Index. Over this time there has been significant changes in the self storage market, particularly with regard to storage fee rates.

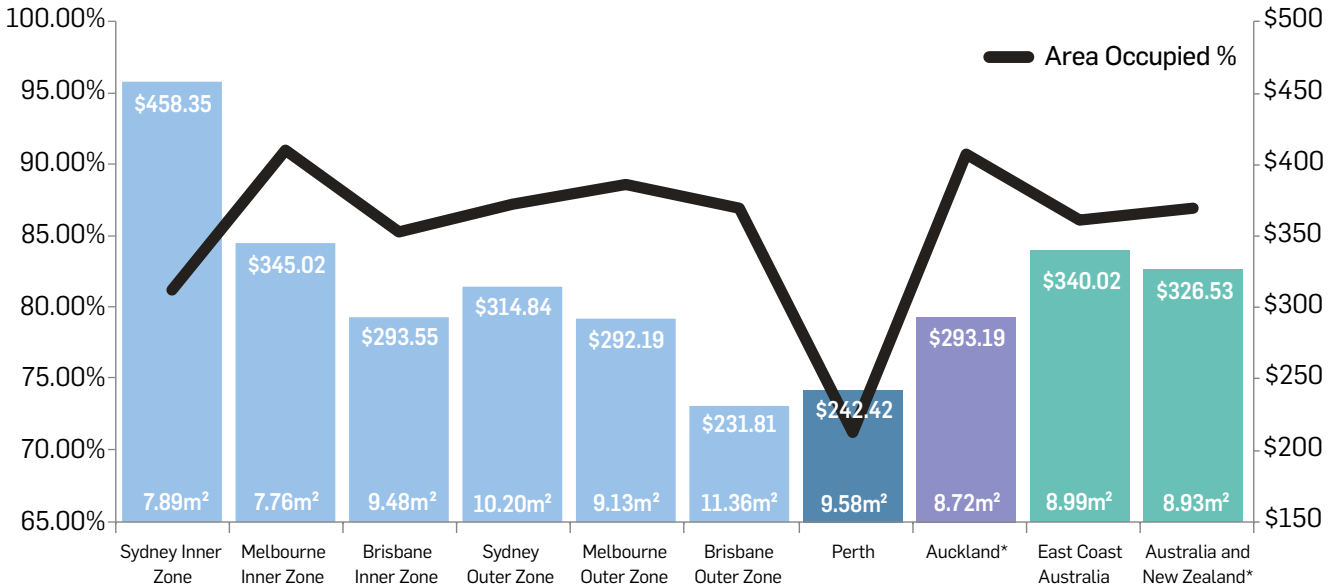
We have measured the annual compounding growth in storage fee rates over the past 10 years as shown below.

10  
YEARS



# THE RESULTS

Weighted average \$ rate/sq.m., weighted average unit size and area occupied (%) as at 30 June 2018



\* NZ\$ adjusted for currency exchange rates as at 29 June 2018, where: AUS\$1 = NZ\$1.0903  
Source: RBA

## AREA OCCUPIED

- The average area occupied for facilities operating on the East Coast of Australia over the past 6 months was 85.77%. This is up 1.33% from the preceding 6 months. This is a turn around from falls in occupancy shown in the Index results covering the last 6 months of 2017 (-2.55%).
- The largest amount of growth was experienced in Brisbane. More specifically, occupancy in the Brisbane Outer Zone increased by 6.40% over the past 6 months.

## AVERAGE STORAGE FEE RATES

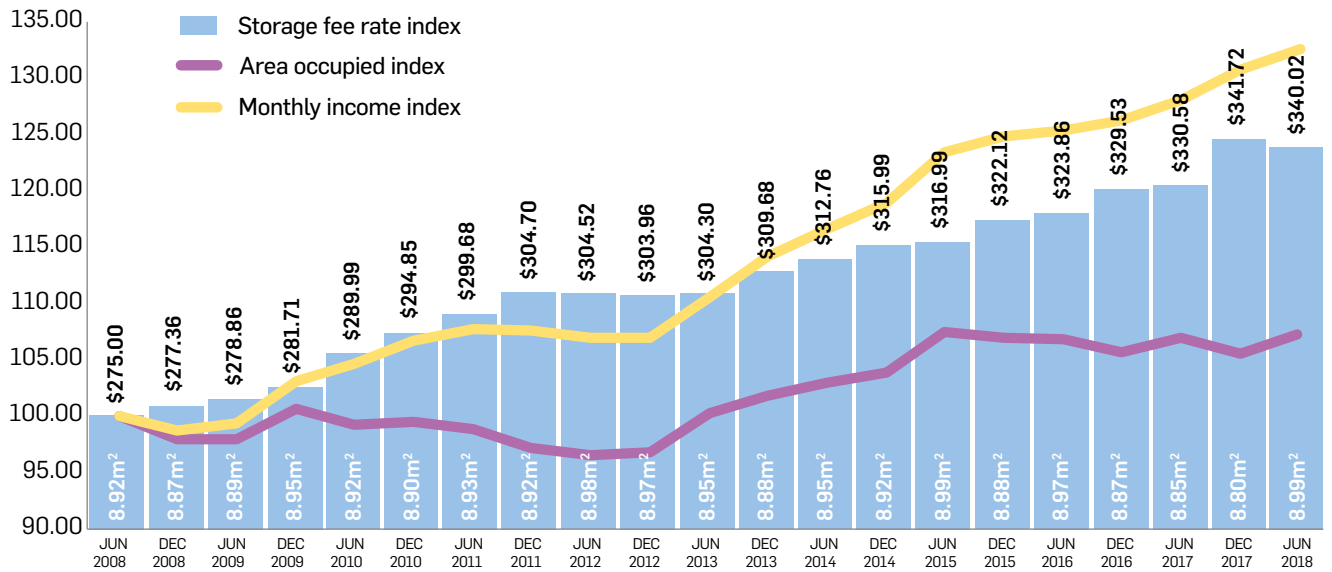
- Over that past 6 months the Index has recorded a significant slow down in storage fee rate growth by comparison to the preceding 6 months. The largest growth was experienced in the Brisbane Outer Zone which showed a 3.41% increase in storage fee rates.
- The Auckland Zone saw an increase of 1.19% in storage fee rates. This was the second highest amount of growth in storage fee rates recorded in the Index over the past 6 months.

## URBIS INDEX STANDOUTS

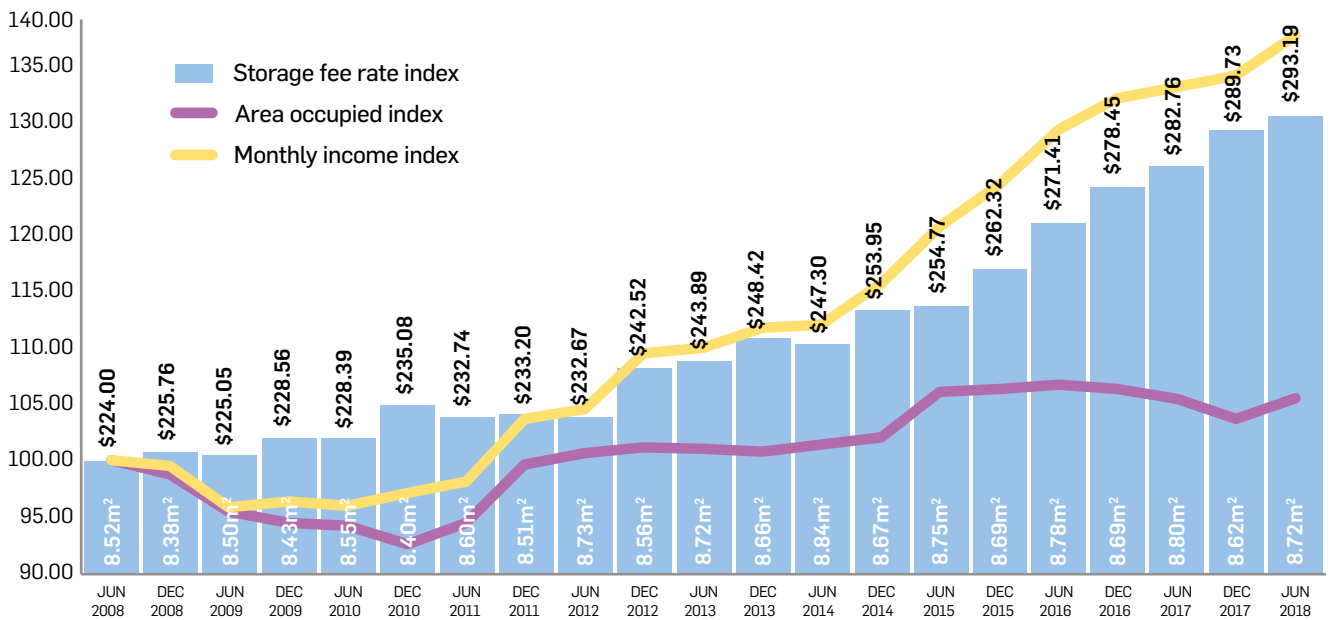
- The standout for the Index was the Brisbane Outer Zone. Following a marginal decrease in occupancy (-1.07%) in the 31 December 2017 Index, the Zone has recorded an occupancy increase of 6.40% during the last 6 months. The Brisbane Outer Zone also measured the highest increase in storage fee rates. However, Outer Brisbane remains the lowest fee rate zone and these lower rates appear to be assisting occupancy levels.

Zone	Occupancy by Area
Sydney Inner	81.13%
Sydney Outer	86.77%
Sydney	83.57%
Melbourne Inner	90.36%
Melbourne Outer	88.05%
Melbourne	89.02%
Brisbane Inner	84.98%
Brisbane Outer	86.56%
Brisbane	85.68%
Perth	71.71%
Auckland	90.09%

### 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
30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-
31-Dec-08	100.81	103.03	99.61	99.73	103.93	100.05	100.79	-
30-Jun-09	100.90	101.64	101.00	102.99	103.85	100.73	100.47	-
31-Dec-09	102.29	103.78	101.22	103.21	106.66	101.27	102.04	-
30-Jun-10	103.93	106.66	109.20	106.34	108.10	102.03	101.96	-
31-Dec-10	105.77	108.23	110.24	111.21	108.72	101.74	104.94	-
30-Jun-11	107.94	109.37	113.19	112.09	109.67	102.74	103.90	-
31-Dec-11	110.44	110.02	113.86	115.65	111.33	104.12	104.11	-
30-Jun-12	111.69	111.02	113.92	113.58	110.71	102.76	103.87	-
31-Dec-12	111.65	110.53	115.05	113.55	110.68	103.95	108.27	-
30-Jun-13	111.86	109.86	113.75	113.04	112.33	105.62	108.88	-
31-Dec-13	115.82	111.04	113.75	116.33	113.86	104.56	110.90	-
30-Jun-14	116.83	113.09	113.40	119.80	113.29	105.90	110.40	-
31-Dec-14	117.64	115.32	114.19	120.61	114.07	106.96	113.37	-
30-Jun-15	117.95	118.00	113.62	120.08	112.72	107.68	113.74	-
30-Dec-15	120.10	119.80	114.56	123.07	114.70	107.67	117.11	-
30-Jun-16	121.11	120.32	115.19	124.82	116.27	106.11	121.16	-
31-Dec-16	123.86	123.89	116.31	127.62	116.14	105.62	124.31	-
30-Jun-17	124.74	123.45	118.21	128.65	113.88	105.41	126.23	-
31-Dec-17	129.85	127.22	122.48	132.55	115.24	110.13	129.35	100.00
<b>30-Jun-18</b>	<b>129.83</b>	<b>126.91</b>	<b>120.84</b>	<b>133.89</b>	<b>112.61</b>	<b>113.88</b>	<b>130.89</b>	<b>97.59</b>

Softness in the Perth market remains with a decrease in storage fee rate levels.

## Area occupied index

30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-
31-Dec-08	95.12	95.77	99.71	100.43	101.80	98.63	98.77	-
30-Jun-09	95.38	98.93	100.15	97.42	99.69	99.32	95.47	-
31-Dec-09	96.39	100.21	103.60	103.70	101.57	103.01	94.49	-
30-Jun-10	96.53	98.02	99.10	102.46	102.06	100.33	94.18	-
31-Dec-10	95.50	98.85	100.07	103.56	104.35	98.01	92.59	-
30-Jun-11	95.61	97.13	99.58	103.03	103.51	97.43	94.54	-
31-Dec-11	93.56	98.42	97.51	98.66	100.06	97.77	99.67	-
30-Jun-12	91.81	97.77	95.96	98.37	101.07	99.93	100.74	-
31-Dec-12	90.44	97.49	94.01	99.92	104.66	103.10	101.14	-
30-Jun-13	94.07	99.75	98.01	103.58	106.85	105.54	101.12	-
31-Dec-13	93.67	101.99	102.37	105.58	107.09	107.51	100.78	-
30-Jun-14	94.20	103.10	104.39	105.95	108.09	110.93	101.46	-
31-Dec-14	95.19	102.96	106.75	107.67	110.65	108.71	102.14	-
30-Jun-15	98.72	105.25	110.49	114.30	113.08	109.89	106.19	-
31-Dec-15	97.75	104.58	112.60	114.08	111.97	107.48	106.41	-
30-Jun-16	96.27	107.87	112.82	114.76	107.06	108.74	106.76	-
31-Dec-16	94.93	105.33	113.25	113.45	106.84	108.12	106.38	-
30-Jun-17	96.02	107.92	111.75	114.28	110.87	108.19	105.54	-
31-Dec-17	94.36	105.52	113.52	111.89	109.68	107.12	103.76	100.00
<b>30-Jun-18</b>	<b>93.56</b>	<b>109.18</b>	<b>113.96</b>	<b>114.13</b>	<b>112.10</b>	<b>113.34</b>	<b>105.45</b>	<b>99.30</b>

Urbis began monitoring the Perth Zone from 31 December 2017. This period formed the indexation basis (i.e. 100)

## Monthly revenue index

30-Jun-08	100.00	100.00	100.00	100.00	100.00	100.00	100.00	-
31-Dec-08	95.89	98.67	99.32	100.16	105.81	98.68	99.54	-
30-Jun-09	96.23	100.56	101.15	100.34	103.52	100.05	95.92	-
31-Dec-09	98.60	104.00	104.87	107.03	108.33	104.31	96.41	-
30-Jun-10	100.33	104.54	108.22	108.96	110.33	102.36	96.03	-
31-Dec-10	101.02	106.99	110.32	115.17	113.45	99.72	97.17	-
30-Jun-11	103.20	106.23	112.72	115.49	113.52	100.09	98.22	-
31-Dec-11	103.34	108.28	111.03	114.10	111.40	101.79	103.76	-
30-Jun-12	102.54	108.54	109.32	111.72	111.90	102.68	104.64	-
31-Dec-12	100.97	107.76	108.16	113.46	115.84	107.18	109.50	-
30-Jun-13	105.22	109.59	111.48	117.08	120.03	111.47	110.10	-
31-Dec-13	108.48	113.25	116.45	122.82	121.93	112.41	111.77	-
30-Jun-14	110.06	116.60	118.38	126.93	122.46	117.48	112.01	-
31-Dec-14	111.98	118.74	121.91	129.85	126.22	116.27	115.80	-
30-Jun-15	116.44	124.20	125.54	137.26	127.46	118.33	120.77	-
30-Dec-15	117.39	125.29	128.99	140.41	128.43	115.72	124.61	-
30-Jun-16	116.60	129.78	129.96	143.25	124.48	115.38	129.35	-
31-Dec-16	117.57	130.49	131.72	144.78	124.08	114.21	132.24	-
30-Jun-17	119.78	133.23	132.10	147.02	126.27	114.04	133.23	-
31-Dec-17	122.53	134.24	139.04	148.31	126.40	117.97	134.20	100.00
<b>30-Jun-18</b>	<b>121.46</b>	<b>186.00</b>	<b>137.71</b>	<b>152.82</b>	<b>126.23</b>	<b>129.07</b>	<b>138.02</b>	<b>96.91</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 (3) 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 30 June 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
- Auckland, New Zealand Zone
- Total East Coast Australia Zone (combined Sydney, Melbourne and Brisbane).
- Total Australia and New Zealand

As at 31 December 2017, the Urbis Storage Index now monitors the Perth Zone.

# AUSTRALIAN ZONE BOUNDARIES

The Urbis Storage Index monitors over 85 mature self storage facilities over eight (8) 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 and Perth Zones can be seen in the map extracts below.



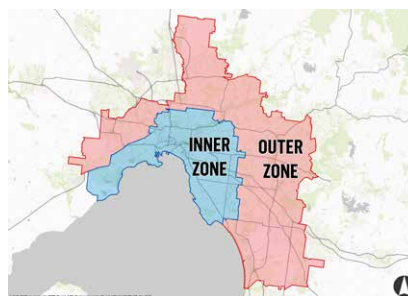
## SYDNEY ZONE BOUNDARIES



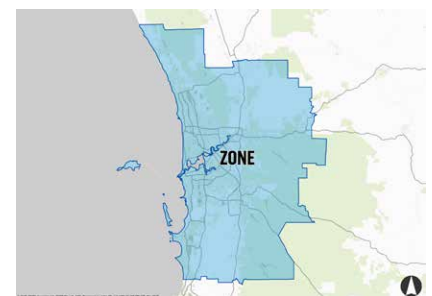
## BRISBANE ZONE BOUNDARIES



## MELBOURNE ZONE BOUNDARIES



## PERTH ZONE BOUNDARY





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# ABOUT URBIS

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.

**“Urbis research provides important insights into the self storage industry. It benefits investors, operators and analysts alike.”**

**David Blackwell**  
Director

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Urbis has been monitoring the self storage industry in Australia and New Zealand since 2008. Our substantial set of time series data, the first of its kind in the Australasian self storage industry, affords Urbis as the self storage experts. Our measured approach and proven expertise provides an accurate picture of your facility's value and how to maximise it.

## CONTACTS



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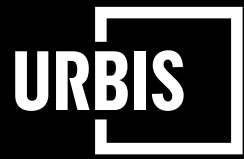
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