

Tuesday, January 9, 2024

## **Real Estate Development Panel**

Moderated by Nick Malagisi, SIOR  
SVN Commercial Real Estate Advisors

# Development Panel Members:

\*Chris Barry: Co-Founder and Partner  
of LSC Development, LLC

\*Dylan Delaune: Chief Investment Officer  
Storage Post

\*Jim Goonan: Executive VP of Development  
Safeguard Self Storage



# NYSSA – Investment Forum

“How do you underwrite a development deal today with a slower lease up; reduction in street rates; new supply coming online; and rising interest rates?”



# NYSSA – Investment Forum

- I. Each of your companies has a significant portion of your portfolio located in the Metro NYC area.

Please tell us how your company entered the self storage business and how and when you entered the Metro NYC market.

- II. Are each of you vertically integrated in that you control the development process and construction process eternally?



# NYSSA – Investment Forum

III. What percentage of your portfolio was developed rather than acquired?

Do you have plans to acquire existing assets?

IV. Do you have Institutional Capital/Equity or exactly how do you fund your developments?

What kind of debt do you usually use?



# Yardi Matrix 2023 Self Storage New Supply Pipeline

Period	Market Name	UC_Props	UC_RSF	Planned_Props	Planned_RSF	Prospective_Props	Prospective_RSF
1/1/23	National	793	53,182,642	1,706	102,917,723	800	45,531,756
2/1/23	National	812	54,343,384	1,729	104,268,714	796	45,190,538
3/1/23	National	775	53,053,410	1,742	105,692,591	780	44,003,660
4/1/23	National	799	54,167,406	1,790	108,425,092	832	46,942,314
5/1/23	National	779	53,424,874	1,777	107,844,793	769	43,468,827
6/1/23	National	779	53,031,283	1,833	112,283,521	801	45,021,379
7/1/23	National	767	51,699,860	1,776	108,671,296	789	44,197,181
8/1/23	National	799	55,102,661	1,788	109,540,679	804	42,986,273
9/1/23	National	814	55,595,771	1,860	112,752,150	847	44,832,323
10/1/23	National	835	56,590,995	1,882	111,971,355	903	46,969,990
11/1/23	National	846	57,635,908	1,875	110,487,142	891	44,366,400
12/1/23	National	941	63,787,821	1,990	117,390,530	960	47,901,416

<b>Quarter ago</b>	8,192,050 14.74%		4,638,380 4.11%		3,069,093 6.85%
<b>Year ago</b>	10,605,179 19.94%		14,472,807 14.06%		2,369,660 5.20%



# NYSSA – Investment Forum

- V. While the majority of your assets are located in the Metro NYC area, do you have other target markets that interest you for development?
  
- VI. Each of you have been in the self storage industry for over 20+ years.
  
- Q. What are some of the most significant design/construction changes that you have encountered?

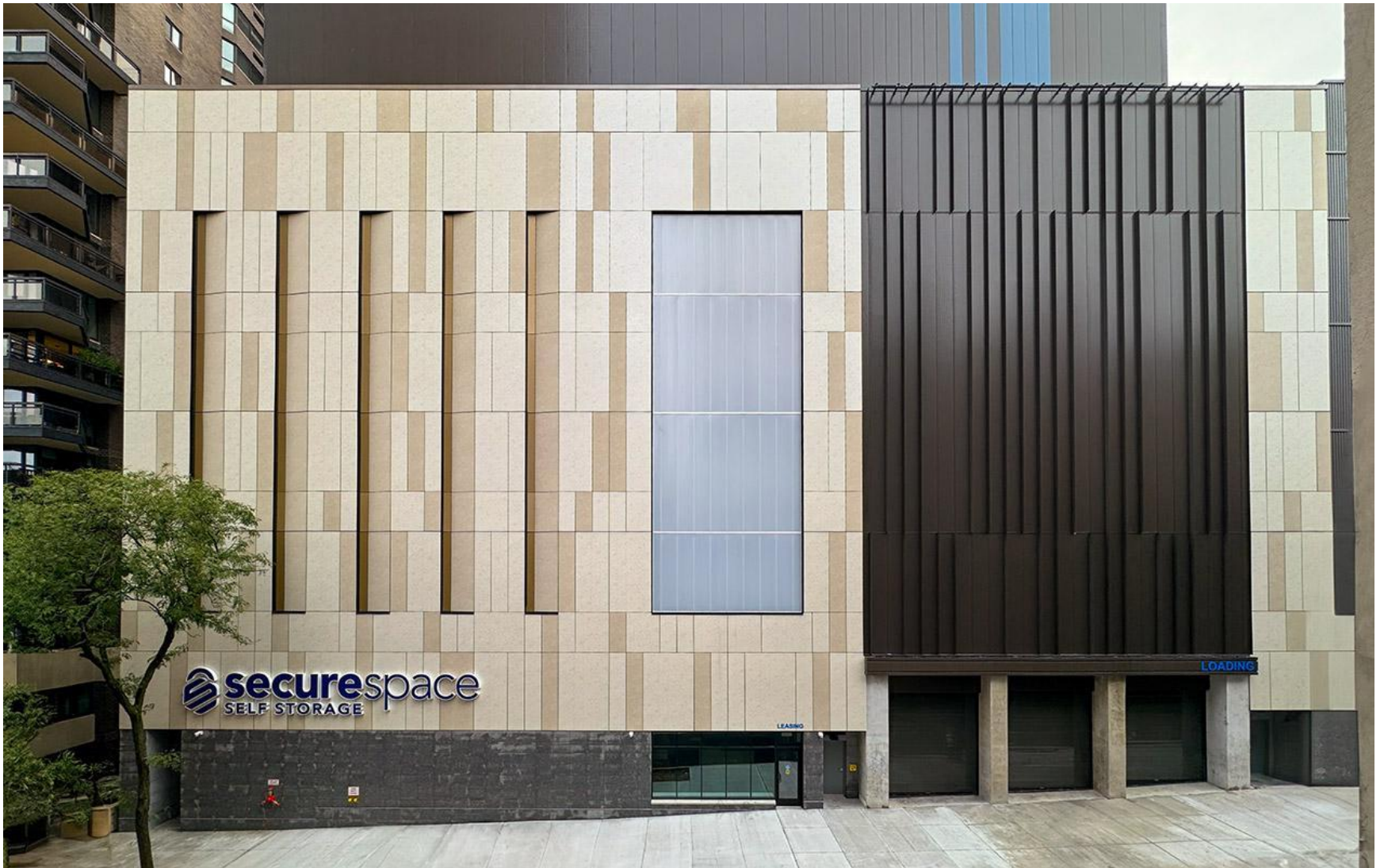


# NYSSA – Investment Forum

VII. While you have been developing self storage in the Metro NYC area there over the last several years, what have been the biggest challenges you had to overcome?







# NYSSA – Investment Forum

VIII. The Manhattan market has been the most difficult borough to penetrate so far with new product.

Q. In your opinion, have circumstances changed recently for companies like yours to now make it economically feasible to develop there?



# NYSSA – Investment Forum

IX. Going Green has not really made an impact on self storage developers to-date.

Q. In your opinion, what are the reasons more self storage developers are not making use of the building materials, solar power benefits, and/or design techniques to have their properties qualify as such?

