



TRANSACTIONS

Harrison Street completes two self-storage transactions

BY JODY BARHANOVICH

Harrison Street Real Estate Capital, one of the largest real estate investment firms, has completed two recent self-storage portfolio transactions in Nashville and Dallas.

The first transaction was the acquisition of a two-property, 1,243-unit self-storage portfolio with over 150,000 square feet, located in dense retail and commercial submarkets of Nashville. Harrison Street partnered with Westport Properties on the acquisition.

In the second transaction, Harrison sold a portfolio of six storage facilities located near Dallas to Public Storage, the largest owner of self-storage real estate in the world. The portfolio consists of approximately 3,400 units and 445,000 square feet.

“Self-storage has been a core investment area for Harrison Street since we launched in 2005,” said Christopher Merrill, co-founder, president and CEO of Harrison Street. “We continue to identify attractive opportunities in the sector that will generate risk-adjusted returns for our investors.”

Since its inception, Harrison Street has owned more than 200 self-storage properties, totaling 125,564 units across 23 states equating to over \$1.7 billion in total gross value.

An estimated 600 self-storage facilities were constructed nationwide in 2016, with about 900 new starts in 2017, according to CBRE’s third quarter self-storage construction report.

Dallas has the most new construction, estimated at more than 9 million square feet. However, Atlanta, Austin, Denver and Nashville were considered at equilibrium and will be over-supplied after new construction is complete. Sacramento will move from under-supplied to equilibrium after new construction is complete.

Since there was limited new construction during the Great Recession, CBRE estimates supply and demand metrics in the sector nationwide are generally at equilibrium in 2017.