WEEKLY NEWSLETTER

www.urowrealestate.com

Institutional Capital Continues Shifting Toward Midwest Markets

- Nuveen identified secondary Midwest self-storage markets as attractive due to higher acquisition yields and affordability trends.
- Higher interest rates and moderating migration trends increased investor focus on Midwest markets with lower new supply exposure.
- Investors continue targeting one-off acquisitions from smaller owners with operational upside opportunities and NOI growth potential.

Manufacturing Activity Reaches Four-Year High as Inflation Pressures Build

- U.S. manufacturing PMI increased to 55.3 in May from 54.5 in April, the highest reading since May 2022 and above economist expectations of 53.8.
- Manufacturing input inventories increased to an 11-month high as businesses built safety stock amid supply chain disruptions and shipping concerns tied to the ongoing Middle East conflict.
- Manufacturing input prices increased to 79.5 in May from 68.4 in April, reinforcing expectations that inflation pressures may remain elevated.

Our Thoughts

- Continued institutional interest in Midwest self-storage markets highlight growing investor focus on regions with lower supply exposure and operational upside opportunities.
- Rising manufacturing activity, accelerating input costs, and continued inventory stockpiling suggest inflation pressures may remain elevated through the second half of the year, potentially delaying future interest rate cuts and increasing refinancing pressure across commercial real estate sectors.

RECENT LISTINGS

Tower Mill Self Storage

Royal Oak Warehouse & Storage

We Value Your Feedback!

Want to share your experience at Urow Real Estate with others?
Write a Google review!