

2016 Grandich Self-Storage Factor

Self-Storage: The emblem of
America's addiction to stuff

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I have long stated that one of the biggest maladies with the American economy is our obsession with “stuff.” We’re spending and consuming way too much and living far beyond our means. There is no bigger and more obvious symbol of our overspending than this generation’s newest bounty industry: self-storage facilities. In essence, public storage sites symbolize everything that’s wrong with our skewed, distorted values here in the USA. We need a 12-step cure from our stuff.

Until we, as a society, can go into full-blown and long-term recovery from our addiction to spending and excess; until we realize that consumption has not left us happier, richer or more fulfilled; until self-storage facilities start closing down for lack of renters instead of breaking ground on new complexes, our economy will never be on solid footing.



A beautiful Canadian lady, Shania Twain, sings such a perfect song about how too many Americans live their lives: “Ka-Ching.” [Listen to the lyrics](#). It’s the 50 and under American crowd, no ifs, ands or buts. Americans have been led by Wall Street and Madison Avenue to believe that more money equals more happiness. The fact is Americans have too much stuff.

Both of my grandfathers passed away before I was born, but I always imagined them visiting me back in the late 1990s before I became a recovering materialist. I picture them visiting my 5,000-square-foot home on five acres, a home the size of which only the mega-rich had back in their generation. I envision telling them about how many of my neighbors had even bigger homes, and I try to justify why a home five times the size of the home in which my father and mother were raised was necessary. I don’t know whether or not they would have accepted my reasoning, but when I took them out on a main road, they would surely have discovered how screwed up we had become in just two generations. You see, they would see a sign that says “Public Storage” and ask what that was for? I would tell them people like me, with homes five times bigger than theirs, pay these places to keep our stuff. My grandfathers would certainly conclude we now have far too much stuff and we don’t truly “own” most of it. Our parents and grandparents didn’t need public storage, yet somehow they got through it.

The Storage Statistics:

- The self-storage industry in the United States generated \$27.2 billion in annual U.S. revenues (2014). The industry has been the fastest growing segment of the commercial real estate industry over the last 40 years. *(Self-Storage Association)*
- There are now over 48,500 “primary” self-storage facilities in the United States as of year-end 2014. *(Self-Storage Association)*
- Total self-storage rentable space in the US is roughly 2.5 billion square feet [more than 210 million square meters]. That figure represents more than 78 square miles of rentable self-storage space, under roof – or an area well more than 3 times the size of Manhattan Island (NY). *(Self-Storage Association)*
- Occupancy rates for self-storage facilities as of Q2-2015 were 90% (percentage of units rented per facility) are up from 86.8% at year-end 2013. *(Self-Storage Association)*
- In fact, about 9.5% of all American households currently rent a self-storage unit (10.85 million of the 113.3 million US HHs in 2013; that has increased from 1 in 17 US HHs (6%) in 1995 (18 years ago). *(Self-Storage Association)*
- There is 7.3 sq. ft. of self-storage space for every man, woman and child in the nation; thus, it is physically possible that every American could stand – all at the same time – under the total canopy of self-storage roofing. *(Self-Storage Association)*
- The average U.S. household with debt carries \$15,355 in credit card debt and \$129,579 in total debt. *(Nerdwallet.com 2015 survey)*
- Household income has grown by 26% in the past 12 years, but the cost of living has gone up 29% in that time period. And some of the largest expenses for consumers — like medical care, food and housing — have significantly outpaced income growth. *(Nerdwallet.com 2015 survey)*
- According to a report by the Federal Reserve Bank of New York entitled “Household Debt and Credit 2015 in Review,” Americans in their 50s, 60s and 70s - the Baby Boom generation - are carrying unprecedented amounts of debt, a shift which according to the Wall Street Journal “reflects both the aging of the baby boomer generation and their greater likelihood of retaining mortgage, auto and student debt at much later ages than previous generations.” *(Federal Reserve)*

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10 Tips to Stop Overspending

1. Leave your credit cards at home.
2. Save up for purchases so you pay cash for as much as possible.
3. For large items that must be financed (i.e., vehicles, homes), save up double the down payment you would normally save.
4. Charge nothing until your current credit card balances are paid off.
5. Pledge to NEVER make a late credit card payment. With late fees as much as \$35, saving six a year adds up to a few hundred dollars.
6. At least once each quarter, make an extra principal payment on your mortgage.
7. Break the “latte cycle” and stop spending on expensive coffee and other similar drinks. Saving \$5 a day on expensive coffees adds up to \$1825 per year. That’s close to \$3000 in earnings. Apply that savings to reducing debt or contribute it to your retirement savings.
8. Use the ages-old principle of paying yourself first. If you can swing it, have 10% of your pay check automatically deposited into a savings account. Out of sight, out of mind!
9. Institute the three-day wait period on purchases. Shop for your best deal, but wait three days before making the purchase. Often times, the buy impulse fades and you find you really don’t want or need it three days later.
10. Try hard NOT to keep up with the Joneses. As a society, we spend too much money buying lots of “stuff” to impress people we often don’t know or like. Before making a purchase, ask your self if you really need it. Then ask if your grandparents would have bought it. Unless the answer to both is an overwhelming YES, put it back and stash the cash for a truly necessary acquisition.

Finally, when you do make the decision to live a more purposefully simple life, find a good and worthy home for your “stuff.” As a recovering materialist, purge your life of superfluous possessions and donate these symbols of your recovery to a worthy charity, friend or the less fortunate.

... And here’s George Carlin’s lighthearted take on the subject.

<http://www.youtube.com/watch?v=MvgN5gCuLac>

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