www.REBusinessOnline.com

August 2026 · Volume 27, Issue 6

SOUTHEAST REAL ESTATE BUSINESS®

The Southeast's Real Estate Source

A MARKET IN MOTION

Developers, retailers capitalize on Florida's booming economy.

By Abby Cox



Midway Sports recently opened at River Landing Shops & Residences, a mixed-use development along Miami River owned by H&R REIT and developed by Urban-X Group.

The Florida retail market is hot — pun intended," says Steve Miskew, CEO and principal at Southeast Centers, a real estate asset management and development company based in Boca Raton.

It's an easy line to smile at, but it also became the refrain of nearly every conversation with sources interviewed for this story. The wording changed from interview to interview — "booming," "dynamic," "opportunity-rich" — yet the sentiment never did.

Florida's retail sector continues to outperform expectations, fueled by relentless population growth, world-leading tourism, job creation across multiple industries and a consumer base that keeps expanding alongside the state itself.

Florida keeps shining

Florida has long been a place where people come to reinvent themselves. Some arrive for the sunshine, others for opportunity and millions more simply pass through in search of a vacation. But whether they stay for decades or a long weekend, they all have one thing in common: they spend. In 2025, Visit Florida reported that out-of-state visitors spent $134.9 billion in the state, and the overall tourism sector generated a total economic impact of $133.6 billion.

In a state where population growth and tourism move in tandem, retail has become more than a reflection of consumer demand — it has become one of the clearest measures of Florida's economic momentum. The pulse of that growth can be felt far beyond Miami's urban core, reaching the master-planned communities of Central Florida and the expanding suburban corridors of Tampa, Jacksonville and Southwest Florida.

Miskew says that the state's pleasant climate, favorable governance, coastal access and lack of state income tax are a powerful combination for attracting new residents.

"From a quality-of-life standpoint, if you're frustrated somewhere else, you're probably coming to Florida or the coastal Southeast," says Miskew.

Business migration is adding another layer to Florida's growth story. As companies like Palantir, Webull, Trinity Investments and RFK Environmental relocate headquarters to the state, firms such as Comcast, Philip Morris International, GEICO and Orion Edge Group are also expanding their presence through regional and operational offices. As these employers bring new, often high-income paying jobs to Florida, they are strengthening the consumer base that supports retail leasing and development.

Together, migration and tourism create a resilient retail ecosystem. New residents establish long-term spending

see FLORIDA, page 18



Atlanta-based Space Shop Self Storage is a top 10 self-storage operator in the country.

THINK LIKE AN OWNER

Self-storage operators are urged to adjust their mindset to maximize property-level performance.

By Cliff Hite of Space Shop Self Storage

The self-storage industry has historically been dominated by independent owners who operated successful small businesses. That is until institutional investors recognized the self-storage sector as a highly resilient asset class with strong, predictable cash flows and attractive long-term returns.

Now, more and more REITs and real estate investment firms are acquiring independently owned facilities and developing new assets.

Today, just four major self-storage

see SELF-STORAGE, page 22

INSIDE THIS ISSUE



Richmond Market Highlights *pages 16-17*

New Hires and Promotions *page 5*

Financial Scoreboard *page 6*

Orlando Market Highlights *pages 13-15*

SELF-STORAGE from page 1

REITs, plus U-Haul, control over one-third of the nation's self-storage industry. The majority of the balance is dominated by a mix of regional independent operators and smaller REITs as the share of mom-and-pop owners steadily declines. In particular, the Southeast continues to be the highest growth region for the self-storage industry, even as certain MSAs risk oversaturation.



Cliff Hite
Space Shop
Self Storage

This rise in institutional ownership has dramatically shifted how self-storage facilities are managed. Yes, the basics remain the same — space is leased, rent is paid, coded-access provided — but now corporate owners are infusing automation and standardization across a portfolio to stretch leadership and personnel bandwidth and minimize costs. The challenge here is that national, macro-strategies do not make sense in every market.

The most successful large operators are those that preserve the best practices of independent ownership while deploying scalable systems with local focus and accountability. This protocol captures the spirit of mom-and-pop operations amid institutional parameters that ensure decisions reflect the local market influencers and conditions as well as the customer base.

Industry snapshot

To understand why the "think-like-an-owner mentality" works, let's take a broader look at today's self-storage industry.

Self-storage is a historically resilient commercial asset type as it serves customers through many life transitions. Demand is influenced by relocations, household formations, downsizing, divorce, death, military deployment, business inventory needs and fluctuations in housing affordability. Likewise, economic uncertainty also generates a need for storage, but it also reduces housing turnover and minimizes discretionary spending.

The relative stability of this asset class, regardless of the state of the economy, is the appeal for REITs, private equity firms and family offices — and the subsequent driving force behind the recent sophistication of development and ownership that normalized Class A self-storage properties.

Although fewer new facilities have come on line in 2026, the Southeast region remains one of the hottest for the self-storage product. In fact, several metropolitan markets, many of which are in Florida, are well above the national average for square foot per capita and continue to introduce new supply into the pipeline. As the residential market experiences upward or downward movement, self-storage will historically follow.



Since its founding in 2010, Space Shop Self Storage has developed more than $1 billion in self-storage properties across 10 states.

Overall, the self-storage industry is in the midst of a market correction. As recent as 2020, the industry was booming with year-over-year growth rates as high as 13 percent, which can be attributed to the COVID-19 pandemic. But, today, national rent rates are down approximately 2 percent year-over-year, even as April showed a month-over-month gain. Seven of the top 10 markets have negative year-over-year rent movement.

Occupancy remains relatively high for many large operators; however, revenue growth is increasingly dependent on disciplined rental rate management, customer retention and expense control rather than robust new-rental pricing. Lower advertised rates and elevated supply in some markets make local market decision-making and execution especially important.

Manage like an owner

When management is empowered, it is equipped to provide stellar customer service. Mom-and pops know that a human touch is a critical factor — and knowing the local community is the secret sauce. A staffed office that greets customers upon arrival, provides a quick response to inquiries and offers memorable amenities, such as coffee, cold water or chocolate-chip cookies, leads to customer retention — even when rates may increase.

Thinking like an independent owner does not mean rejecting scale or technology. Rather, it means standardizing the processes and procedures that benefit from scale and systems, and deploying technology to create efficiencies in reporting, training and compliance — all while commanding local accountability for customer service, pricing execution and facility condition.

The right automation protocols create capacity for people to do higher-value work. Repetitive administrative tasks — routine reporting, payment reminders, lead follow-up and basic inquiries — can be managed with property management and customer-relationship systems with both human and select AI oversight. A centralized call center or message service also enables onsite teams to focus on customers.

Keeping district-manager portfolios to a smaller, more manageable number of properties allows leaders to spend more time walking properties, coaching teams and correcting issues before they impact revenue or reputation.

Market like an owner

And when onsite, district managers have a front-row seat to better understand the unique demographics of each submarket. This is important — according to a recent Space Shop customer survey, 57 percent of customers cited "location" as the top reason for renting a unit. Knowing the market and understanding where potential customers reside and commute, allows advertising to target the right geographic demographic:

- Drive the market to find the customer.
- Follow neighborhood social media groups such as NextDoor.
- Utilize online resources to determine shopping and commuting patterns.
- Build a SEO strategy with pay-per-click advertising and AI plugins to be included in search results.

Independent owners also tap local, grassroots advertising outlets — and regional owners or REITs should do the same:

- Sponsor a youth sports team.
- Donate to a community fundraiser.
- Advertise in a local community theater playbill

Spend like an owner

Count every penny. Independent owners exercise judicious decision-making to ensure that every expense offers a return on the investment — and improved profitability.

A clean, well-maintained and professional facility not only attracts new customers, but also encourages existing renters to stay, even if rates increase. Aesthetic maintenance and curbside improvements, such as landscaping, paint and signage, create a welcoming environment. Safety and accessibility updates offer the all-important security and confidence with bright, motion-sensor lighting, monitored cameras and keypads or app-enabled locks.

Regular cost analyses are also standard operating procedure for owner-minded operators. Comparing service providers, verifying invoices with deliverables and negotiating savings improves efficiency and prevents erroneous billing. Yet, the wise independent owner knows that the lowest bid does not always result in cost efficiency if poor service leads to deferred maintenance, negative reviews or lost rentals.

Scale alone does not create an advantage. Large operators that standardize repetitive work while retaining local-market accountability in the spirit of the mom-and-pop operator is best positioned for outperformance.

Yet, stabilization despite minimal activity will continue to define the self-storage industry for 2026. A pending REIT merger expected to close by year-end will further consolidate the sector with a moderate number of new facilities expected, particularly in the overbuilt Sun Belt region. Flat, same-store revenue is possible, with only select markets experiencing rate growth — primarily due to effective rate management and operational efficiencies.

In short, a big recovery is not expected this year — making it even more important to preserve the best practices of independent owners and think like one.

Cliff Hite is the president of Space Shop Self Storage, a self-storage operator and third-party management platform. Headquartered in Atlanta as a wholly owned subsidiary of Stein Investment Group, the company provides modern storage facilities with industry-leading features and amenities. Since its inception in 2010, Space Shop has developed or acquired more than $1 billion of self-storage facilities and is ranked as one of the top 10 self-storage operators in the United States. The current portfolio includes 110 stores totaling 8.8 million square feet across 10 states.