

Magazine

The Self-Storage Self

By JON MOOALLEM SEPT. 2, 2009

Statewide Self Storage spreads out near Highway 4 in Antioch, Calif., a suburban community between San Francisco and Sacramento. It's a phalanx of long, low-slung buildings separated by wide driveways and lined with red doors. The complex houses 453 storage units and is wedged between a car dealership and a Costco.

It was the last afternoon in May, and the sun seared all the concrete and corrugated steel. Statewide's gate opened, and a man named Jimmy Sloan made for the far corner of the property. Sloan, who dresses and styles his hair like James Dean, is a part-owner of the Harley-Davidson repair shop nearby. He rolled open the door of a 10-by-30-foot unit, the largest Statewide offers. It was his ex-fiancée's, but still leased under his name, and packed with, among other things, a particleboard shelving unit, some wicker items, a microwave oven, a box labeled "Mickey's Hornet Neon," a floor lamp, a television and a wooden child's bed standing on its end on a desk. It was hard to tell how deep the inventory went. "She hasn't seen most of this stuff in six years," Sloan said.

For five years, he stored most of it above the garage of his house. But he had to borrow on the house to keep the bike shop running, and last year, feeling in over his head, he opted to sell the house and downsize before he fell behind and risked foreclosure. "Pretty much got out of that house at zero — didn't make a penny on it," he told me with the kind of ascetic pride that wouldn't have made any sense before our economically crippled era. Sloan's fiancée insisted he rent a storage unit and move everything over the garage into it for her. So he did. Then they split up.

He kept paying the rent on the unit for almost a year — \$217 every month. But Sloan finally lost his patience and told her: “You know, we’re not even together anymore. This stuff’s gotta go.” Everything here, he told me, was worth less than what he had paid to store it. “Storage is always a bad investment, any way you look at it,” he said. The rent was her responsibility now. But the former future Mrs. Jimmy Sloan never paid Statewide. By now, it seemed likely that the managers would end up auctioning off the contents of the unit in accordance with state law.

That was fine with Jimmy Sloan. But he wanted to get in first and make sure that his late father’s collection of hunting knives and die-cast toy tractors, which he’d lost track of, weren’t mixed in there. And so, to regain access, he’d just walked into the office and paid Statewide what was owed: \$460. He’d counted out the cash unresentfully, like a man retrieving his dog from a neighbor’s house for the 10th or 11th time.

“That stuff is Happy Meal junk,” he now said, pointing to a see-through Rubbermaid bin in the storage unit’s brickwork of boxes. It was full of brightly colored plastic toys and a pair of hot pink sunglasses that belonged to his ex-fiancée’s children. “The kids broke it, played with it once. It wasn’t even for Christmas,” he said.

Sloan had not started rummaging for his dad’s knife and tractor collections in earnest: he was still pecking at the concretion’s surface, not tunneling into it. But already he’d found a Marilyn Monroe poster and a souvenir road sign for James Dean Boulevard and set them near the door. They were his, from his old living room. He had forgotten about them and wanted to take them home.

Soon, he peeled back the top of a huge bin. Inside, I could see a VHS cassette of “American Pie” and a black-and-white toy football with the logo of the Oakland Raiders. “Look at that!” Sloan said suddenly. “A Raider football!” He put it next to the poster and the road sign. Apparently it, too, was just appealing enough to hang on to.

The Self Storage Association, a nonprofit trade group, estimates that since the onset of the recession, occupancies at storage facilities nationwide are down, on average, about 2 or 3 percent. It’s not a cataclysmic drop but enough to disorient an

industry that has always considered itself recession-resistant, if not outright recession-proof — so unstoppable that even having to engage in basic Marketing 101 stuff, like lowering prices, has struck some operators as a comedown. “I feel so dirty,” one manager wrote in the online forum of the trade magazine Inside Self-Storage. He had just started a promotion: a \$20 move-in special. “Now I need to go shower again,” he added. A survey by BMO Capital Markets earlier this year showed that more than 80 percent of storage places nationwide were offering free rent for a month or more.

The down economy has clearly created circumstances in which some people desperately need to rent storage units — namely, people losing their homes. But more significantly, it seems to be upsetting a longstanding equilibrium — a kind of psycho-financial inertia that has kept so many tenants in place.

“Human laziness has always been a big friend of self-storage operators,” Derek Naylor, president of the consultant group Storage Marketing Solutions, told me. “Because once they’re in, nobody likes to spend all day moving their stuff out of storage. As long as they can afford it, and feel psychologically that they can afford it, they’ll leave that stuff in there forever.” Now, though, “there are people who are watching their credit-card bills closer than before,” he said. “They’re really paying attention to the stuff they’re storing and realizing that it’s probably not worth \$100 a month to keep. So they just get rid of it.”

After a monumental building boom, the United States now has 2.3 billion square feet of self-storage space. (The Self Storage Association notes that, with more than seven square feet for every man, woman and child, it’s now “physically possible that every American could stand — all at the same time — under the total canopy of self-storage roofing.”) According to the Self Storage Association, one out of every 10 households in the country rents a unit, making facilities like Statewide among our last national commons — places where nearly every conceivable kind of American still goes.

But the collapsing economy created an opportunity, and in some cases an ultimatum, for Americans to reassess the raft of obligations and the loads of stuff we accumulated before things went wrong. We’ve been making difficult decisions, and

for a lot of us, that has involved rolling up the door of a storage unit and carting property in or out. The storage industry's expansion in the first flush years of this decade was both enabled by, and helped enable, the extreme consumption that defined America then. The people coming through the gates now are defining who we will be when this turmoil is over.

The first modern self-storage facilities opened in the 1960s, and for two decades storage remained a low-profile industry, helping people muddle through what it terms "life events." For the most part, storage units were meant to temporarily absorb the possessions of those in transition: moving, marrying or divorcing, or dealing with a death in the family. And the late 20th century turned out to be a golden age of life events in America, with peaking divorce rates and a rush of second- and third-home buying. At the same time, the first baby boomers were left to face down the caches of heirlooms and clutter in their parents' basements.

But by the end of the '90s, there seemed to be almost limitless, pent-up demand for storage around the country, more than life events readily explained. Storage was seen as an invincible investment and became the go-to solution for developers with awkward, leftover scraps of land. After an industry report found that Hawaii ranked among the states with the least amount of storage space in the nation, storage barons rushed in, almost doubling the available square footage there between 2004 and 2007. One man converted a network of caves on Oahu, used to house munitions during World War II, into a storage facility. (The caves are naturally climate-controlled, perfect for wine.) Around the United States, newcomers to the industry were building even against the advice of their expert consultants. "We were cranking these things out at exponential rates," an industry veteran named Tom Litton told me. "It was just nuts."

Litton's parents owned one of the earliest storage facilities, in Tucson. He now has two of his own, both in California, and manages 23 others. Among the ones he built and has since sold is a stunning 1,000-unit glass-fronted complex in Antioch. It could pass for a small corporate headquarters and is one of seven storage facilities within five miles of Statewide in either direction along Highway 4.

Across America, from 2000 to 2005, upward of 3,000 self-storage facilities went up every year. Somehow, Americans managed to fill that brand-new empty space. In June, Public Storage, the industry's largest chain, reported that its 2,100 facilities in 38 states were, on average, still about 91 percent full. It raises a simple question: where was all that stuff before?

"A lot of it just comes down to the great American propensity toward accumulating stuff," Litton explained. Between 1970 and 2008, real disposable personal income per capita doubled, and by 2008 we were spending nearly all of it — all but 2.7 percent — each year. Meanwhile, the price of much of what we were buying plunged. Even by the early '90s, American families had, on average, twice as many possessions as they did 25 years earlier. By 2005, according to the Boston College sociologist Juliet B. Schor, the average consumer purchased one new piece of clothing every five and a half days.

Schor has been hacking intrepidly through the jumble of available data quantifying the last decade's consumption spree. Between 1998 and 2005, she found, the number of vacuum cleaners coming into the country every year more than doubled. The number of toasters, ovens and coffeemakers tripled. A 2006 U.C.L.A. study found middle-class families in Los Angeles "battling a nearly universal overaccumulation of goods." Garages were clogged. Toys and outdoor furniture collected in the corners of backyards. "The home-goods storage crisis has reached almost epic proportions," the authors of the study wrote. A new kind of customer was being propelled, hands full, into self-storage.

"A lot of the expansion we experienced as an industry was people *choosing* to store," Litton told me. A Self Storage Association study showed that, by 2007, the once-quintessential client — the family in the middle of a move, using storage to solve a short-term, logistical problem — had lost its majority. Fifty percent of renters were now simply storing what wouldn't fit in their homes — even though the size of the average American house had almost doubled in the previous 50 years, to 2,300 square feet.

Consider our national furniture habit. In an unpublished paper, Schor writes that "anecdotal evidence suggests an 'Ikea effect.' " We've spent more on furniture

even as prices have dropped, thereby amassing more of it. The amount entering the United States from overseas doubled between 1998 and 2005, reaching some 650 million pieces a year. Comparing Schor's data with E.P.A. data on municipal solid waste shows that the rate at which we threw out old furniture rose about one-thirteenth as fast during roughly the same period. In other words, most of that new stuff — and any older furniture it displaced — is presumably still knocking around somewhere. In fact, some seven million American households now have at least one piece of furniture in their storage units. Furniture is the most commonly stored thing in America.

The marketing consultant Derek Naylor told me that people stockpile furniture while saving for bigger or second homes but then, in some cases, “they don't want to clutter up their new home with all the things they have in storage.” So they buy new, nicer things and keep paying to store the old ones anyway. Clem Tang, a spokesman for Public Storage, explains: “You say, ‘I paid \$1,000 for this table a couple of years ago. I'm not getting rid of it, or selling it for 10 bucks at a garage sale. That's like throwing away \$1,000.’” It's not a surprising response in a society replacing things at such an accelerated rate — this inability to see our last table as suddenly worthless, even though we've just been out shopping for a new one as though it were.

“My parents were Depression babies,” Litton told me, “and what they taught me was, it's the accumulation of things that defines you as an American, and to throw anything away was being wasteful.” The self-storage industry reconciles these opposing values: paying for storage is, paradoxically, thrifty. “That propensity toward consumption is what fueled the world's economy,” Litton said. The self-storage industry almost had to expand; it grew along with the volume of container ships reaching our ports. (Some storage facilities I visited in California are, in fact, *made* of shipping containers, which became surplus goods themselves as our trade deficit grew.)

By 2007, a full 15 percent of customers told the Self Storage Association they were storing items that they “no longer need or want.” It was the third-most-popular use for a unit and was projected to grow to 25 percent of renters the following year. The line between necessity and convenience — between temporary life event and permanent lifestyle — totally blurred.

“There’s a lot of junk stored in our properties,” Ronald L. Havner Jr., Public Storage’s chief executive, told a symposium in New York in June. Walking through his company’s facilities around the country, he explained, “I’ve sometimes said that we could put a torch to this building and it would have zero effect on the local economy — because that’s how much junk is stored in our properties.”

Havner added that he believed all of this “non-economic use” had been flushed out by the recession — that the dips in occupancy industrywide could be attributed to these customers’ wising up and leaving. But really, there’s no way of knowing exactly who is still out there, what they’ve got locked up and how they feel about it — and, more important, how those complicated feelings might change if the psychology of the American consumer is substantially reshaped in a recovery.

Tom Litton, for example, still keeps four storage units himself, at two facilities, all of them 10-by-30 units. I asked what’s inside. “I have a canoe, I have a vending machine, I have a drill press,” Litton began. His old lawn mower was in one. (He got a bigger, riding lawn mower when he bought a ranch in wine country.) “I’ve got some of my old clothes that I probably wouldn’t wear anyway,” he continued, and some trophies from college. “I also have some old cassette tapes that I produced.”

The cassettes are like audiobooks, he explained — tutorials on how to get into the storage industry and succeed. He made them before the storage-facility building boom ended a couple of years ago. “They didn’t sell,” Litton said, “so they’re all in storage now.”

One afternoon in late May, a woman slouched inside one of Statewide’s narrow hallways, reorganizing the innards of her unit. She said her name was Elizabeth — no last name given, since, as she told me, “this is not a high-self-esteem moment.”

Most everything here belonged to Elizabeth’s parents, who entered assisted living last year, and she needed to clear it out to cut expenses. She was keeping an eye out for particular family memorabilia, but otherwise it was a long, beleaguering purge. “Just *stuff*? Like my mother’s kitchen stuff?” she told me. “Whatever.”

Boxed haphazardly inside the closet-size space was, as she put it, 53 years of married life. An empty pill bottle and an egg carton lingered on the little bit of visible floor space. “I got rid of all the furniture,” Elizabeth said, except her own drafting table, which, she pointed out, had wound up against the rear wall. She was an architect, accomplished but out of work (“Architecture is dead, dead, dead, dead,” she explained) and was attacking this project with a conspicuously architect-ish methodology.

She had brought with her dozens of new, perfectly uniform white boxes, each bearing the Harry Potter logo in one of several colors. They lined the hallway behind her, still flattened. “When the books come out, there’s just hundreds and hundreds of these boxes at every bookstore,” she said. “I just went around and got them.” She repacked and erected a tidy column of Harry Potter boxes in one corner of the unit. She turned a few others, tops folded inward, into a kind of bookshelf. “This was when ‘The Half-Blood Prince’ came out,” Elizabeth said. “They stack really nicely.”

She was going to transfer these boxes, full of the few things worth saving, into a storage unit she recently rented in a nearby town. That unit housed most of what Elizabeth owned. Forced to leave her parents’ old house and unable to afford a place of her own, she had moved in with a friend about eight months ago. As far as the storage industry was concerned, then, all the contemporaneous chaos of Elizabeth’s and her parents’ lives ultimately amounted to a wash: one old unit was being vacated, one new one was being rented.

In fact, since last year, owners around the country have reported quickening rates of both move-outs *and* move-ins, making any occupancy rate — the industry’s fundamental yardstick — feel kind of arbitrary, like the momentary averaging-out of a blur of activity, with no single, dominant trend (or maybe even logic) behind it. At Statewide, for example, those like Elizabeth renting smaller units — traditionally the backbone of the business — have been steadily leaving. “All I hear is, ‘I can’t afford it anymore,’ ” says Joe Dopart, who manages Statewide along with his daughter Amy and his wife, Evie, a retired schoolteacher. Renters tell the Doparts they’ll find a relative’s garage in which to keep their yearbooks, winter clothes or extra mattresses. Or they dump what they don’t need and downsize into a smaller, cheaper unit. (“To me,” Dopart told me, lowering his voice, “most of the stuff is just junk.”) At the same

time, though, Statewide's larger units — mostly empty for years — are now completely full. "Every single one, practically, has a foreclosure in it," Amy told me. Others were being rented by endangered businesses, like a coffee shop and a tea room whose owners were forced to shutter their storefronts in Antioch's struggling historic downtown and move everything into storage while they plotted their next moves.

The upshot, while this traffic runs both ways in the background, is that Statewide has remained about 88 percent full — about two or three points lower than last summer, right in line with the national estimate. But that may obscure a more meaningful shift. By shaking up the composition of renters, and their reasons for renting, the recession could be quietly tilting the character of American storage closer to what it was originally: a pragmatic solution to a sudden loss of space, rather than a convenient way of dealing with, or putting off dealing with, an excess of stuff.

Of course, some people don't fit entirely into one category or the other. Brad Molakides, who wound up with a mortgage on a three-bedroom house he never could have afforded, had just handed back his keys when I found him unloading a rental truck at Statewide not too long ago. Molakides, a fast-talking man with longish white hair who installs wireless equipment for Alcatel-Lucent, had vacated the house hastily and was now dealing with his last random, ungainly assets. He had spilled over into a second 10-by-10 unit, and it was stocked mostly with tools in giant metal carts. Far behind those, rubber garbage cans were stacked two-high. Those, Molakides told me, were his recyclables. "I got plastic bottles in one, and the other is aluminum cans." They had collected in his backyard and he had never gotten around to redeeming them for the deposits. Now they would be marooned in the very rear of his storage unit.

I found people who had been foreclosed on at most of the storage places I hung around at, and I met many more who were forced to walk away from places they were renting. Among them were two teenage brothers, Luis Jaramillo and Nikolas Aceves, in the city of Stockton, an hour from Sacramento, whose family was about to scatter to relatives' houses in surrounding towns. And Jason Williams, a 38-year-old father of three who was filling a unit with furniture before he and his family moved in with his stepmother. Williams's wages at a commercial printing house had just

been cut; one of the plant's four presses had been dedicated, virtually 24/7, to printing Circuit City circulars before the retailer's bankruptcy, he explained.

On one of my first mornings at Statewide, Evie Dopart introduced me to Danielle Johnson, who resembled a spunkier, smaller Demi Moore and who pulled her rent from a purse shaped like an old-school Nintendo controller. "She's our most beautiful customer," Evie gushed, yentalike, after Johnson walked through the office door.

Johnson worked at Dollar Tree and was also studying criminal justice. After her husband left to serve in Iraq, she couldn't afford the rent on their house in Oakland. So she locked everything but her clothes and schoolbooks in storage and moved in with her grandma. "It's O.K.," she assured me, "I'll get another one someday." She meant another house.

That was a year ago. Her husband was now stationed in Kentucky, but if Johnson pulled out of school to join him, she would have to repay her student loans immediately and would end up with nothing. "Well," she told me, "I'm just going to finish, and I'll have my degree. He can wait." She seemed incapable of not putting a good face on the situation.

"Actually," she told me and Evie, "it's kind of cool living with Grandma. Home-cooked meals are awesome, and no one makes them like Grandma does."

"Your family's Italian, right?" Evie asked.

"No, we're redneck, though," Johnson said with a big smile. "And I mean rednecks make some really good food. Gosh! My grandma's biscuits and gravy are screaming."

Virtually no one I asked, at any level of the business, took seriously the idea that this recession would produce a sea change in who uses self-storage and why. In an industry whose freewheeling success has been so closely tied to the evolving character and prosperity of our society, it can be hard to even talk about storage's future without getting philosophical or patriotic.

“I really think there’s a spirit that things will turn around,” Jim Chiswell, a Virginia-based consultant to the industry, told me. “I believe that my children — and both my children are proving it already — they’re going to have more at the end of their lifetimes, and more success, than I’ve had. And so will *their* children. I don’t believe the destiny of this country as a beacon of freedom and hope is over. And I believe there will be more growth, and more people wanting to have things and collect things.”

Tom Litton put it another way: “The good news is that your age group” — I’m 31 — “has the same propensity for accumulating crap that I have. You guys got introduced to it in college, and you actually think you really need storage. You see storage the way that we all see cable and Internet access.”

The truth is, there is no typical storage customer. As facilities crowded into the landscape, storage units became incubators for small businesses and artisans; warehouses for pharmaceutical reps, eBay merchants or landscapers. One unit at Statewide, the Doparts told me, functions as a kind of regional distribution center for Little Debbie cakes. I met a few homeless renters, who sometimes choose to pay to put a roof over their possessions instead of their own heads (living in units is not allowed); I met working-class renters using units as closets and safe-deposit boxes while serially couch-surfing or living in multifamily homes. I heard of a martial-arts instructor in Hawaii who trained clients in his unit, and a group of husbands in New England who watch sports in one on weekends. More than one operator told me they have a unit where, every morning, the renter goes in dressed as a man and comes out as a woman.

Maybe the recession really is making American consumers serious about scaling back, about decluttering and de-leveraging. But there are upward of 51,000 storage facilities across this country — more than seven times the number of Starbucks. Storage is part of our national infrastructure now. And all it is, is empty space: something Americans have always colonized and capitalized on in good times, and retreated into to regroup when things soured. It’s tough to imagine a product more malleable to whatever turns our individual life stories take, wherever we’re collectively heading.

But where are we now? Of all the storage units I toured, one sticks out as being most emblematic of this particular moment. It belonged to Terry Wallace, a 59-year-old veteran with white streaks in his hair and a broad, shaggy moustache who, when I stumbled across his 10-by-30 at a Storage PRO in Stockton, was sitting in a leather office chair, working at his desk under the open door, like a notary in a storefront.

Some open mail and a Herman Wouk novel were pushed aside, and the desk was covered with stacks of quarters, the ones celebrating the 50 states. Wallace was sorting them, state by state, into empty prescription-pill bottles. "I've got 'em all," he said, astounded. "I've got all 50." Then he invited me in.

A folded-up Nordic Track leaned against the desk, and a bucket of fire axes sat behind him. (After serving as a helicopter mechanic in Vietnam, Wallace worked as a back-country firefighter in Yosemite.) But otherwise, the unit looked warehouselike. Stacked, labeled boxes stretched down either side of the deep, rectangular space with a snug but passable aisle between.

This was everything Wallace owned, except the truck parked outside. A year ago, he was living in an apartment in Carson City, Nev., funneling the entire \$1,200 he collected in retirement benefits and disability directly into his rent and alimony payments every month. "So I started doing a lot of credit-card stuff," he said. Soon he was \$30,000 in debt.

Wallace hated living in a city anyway, "so because of my debt crisis and my marriage crisis and everything, I moved everything into storage and I just live out of my truck," he told me, resting his hands on his gut. That was June 15, 2008. At first, he rented a second unit across the way and spent a few months sorting, giving away items he didn't need to an organization for homeless veterans. "You can call me homeless," he told me. "But I'm not goofing around. I've got money, but I just want to get this debt down."

It was like a cleansing: the storage unit cost about \$200 a month. But aside from gas, truck payments and food (he had several boxes of meals-ready-to-eat stocked here), it was his only major expense. He had cut out rent, cable, phone and electricity, and purged all the unnecessary fees from his bank statements. For the last year, he had been camping a lot and driving around the West visiting ex-

firefighter friends. He saw a woman in Antioch occasionally. “It’s feeling good,” he said, “and it’s *working*. That’s the thing: it’s working. Debts are down to almost zippo right now.” He figured he’d be done by Thanksgiving.

For a decade at least, storage has been a mechanism allowing Americans to live beyond our means. Wallace was using his unit as a center of gravity, to pull his financial life back within reach. He had even started saving, he told me, and was looking into a small condo in a suburb near Lake Tahoe. “It’s not my style or anything,” he said; he’d prefer something more secluded — bigger, and with land. “But I could do that.” He missed sleeping in his own bed.

He also missed his music collection — and the books and rare coins he had collected. Also, his pins. “Little pins, like flag pins,” he explained. “I’ve got veterans pins, and I’ve got Rose Parade pins, and pins that I got at fairs.” He missed his stuff. “Hey,” he said as I left. “I’ll call you when I’m getting ready to load the truck.”

Jon Mooallem, a contributing writer, last wrote for the magazine about the Transition movement.

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