

Growing the business

New developments

The structural need for self storage is now firmly embedded and so, put simply, we are building more of it focussed on our core areas of London, its commuter towns, and major cities where the barriers to new supply remain high.

We acquired four new development sites in Wapping, Staines, Epsom and Kentish Town. Our development pipeline now includes 14 further Big Yellow sites, mainly in London. Eight of these development sites have planning, with consent granted for five new stores in the year.

The cost to complete this pipeline is approximately £165 million. These store openings are expected to add approximately 1.0 million sq ft of storage space to the portfolio, an increase of 20% from the current maximum lettable area of the Group's portfolio.

Our current estimate of net operating income at stabilisation, at today's prices, for this increase in capacity is £25.8 million. The total development cost is estimated to be approximately £294 million implying an 8.8% net operating income return on cost.

Construction is underway at five of our development sites: Uxbridge (opening summer 2021), Hayes (opening early 2022), Hove (opening spring 2022), Harrow (opening summer 2022) and Kings Cross (opening spring 2023).

Three new stores opened in the year:

- Camberwell, a 75,000 sq ft store opened in July 2020 and was 38% occupied at 31 March 2021.
- Bracknell, a 59,000 sq ft store opened in September 2020 and was 40% occupied at 31 March 2021.
- Our 70,000 sq ft Battersea store reopened in November 2020 after a complete redevelopment and was 26% occupied at 31 March 2021.

Once a new store is built and operational, it takes on average six to nine months for it to break even.

By building stores with a larger average store capacity compared to the rest of the self storage industry, we can achieve economies of scale and higher operating margins.

The prominent locations of our stores on arterial or main roads, with extensive frontage and high visibility help benefit the brand with market leading brand awareness, over five times higher than our next nearest competitor.

Development pipeline in action



Planning

Our buildings are designed to be in keeping with the local built environment and to feature the latest sustainability initiatives. We always exceed the required building regulations and aim to give something back to benefit the local community where possible.

Construction

Constructing a store will take on average 12 to 18 months and the process involves two stages 1) building the shell and 2) fit-out of the storage floors and rooms. We adhere to BREEAM "excellent" standards when we build our stores.



Fit-Out

Once the construction of our shell is completed, our fit-out team begin creating on average 1,000 storage rooms in various sizes. We try and use social enterprise companies like BounceBack where possible and also ensure the store is contributing to the local bio diversity of the area.

New developments

“ Primarily freehold estate, concentrated in London, its commuter towns and other **large metropolitan cities** ”



Contractors

We use a team of regular contractors who are familiar with working to our exacting standards. We are loyal with their repeated appointments and in return we obtain consistent build quality standards.



Marketing

The new store is integrated into the Big Yellow website and appropriate marketing campaigns commence. The 24/7 visual prominence of a new Big Yellow store drives brand awareness for the local audience.

Opening

With a new manager and store team fully trained and in place, storage enquiries from domestic and business audiences start coming in to our store via the website, phone or from walk-ins. Our focus on customer service and unrivalled security will help transform these enquiries into customers.