



Finding the Optimal Place to do Business

Unparalleled Site Selection Insights

The Challenge

A leading self-storage acquisition, development and management company was seeking entry into the Riverside, CA market. The company met with Powerlytics to help answer two questions:

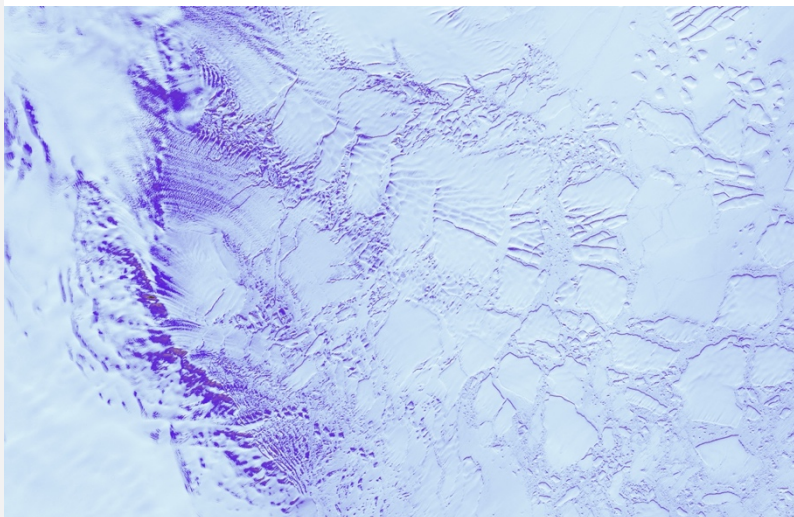
- Is Riverside, CA a good location within the Riverside–San Bernardino–Ontario MSA?
- If so, what are ideal locations for self-storage placement within the city of Riverside?

The Solution

Using only a small subset of its 5,000+ variables, Powerlytics was able to analyze current income metrics and trends to develop high-level conclusions.

Key factors considered included:

- Avg. household income
- Household income 5-year CAGR
- % of income from W2 as a measure of income stability



Riverside showed some similar income dynamics as the broader county and MSA

Riverside County, CA

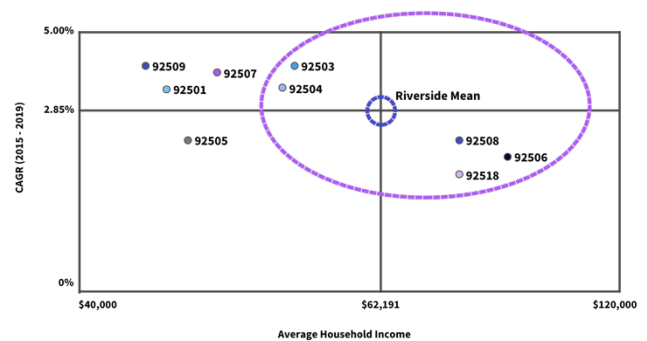
	2019	2018	2017	2016	2015	CAGR
Total # of Returns	1,016,867	995,139	981,446	955,136	939,460	1.60%
% Homeowners	66%	66%	65%	65%	65%	
Average Household Income	\$64,552	\$62,395	\$60,292	\$58,291	\$56,611	2.66%
Average W2 Income	\$55,445	\$53,742	\$51,836	\$50,602	\$49,179	2.43%
% Income from W2	71%	72%	72%	72%	72%	

Riverside, CA

	2019	2018	2017	2016	2015	CAGR
Total # of Returns	188,653	185,470	183,971	180,041	177,951	1.17%
% Homeowners	62%	62%	62%	62%	61%	
Average Household Income	\$62,190	\$59,968	\$58,047	\$55,713	\$54,032	2.85%
Average W2 Income	\$54,312	\$52,496	\$50,365	\$48,956	\$47,505	2.71%
% Income from W2	75%	76%	75%	76%	76%	

1. Riverside, CA has slightly lower overall household income and a lower % of homeowners as compared to Riverside County.
2. However, 5-year CAGR is higher and W2 income is a higher percentage of total household income.
3. Riverside total household income is similar total Riverside–San Bernardino–Ontario MSA (\$62,341).

5 Riverside Zip Codes Exhibited the Optimal Combination of Income/Growth (CAGR)



The Outcomes

- Riverside, CA has similar income dynamics to the broader Riverside County and broader MSA
- Five Riverside ZIP Codes covering a 6 x 2-mile area exhibit the optimal combination of income and growth (92503, 92504, 92506, 92508, 92518) to render them attractive for placement of a self-storage facility.
- Within these five highest income ZIP Codes, 92503 and 92508 demonstrate potential economic stability as measured by % owners and W2 as % of total income.

The second phase is developing an algorithm to identify the optimal locations for future self-storage placement across the entire US.

Data could be used to develop a model that would rank all 40 million US 9-digit ZIP Codes in order of attractiveness, enabling the Self-Storage Provider to inform both site selection and marketing to potential self-storage customers.

Plotting Key Income Stability Factors (W2 as a % of Income and % of tax filers) Further Highlighted the Potential Attractiveness of 92508, 92503, and 92504

