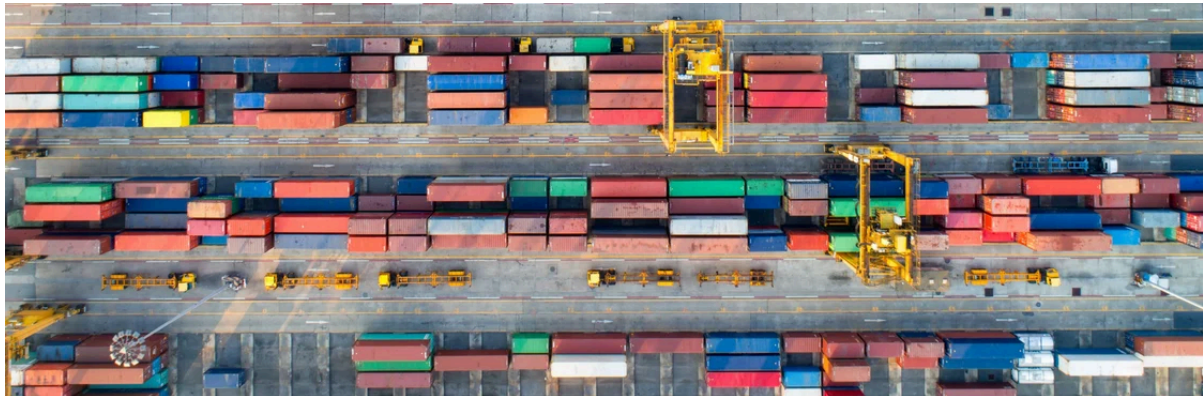




## Matt's Market Minute

July 22, 2024

Read time: 1 min 15 sec



**Industrial Outdoor Storage ("IOS") is one of today's most desired asset classes.** The messy yards and storage of vehicles are sitting on some of the most valuable dirt across North America.

Industrial Outdoor Storage refers to properties zoned for storing goods outside, along with the most lenient uses for zoning, such as construction yards, transportation, automotive, and recycling, among many other uses.

Industrial Outdoor Storage (IOS) is not just a concept but a **crucial part of the day-to-day operations in the transportation and logistics sectors.** Third-party logistics companies (3PLs) and transportation companies use the building/yards for:

- Truck terminals
- Container storage
- Truck and trailer repair
- Cross-dock operations

According to the largest Landlord in the US, Prologis, **transportation is estimated to represent 45% to 55% of total supply chain costs for logistics tenants.** In comparison, **warehouse/IOS rent represents around 5-7%.**

When you combine the above, with all the new employment land not zoned for outdoor storage and developers building big box warehouses, **the value of outdoor storage sites will only increase over the coming years.**

The low site coverage and specialized properties make building on spec too expensive. This is **one of the reasons why we are seeing multiple offers and record sale prices for these assets across the GTA, even at the highest interest rates in 20+ years.**

Our team recently sold a 40-acre outdoor storage site in Detroit from a User to an Investor, an example of sharp money pouring into the IOS market.

12155 Southfield Freeway,  
Detroit, MI, USA

## 40 Acres SOLD

-  Seller Represented
-  Zoned Industrial Intensive
-  Centrally located (I-96 & Southfield Freeway)
-  Fenced, Secured Yard with 24-Hour Access
-  Next to Canadian Pacific Railway Detroit

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Have a great rest of the week!

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