



FEATURE STORY

King Of The Coasts

An Interview With RV And Boat Expert Scott Ramser

BY BRAD HADFIELD



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March 15, 2020: It was the day that the world began to shut down. The COVID-19 pandemic, which began with a whisper, suddenly hit the United States like a bull in a china shop, and just before St. Patrick’s Day, cities across the country began to implement lockdowns to help prevent spread of the disease.

Of course, a good number of Americans were not going to sit idly by. If they were going to be forced to socially distance themselves, why not do it by hitting the road or taking to the water? And just like that, RV and boat ownership surged to levels never seen before.

One man who was ready to handle this newfound need for freedom was Scott Ramser, managing general partner with Ramser Development Company, a business with an established portfolio of quality RV and boat storage, self-storage, and industrial outdoor storage (IOS) assets. “The demand during COVID was dramatic—unprecedented, even,” says Ramser. “While things have slowed a little since those days, we’re still seeing lots of activity.”

Of course, Ramser didn’t get into the RV and boat business as a result of COVID; he’d been honing this self-storage specialty business for decades.

Relative Relations

Ramser is no stranger to the open road or open waters. “I have always done a lot of boating, and I’ve owned an RV in the past,” he says. However, he didn’t initially look to build an RV and boat empire.

In 1982, after attending the University of Southern California to study economics, Ramser was looking for real estate opportunities. He found a partner in his own family tree: his grandfather Harold.

Together, the duo formed the Newport Beach, Calif.-based firm Ramser Development Company in 1986. “Our first project was a property in downtown Los Angeles that my grandfather and I helped turn into an industrial building.”

Sadly, Ramser’s grandfather passed away in 1989, but he also passed on his passion for development to Scott. “After handling those first developments with my grandfather, I was hooked. With him as an inspiration, I went on to build more industrial buildings around LA. I did this throughout the early 1990s.”

Today, Ramser Development focuses on acquiring value-add assets and developing facilities in markets experiencing high growth. Since inception, Ramser Development has acquired, developed, or entitled more than 10 million square feet of industrial or self-storage real estate.

“We capitalize our properties on a deal-by-deal basis, and we’re constantly looking for new opportunities,” says Ramser. “In fact, we are looking to deploy \$50 million over the next 12 months.”

Conquering California

In the past, RV and boat owners would typically park their vehicle or vessel on the street or in their driveway or backyard. But by the early 2000s, strict homeowners associations (HOAs)

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were created, and many set governing laws forbidding the practice to “uphold the look of the community.” With nearly 360,000 HOAs in the U.S., representing more than 40 million households, many RV and boat owners were left without a place to park their pride and joy.

“Because of HOA rules, I had to relocate my boat to a marina, and it hasn’t been cheap,” says boat owner Mark Eary. “The cost of the slip continues to go up, and I’m required to pay into the country club, a feature I don’t care about. Since I don’t use my boat every week, at this point it seems like storage may be the best bet—if I can access it easily when I need to.”

He’s not alone, and with less than 14 percent of existing HOAs offering storage and/or parking for watercrafts within their communities, Ramser knew this was the direction to take the business.

“We began expanding our RV and boat storage platform in 2003, adding RV Storage Depot Santa Ana to our portfolio that year,” recalls Ramser. “Today, we have over 2,500 RV spaces in Southern California.”

From there, Ramser Development Company continued to grow in the Golden State, with facilities in Orange, Los Angeles, Alameda, Yolo, and Sacramento counties. Today, Ramser’s largest California facility is located in Irvine and consists of over 1,200 outdoor self-park spaces.

Florida Focused

California wasn’t the only state with a market to be explored. So, Ramser Development Company headed to the Sunshine State. The first purchase was in 2021, with the acquisition of an Altamonte Springs, Fla., property called Adult Toy Storage. (I can’t help but chuckle at the suggestively named property, and Ramser seems to be expecting that reaction. “Shush,” he laughs. “The first thing I did was change the name.”)

While Ramser knew the property was ideal for personal RV and boat storage, he envisioned more for it—and then made it happen, opening the property up to IOS for commercial clients.

“I rent a lot of land to fleets and laydown yards,” says Ramser. “Companies like Duke Energy, Ryder, Penske, and Tesla.”

Adds Ramser, “Amazon is another big client. We’ve had up to 1,400 of their vehicles parked at our facilities and have several deals with them in California.”

When asked why a company like Amazon, which one would assume has billions to play with, doesn’t just buy the land, Ramser had the answer. “It doesn’t always work that way, regardless of how much capital you have. Land may not be available or even for sale. Plus, sometimes a big company may not want to buy land. They’re more interested in a shorter-term contract with no permanent location. This way they’re not tied down to any one place.”

Although Ramser enjoys interacting with everyday tenants, he says he also enjoys working with big clients like Amazon. “RV and boat space is always 20 to 40 percent commercial vehicles or vessels,” he says. “Fleets, new car inventory, used car storage, etc. When I got involved in the storage business, I knew I’d want to attract commercial users. It’s a great short-term opportunity for them and they typically pay more than a retail customer.”

Because they pay more, Ramser doesn’t worry about them moving out at some point. “You make more with them, and you set aside that extra money. So, if they do leave, you have money and the ability to lease out to third parties under the normal storage scenario. I like to say B2B and B2C work together; it’s a great combo.”

Making An Investment

Ramser attributes some of his success to the investments he makes in both people and property. While he is very involved in the day-to-day business, he says he couldn’t do it alone. “We have a good structure. We have a great group of folks who know how to manage our assets, whether it’s investment management, asset management, or property management.”

Continues Ramser, “Each member of our team has a focus, but we still get together weekly, whether



RV Storage Depot in Altamonte Springs, Fla.

we're covering accounting, investing, operations, or whatnot. On top of that, we have more than 30 employees spanning offices in Southern and Northern California, Maine, and Florida. They're all held to the highest standard."

Ramser, who worked with his grandfather when he was just starting out, remains open to working with others, especially investors. His investment strategy focuses on buying properties in markets with strong growth prospects, with the target acquisition prices typically falling between \$4 million to \$50 million. How does he find others with those deep pockets?

"They approach us," Ramser says. "If they're interested in RV and boat storage, they know our name. Other times, past investors reconnect for new ventures. They'll tell us what a great experience they had before, and that they'd like to do it again. That's music to my ears."

Ramser says that he enjoys working with partners. "We have locations that are legacy assets owned by just me and one or two partners, but we also do limited partner investments to raise money for certain projects," Ramser explains. "We've had as many as 30 people or companies invest in a transaction, with a minimum of \$250,000. And we hold their hand if they need it, providing investment management support and quarterly reporting. We also handle distributions, tax returns—all the things associated with this type of investment."

Providing Advice

While entering the RV and boat sector can be a very lucrative endeavor, Ramser does have some advice to self-storage owners, namely that there are some big differences when it comes to RV and boat storage compared to traditional storage.

"Some people store valuable items in traditional self-storage, but a lot of the time, you get someone renting a 10-by-10 and tossing in a trash bag of old clothes, never looking back again," says Ramser. "With RV and boat storage, most of the time you're storing property for people that has real value. We're talking \$250,000 motorhomes or yachts that might cost more than someone's home. These aren't things that are going to be forgotten."

For this reason, Ramser says that anyone considering developing or expanding to include RV and boat storage understand the importance of keeping their tenants happy. "RVs and boats are mobile. They can be relocated in an instant, unlike traditional self-storage, which can be a hassle to move. So, you tick off a tenant, and they're apt to just drive away."

Adds Ramser, "You also need to be mindful of rate increases because, again, these tenants are on wheels. There's no loyalty; they'll leave you."

But where will they go? After all, the *2024 Self-Storage Almanac* reports that there is currently an imbalance between supply and demand, with development of RV and boat storage not keeping pace with the increased demand for it.

"It's true, right now their options may be limited," he says. "We've had people upset with a rate increase move out, only to come back a couple days later because they couldn't find anywhere else to go. And, at that point, the spot is gone. All we can say is 'sorry!'"

Ramser says that although RV and boat facility owners may currently have the upper hand in this regard, it's important to always take care of the customer because bad word of mouth travels fast, and no owner should want a reputation for taking advantage of tenants.



Next Up

When it comes to what's down the road, or up on the horizon, Ramser isn't slowing down. "This morning, we rented 10 units at our Irvine, Calif., location, each going at \$300 a pop," he boasts. "That's \$3,000 just this morning. This is the norm now. Look, COVID was a horrible thing, but it reinvigorated people's love of boating and travel, and I support that. So, I don't see this activity slowing down any time soon. And, neither will I."

To that point, Ramser says he is always looking for new opportunities in California, Texas, and Florida. On top of that, he has been a member of the board of directors of the California Self Storage Association and Storelocal (a cooperative for independent self-storage owners, which he also founded). Ramser is also a shareholder in the organization's subsidiary, Tenant, Inc., a SaaS technology firm focused on the self-storage industry.

With all this on his plate, it's no surprise that he is open to a little help from the next generation. "My daughter Ally Young has worked with me for 12 years and is our chief operating officer, and my daughter Claire Curci has been with us for several years and she is head of business management," Ramser says proudly. "This gives me and my wife Ann more time together to enjoy the water and our five grandchildren."

"We have two other children who are working elsewhere right now," Ramser adds with a wink. "We will see if they join us in the future." ■

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Security Without Worry

Unlike some items found in traditional self-storage units, RVs and boats are not cheap. Because of this, Ramser says security is of the utmost importance, and that's why none of the properties he oversees are 100 percent remote, despite the trend.

"Some tasks can of course be done remotely, like check-in and check-out, making payments, and so on," says Ramser. "But we still have someone on site during business hours. The value of these vehicles and vessels demand it."

To keep the facilities secure, Ramser says there is no 24-hour access. "Nothing good happens after midnight," he states, "so we shut it down. We have someone monitoring cameras though, and since it's out of commission, if we see movement, we know someone is in there with ill intent."

What if someone arrives late and needs to park their vehicle or vessel? "Our tenants know the rules. We give them a welcome packet that explains it all. They understand that if they show up after lockdown, they're not going to get in. They'll have to park somewhere else until 7a.m. It's never been a problem, and they appreciate that level of security."

Ramser is so serious about security that he's had electrified perimeter fences installed at his properties. "Outside of California, where it's illegal, our fences are electrified. If you try to climb one, you're going to get zapped," says Ramser matter-of-factly.

I ask if anyone has ever been zapped.

"No," he says, adding wryly, "but you're welcome to come by and test it out."

