



TFSA Growth Investors: This Overlooked Venture Exchange Stock Can Make You Rich

Description

StorageVault Canada Inc. (TSXV:SVI) exhibits many traits of a Warren Buffett business. It's a low-tech company with an easy-to-understand growth strategy, an incredibly high growth ceiling, and a handful of long-term tailwinds that are likely to propel the stock substantially higher over the next decade and beyond.

As you may have guessed, StorageVault is in the business of owning and operating self-storage units across Canada. In other words, StorageVault provides real estate for people's excess "stuff."

I admit the growth opportunity is [easy to overlook](#) especially given the "unsexy" nature of the industry that's been made even "unsexier" thanks to shows like *Storage Wars*, whereby auctioneers crack open rat-infested storage units, revealing mouldy junk that probably isn't worth a single month's rent.

In addition, there's zero room for innovation when it comes to storage units. When you have a look at U.S. storage unit stocks like **Public Storage** ([NYSE:PSA](#)), you'll quickly realize that the industry is better suited for a retiree, not a growth investor looking for above-average capital gains.

While it's easy to dismiss StorageVault because of its unattractive industry and because it's trading on the TSXV (which is chalk-full of uninvestable businesses), Canadian growth investors ought to realize the fact that StorageVault is an entirely different beast than its mature brothers south of the border.

A national consolidation opportunity

The U.S. self-storage industry has had the opportunity to consolidate with several behemoths controlling the industry. The growth opportunity has all but run dry in the U.S., but here in Canada, we're experiencing a self-storage demand boom with not nearly as much supply of real estate for our stuff.

In other words, Canadians are getting "stuffocated!"

According to industry statistics, the U.S. has approximately nine-square-feet worth of storage for every

person in the country compared to just two square feet of storage per person in Canada.

That's over four times less self-storage supply per person! As real estate prices continue to rocket to unhealthy levels across urban Canadian cities, where many of us can't afford a place that's large enough for all our stuff.

As demand for Canadian self-storage units continues to skyrocket over the next few years thanks to the six Ds (downsizing, death, divorce, displacement, disaster, density [population densification]), StorageVault is going to have the opportunity as emerge as a dominant player in the space like that of a Public Storage in the U.S.

Over the next decade and beyond, StorageVault is likely going to continue scooping up rivals, as the company moves closer towards the ultimate goal of consolidating its industry and expanding its storage capacity to meet the continuously growing demands of Canadians who continue to load up on large, expensive items they really don't need around the house (thanks e-commerce!).

Foolish takeaway

Self-storage units are unsexy, but they're necessary for rising urban populations. For many of us, our living quarters are getting smaller, while the number of our personal belongings continues to soar. At scale, this is going to result in a massive self-storage supply shortage over the next decade and beyond. StorageVault is the company that's going to profit profoundly as it steps in to answer the call.

Not only can investors expect profound growth over the next decade and beyond, but given the company's recession-resistant nature, it's likely that the stock will hold its own better than most growth names on the TSX.

Will Ashworth called StorageVault [the best stock that's not on the TSX](#). I think he's absolutely right and would be surprised if the stock doesn't graduate to the TSX by the conclusion of 2019, when it may surpass the \$1 billion market-cap milestone.

Stay hungry. Stay Foolish.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:SVI (StorageVault Canada Inc.)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing

Date

2025/08/20

Date Created

2018/06/29

Author

joefrenette

default watermark

default watermark