

CBS Denver, Storage Unit Auctions usually A Last Option for Owners, July 19, 2011

**DENVER (CBS4)** – A new law is about to make it easier for owners of self-storage businesses to sell the belongings of customers who haven't paid up.

Owners will no longer have to notify customers through newspapers or certified mail that their items will be sold.

When someone moves their possessions into a self-storage locker there is an immediate lien on their property. If they don't pay the bill, the items inside legally belong to the facility owner.

Often the items are sold at storage unit auctions, which have generated lots of interest lately in part because of a cable TV reality show called "Storage Wars."

Joseph Niemczyk has been in the self-storage industry for more than 30 years. He owns twelve self-storage facilities in Colorado, as well as and 23 more facilities across the country.

"My policy is we don't cut locks until 50 days because I want to give people the time, at least a chance to pay up, because I really don't want to sell them if I don't have to," said Niemczyk.

Niemczyk was asked if he makes any money off of the auctions.

"Nope," he replied. He said what's sold at the auctions is subtracted from the storage customer's bill before it is sent to collections. If the unit is sold for more than what the customer owes, the customer gets that money.

"I think we give people as much chance as we can. You know we're running a business, and I have to — I have to turn these units over so I can make a profit," said Niemczyk.

The lock is cut off, and the storage unit door rolls open. More than a hundred people have showed up. They are bidding on the storage unit's entire contents.

Brooks asked Jason Snyder what he was looking for. He replied, "Gold!"

Armed with flash lights, bidders look inside a storage unit trying to get a glimpse at what's hidden inside.

Everyone wants a treasure.

Terry Brunke, a bidder, said, "It would be nice to find a neat old car or some motorcycle parts, something of value."

As the auctioneer starts the bidding, it's clear the key is spend as little as possible and hope to get stuff that's worth a lot.

So who actually owns all this stuff that's being auctioned? One storage unit that was sold in April belonged to Trudy. She asked that we don't use her last name.

Trudy admits she signed a contract, knew the obligation, and missed her payments. She says the recession buried her.

"I lost my job, had to move out of my house, and put all my stuff in storage," she said.

Trudy says for more than 2 years she rented a storage unit at Clock Tower Self Storage. She admits that three separate times she missed payments.

"This time I was only (about) 3 months late," she said.

But the contract she signed stated all articles stored can be sold if no payment has been received after a 30 day period.

Ken Brisco is a first time bidder who has watched "Storage Wars." He said, "I'm very skeptical of the show. It always seems like they find something. So I wanted to see for myself what the experience was like."

For some people, what's left in a storage unit is nothing special. But for Trudy, it was everything she owned.

"There was a family Bible in there signed by Billy Graham's assistant," she said.

That's the one thing she wants back, but she knows it's a long shot.

The family bible was sold in an auction with the rest of her stuff.

We did talk to some people who have bid at these auctions in the past.

Bob Scull, a bidder, said, "I found a knife set, like a Winchester made. There was a Taser in the pocket of a coat of one."

"You don't get rich off of it, but it pays the bills sometimes," said John Hunt, another bidder.

When deciding to rent a storage unit here are a few things to keep in mind:

- Ask what happens if you can't pay the rent and how long the facility has been in business.
- Ask about break-ins. If the facility tells you they have never had a break in, they are probably lying.

Niemczyk said thefts or attempted thefts are part of the business. He said it's important to find out what measures are taken at the property to prevent break-ins, such as security cameras and special operation hours.

