

MARKET INFORMATION

Cosby Climate-Controlled Indoor Storage



3323 Cosby Highway, Cosby TN

For Sale: \$1,400,000

This Market Information Report is intended to help potential investors understand why Cosby Climate-Controlled Storage is well positioned in its local market and why this location supports a successful self-storage business. The analysis looks at the surrounding community, traffic patterns, tourism influence, and local demand for storage, along with how this property fits within those conditions. By reviewing this information, an investor can better see not just how the facility performs today, but why the market itself supports stable occupancy, long-term demand, and a reliable investment.

1) Market approach used (based on “Evaluating Self Storage Investments”)

The CCIM methodology for self-storage market analysis focuses on:

- 1.** Defining the market area (typically a radius between 3 and 7.5 miles, adjusted for rural/terrain barriers),
- 2.** Measuring existing competing storage, and
- 3.** Comparing supply to national/state demand benchmarks, while also factoring in market occupancy and excellent site location.

For Cosby, a broader radius is often appropriate because the area is rural/mountainous, and drive times and “psychological barriers” can shape where tenants are willing to rent.

2) Defined trade area and why this site fits it

Subject site: 3323 Cosby Hwy (US-321), directly on the primary roadway connecting I-40 (Exit 435) to Gatlinburg and positioned across from Cosby High School and Cosby Elementary School (high daily awareness and “easy-to-find” landmark location consistent with strong storage performance).

Why this location works for storage (practical demand drivers):

- **High visibility + convenient access** on the area’s main travel corridor (US-321).
- **Stable local demand** from residents and contractors that need secure, clean, climate-controlled storage.
- **Tourism-adjacent demand** driven by the Smokies ecosystem (short-term rental owners, seasonal workers, second-home/cabin owners), which tends to increase “stuff storage” needs over time.

3) Local demographics snapshot (ZIP 37722 baseline)

Because Cosby is a small community and rural geography matters, investors commonly reference ZIP-level demographics as a proxy for the broader service area.

ZIP Code 37722 (Cosby) baseline indicators:

- **Population:** 6,138
- **Occupied housing units:** 2,659
- **Housing units:** 3,527
- **Median household income:** \$48,221

How investors typically interpret these indicators for storage:

- A meaningful base of owner-occupied and rural housing often supports storage demand (garages/shops fill up, households need overflow space, moves and life events drive rentals).
- The region’s older age profile and high share of long-term residents can support steady occupancy once a facility is known and proven (less “trend” demand, more “need-based” demand).

4) Tourism and regional demand strength (Smokies effect)

Cosby is positioned within the broader Great Smoky Mountains market influence.

- Great Smoky Mountains National Park recorded 12.2 million visitors in 2024, and NPS notes significant visitor spending in nearby gateway regions.
- Sevier County reported \$3.93B in visitor spending in 2024 (up year-over-year), reflecting the continued strength of the regional tourism economy.
- Cocke County — which includes Cosby — is also experiencing measurable tourism-related economic impact. While on a smaller scale than Sevier County, in 2022 visitors to Cocke County spent over \$66 million, reflecting growing tourism activity in the region and a trend toward increased visitor engagement with natural attractions, lodging, and related services.

Together, these figures highlight a regional tourism economy that supports both local resident demand and broader visitation patterns. This dynamic contributes to stable rental demand for self-storage among local homeowners, seasonal workers, short-term rental operators, and visitor-related service providers operating in and around the Smoky Mountains region.

Why this matters for a storage investor:

A strong tourism economy supports a “service layer” of households and businesses (STR owners, tradespeople, vendors, seasonal staff, and second-home owners). That ecosystem commonly increases demand for clean, secure storage—especially climate-controlled space that protects contents in humid seasons.

5) Traffic + visibility considerations (site quality)

Strong daily traffic exposure on US-321 (Cosby Hwy). TDOT’s Cocke County AADT traffic map (2023) shows daily traffic volumes on/near the US-321 corridor in the Cosby/Newport area in the ~11,000–13,600 vehicles per day range (AADT = Annual Average Daily Traffic).

Primary route linking I-40 to Gatlinburg—year-round tourism flow. US-321 is widely used as a direct access route from I-40 (Exit 435 at Newport) into Gatlinburg, which supports steady “visitor vehicle” exposure throughout the year in addition to local traffic.

Constant community visibility across from both schools. The property sits directly across from Cosby High School and Cosby Elementary, which creates repeated, daily “front-of-mind” awareness for local families, staff, and commuters. That kind of routine exposure is especially valuable for self-storage because many rentals come from “I pass it every day” convenience, not just online searches.

Tourism is a meaningful demand driver for the route. Great Smoky Mountains National Park reported ~12.2 million visitors in 2024, supporting the reality that this region experiences heavy seasonal and year-round visitation—many of whom travel through Sevier/Cocke gateways and along key routes like US-321.

6) Competitive position and product fit

Product type: Interior, climate-controlled storage with secure access—generally the most “defensible” product in smaller markets because it competes less directly with older outdoor facilities and tends to retain tenants longer due to quality and convenience.

Unit mix supports broad demand: The facility is weighted toward the most commonly rented sizes (10x10 and 10x20), aligning with what most households and small contractors need.

7) Evidence of real market acceptance (lease-up and occupancy trend)

A key “market suitability” proof point is the facility’s actual lease-up and improving occupancy.

The 2025 occupancy history shows:

- **Occupied units increased from 80 (Jan) to 105 (Nov), ending at 102 (Dec)** out of 126 units.
- **Economic occupancy improved from 63.91% (Jan) to 83.27% (Nov), ending at 80.94% (Dec).**

Investor takeaway: This is exactly what you want to see from a facility that began operations mid-2024—strong tenant adoption, improving utilization, and evidence the market recognizes and uses the location. (It’s no longer “conceptual demand”—it’s proven demand.)

8) Demand benchmarking (how investors think about it)

Per the CCIM material, a common starting point for demand benchmarking is the **national average of 5.99 NRSF per person.**

In practice, investors use this benchmark alongside:

- current market occupancy,
- the subject’s site quality, and

- the character/quality of competing facilities.

How this applies here:

- Cosby’s storage demand is supported by a mix of local households + contractors + tourism ecosystem;
- The subject is a “best-in-market” style product for the immediate area (interior climate-controlled), and
- Actual 2025 occupancy trends validate that demand is present and growing.

9) Bottom-line market conclusion for investors

Cosby Climate-Controlled Storage is well positioned as a high-visibility, climate-controlled storage asset serving a rural/mountain trade area influenced by the Great Smoky Mountains economy. ZIP-level demographics show a meaningful local base population and household count, while regional tourism volume and spending provide a strong economic backdrop.


Most importantly, the facility’s performance through 2025 demonstrates real market traction and supports the investment narrative of a business that transitioned from start-up/lease-up to a stabilizing, income-producing operation.

For additional information, site plans, or to schedule a private tour, please contact:

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