

# LAST MILE: Locking In the Customer



The **LAST MILE** is defined differently by companies but essentially is the last leg of a product's trip before it arrives at a consumer's door.

## IT'S ALL ABOUT Speed

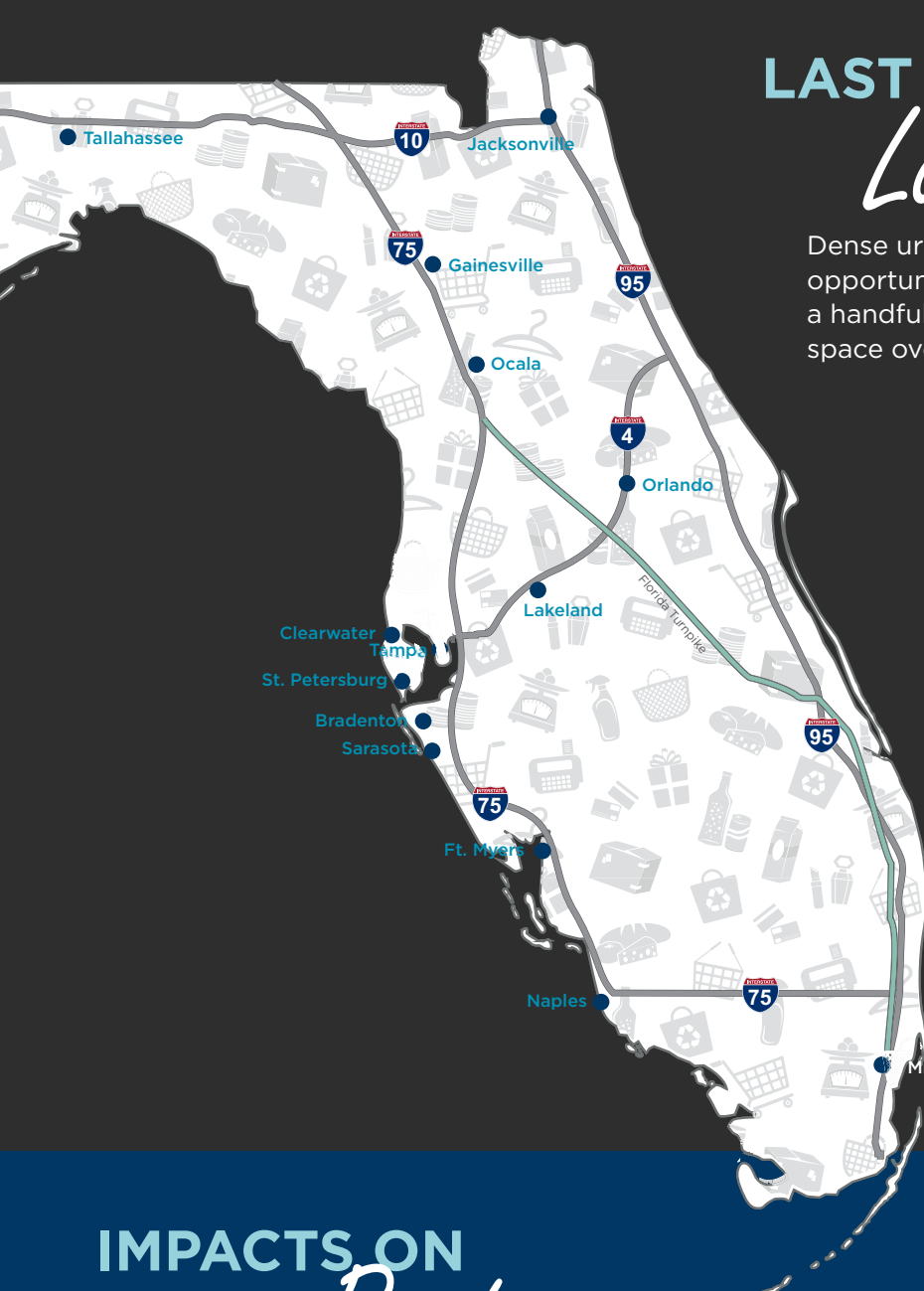


The last mile is the **ONLY POINT** that the customer has direct, hands-on interaction with the retailer. Just like in a physical store, if the experience is not satisfactory, then customers don't come back.

*what it means for retailers*

*what it means for consumers*

**Speed to deliver—CRITICAL** for a retailer to locate close to end customers.



## LAST MILE Last Touch

Dense urban submarkets in Florida provide limited opportunities for retailers to locate or expand with only a handful of availabilities for warehouse/distribution space over 50,000 square feet at the end of Q3 2017.

### URBAN SUBMARKET STATISTICS

#### JACKSONVILLE

Overall vacancy: 5.9%  
Available blocks over 100k: 5  
Available blocks over 50k: 10

#### ORLANDO

Overall vacancy: 4.8%  
Available blocks over 100k: 4  
Available blocks over 50k: 5

#### TAMPA BAY

Overall vacancy: 4.7%  
Available blocks over 100k: 1  
Available blocks over 50k: 1

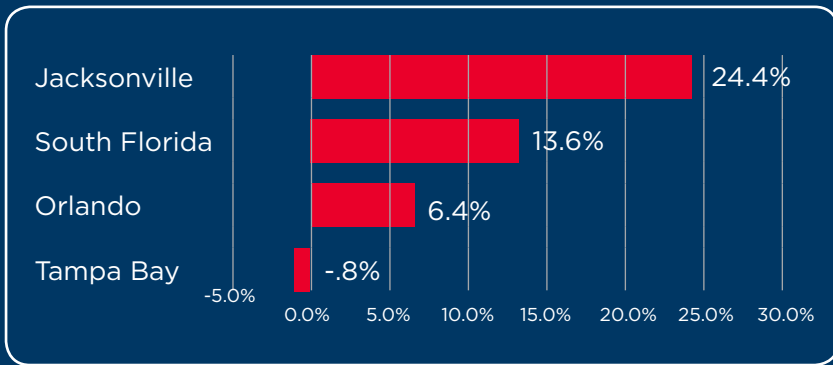
#### SOUTH FLORIDA

Overall vacancy: 4.6%  
Available blocks over 100k: 3  
Available blocks over 50k: 6

## IMPACTS ON Rent

While the growth in ecommerce played a part in rent increases in urban submarkets, pent up demand from the recession and expansion in the housing market also contributed to higher occupancies.

New construction in the core submarkets has remained limited over the past 5 years with only a cumulative 2.7 million square feet (SF) delivered.

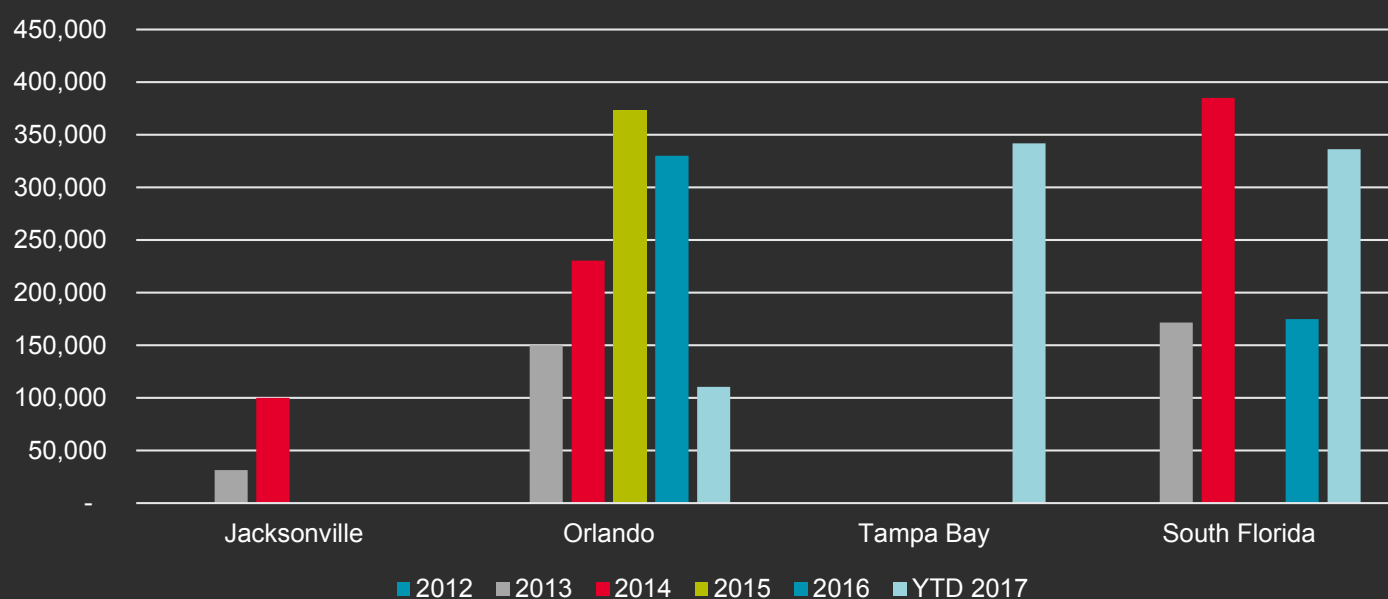


**On Average Year-Over-Year Direct Rent Increases were 13.5% in the past year**

## IMPACTS ON Inventory

Even with 1.3 million square feet delivered over the past 18 months, the vacancy rate in core urban submarkets has remained flat.

### Warehouse/Distribution Completions



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