

LAST MILE DELIVERY

WHAT IS IT?

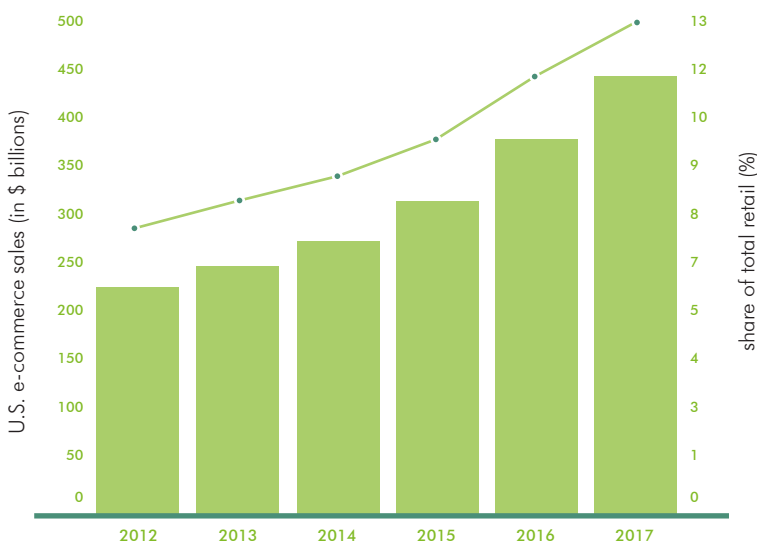
In a package's journey from the warehouse rack to its final destination, the "last mile" of delivery is the final step of the process resulting in the arrival of the package at the customer's door. In addition to being a key to customer satisfaction, last mile delivery is both the most expensive and time-consuming part of the shipping process.

The last mile is time consuming and inefficient due to multiple stops with low drop sizes. Furthermore, it's estimated last mile delivery costs account for 53% of overall shipping costs. The last mile shipping challenges have only been compounded by the continuous rise of e-commerce.

THE GROWTH OF E-COMMERCE

The growth of e-commerce has resulted in consumers demanding quicker and cheaper delivery options. Millennials are fueling the growth of e-commerce and their migration to urban areas is creating the need for urban warehousing solutions. E-commerce currently makes up 11.5% of total retail sales but is expected to account for 22% (\$1 trillion) by 2022.

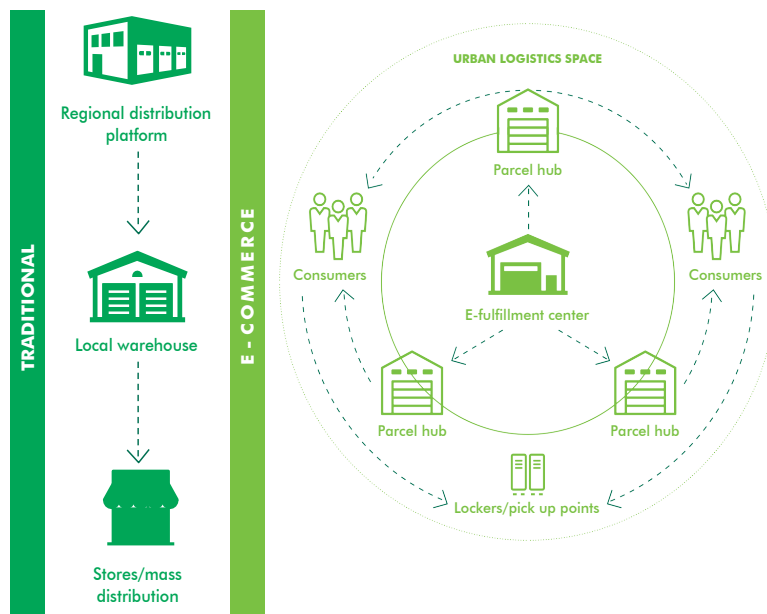
U.S. E-Commerce Sales & The Web's Share of Total Retail 2012-2017



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LOGISTICS MODEL



REAL ESTATE SOLUTIONS

- Pressure to deliver products in narrow timeframes has created a need for warehouse sites in and around dense urban areas
- Supply chain strategy is shifting from regional distribution centers to infill fulfillment centers
- Multi-story warehouses, locker/pick-up locations and infill service centers are becoming commonplace in global industrial hubs

TECHNOLOGY SOLUTIONS



DRONES

**AUTONOMOUS
GROUND VEHICLES**

**SELF-DRIVING
TRUCKS**

LOCKERS