

HOW SOON IS NOW?

The disruption and evolution of logistics and industrial property

E-commerce has changed our world! Whether at home or on-the-move, we can buy something online and expect delivery to our homes in a matter of hours. To allow this to happen, the warehouses storing our purchases, and the network which gets them to us, have seen dramatic change.

Our report, How soon is now? gathers the views of leading investors, developers, occupiers and operators and sets out policy recommendations on how the logistics sector should respond to the current challenges and opportunities.

1

INVESTMENT AND DEVELOPMENT

Getting bigger: Q1 & Q2 of 2016 saw 5 deals for DCs over **500sqft** (compared with 7 p.a. average)

More demand: over **18m sq ft** of new DCs are required to meet demand

Longer investments: Long term deals increased by over **300%** in CEE since 2013

2

INFRASTRUCTURE - What alternatives are there to road?

Road sustainable? 90% of goods in UK moved by road & unmet need for **60,000** HGV drivers

Rail to the rescue? A standard train is equivalent to **36** lorries

Multimodal demand? 63.2m tonnes all time high container traffic – **40m** increase in roll-on-roll-off freight

3

RETAIL AND CONSUMER NEEDS AND LAST MILE FULFILMENT

Next day revolution: providing essential urban hubs requires policy changes

Change: Online spend expected to grow from 14.3% in 2016 to **20%** by 2018

Creating demand: online retailers need **x3** more warehousing than high street retailers



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