

FiberLocator

How Fiber Connectivity Impacts Real Estate



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About FiberLocator

Staying connected is exceedingly more important for businesses. Information storage is transforming from on-prem to a cloud first philosophy. Critical information is rapidly being stored off site in other corporation's data systems. Not only information, but communication is expanding beyond the four walls of a brick and mortar business. Voice and digital collaboration tools are moving towards a unified communication as a service platform.

Network needs have significantly evolved over recent years, resulting in a change in the network topology landscape. Many business-critical solutions and applications are moving off site, and as a result, decision makers cannot afford poor connectivity. Poor connectivity results in a poor end-user experience, which is now the standard measurement of new technology deployment. Without the ability to access critical information at all times, certain vertical markets such as healthcare and information technology can face detrimental consequences.

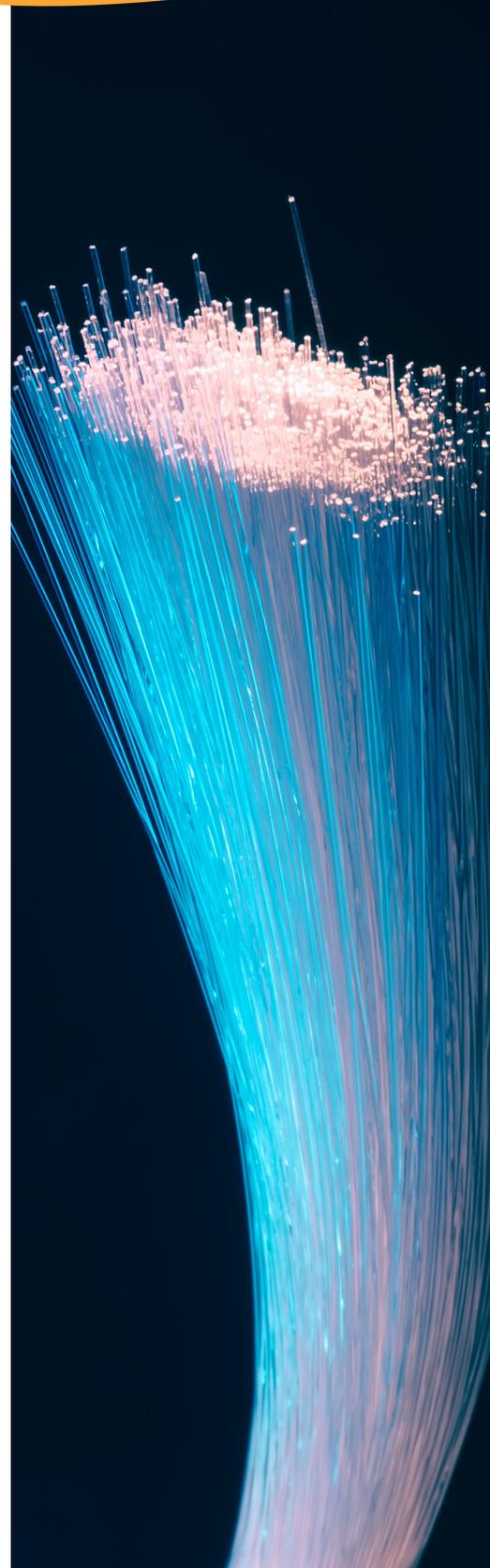
Over 90% of businesses believe reliable, secure, fast internet connectivity is a crucial deciding factor when looking for an office location. When a company makes the decision to move to an office space in a new building, they are considering the availability of fiber connectivity to support their Software as a Service (SaaS) and cloud-based technology needs.

Fiber is quickly becoming a required utility as business technologies advance, and fiber will only become more critical as connectivity needs increase. As a real estate professional, it is important to consider the proximity of fiber to your buildings, as well as the abundance, or lack thereof, of fiber lines.

Service provider diversity is a crucial factor for organizations as they scope out new locations. It is a priority of these companies to ensure primary and secondary connectivity is available – something only possible when fiber lines exist in and around the building.

What is Fiber?

Fiber connectivity is the alternative that provides access to greater speeds and can accommodate more of your client's needs.



Fiber connectivity is established through fiber-optic cables, the operation of which is not affected by distance. Fiber provides symmetrical connectivity, meaning that upload speeds are the same as download speeds. The operating speed of fiber for both uploads and downloads are much faster than a user would experience with other means of connectivity.

Options for service provider diversity is another perk of utilizing fiber. If a company is changing locations, or has regularly scheduled mission-critical operations, secondary connectivity is a necessity, and is only possible with an abundance of fiber-optic cables nearby.

Connectivity Types

Lit building access is similar to personal use internet, where the access level can change depending upon the amount of bandwidth you need via the ISP. Lit buildings allow tenants to enjoy cost savings for telecom services, as well as increased bandwidth by understanding their choices of which providers are in the area of potential new office space.

On the other hand, Dark Fiber is utilized for organizations that require massive amounts of throughput. With Dark Fiber, the user leases a fiber line through a Service Provider, while putting their own equipment on either end, dictating the throughput of the fiber line(s).

Fiber-Rich Advantages

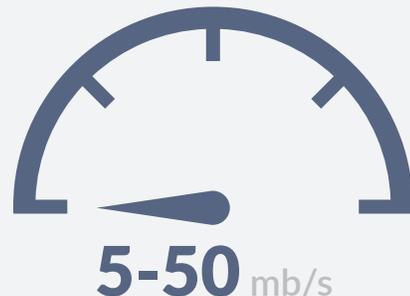
Legacy copper or Coaxial connectivity in buildings provide network access but do not allow the speed or reliability required to meet the needs of today's

Cable vs. Fiber 1000 mb = 1 Gb

CABLE DOWNLOAD SPEED



CABLE UPLOAD SPEED



FIBER BANDWIDTH CAPABILITY FROM



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commercial clients. Voice, data, and collaboration tools are more widely used in business environments than ever and are increasing the complexity of the connectivity structure needed to sustain day to day business operations.

The richer the connectivity structure of an organization, the more cable the organization needs to execute their programs and processes. Cable also runs the risk of slowdowns when multiple users are accessing the same connectivity point.

As a reliable technology, fiber usage is on the rise. Fiber availability is an important consideration for many businesses due to the increased adaptation of cloud, Software as a Service (SaaS), as well as the previously mentioned Unified Communication as a Service applications. Network capabilities

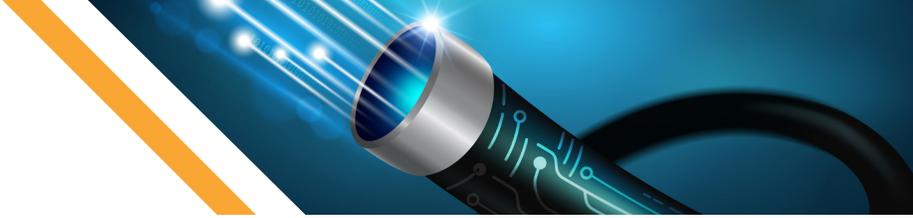
are expanding beyond what we once thought possible, and fiber connectivity is one of the primary driving forces, as fiber can handle the bandwidth requirements of these new networks.

Security is another key advantage of fiber-based networks. Private connectivity offers more protection than transferring data over public IP, a vital need for businesses handling sensitive information.

Development Impact

Whether you are constructing a building on clean land without existing structures or repurposing an existing building such as a reclaimed mill, you must understand the current fiber footprint of the location when determining your time to deployment, as well as the project budget.





Situations where a new building is constructed on a piece of land with little to no fiber connectivity access can mean trouble for the developer. The lack of fiber will drastically limit tenants who would be interested in the space, especially educated tenants with knowledge of their IT requirements. This is especially true for various business sectors with uncompromising technology requirements.

If a company chooses to move into an un-lit space, they must work with building management and local service providers to bring their required infrastructure into the space, a task that often delays their move in date and drives up their costs. If a tenant opts to move into an existing building without existing fiber, it can be estimated that an additional 40% of the cost will be necessary to add fiber connectivity to the space. Most companies attempt to avoid additional, potentially unknown, costs when selecting a new location.

Dark Fiber is typically consumed in real estate when a business purchases and repurposes a building by converting it to a data center, which can be costly mainly because the price per square foot is higher than a commercial space. Not knowing the end-user of the space can bring challenges when developing an existing structure. However, buildings with data center capabilities are necessary in the high-tech sector, where there are massive amounts of information in play, as well as in bio/pharma markets due to the amount of compute power necessary, and the cost would be exorbitantly higher if they pay for more bandwidth. Finding buildings with Dark Fiber available allows tenants to reduce their overall IP cost structure

and handle the operations involved with vast amount of information.

Connectivity requirements are a factor to consider when finding or creating a space for industries with advanced computing operations, especially in comparison with companies in sectors that do not need the same operating capabilities, such as law firms. When looking at existing structures, understanding the requirements for the tenant up front will save time and money especially if a building is not on-net.

The more fiber options in or near a building will reduce the price point for both real estate professionals and prospective tenants, which is imperative when evaluating property prices. On average, there is a 20% cost reduction for every additional service provider in a building, up to three service providers.

The cost to set up a building with fiber connectivity capabilities is determined by multiple factors. Service providers can see the closest fiber line to your location and determine from there how to splice their fiber lines to connect to the building. From there the service providers calculate the construction price per foot. It should be noted that cost always relates to distance, and the further away a fiber line is from a building, the more it will cost to implement.

Other factors can quickly drive up the costs of implementation. Railroad tracks, lakes and rivers, and any other large potential obstructions due to the geographic topography can impact costs. These obstructions make it more difficult for service providers to connect their fiber lines to a building.

Increase Value, Drive Down Costs

In addition to reducing the price point of developing commercial buildings when they are already optimized for fiber, especially when buildings have multiple fiber options available in the area, fiber connectivity can increase the value of a property by an average of 3.1%. Buildings with fiber connectivity that support speeds of 1 Gb/s or more can drive up valuations by an additional 1.8% when compared to locations with connectivity speeds of only 100 Mb/s.

Why, you may ask?

An already lit building is more attractive to end users. Many businesses need fiber connectivity to optimize their business operations. By purchasing an already lit building or converting a building upon purchase, real estate professionals will be ready for tenants that need fiber connectivity, and have the ability to expedite their possession of the space. If you can purchase an already-lit building, you – or the new tenants – will not need to absorb costs associated with construction and permits to pull fiber lines into the building, or to update the building's connectivity level to modern standards.

For tenant companies that have large area requirements within one building, the savings of already having fiber capabilities in a building as well as the cost structure of available service providers could make or break their decision to move as they evaluate a prospective space.

Finding Fiber

As a real estate professional, you can increase your sales and productivity by knowing which fiber options

are available for sourcing in your target area.

To make an informed decision on fiber implementation, the first step is to gather information about providers in your desired area. Typically, this involves calling multiple carriers and compiling data from each individually. Other alternatives include performing internet searches and reviewing online maps, utilizing public government data, conducting field surveys, or relying on your internal data if available.

With over 3,000 ISP and over 350 owner/operators in the United States, the old-fashioned way can be very time consuming with the potential to delay your project because of the hours associated with the extensive research.

Skipping this step may sound tempting but not having this information at the start of your project can result in deployment delays and cost increases beyond what was planned.

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As commercial brokers work with the owners and managers of buildings, they are able to bridge the gap with executive and IT teams of clients. The CTO and other stakeholders within the organization that drive technology-based decisions rely on their agent to provide the proper validation in sourcing buildings that meet their compute needs. Typically, commercial brokers only have limited marketing information on a building, even though it is critical to understand the level of connectivity a client may need upfront.

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Ultimately, you want to stop wasting time prospecting buildings that won't meet the technology requirements for your clients. Reducing the amount of time to source the market and obtaining accurate information specific to the project you are working

on starts by understanding who owns the fiber in the approximate locations to buildings of interest. A streamlined process saves you valuable time to deployment.

FiberLocator can help achieve the results you're looking for.



FiberLocator is the premier tool for fiber information needs, that can be used to gather information on a specific location in a matter of seconds. Enter an address, and our application will pull the latest fiber data that you leverage when working with your clients. FiberLocator can also be used to gather information on a specific fiber carrier or provider.

When it comes to information, FiberLocator has a repository like no other, developed over the years with data submitted by both providers and our users. Information is updated on a regular basis to ensure the most accurate and current data is being passed along to our customers. With records of more than 1.3 million unique lit building addresses, nearly 400 fiber maps, over 5,000 unique data center addresses and information from over 700 different carriers, FiberLocator has all the information you need to plan your next real estate project.

With FiberLocator, you'll be able to accurately value properties by having proper validation on fiber network

availability. The program's capabilities will also enable you to evaluate and add new well-connected land and buildings to increase the value of your property portfolio. The tools included within FiberLocator Online enable you to up your selling position by effectively sourcing fiber reports, with the ability to share the information with your prospects.

Contact us today to learn more about how FiberLocator can impact your real estate business, and to request a free trial.