

## Data Center Market Overview 2017 – Q2

The Northwest data center market includes Hillsboro Oregon, Greater Seattle and Central Washington and dominated by the technology industry due the robust west coast e-commerce and tech sector. Additionally, Hillsboro has seen growth due to the international subsea pan-Asian fiber connectivity.

As of Q2 2017, the Northwest market has seen approximately 16 MWs of absorption with is on track with the full year 2016 absorption of 31 MWs .

### Northwest Data Center Snapshot Q2 2017

#### Total Inventory

3.9 MSF / 350 MWs

#### Wholesale Data Center Pricing

Low  
(kW/pm)

High  
(kW/pm)

\$115

\$135

#### PRICING TREND



Tenant Demand

Data Center Supply



## Notable Northwest Data Center Activity

Dupont Fabros (DFT), now Digital Realty Trust, acquired 47 acres in Hillsboro for a new wholesale data center campus. The anticipated completion of the 1<sup>st</sup> phase of the project to be available in 2018.

OVH, a french data center services provider, has plans for a new data center in Hillsboro which will be its 3<sup>rd</sup> development in North America.

T5 Data Centers has plans for a new 100,000 SF 8.8 MW data center facility which will bring new supply to its campus in Hillsboro, Oregon.

CyrusOne acquired 48 acres in Quincy, Washington which it plans to develop a “cloud supercenter” offering what they consider to be the lowest-cost data center product in the country.

Digital Bridge acquired Vantage Data Centers which includes a data center campus in Quincy, Washington which has expansion capacity for the new platform.

Linkedin opened its new Hillsboro data center in Q1 2017 with 8 MWs leased in two buildings owned by Infomart.

## Summary

The Northwest data center market remains an attractive location for new data center deployments and continues to see new expansion plans by companies such as OVH, Dupont Fabros (now Digital Realty) and CyrusOne. As of Q2, the market had strong absorption with a number of pending deals that will likely push the absorption levels to similar 2016 of 31 MWs.

We anticipate the Northwest data center market will continue to grow due to its connectivity to Asia and robust technology community. Specific to Hillsboro, Oregon, we expect continued data construction and absorption due to renewable power at reasonable prices, no sales tax and tech friendly local and state government in addition to its position as the “Digital Gateway to Asia.”