

Data Center Market Overview 2017 – Q2

Chicago is ranked 3rd among top data center markets in the US with nearly 4 million SF of data center space in the metropolitan area.

Chicago is seeing a consecutive strong year of absorption with nearly 28 MWs of absorption by the end of Q2 mainly driven by hyperscale cloud and financial sector deployments. Chicago witnessed a record breaking 56 MWs of total absorption in 2016. Major players, including Digital Realty Trust, QTS, CyrusOne and Dupont Fabros, all have substantial developments underway in the market.

Chicago Data Center Snapshot Q2 2017

Total Inventory

3.9 MSF / 550 MWs

Wholesale Data Center Pricing

Low
(kW/pm)

\$112

High
(kW/pm)

\$135

PRICING TREND



Tenant Demand

Data Center Supply



Notable Chicago Data Center Activity

Apple signed a 14 MW hyperscale lease with Dupont Fabros (DFT) in its Elk Grove complex of data centers helping DFT achieve its best quarter of leasing on record with 28 MWs committed in Q1.

Digital Realty Trust (DRT) completed its acquisition of Dupont Fabros (DFT) which adds to DRT's Chicago data center footprint.

CyrusOne (CONE) is expanding the CME Data Center campus that it acquired in 2016 in Aurora and adding land to continue to grow the complex.

Digital Realty announced plans for a new 12 story data center to be built in Downtown Chicago at 330 East Cermak to compliment its 350 E. Cermak facility.

EdgeConnex acquired a 132,000 SF building in Elk Grove in 2016 that it is in the process of converting to a data center in efforts to accommodate a large Microsoft requirement.

Dupont Fabros is under construction on its 160,000 SF CH3 data center which is planned to have 25.6 MWs of capacity upon completion.

Summary

The Chicago data center market has seen 28 MWs absorbed by end of Q2 which is on par with its 2016 absorption numbers if similar activity continues throughout 2017. There is just over 50 MWs under construction in the Chicago market with approximately 16 MWs pre-committed.

Hyperscalers, including Apple and Oracle, have been the largest consumers of space in Chicago market so far this year. We expect Chicago deal activity to continue its current pace of absorption for the rest of the 2017.

For full market report or if we can help you with your Chicago data center needs, please visit www.Five9sDigital.com or call us at 704.651.2210.