

DATA CENTER

REAL ESTATE ACQUISITIONS REPORT

END OF YEAR REVIEW

2020



FIVE 9S DIGITAL

DATA CENTERS

REAL ESTATE ACQUISITIONS REPORT

End Of Year Review 2020



2020 Total
Value of DCRE
Transactions
Yielded \$1.7B

2020 DCRE
Transactions
Totalled
5.540M SF

2019 DCRE
Transactions
Totalled
7.989M SF

2019 Total
Value of DCRE
Transactions
Was \$2.763B

New Capital
Seeking DCRE
Entered The
Market

Interest Rates
Decreased In
2020 lowering
Borrowing
Costs

Cap Rates
Compressed
For Quality
Leased Data
Center Assets

The Pandemic
Increased
Demand for
Data Center
Services

Interest Rates
Rising Going
Into 2021
Increasing
Borrowing
Costs

2020 Was A
Record Year
For Data
Center Leasing

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BUILDINGS	SIZE	PRICE	PRICE PSF	DATE	NOTES
Telefonica Data Center 11300 Northwest 25 th Street Doral FL	172,000 SF	\$44 M	\$255	Jan 2020	<ul style="list-style-type: none"> Telefonica remains as the single tenant in the building
T5 Data Centers 200 Innovation Drive Elk Grove IL	164,000 SF	\$29 M	\$177	Jan 2020	<ul style="list-style-type: none"> T5 Data Centers acquired a new vacant 164k SF building shell which it plans to convert to a data center
Westin Building Exchange 2001 6 th Avenue Seattle, WA	400,400 SF	\$305 M	\$762	Feb 2020	<ul style="list-style-type: none"> Digital Realty acquired an additional 49% bringing its ownership to 98% with Clise Properties retaining 2% ownership. 5.7% Cap Rate
PayPal Data Center 4010 N 3 rd Street Phoenix AZ	184,000 SF	\$122 M	\$663	Feb 2020	<ul style="list-style-type: none"> Sale-leaseback with PayPal New lease with PayPal through 2028 6.4% cap rate 8 MW data center expanding to 10 MWs
TPx Data Center 2001 E Dyer Road Santa Ana CA	36,857 SF	\$20.750 M	\$563	Feb 2020	<ul style="list-style-type: none"> Single-tenant data center leased to TPx
NTT Data Center 1312 Striker Ave Sacramento CA	250,000 SF	\$16 M	\$64	March 2020	<ul style="list-style-type: none"> NTT Global Data Centers acquired the 250k SF facility NTT (Raging Wire) has been a tenant in the facility since 2000

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GSA Data Center 535 Huntmar Park Drive Herndon VA	60,421 SF	\$24.9 M	\$412	March 2020	<ul style="list-style-type: none"> • Single-tenant data center fully leased by the GSA • New 10 year lease signed prior to closing with 5 year termination right
Smithsonian Data Center 380 Herndon Parkway Herndon VA	47,916 SF	\$14.25 M	\$297	March 2020	<ul style="list-style-type: none"> • Single-tenant data center leased to The Smithsonian Institution • Lease term expires September, 2025 • 6.3% Cap Rate
274 Brannan Carrier Building 274 Brannan San Francisco CA	105,325 SF	\$99M	\$939	April 2020	<ul style="list-style-type: none"> • 95% leased carrier hotel data center • Multi-tenant facility
Flexential Data Center 752 Barrett Avenue Louisville KY	72,000 SF	\$7.35 M	\$102	April 2020	<ul style="list-style-type: none"> • Single-tenant NNN leased data center • Short term remaining on the lease • 10 year renewal option • 6.7% cap rate
Segra Data Center 465 Charles Babbage Lane Kannapolis NC	50,000 SF	\$8.43 M	\$169	May 2020	<ul style="list-style-type: none"> • Single-tenant NNN leased data center occupied by Segra which acquired Northstate in Q2 2020 • 14 years remaining on the lease
SageNet Data Center 841 Livingston Court SE Marietta GA	35,908 SF	\$5.95 M	\$166	June 2020	<ul style="list-style-type: none"> • Sale-leaseback with SageNet • Sagenet committed to a new 15 year lease • 7.5% Cap Rate

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Liberty Mutual Data Center 15319 NE 45 th Street Redmond WA	71,000 SF	\$15.35 M	\$548	June 2020	<ul style="list-style-type: none"> Microsoft acquired the data center with partial short term leaseback to Liberty Mutual
C.H. Robinson Data Center 1788 3 rd Avenue SW Oronco, MN	32,000 SF	\$5.5 M	\$172	July 2020	<ul style="list-style-type: none"> Sale-leaseback of C.H. Robinson Data Center New 5 year leaseback with C.H. Robinson 8.15% Cap Rate
Congruity360 Data Center 456 Bedford Street Bedford MA	199,902 SF	\$15.5 M	\$78	July 2020	<ul style="list-style-type: none"> Sale-leaseback of Congruity360 Data Center Congruity360 entered into a new 10 year lease
Jacksonville Carrier Hotel 421 West Church Street Jacksonville FL	277,334 SF	\$24.9 M	\$90	August 2020	<ul style="list-style-type: none"> SBA Communications acquired the multi-tenant carrier hotel building in downtown Jacksonville Included some multi-family
Evocative Data Center 1807 Michael Faraday Court Reston VA	21,461 SF	\$8.25 M	\$384	August 2020	<ul style="list-style-type: none"> Multi-tenant data center and office building Evocative is the data center operator in the building 1.6 MW facility
3 Building Purchase 1600 Memorex 1400 & 1700 Richard Ave Santa Clara CA	228,774 SF	\$83.25 M	\$364	August 2020	<ul style="list-style-type: none"> EdgeConnex acquired a 3 building industrial & data center complex it occupied as a tenant in a portion of the complex. FoxConn & SVColo are other tenants in the complex

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Apple Data Center 29800 Eureka Drive Newark CA	128,566 SF	\$60 M	\$467	August 2020	<ul style="list-style-type: none"> • Sale with a short-term leaseback to Apple • Existing 17 MWs of critical load • Expansion plans for additional 180k SF with 32.1 MWs
Centurylink & Verizon Data Center & Office Building 225 Old New Brunswick Rd Piscataway, NJ	65,250 SF	\$3.875 M	\$59	August 2020	<ul style="list-style-type: none"> • Multi-tenant data center & office building • 28% of the building is leased by Verizon and Centurylink
LiquidWeb Sale-Leaseback 3 Data Centers Various Markets	138,000 SF	\$52.5 M	\$380	September 2020	<ul style="list-style-type: none"> • Sale-Leaseback of 3 data center facilities • 15 year new NNN leases • Total of 5.2 MWs in 3 buildings
Milwaukee Carrier Hotel 324 E Wisconsin Milwaukee, WI	132,652 SF	\$7.25 M	\$55	September 2020	<ul style="list-style-type: none"> • Multi-tenant office and telecom building • Approx 50% leased at acquisition • Centurylink, TSR Colo, Windstream tenancy
Sungard AS Data Center 5600 United Drive Smyrna GA	134,800 SF	\$29.77 M	\$221	September 2020	<ul style="list-style-type: none"> • Sale-leaseback with Sungard AS signing a long term lease • 8.15% Cap Rate
Sungard AS Data Center 1800 Argentia Road Mississauga ON	82,617 SF	\$28.83 M	\$349	September 2020	<ul style="list-style-type: none"> • Sale-leaseback with Sungard AS signing a long term lease • 8.15% Cap Rate

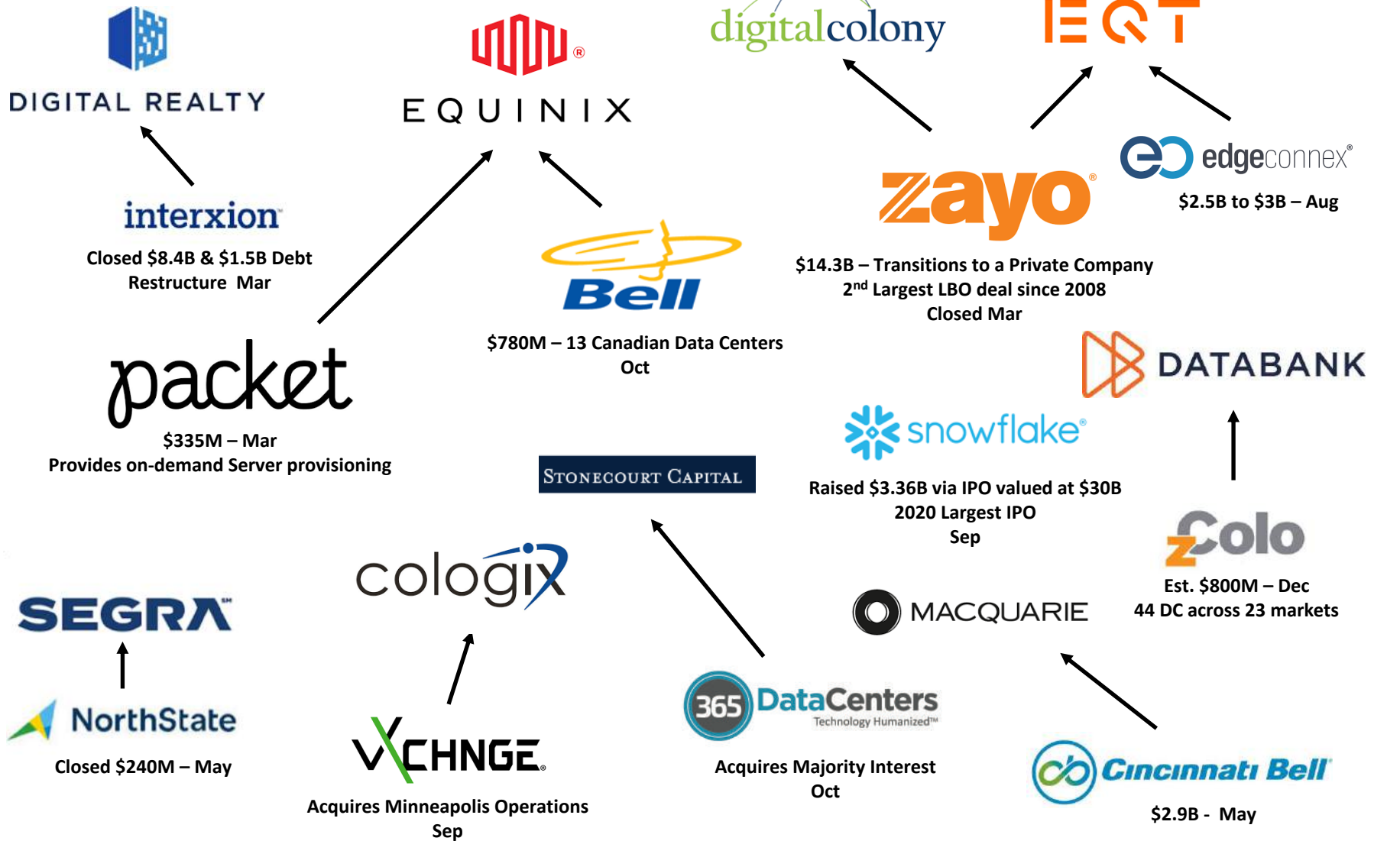
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Centurylink Data Center 4270 East Sahara Ave Las Vegas NV	24,000 SF	\$7.65 M	\$319	September 2020	<ul style="list-style-type: none"> • Single-tenant Centurylink leased data center • 4 years +/- remaining on the lease term w/ 1.5% escalations • 7.65% Cap Rate
Amdocs Data Center Complex 2109, 2215 & 2301 Fox Drive Champaign IL	87,862 SF	\$13.4 M	\$153	October 2020	<ul style="list-style-type: none"> • 3 building single-tenant data center complex Approximately 5 years remaining on the lease term
Louisiana Technology Park 7127-7401 Florida Blvd Baton Rouge LA	713,200 SF	\$8 M	\$11	November 2020	<ul style="list-style-type: none"> • Investor acquired the mixed-use project which includes data center, office and retail • The property was 65% +/- occupied at time of closing
2 Leased Powered Shell Data Centers	297,160 SF	\$90 M	\$303	November 2020	<ul style="list-style-type: none"> • COPT sold 90% interest to BREIT retaining 10% interest
6 Leased Powered Shell Data Centers Ashburn VA	979,000 SF	\$210 M	\$215	December 2020	<ul style="list-style-type: none"> • COPT sold 40% interest to BREIT
Pittock Carrier Hotel 921 SW Washington St Portland OR	302,262 SF	\$326 M	\$1,079	December 2020	<ul style="list-style-type: none"> • Multi-tenant carrier hotel data center located in downtown Portland, OR
Digital Fortress 4200 194 th St SW Lynwood WA	47,820 SF	\$15.67 M	\$328	December 2020	<ul style="list-style-type: none"> • Sale-leaseback with Digital Fortress signed a new 12 year lease • 7% Cap Rate

Noteworthy 2020 M&A Activity



M&A activity for the 1st 4 months of 2020 was larger than all combined 2019 deals. The 113 M&A deals totaled \$31B for 2020. Since 2015, 483 M&A deals have closed for an estimated aggregate value of \$107B.

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DATA CENTER REAL ESTATE ACQUISITIONS ANNUAL SUMMARY

In 2020, data center real estate acquisitions totaled 5,542,587 SF of space with a total transaction value of \$1.7 Billion.

The two largest portfolio data center transactions in 2020 were:

The Harrison Street Capital \$326 M acquisition of the Pittock Carrier Hotel Data Center in Portland, totaling 302,262 square feet.

The Digital Reality \$305 M acquisition of an additional 49% of the Westin Exchange Carrier Hotel Data Center in Seattle totaling approximately 400,400 SF at a cap rate of 5.7%.



Five 9s Digital specializes in data center real estate. That's all we do. We offer acquisition and disposition services, brokerage, development, consulting and market research services on national basis.

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