

Data Center Market Overview 2017

The Dallas data center market is one of the top 4 data center markets in the US with demand being driven from the financial services, insurance, healthcare and technology sectors.

Dallas experienced 36 MWs of absorption in 2016 after seeing 42 MWs of absorption in 2015.

Dallas Data Center Snapshot Q1 2017

Total Inventory

3.2 MSF / 416 MWs

Wholesale Data Center Pricing

Low (kW/pm)	High (kW/pm)
\$110	\$130

PRICING TREND



Tenant Demand

Data Center Supply



For full market report or if we can help you find the ideal data center solution, please contact us.

Notable New Dallas Data Center Activity

Stream Data Centers is under construction on a 145k SF Powered Shell Data Center in Plano's Legacy Business Park to be delivered in Q3 '17

Digital Realty Trust has 10.8 MWs under construction in Richardson scheduled for delivery in 2017 said to be 60-70% pre-leased

QTS acquired a 260k SF corporate data center with a 1 MW leaseback and repositioning to multi-tenant bringing 5 MWs +/- to the market in late '17

CyrusOne has limited space remaining in its Dallas footprint and planning a ground-up facility to commence in '17

ViaWest brought a new 5 MWs to the Plano market at the end of '16

RagingWire completed the 1st phase 8 MW deployment of its 250k SF data center in April '17

T5 Data Centers will complete its 155k SF data center with 2.25 MWs by September '17

Ascent Data Centers is repositioning the former corporate Capital One data center to multi-tenant use for delivery in Q3 '17

Summary

The Dallas data center market has significant supply that has either been recently delivered or in process of completion. Although expectations remain that Dallas will have a big year of absorption, Q1 showed limited activity. That being said, a 10 MW hyperscale deal or two can quickly change market dynamics.

As 2017 plays out, we will see if Dallas can mimic the kind of activity seen in Chicago during 2016 with its 60 MWs of absorption. In general, we anticipate new deals to have tenant-side leverage over the next 18 months unless some of the big guys show up with large requirements.