

# Mid-Year Report

July 2010

## LARGEST WHOLESALE OPTIONS AVAILABLE FOR IMMEDIATE OCCUPANCY

- Orlando
- Atlanta
- Phoenix
- New Jersey

## TOP MISTAKES MADE BY COMPANIES WHEN NEGOTIATING DATA CENTER LEASES

- Expansion and contraction rights
- Gross up provisions
- Operating expenses and other add-ons
- Security deposit
- RAMP (i.e., abatement and installation allowance)
- Not being aware of lease comparables

## STATES NOT CHARGING PERSONAL PROPERTY TAXES ON SERVERS

- Colorado
- Illinois
- Indiana
- Kansas
- Nebraska
- Virginia
- Wisconsin

## LARGEST WHOLESALE TRANSACTIONS COMPLETED YEAR TO DATE

**Rackspace** Chicago, IL | 4.3mW

**Facebook** Ashburn, VA and Northern California | +12mW

**Boeing** Phoenix, AZ | 6mW

**Zynga** Santa Clara, CA and Ashburn, VA | 8mW

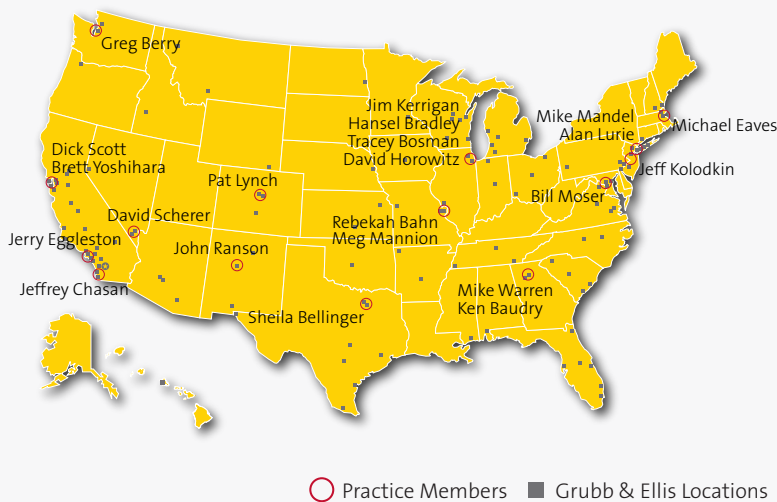
## SUPPLY CONSTRAINTS/KEY MARKETS BEING UNDER SERVED

- Downtown Chicago
- Northern Virginia
- Twin Cities
- Manhattan

## INTERESTING, OBSCURE RED WINES UNDER \$30

- Obsidian Ridge Cabernet
- Worthy Sophia's Cuvee
- Fuse Cabernet
- Hill Family Barrel Blend
- Destino "The Mask" Proprietary Red

## National Data Center Practice Coverage



## COMPARING THE DOT.COM ERA TO TODAY

- Fiber vs. Power
- Telco vs. Colocation Companies
- Speculative vs. Build-To-Suit
- Floor Loading vs. Clear Height
- 75W/SF vs. 200W/SF
- Rental Rate Costs/SF vs. Allocated Power

## HIGHLIGHTED NEWS UPDATES DURING FIRST 6 MONTHS

- The CFTC outlined regulations that will impact exchanges/trading firms.
- Coresite, Telx and Interxion have each filed to become public.
- Three major acquisitions that will transform the industry: Digital Realty Trust/365 Main, Equinix/Switch and Data, Cincinnati Bell/Cyrus One
- Excluding all business acquisitions and property retrofits, there was over \$590mm of data center sales transactions completed

## KEY FACTORS INFLUENCING CORPORATE USERS SITE SELECTION

- Personal property taxes on servers
- Availability/reliability of power
- Power Costs
- Natural disaster avoidance
- Latency to primary (overall fiber availability)
- Sales taxes

