

# DATA CENTRE MARKETBEAT

Autumn 2019



CUSHMAN & WAKEFIELD

## PARIS

### MARKET OVERVIEW

Paris has enjoyed a resurgent 2019, with the launching of new projects and investors electing to make the market a focus. While well behind the massive development seen in the other traditional FLAP-D markets of late, construction in Paris has continued at a sustainable pace, with the prospect of considerable growth as the large- and mid-size enterprises throughout France move to the cloud. Local utilities are aiming for a successful 2024 Olympics, though this may impact data center development as priorities could shift.

Digital Realty elected to reenter Paris, acquiring a site in Ferriers-en-Brie and already launching construction on a first phase. The REIT had previously exited the market years earlier. Interxion then acquired the land under their Paris 7 data centre for €19 million with plans for further expansion on this and adjoining sites they have an option on. When Digital then offered to buy out Interxion for €7.6 billion, the combined portfolio will have a small but growing focus locally that will span 30 MW in short order. Combined with the strong Interxion portfolio in Marseille providing connectivity to Africa and the Asia-Pacific region, the merged company will be very competitive throughout the country.

Paris received another boost with the announcement of the GIC/Equinix xScale joint venture. GIC will own 80% of the partnership, with the first two campuses located in London and Paris and other major continental markets following. The focus of the partnership will be on creating hyperscale campuses throughout Europe, with the next phase in Paris ready by year-end.

Overall outlook for Paris remains cautiously positive, with the French economy coming off a strong quarter and interested developers investing locally. With other large markets struggling with power and land availability, Paris is in a comfortable place.



UNDER CONSTRUCTION

18 MW

### ECOSYSTEM DEVELOPMENTS

- Rumors have continued of a data centre development coming for **Amazon** adjacent to their newly-constructed fulfillment centre in Bretigny-sur-Orge. The fulfillment centre itself spans over 142,000 sqm and does have enough room on site for expansion.
- **NTT** has launched a new cloud platform in France, with the goal of providing hybrid and multi-cloud solutions for mid- and large-size companies in country. This is the latest big news for the telecoms giant, who recently combined several subsidiaries into one major platform.
- **NetActuate** deployed their second data centre in Paris, adding direct connectivity to local internet exchanges France IX and Equinix IX. The company provides a variety of colocation and edge application delivery services.
- The **City of Paris** has chosen to bring their data centre back under government control, opening a new 760 sqm facility to serve their own needs along with those of other government entities.

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“Major global REITs have chosen Paris as a key market to invest in, this time with plans to stay for the long-term.”

### CONSTRUCTION UPDATE

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Equinix-GIC	PA8x	7,000 (est)	8	Under Construction / Q4 2019
Atos	Yvelines	3,900	4 (est)	Under Construction / Q4 2020
Digital Realty	Ferriers-en-Brie	8,956	6	Under Construction / Q1 2021

#### MORE INFORMATION:

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#### GLOBAL DATA CENTER ADVISORY GROUP

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