

Key Indicators



Under Construction
148 MW



Vacancy
9%

MORE INFORMATION

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GLOBAL DATA CENTER ADVISORY GROUP

Cushman & Wakefield's [Data Center Advisory Group](#) is a global team of elite professionals delivering specialized real estate solutions for mission critical users, owners, and environments. With scalability, reliability, and security as a driving force, our highly knowledgeable and responsive professionals guide clients to make effective financial decisions. Our expertise ranges includes colocation facilities, control centers, greenfields, powered shell, and trading floors. We lend additional value through our understanding of global dynamics and their impact on local markets.

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Market Overview

The second half of 2020 continued much as the first, with Frankfurt continuing its impressive performance despite the global pandemic and associated economic issues. Leasing remained strong, with two major operators announcing pre-leases of 52 MW months in advance of first phase completion and overall market vacancy dropping to the single digits. As the market tightened, several new phases have been announced by major operators, with the new NDC-Garbe partnership launching their initial project locally. Together these projects total 148 MW coming online over the next year and a half, among the top ten of all markets globally. Frankfurt remains a key location for cloud services large and small, with Google, Alibaba, and IBM all announcing further platform expansions in recent months. Prospects for Frankfurt remain extremely positive, with the area serving as the main national hub even as regional markets Berlin, Hamburg, and Munich continue to grow on their own.

Ecosystem Developments

- **Iron Mountain** announced a 27 MW pre-lease with an unnamed Fortune 100 client on their upcoming Frankfurt data centre at mid-year, with plans to complete the 9 MW first phase due in 2021 and the remainder following the next year. The global storage company followed this announcement by signing a joint venture agreement with AGC Equity Partners on the €300 million facility, as AGC will be taking an 80% interest.
- **Hurricane Electric** has deployed their latest Frankfurt point-of-presence (PoP), their sixth in-market and twelfth in-country. The PoP is located in the ITENOS data centre and provides further network options for local companies.
- **Sysdig** opened a new Frankfurt location, allowing the company to provide further software development and IT operations solutions. The Frankfurt location joins another new location in Oregon and the company's existing facility in Northern Virginia.
- **Google Cloud** announced that their Bare Metal Solution is now available in several new regions, with Frankfurt joining Los Angeles, Northern Virginia, London, and Sydney. Google is intending for this service to assist enterprises who would otherwise not utilize their normal cloud product suite.
- **Equinix** announced the availability of Alibaba Cloud to their clients in the summer, with Frankfurt and 16 other major markets providing this service at launch. Alibaba Cloud now offers full integration with Platform Equinix and the Equinix Cloud Exchange (ECX) Fabric. euNetworks also signed an agreement with the global REIT, offering their services on ECX Fabric in Frankfurt and four other European markets.
- **Cloudflare** recently released their Cloudflare Network Interconnect product, allowing users to directly connect to Cloudflare services rather than utilizing the public cloud. The company is partnering locally with several global providers to offer this platform, and Frankfurt is joining 22 other major metros to have this service at launch.
- In other **PCCW** news, the PCCW ConsoleConnect platform now offers direct on-ramps to IBM Cloud, with Frankfurt an initial market for this connectivity. The partnership enables access to the entire IBM portfolio including compute and storage infrastructure options.

Ecosystem Developments

- **Colt Data Centres** announced that their upcoming Frankfurt West campus is now fully pre-leased, with all 25.2 MW spoken for. Planned for completion in the fourth quarter of 2021, Frankfurt West is the second location in-market for the international operator. Colt PrizmNet had their own local announcement, with upgraded routes now connecting the local Equinix FR2 data centre to Equinix LD4, Interxion London, and the London Stock Exchange.
- Following a year of continued record breaking, internet exchange **DE-CIX** broke its own throughput record in early November, hitting 10 terabits per second and increasing year-on-year traffic by 40%. To provide perspective of this traffic, the company equates this to 2.2 million high definition videos streaming at once. The busy exchange also announced 1,000 networks connected locally in Frankfurt, a new PoP at the NTT Frankfurt 1 facility, and a new partnership with Seaborn for transport connectivity.

Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Equinix	FR5 Phase IV	618	2 (est)	Under Construction / Q4 2020
	FR9x Phase I	3,216	10	Under Construction / Q2 2021
	FR8 Phase I	4,066	12 (est)	Under Construction / Q3 2021
	FR11x Phase I	5,000 (est)	14	Under Construction / Q2 2022
CyrusOne	Frankfurt III Phase I	15,794	31	Under Construction / Q4 2020
	Frankfurt III Phase II-IV	8,175	13	Under Construction / Q2 2021
	Frankfurt IV	4,800	17	In Planning
Digital Realty	Frankfurt	11,163	9	Under Construction / Q4 2020
	Hattersheim	5,918	7	Under Construction / Q2 2021
	Sossenheim	8,082	6	Under Construction / Q1 2022
Iron Mountain	Frankfurt	40,000	9	Under Construction / Q2 2021
Colt Data Centres	Frankfurt West	8,000	25.2	Under Construction / Q4 2021
NDC-Garbe	Hanau	10,000	10 (est)	Under Construction / Q4 2021
maincubes	FRA02	7,500	12 (est)	In Planning

Frankfurt continues to grow across several projects by the largest global operators and is a highly attractive market for the major cloud services.

Recent Site Sales

PROPERTY	SIZE (Hectares)	SALE DATE	SALE PRICE	BUYER	SELLER
Hanauer Landstraße 360, Frankfurt	10.7	Jul-20	€170,000,000	Interxion	Sinpas

Recent Property Sales

PROPERTY	SIZE (SQM)	SALE DATE	SALE PRICE	BUYER	SELLER
Borsigallee 1, Frankfurt	26,013	Oct-20 (in contract)	€300,000,000 (total value, 80% interest)	AGC Equity Partners	Iron Mountain