DATA CENTRE UPDATE

AMSTERDAM

SUMMER 2021

CUSHMAN & WAKEFIELD

Key Indicators

Under Construction
26 MW

Vacancy
11%

MORE INFORMATION

Chris Jones
Data Centre Specialist
Global Data Center Advisory Group
+44 2032 962137
Chris.M.Jones@cushwake.com

Kevin Imboden
Director of Research
Global Data Center Advisory Group
+1 408 436 3622
kevin.imboden@cushwake.com

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.

Market Overview

As concern continues surrounding the ability of the Amsterdam power grid to support new large-scale builds, work continues on determining proper environmental targets for power usage effectiveness (PUE) and other metrics for the local industry between government and operators across the region. A construction limit of 67 MVA has been mooted, which would allow for development in small phases as currently occurring with major operators such as Iron Mountain, Global Switch, Switch Datacentres, and Digital Realty. Demand remains strong for any available large-scale capacity locally, with occupants drawn by the robust connectivity and array of cloud onramps available. Overall market vacancy is somewhat deceptive at 11%, with most of this found in smaller amounts across the city rather than in available large halls. Amsterdam serves as a hub for the development of further technical efficiencies in the data centre environment, from the reuse of waste heat to water cooling.

Digital Realty led the investment market in recent months, electing to recycle older assets as they continue on new construction. Three buildings moved to Ascendas REIT ownership, part of a larger pan-European portfolio of assets. With new development likely to remain scarce for some time, acquisition of operating facilities will remain exceptionally attractive for new market entrants. Cautious optimism continues for Amsterdam, with the industry highly interested in new developments both physical and political.

Ecosystem Developments

- **NorthC** agreed to a new partnership with Megaport at the end of 2020, with the platform now available from the NorthC data centre in Oude Meer. The Megaport point-of-presence (PoP) will allow for quicker connectivity across the leading cloud services. NorthC has also initiated a district heating system for their data centre in Aalsmeer, reusing data centre waste water heat to warm a nearby school, swimming pool, sports hall, and nursery. The water is then transported back to the facility for further cooling.

- **DCspine** is now available at the local maincubes data centre, with the interconnection platform providing a variety of network options and greater capacity. DCspine is now available at over 75 data centres across the Netherlands and Belgium.

- **G-Core Labs** has added a new PoP in Amsterdam, the sixth public cloud location globally for the managed services provider. G-Core offers users a variety of artificial intelligence (AI), virtual cloud networks, and much else with fast scalability.

- **iland** announced a new disaster recovery client in Amsterdam, with Amsterdam Ambulance signing on early in the year. The ambulance company serves a variety of institutions in greater Amsterdam, and was attracted by the existing iland-Veeam cloud relationship.

- **Cyxtera** added Amsterdam and Frankfurt as markets offering their bare metal service, bringing to 12 the number of locations globally. The operator is marketing the service as an option for enterprises creating a scalable hybrid environment.

AMSTERDAM

SUMMER 2021
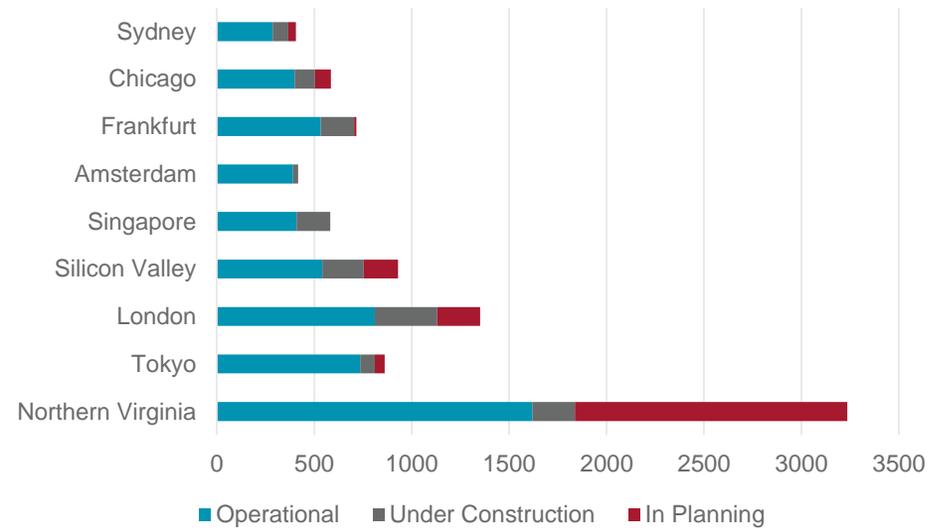
CUSHMAN & WAKEFIELD

Ecosystem Developments

- **Zayo** has added Ciena Wavelogic 5 Extreme technology on their network connecting Amsterdam and Dublin, adding further capacity and overall performance along the route.

- **EdgeConneX** announced the deployment of Cloudflare Network Interconnect in an initial 16 markets nationwide, with Amsterdam, Atlanta, and Miami joining shortly. The option will offer additional network protection to current customers and will help speed traffic and peering.

Global Market Leadership

As shown on the chart to the right, many of the largest markets globally continue to add capacity both active and in planning. Northern Virginia (the original one gigawatt market) will soon be double the current size, with London soon following past the one gigawatt size. Markets such as Amsterdam and Singapore that have slowed development of late are now rapidly being surpassed, as areas with less constrictions scale accordingly.

Market Capacity (MW)

Bar chart showing Operational, Under Construction, and In Planning capacity (MW) for: Sydney, Chicago, Frankfurt, Amsterdam, Singapore, Silicon Valley, London, Tokyo, Northern Virginia. X-axis from 0 to 3500.

■ Operational ■ Under Construction ■ In Planning

Construction Update

OPERATOR	LOCATION	SIZE (SQM)	POWER (MW)	STAGE / EST. DELIVERY
Iron Mountain	AMS-1 Phase 3	1,254	1.1	Under Construction / Q2 2021
	AMS-1 Phase 4	6,271	5	Under Construction / Q1 2022
Global Switch	Amsterdam East	32,000	6	Under Construction / Q4 2021
Switch	AMS4	7,000 (est)	7	Under Construction / Q4 2021
Digital Realty	Amsterdam (2 buildings)	8,800	6.4	Under Construction / Q1 2022

Recent Property Sales

PROPERTY	SIZE (SQM)	SALE DATE	SALE PRICE	BUYER	SELLER
Three Assets (Amsterdam and Schiphol)	17,095	Mar-21	€145,000,000	Ascendas REIT	Digital Realty
Naritaweg 52, Amsterdam	5,853	Dec-20	€5,500,000	Egeria	Digital Realty