phoenixNAP
GLOBAL IT SERVICES

3402 E. University Dr.
Phoenix, Arizona 85034
www.phoenixnap.com

JLL
Jones Lang LaSalle Americas, Inc.

New 530,000 SF 30MW facility
Building the future of your IT infrastructure

A scalable environment supporting your growth

Operating as a global IT services provider since 2009, phoenixNAP has earned the title of Arizona's Major Interconnectivity Hub.

To cater to the needs of growing enterprises looking to optimize and future-proof their IT, we are currently constructing a 530,000 sq. ft., 30MW facility directly across the street from our flagship data center in Central Phoenix.

530,000 SF of premium data center space
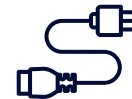
Redundant power and cooling with 30 MW A and B power

Over 15,000 racks with up to 44+kW power density per rack

Prime central Phoenix location

Arizona's only AWS direct connect and Google Cloud Interconnection location

Arizona's major interconnectivity hub

Advanced security & interconnectivity

- Low-latency access to hybrid and multi-cloud
- Arizona's only AWS direct connect and Google Cloud Interconnect location
- Over 40 carriers on-net
- 20 Gbps DDoS protection included
- 18 global data centers and 11 PoPs
- 6.3 Tbps global backbone
- SLA-backed uptime
- Meets or exceeds requirements for HIPAA, SOX GLBA
- 4 network vaults with direct connectivity to our current data center resources

Flexible deployment options

- Customizable private cages
- Single cabinets with high-density solutions available
- Flexible cabinets
  · 21 U ½ cabinets
  · 10 U ¼ cabinets
- Ability to grow with no contract extensions

Centrally located

Red Mountain Freeway

INTERSTATE 10

INTERSTATE 17

Washington Street

Downtown Phoenix

Grant Street

16th Street

24th Street

40th Street

QTS

STACK INFRASTRUCTURE

US 202

IRON MOUNTAIN

IRON MOUNTAIN

IRON MOUNTAIN

DIGITAL REALTY

Phoenix Sky Harbor International Airport

phoenixNAP GLOBAL IT SERVICES

US 143

INTERSTATE 10

NEW DEVELOPMENT
phoenixNAP GLOBAL IT SERVICES

N

Phoenix data center market news

Supply
Minimal vacant capacity was a consistent trend throughout 2023, this is expected to continue as requirement requests get larger, driven largely by AI. Established providers in the market work to develop new campuses as quickly as possible for new users and expansion of existing clients.

Demand
Demand continues to grow in the Phoenix market. The rise in absorption in the last several years has brought Phoenix to the top of mind as users search for capacity.

Market trends
Preleasing remains the trend in the Phoenix market, users and operators must plan ahead to accommodate the exorbitant demand that is not expected to lighten in the coming years. Power Generation is the key factor for growth in Phoenix as providers continue to expand and new providers enter the market.

Outlook

For users
• Plan for capacity early, continued growth often requires greater capacity needs
• Pricing is gradually rising due to low vacancy rate
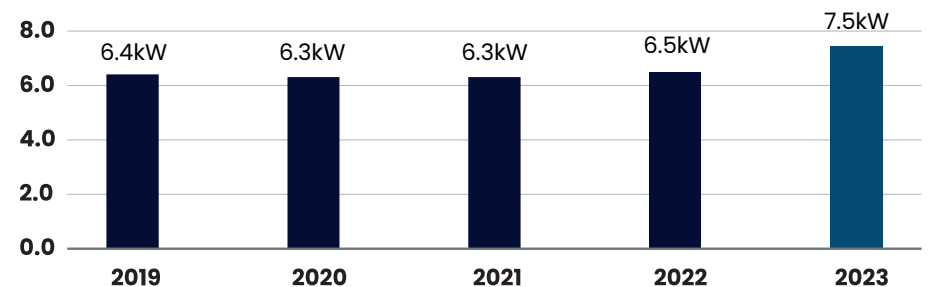• Finding vacant space is not going to get easier

For providers
• The market is expanding outward, with new clusters to emerge in the market
• Continue to work with utility providers with generation alternatives
• Keep on educating your surrounding communities about data centers

Supply	Square feet (sf)	Megawatts (MW)
Total inventory	6,926,558	740.2
Total vacant	156,556	24.5
Under construction	2,803,943	703.0
Planned	2,773,746	634.0

Demand	H1 2023	H2 2023	2023 total
Net absorption (MW)	194.5	589.5	784.0

Rental rates ($)	Low	High
(All-in) sub 250 kW	$300	$350
250 kW-1 MW	$150	$250
1-5 MW	$120	$145
5 MW plus	$110	$130

Average power rate

2019	2020	2021	2022	2023
6.4kW	6.3kW	6.3kW	6.5kW	7.5kW

User demand by industry

Cloud — 50%
Technology — 15%
Telecom — 2%
Healthcare — 5%
Banking & Financial Services — 5%
(2%)
Entertainment & Media — 18%
(1%)
Other — 2%

Legend:
- Cloud
- Technology
- Telecom
- Healthcare
- Banking & Financial Services
- Retail & E-commerce
- Entertainment & Media
- Energy
- Other
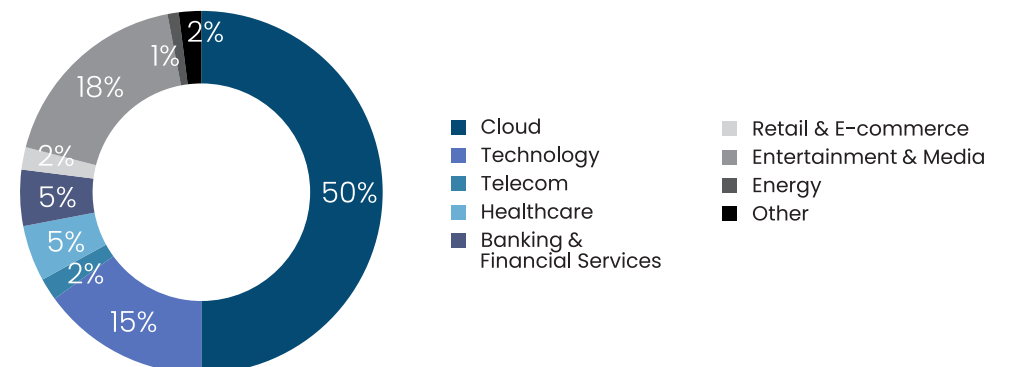
Why Phoenix

Arizona's attractive for data centers especially for it's low risk of national disasters.

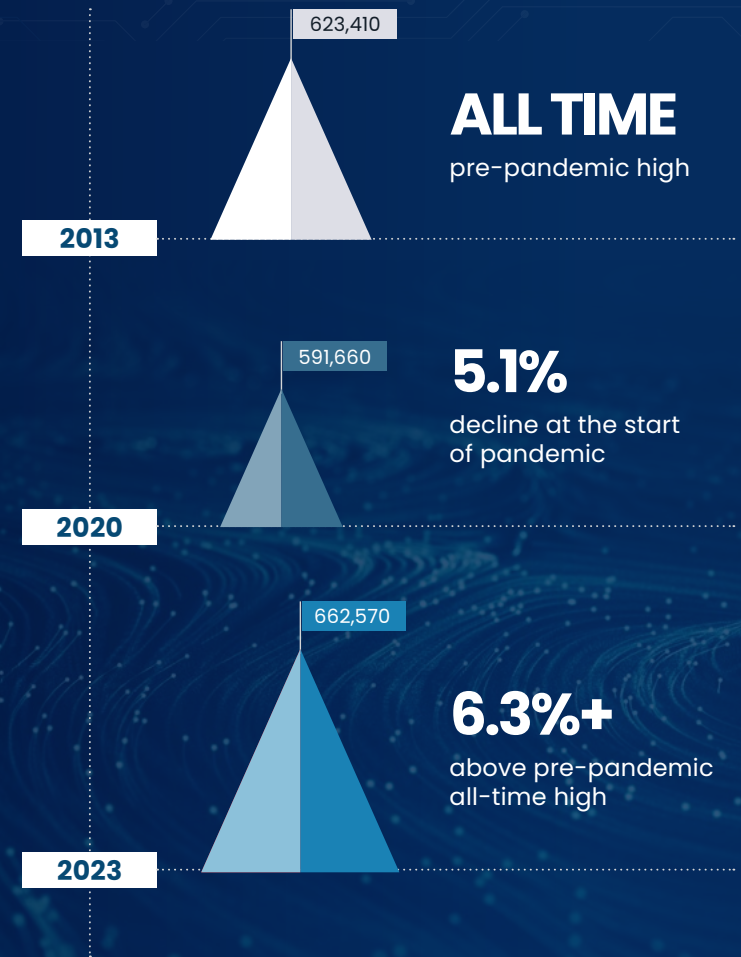Due to an attractive data center tax program, consistent diverse fuel mix and vibrant data center landscape aided by low susceptibility to natural disasters, Phoenix continues to provide one of the lowest total cost of occupancy markets for data center operations.

From a demand perspective, Greater Phoenix has recognized increased absorption by cloud and software-as-a-service (SaaS) companies. This trend has resulted primarily from enterprise data center migration as they transition their infrastructure and software needs toward public and private clouds. From an end-user and industry perspective, the Phoenix market has maintained a mix of banking, financial services, ecommerce, software, healthcare, and technology based-companies.

This metropolitan area has attracted significant attention by new national operators looking to make a push into the market due to the impact cloud service providers are making on a national scale and the relatively low absorption Greater Phoenix has yet to recognize from cloud companies.

With the continued growth of cloud computing and the large-scale requirements that the cloud operators will inevitably provide, Greater Phoenix is positioned well to appeal to this user group.

Phoenix's economy is one of the strongest in the country due to the metro's overall economic activity, economic health and innovation.

2013 — 623,410
ALL TIME
pre-pandemic high

2020 — 591,660
5.1%
decline at the start of pandemic

2023 — 662,570
6.3%+
above pre-pandemic all-time high

Why Phoenix

Known as "The Valley of the Sun," Phoenix has consistently outpaced the U.S. population growth.

An ever-growing city

Over the last 40 years, the population of Metro Phoenix has tripled, growing from 1.6 million people in 1980 to over 5 million residents today. People from around the world continue to be drawn to the area for its exceptional quality of life including warm weather, quality higher education opportunities, outstanding employment opportunities and affordable cost of living.

The employment base in Phoenix more than quadrupled over the last 40 years from 430,100 employees in 1974 to 2,240,950 employees by mid-year 2020.

There are more than 40 higher education institutions across the Greater Phoenix region with over 300,000 students attending to provide and ongoing source of talent.

ASU Arizona State University

#1 in the U.S. for innovation

Arizona State University ("ASU") is one of the nation's largest public universities by enrollment. ASU's current enrollment is more than 80,000 students, including over 68,000 undergraduates and 12,000 postgraduates, spread throughout Metro Phoenix. In addition to the Tempe campus, there are threeother campuses in Metro Phoenix, which offer students more than 300 undergraduate academic programs.

Current metro PHOENIX population is
5.1M

Phoenix metro's population is forecasted to grow by
300K
people by 2028

That's more than
150+
new people per day

New 530,000 SF 30MW facility

Building the future of your IT infrastructure

phoenixNAP
GLOBAL IT SERVICES

3402 E. University Dr.
Phoenix, Arizona 85034
www.phoenixnap.com

JLL

Mark Bauer
Executive Managing Director
+1 602 282 6259
mark.bauer@jll.com

Carl Beardsley
Senior Managing Director
+1 602 282 6339
carl.beardsely@jll.com

Clark Bauer
Vice President
+1 602 282 6260
clark.bauer@jll.com

Valeria Galindo
Associate
+1 602 282 6260
valeria.galindo@jll.com