

March 2023 | Part 1

THE AGE OF BIG DATA

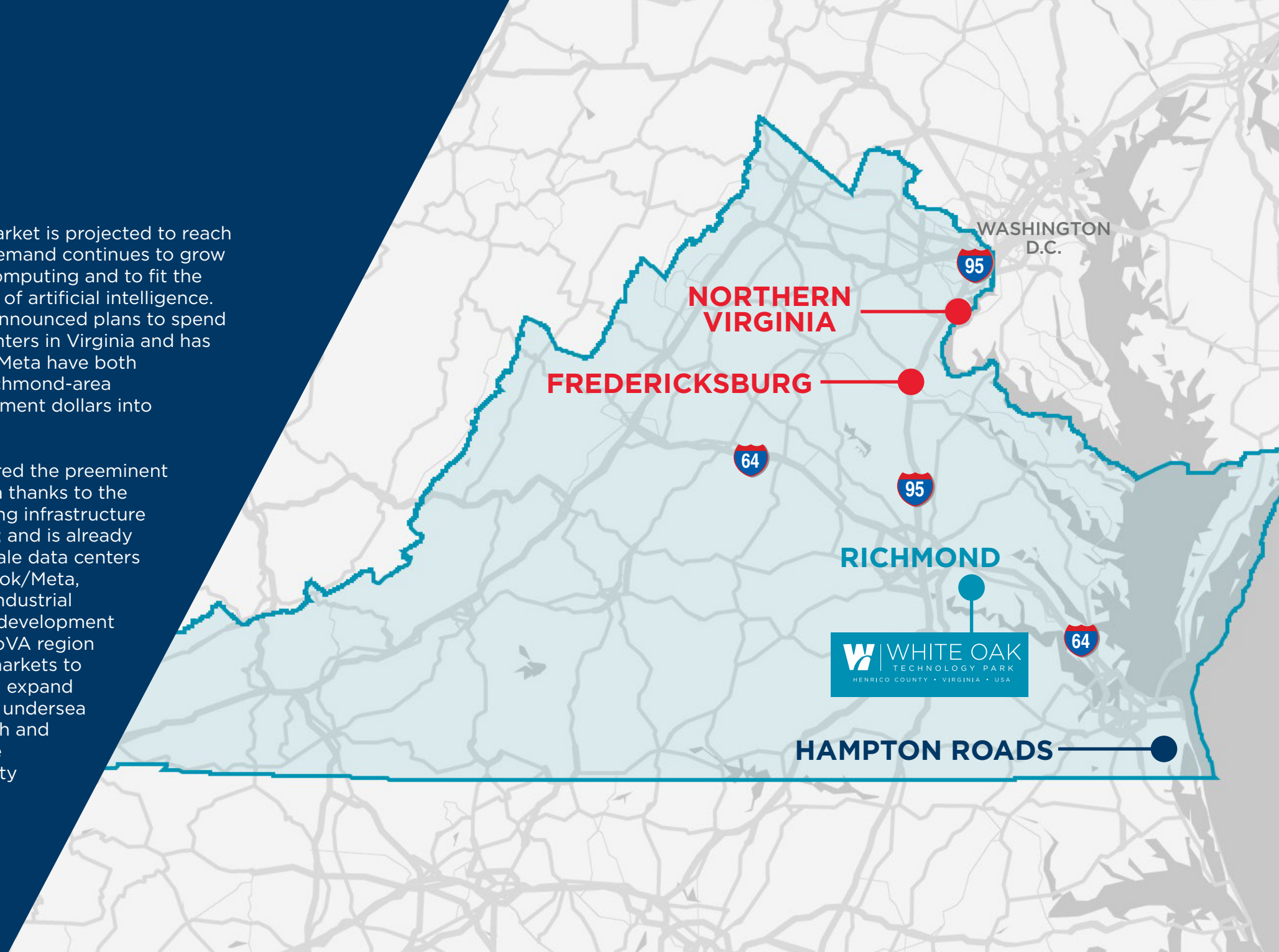
Virginia's Data Center Infrastructure & Global Reach



Virginia's Data Center Markets

The U.S. data center construction market is projected to reach \$25 billion in value by 2027 as the demand continues to grow for facilities able to support cloud computing and to fit the evolving infrastructure requirements of artificial intelligence. Amazon Web Services has already announced plans to spend \$35 billion by 2040 to build data centers in Virginia and has yet to select the locations. QTS and Meta have both announced plans to expand their Richmond-area campuses, bringing their total investment dollars into the billions.

Northern Virginia (NoVA) is considered the preeminent data center market in North America thanks to the region's strategic location and existing infrastructure - along with its pro-business climate; and is already home to 20% of the world's hyperscale data centers occupied by mega users like Facebook/Meta, Microsoft, and Google. Record-low industrial vacancy rates combined with fewer development options in the highly sought-after NoVA region have positioned Virginia's regional markets to accommodate data center users and expand their data center footprints. Multiple undersea cables make landfall in Virginia Beach and end in Henrico County, providing the foundation for the fastest connectivity in the world with global reach to four continents.



Northern VA: Market Dominance

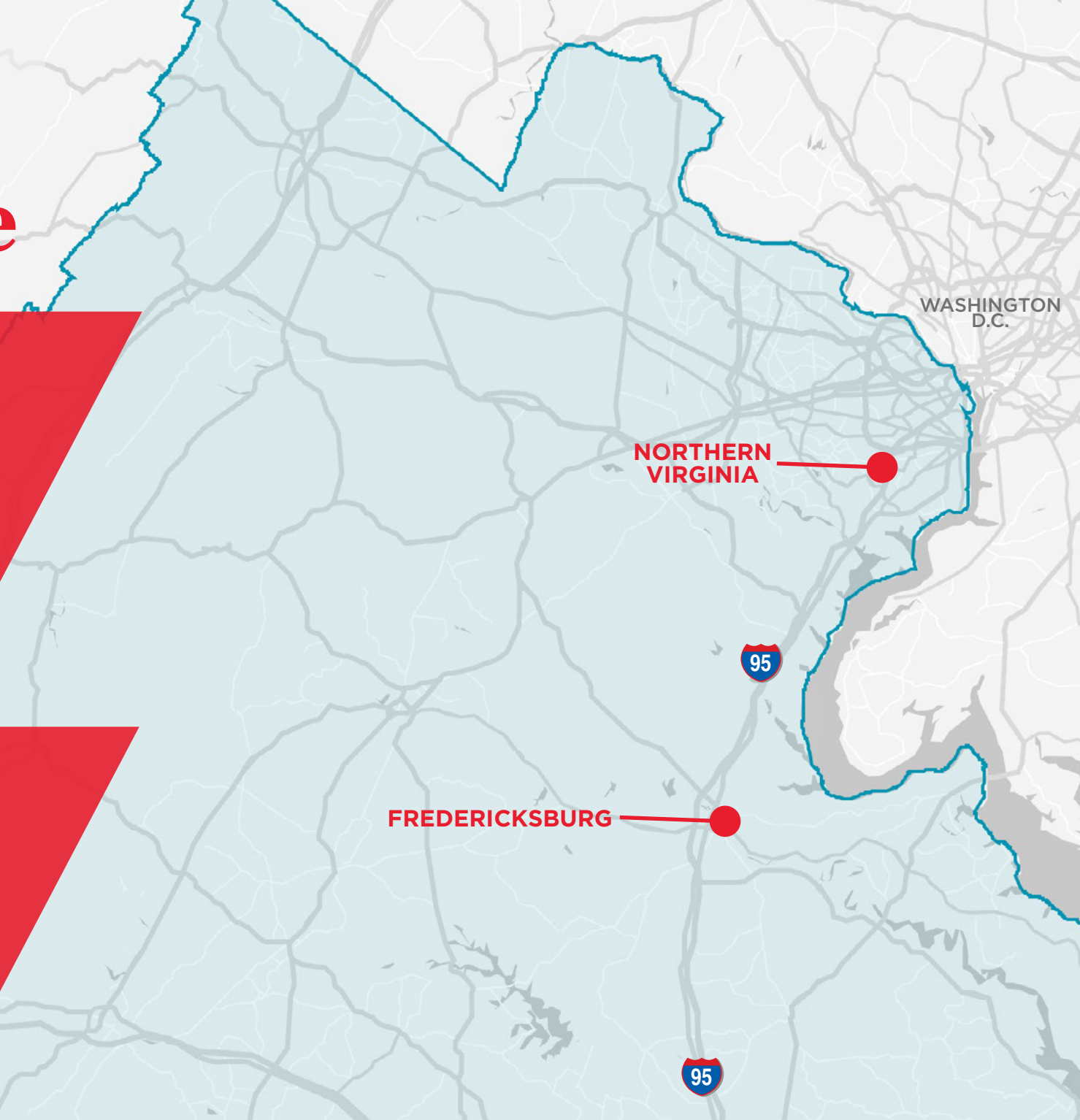
Northern Virginia

- ☆ **#1** Global Data Center Market*
- 📈 Record Low Vacancy **Under 1%**
- 🔧 **965 MW** Under Construction

*Tied with Portland as #1 Market (Source: C&W)

Fredericksburg

- 📊 All the **accessibility** of NoVA with low electrical costs and low construction costs
- 💡 **5.5 MSF** proposed industrial pipeline
- 🚜 **Ample** Land for Development



White Oak Technology Park

“Demand for data centers has skyrocketed. Land in Henrico’s White Oak Technology Park, as well as several other area sites, are currently under contract to data center users who selected the location because the infrastructure is already in place. Comparable sales in Northern Virginia can claim as high as \$3 million per acre, while metro Richmond land for data center development is available at a substantially lower price.”

Mark Douglas, CCIM, MCR.H, SIOR, Senior Vice President
Cushman & Wakefield | Thalhimer



QTS Data Center Network Access Point: Supports **18%** of East Coast’s Internet Traffic



DE-CIX Richmond: Part of North America’s **Largest** Internet Exchange



Meta Campus Totalling **2.5+ MSF** and Planned Expansion



470 Acres Build-Ready Land Remaining



▼ QTS WHITE OAK



W WHITE OAK
TECHNOLOGY PARK



WATCH THE VIDEO

Subsea cables land in Virginia Beach & end in White Oak Technology Park

Hampton Roads Virginia Beach, VA



Landing Point for **Three Existing** Subsea Cables and Two Additional Subsea Cables in Development



Dominion Energy Wind Farm in Development to Produce up to **2.6 gigawatts** of Electricity



1,000 Acres Available for Data Center & Cable Landing Facilities

“As Northern Virginia’s tremendous data center growth is challenged by the lack of available land, power constraints, and more frequent and well-organized community opposition, developers are aggressively exploring feasible alternatives in secondary markets with minimal latency to other internet network access points. Hampton Roads is seizing the moment by building out its broadband network, increasing the number of shovel-ready sites with water, fiber, and power including renewables from solar and up to 10 gigawatts of offshore wind by 2030 off the coast of Virginia Beach. Hampton Roads’ infrastructure investments, prime location, particularly as a landing station for a growing number of subsea cables, and proximity to the military are all durable advantages that hyperscalers, colocation providers, and edge data center operators will find attractive.”

Mike Grella, Founder
Grella Partnership Strategies

FREDERICKSBURG



RICHMOND



HAMPTON ROADS



At the crossroads of the second-largest port on the East Coast and the world’s largest naval base, the Hampton Roads Region is well-positioned to become one of the **next data center hubs in North America.**

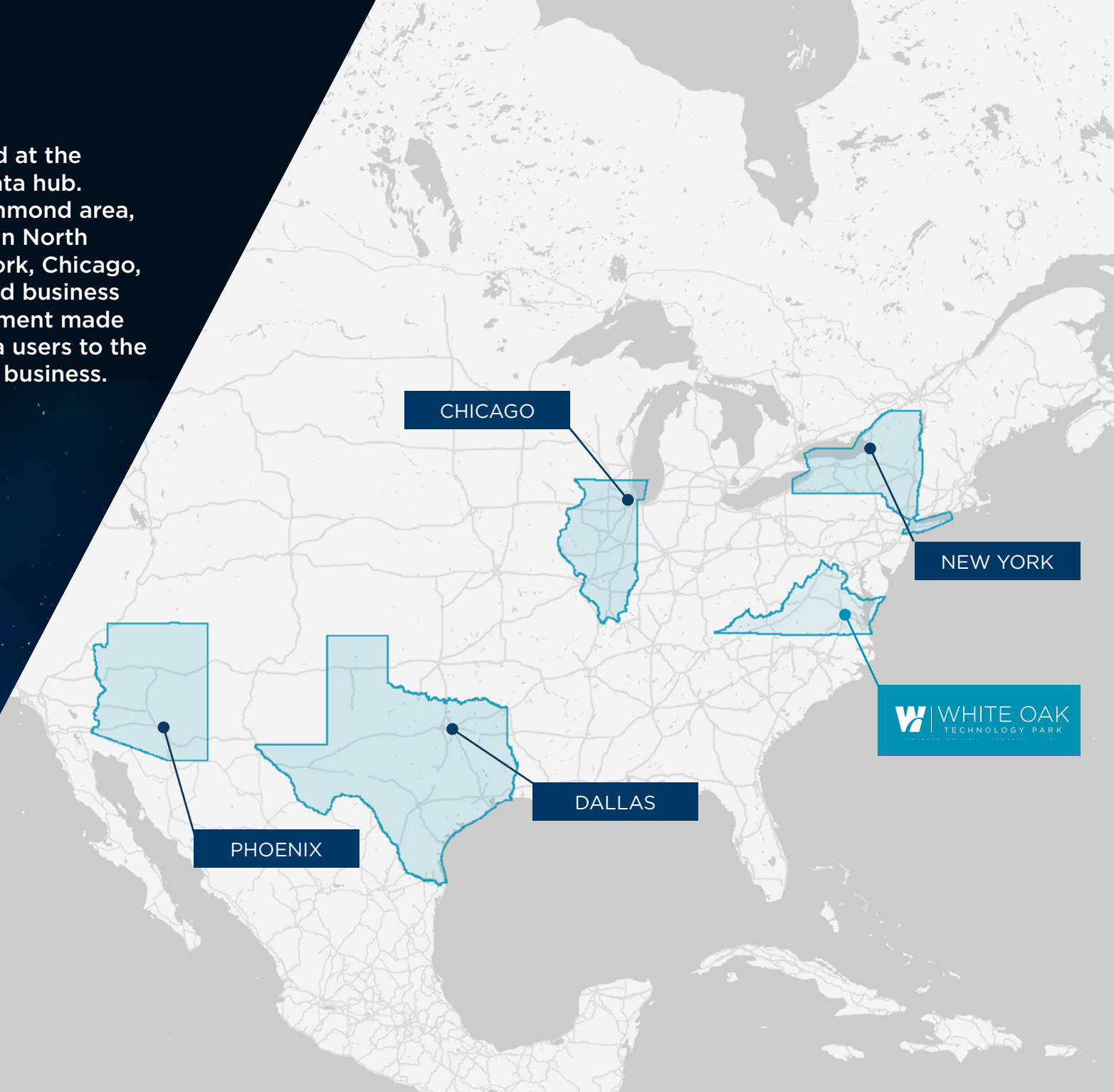
Mike Grella, Founder
Grella Partnership Strategies



LEARN ABOUT
DOMINION’S
WIND FARM

Virginia is Open for Business

In the age of big data, Virginia's regional markets are positioned at the center with all the infrastructure and connectivity of a global data hub. Henrico's White Oak Technology Park, located in the metro Richmond area, is on the map as part of the largest interconnection ecosystem in North America, allowing it to compete with major markets like New York, Chicago, Dallas, and Phoenix. Virginia's commitment to significant tax and business incentives aimed at data center users combined with the investment made by localities to position sites for development have drawn mega users to the region. With the booming demand for sites, Virginia is open for business.





THALHIMER

FOR MORE INFORMATION:



LIZ GREVING

Research Manager
Tel: 804 648 5881
liz.greving@thalhimer.com
thalhimer.com

EXTERNAL SOURCES:

WHITE OAK VIDEO LINK (PG. 4):

The Extraordinary Internet Infrastructure in Henrico, Virginia

https://www.youtube.com/watch?v=o-_4HtwlYn0

DOMINION WIND FARM WEBSITE LINK (PG. 5):

<https://coastalvawind.com/about-offshore-wind.aspx>

ABOUT CUSHMAN & WAKEFIELD | THALHIMER

Cushman & Wakefield | Thalhimer is a full-service commercial real estate firm headquartered in Richmond, Virginia with seven offices located throughout Virginia. Our clients benefit from the combined talents of more than 425 associates company-wide with expertise in all property types. At Cushman & Wakefield | Thalhimer, we strive to deliver the right real estate solution by constantly acquiring and sharing knowledge and resources to develop results that comprehensively address our clients' needs.

