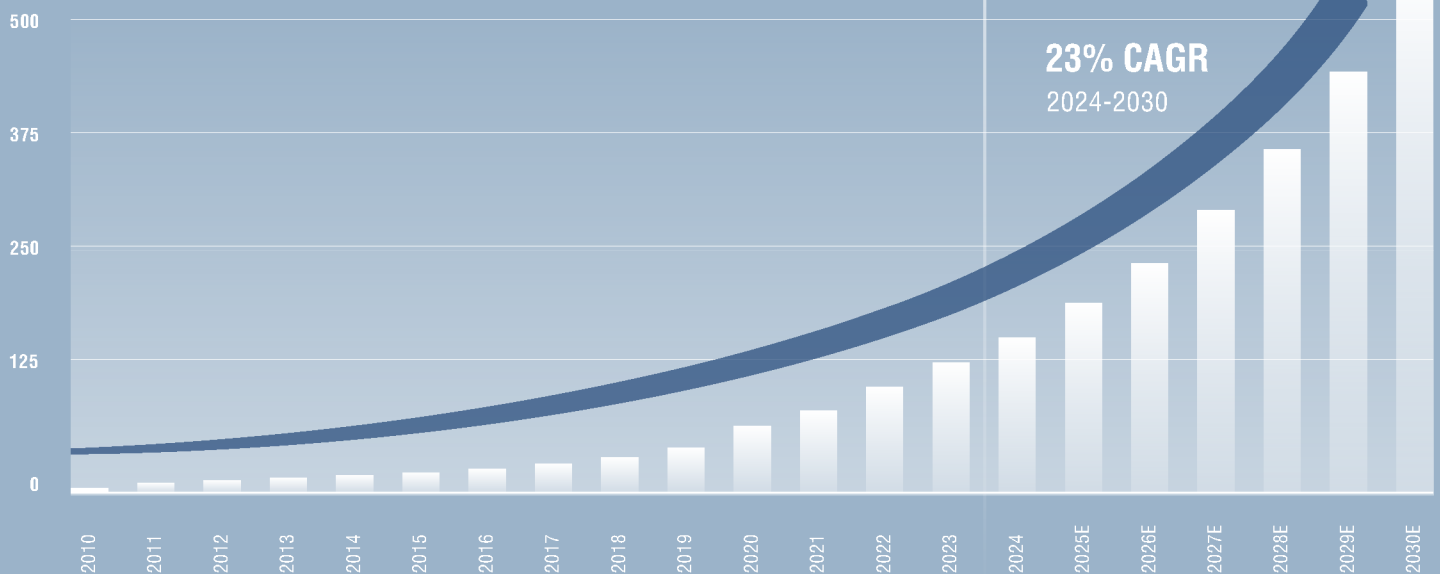


sync—and every activity on the internet requires a data center.

When you use your smartphone, that tiny device does not process your requests. Instead, your phone asks questions that get answered in data centers—usually in a fraction of a second.¹

Data centers' primary function is processing and accessing data, but they also store data, safeguarding sensitive information so it's inaccessible to hackers. When you save a file to the cloud, you are not storing it in the sky. A data center stores it, more efficiently and securely than a filing cabinet ever could.

Global data created annually in zettabytes



Source: JLL Research, IDC

The demand for more data center capacity

Our economy and communities were able to continue functioning during the Covid-19 pandemic—when schools, workplaces, and social gatherings shifted to the internet—thanks in large part to the support provided by data centers. This change also moved us further into an economy that exists, largely, online.

The rise of remote work and advancements in artificial intelligence (AI) that require high-density computing increased the demand for processing and data storage, thus requiring

more data center capacity. As a result, this property category has grown significantly.

If society and the economy continue the shift to the internet, we would seem to face a need for more data centers. Where these new data centers will be developed is a matter of great importance that requires several variables to come together. To discuss these variables, we first must discuss what a data center is.

Types of data centers

Corporate or enterprise data centers, which store and process a single organization's data, rose in prominence in the mid-1990s as the dot-com boom drove demand for fast internet connectivity and 24/7 operations. These data centers often store

the data of financial institutions—think American Express or Wells Fargo—that typically own and operate such facilities themselves, rather than leasing them from a provider.

¹ "One: You Use Data Centers," Where the Internet Lives, Google, podcast audio, <https://podcasts.apple.com/us/podcast/one-you-use-data-centers/id1541394865?i=1000501909698>.