



Excerpt from The Daily T1R on November 13th 2007

=====
The Daily T1R

www.tier1research.com
=====

Tuesday, November 13, 2007

=====[Datacenters and Colocation]=====

MICROSOFT TAPS ASCENT'S NORTHLAKE DATACENTER IN CHICAGO

by Dan Golding

Chicago has long been short of datacenter space. A couple of interesting new facilities may indicate that the area is starting to get the attention it deserves. T1R has already written about the Stargate and Equinix CH3 datacenters, as well as the (under construction) DuPont Fabros facility and the small Savvis site in Digital Realty's 350 Cermak.

Most of those facilities answer needs for a cabinet, a cage or even a pod. What about those who need to 'go bigger' in Chicago? In the case of Microsoft, they met their data center requirements by leasing the Northlake datacenter, a 550,000-gross-square-foot facility located at 601 Northwest Avenue in Northlake, Illinois.

The Northlake site was originally slated to be a multi-tenant pod data center of 440,000 gross square feet and 200,000 to 215,000 square feet of net raised floor, divided between 8 cells on two floors. The original specifications called for a maximum 120mw of utility feed (possibly delivered in a 60mw 2N configuration). Microsoft came in and decided to take the entire facility, increasing the size and gaining some efficiencies in raised-floor configuration. T1R estimates that Microsoft will yield 300,000 square feet of raised floor on the 550,000-gross-square-foot facility.

Considering the maximum 120mw of power, based on the original specifications (which T1R is doubtful Microsoft could get increased – it's already an insane amount of power), that yields about 70mw delivered to the floor, or about 230w/square foot. If Microsoft squeezes out 350,000 square feet of raised floor, the yield is 200w/square foot – either way, a very nice power density.

The facility, a joint project of developers Ascent and property manager Korman Group, will be carrier neutral and boast a number of major carriers including Level 3, AT&T/SBC, Qwest and AboveNet/MFN. That being said, with Microsoft as the sole tenant, T1R suspects that carriers will come calling. Microsoft expects to move in during April 2008.

Ascent's plans

In spite of going single-tenant this time around, Ascent plans on going with the multi-tenant 'pod datacenter' model (think 365 Main or DuPont Fabros) in additional cities. The original specifications for the building in Chicago are illustrative – eight 44,000-gross-square-foot computer rooms, with 25,000 to 28,000 each raised floor, and completely separate power and cooling for each tenant, all designed in a uniform manner, but according to each customer's requirements. T1R hopes Ascent will consider the New York metro market – there are a number of major banks and financial institutions looking for exactly this sort of space, located within 50 or 60 miles of Manhattan.