

European Data Centres Market on Track for Bumper Q4, Says CBRE

4 years ago



Global real estate advisor, [CBRE](#), forecasts significant levels of take-up and supply to be brought to the European data centres market in the final quarter of 2022, following a subdued third quarter.

Take-up for Q3 dropped to 26MW, less than 25% of total take-up from the previous quarter (113MW). CBRE forecasts 380MW of take-up for the year, of which 181MW has already been recorded. London and Frankfurt will account for two-thirds of the annual take-up.

There was little new supply delivered last quarter. Paris was the sole market where capacity was added in Q3 (12MW), as many providers work towards delivery of schemes in the final three months of 2022.

Over 200MW of new supply is expected to be added to the FLAPD markets in Q4, more than the total amount of new supply delivered in the entirety of 2020. There are 14 separate colocation data centre providers scheduled to deliver this capacity, however much of this is already pre-let or reserved.

Kevin Restivo, Director, European Data Centres Research, CBRE, said: “Limited supply brought online and a healthy appetite from hyperscalers should make for a bumper end to the year. We expect these activity levels to continue into 2023, however higher borrowing costs and soaring inflation are making project profitability harder to ascertain.”