

# Colocation buyer's guide

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## Aligned's Phoenix Data Center

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# Data center colocation in Phoenix, Arizona

Demand for Phoenix data center space comes in large part from West coast companies looking to move to a lower cost, less disaster-prone location without increasing latency significantly. The largest user base in Phoenix is the technology industry, though there is strong demand in the banking & financial services and retail & ecommerce industries as well. As the Greater Phoenix Economic Council (GPEC) explains it, "With an abundance of skilled talent, creative spaces and an inclusive culture, the region's ecosystem supports emerging technology companies as they establish their operations and go to scale."

"Market trends demonstrate an increased absorption by cloud and Software-as-a-Service (SaaS) companies," writes the real estate services firm JLL in its data center outlook report. "This trend has been a result of the migration by enterprises away from traditional data center build-outs as they transition their infrastructure and software needs toward a public or private cloud environment."

JLL calls Phoenix a "user-favorable market" that "provides competitive pricing and flexibility as new supply is delivered." The real estate firm called out Aligned Data Centers' facility specifically, saying that contiguous space is be available in Phoenix in our 550,000 square-foot, ~180 MW data center. And a trend that aligns well with our offering, "tenants are beginning to prioritize flexibility for expansion or reduction in square footage and power density," according to JLL.

**"Demand remains solid in the Phoenix market. It is seeing steady overall growth compared with many other top North American markets. There has been demand from West Coast, Midwest & East Coast companies for wholesale space to support secondary & disaster-recovery deployments, & this will likely continue in the future, though it's not uncommon for an enterprise customer to locate its primary data center in the Phoenix market."**

451 Research

Data center market maturity



In short, Phoenix is a great place for data center colocation. It's why we chose Phoenix as the strategic location for our second data center—because it is one of the strongest data center markets and tech hubs in the United States.

Colocation customers' success hinges on the ability to ensure 100% uptime, while quickly and seamlessly adapting as circumstances change. That's why we've created a colocation solution specifically designed to meet and exceed critical industry standards for reliability, availability, security, and efficiency. Our adaptive data center grows with you—size to your requirements today, provision capacity on demand as your needs evolve.



## Aligned colocation Phoenix highlights

Holistic view of footprint-level, rack-level, cooling system, and power system performance and utilization that enables better decision making

- 100% uptime SLA
- Contiguous and variable standard and high density power (up to 50 kW per rack)
- Industry-leading PUE
- Designed to Tier III standards
- Ready to provision today, with multiple MW's of additional capacity deliverable in less than 12 weeks
- Client portal included with colocation footprint; premium options available
- Easy to do business with, while offering outstanding customer support



# 5 Facts about the phoenix data center market

Here are 5 reasons why we chose Phoenix, why experts like JLL and CBRE call it a top data center market, and you might want to consider it too.

## 1. Extremely low risk from natural disasters

Phoenix's geographical location gives it a low risk of earthquakes, tsunamis, hurricanes and wildfires, according to data from the National Oceanic and Atmospheric Administration, University of Miami, and U.S. Geological Survey. Phoenix offers less risk of downtime and greater physical security for your infrastructure.

## 2. It's a great place to do business

The cost of doing business in Phoenix is below the national average, according to PriceWaterhouseCoopers. Greater Phoenix scores below the national average in cost of living categories such as groceries, housing, utilities, transportation and healthcare. The Greater Phoenix Economic Council (GPEC) points to the lure of affordable and diverse housing and low personal income and property taxes.

## 3. 20-Year exemption from sales tax can mean millions in savings

Because Aligned's Phoenix facility is a "sustainable redevelopment project" our colocation tenants receive a 20 year sales tax exemption on IT equipment so long as they contract for 500 kW (or more) per month for 2+ years. The savings is significant - millions of dollars in many cases.

## 4. Reliable, affordable power supply

Arizona public utilities generate power from a variety of stable sources and, according to the U.S. Energy Information Association, charge substantially less per kWh than other Western states.

## 5. Connectivity is strong

Internet connectivity is robust with a heavy concentration of top-tier telecommunication providers. According to the Ookla Net Index, Internet speed and mobile networks in Phoenix are among the country's fastest. Plus, a high concentration of network providers engenders competition, and gives you options.

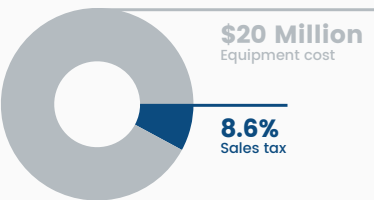
**"Companies view Phoenix as viable consideration for data center requirements because of the short latency to California while decreasing power and tax costs."**

JLL North America  
Data Center Outlook

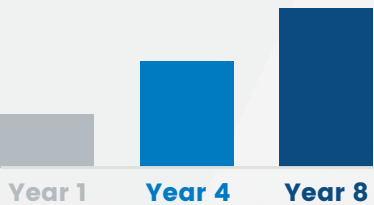
# The 20-year sales tax exemption: what you need to know

In Arizona, qualified data center owners, operators, and tenants are exempt from state, county and local Transaction Privilege Tax (TPT) and Use Tax (i.e., sales taxes) for purchases of data center equipment. Aligned Data Centers in Phoenix is qualified, so customers that contract with us for at least 500 kW per month for 2+ years will get the sales tax exemption—for 20 years. This is yet another reason why Phoenix is a top-ten data center market.

No sales tax exemption  
**\$21.7 Million**  
Total equipment cost



With sales tax exemption  
**\$5.1 Million**  
Accumulated savings



**“The cost savings we’ll achieve, combined with Aligned’s advanced heat removal technology, transformative pricing model as well as their highly-experienced management team, makes them the perfect partner for the long haul.”**

Cyberverse / IT Service Provider

# Aligned— adaptive data centers for dynamic it

## Why Aligned

- **Scalable.** We can quickly provision multiple MW of capacity
- **Future-proof.** Our technologies are here for you today and tomorrow, with power densities up to 50 kW per rack and industry-leading PUE
- **Reliable.** We're highly reliable—offering a 100% Uptime SLA in Tier III rated centers
- **Sustainable.** Our efficient platform saves more water and energy than traditional systems
- **Easy to do business with.** Flexible, adaptable and easy to do business with—all while offering outstanding customer support



## Phoenix data center specs at a glance

**2500 W Union Hills Drive  
Phoenix, Az 85027**

- 55 Acre site
- 550,000 square feet
- 180 MW at full build

### Power & cooling

- Up to 50 kW rack contiguous, day one
- Concurrently maintainable UPS block

### Utility

- Dedicated substations with five diverse points of entry

### Network

- Carrier-neutral
  - On-net Carriers
    - AT&T
    - Cogent
    - Cox
    - Lumen
    - PacketFabric
    - VPLS
    - Zayo
- Near-net Carriers
  - Verizon

### Compliance

- System and Organization Control (SOC) 2 Type 2 and SOC 1 Type 2
- PCI DSS
- HIPAA/HITECH
- NIST 800-53
- ISO 27001:2013
- Uptime Institute M&O Certified

## Learn more

### Phoenix colocation market resources

- [Aligned's Phoenix data center](#)
- [Arizona's tax advantage insight brief](#)
- [Phoenix spec sheet](#)
- [Phoenix property brochure](#)

### Explore colocation at Aligned's Phoenix data center

Schedule a conversation with one of our sales engineers

Call **833.425.4463**  
or email [aesales@aligneddc.com](mailto:aesales@aligneddc.com)

### About Aligned

Aligned is an infrastructure technology company that offers adaptable colocation and build-to-scale solutions to cloud, enterprise, and managed service providers. Our intelligent infrastructure allows densification and vertical growth within the same footprint, enabling customers to scale up without disruption, all while maintaining industry-leading Power Usage Effectiveness (PUE). By reducing the energy, water and space needed to operate, our data center solutions, combined with our patented cooling technology, offer businesses a competitive advantage by improving sustainability, reliability and their bottom line.

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