

Digital Realty Announces Non-Core Disposition

August 8, 2022

Recycles capital from mature asset in U.S. to reinvest in growing, global platform

AUSTIN, Texas, Aug. 8, 2022 /PRNewswire/ -- Digital Realty (NYSE: DLR), the largest global provider of cloud- and carrier-neutral data center, colocation and interconnection solutions, announced today it has entered into a definitive agreement to sell a non-core, mixed-use data center property in a transaction valuing the asset at approximately \$205 million. The property is expected to generate 2022 cash net operating income of approximately \$10.7 million, representing a 5.2% cap rate.



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Digital Realty originally acquired the 370,000 square foot facility in 2004, prior to its IPO. The majority of the rental revenue is derived from a Tier III Powered Base Building data center, while a portion of the property is leased to commercial and retail tenants on a longer-term basis.

"This disposition opportunistically recycles an operationally mature asset to fund strategic investments aimed at enhancing our longer-term growth profile," said Digital Realty Chief Investment Officer Greg Wright. "Since 2018, Digital Realty has sold approximately \$4 billion of assets and redeployed proceeds into highly connected facilities around the world, providing our customers with a global, full spectrum data center solution."

Digital Realty expects proceeds from the transaction will initially be used to pay down debt and will ultimately be used to fund future investment activity.

The transaction is expected to close in the third quarter of 2022 and is subject to customary closing conditions. Eastdil Secured served as advisor to Digital Realty on the transaction.

About Digital Realty

Digital Realty brings companies and data together by delivering the full spectrum of data center, colocation and interconnection solutions. PlatformDIGITAL®, the company's global data center platform, provides customers with a secure data "meeting place" and a proven Pervasive Datacenter Architecture (PDX™) solution methodology for powering innovation and efficiently managing Data Gravity challenges. Digital Realty gives its customers access to the connected communities that matter to them with a global data center footprint of 300+ facilities in 50+ metros across 27 countries on six continents. To learn more about Digital Realty, please visit digitalrealty.com or follow us on [LinkedIn](https://www.linkedin.com/company/digital-realty) and [Twitter](https://twitter.com/digitalrealty).

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Safe Harbor Statement

This press release contains forward-looking statements which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially, including statements related to the disposition, expected benefits, use of proceeds and the company's strategy. For a list and description of such risks and uncertainties, see the reports and other filings by the company with the U.S. Securities and Exchange Commission. The company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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