

Harrison Street and PowerHouse Data Centers Sell Powered Shell Data Center in Ashburn, Virginia

CHICAGO, IL, December 17, 2024 – A joint venture between [Harrison Street](#), one of the leading investment management firms exclusively focused on alternative real assets with approximately \$56 billion in assets under management, and [PowerHouse Data Centers](#) (“PowerHouse”), a leading real estate developer for next-generation hyperscale data centers and division of [American Real Estate Partners](#) (“AREP”), announced the sale of ABX-1, a 265,580-square-foot powered shell data center with 60 MW of power, located in Ashburn, Virginia. The sale marks the successful completion of the joint venture’s first development together.

Launched in January 2022, the PowerHouse and Harrison Street [joint venture partnership](#) has committed \$3.2 billion to develop powered shell data centers representing nearly 6 million square feet of data center space in Northern Virginia, Dallas and Reno.

ABX-1 was fully leased to global data center solutions leader CyrusOne ahead of the data center's final completion in October 2023. "This project reflects the strength of the Northern Virginia data center market, which has been the nation's fastest-growing data center market for the past five years," said Michael Hochanadel, Managing Director and Head of Digital Assets for Harrison Street. "Since forming our joint venture with PowerHouse in 2021, we've successfully executed our strategy of developing flexible powered shell facilities in Northern Virginia that meet the exacting specifications of leading cloud providers and colocation users. We look forward to continuing this partnership and expanding our portfolio across Northern Virginia and other strategic U.S. markets where robust digital infrastructure is in high demand."

The sale of ABX-1 is an incredible milestone for PowerHouse’s joint venture with Harrison Street. "PowerHouse’s innovation and expertise, coupled with Harrison Street's valuable partnership, enables us to deliver high-quality data center infrastructure with unbeatable speed to market," said Doug Fleit, Co-founder and CEO of PowerHouse Data Centers. "With several projects underway across the country and a growing pipeline of developments, we remain laser-focused on serving the growing demands of hyperscale providers and creating long-term value for our communities and the broader industry."

Following the sale of ABX-1, PowerHouse, and Harrison Street, have three campus developments completed or underway in Northern Virginia, with an executed lease, pre-lease, or letter of intent (LOI) for 100% of the buildable square feet. In addition to the Virginia portfolio, the joint venture recently purchased land and started construction on [PowerHouse Reno](#), Reno, Nevada, and [PowerHouse Irving](#), Dallas, Texas, to develop new state-of-the-art data center campuses to address the needs of these rapidly growing, highly connected data center markets.

Since 2018, Harrison Street has committed over \$5.4 billion to powered shells, carrier hotels, colocation sites, and dark fiber platforms. Over this time, the firm has expanded its relationships with dedicated operating partners and hyperscale users, raised discretionary capital for a dedicated digital vehicle and realized on its first data center investments. The sale of ABX-1 continues to demonstrate the growing investor demand across alternative real estate sectors.

About Harrison Street

Harrison Street is one of the leading investment management firms exclusively focused on alternative real assets. Since inception in 2005, the firm has created a series of differentiated investment solutions focused on demographic-driven, needs-based assets. The firm has invested across senior housing, student housing, build-to-rent, healthcare delivery, life sciences and storage real estate as well as social, utility and digital infrastructure. Headquartered in Chicago and London, with offices throughout North

America, Europe and Asia, the firm has more than 290 employees and approximately US \$56 billion in assets under management on behalf of institutional investors across the globe. Harrison Street was awarded Best Places to Work by Pensions & Investments for ten years (2014-2020, 2022, 2023, 2024) and since 2019 has won 15 awards from PERE, including three for the 2023 Awards: Alternatives Investor of the Year – Global, Data Centers Investor of the Year – North America, and ESG Firm of the Year - North America. Harrison Street did not pay any compensation in exchange for the aforementioned awards, but all applicants paid a submission fee for “Best Places to Work”. For more information, please visit www.harrisonst.com. Assets under management ("AUM") reflects AUM for the firm's investment advisory and asset management clients.

About PowerHouse

PowerHouse Data Centers, a wholly owned division of American Real Estate Partners (AREP), is a developer and owner of next-generation data centers and provides technical real estate solutions for hyperscalers across the country. Starting in Northern Virginia's Data Center Alley, the world's largest data center market, before strategically expanding to key markets across the United States, PowerHouse owns its land sites, offering highly competitive fast-track approvals and zoning approvals in its full suite of development services. As an industry disruptor, PowerHouse provides flexible next-generation data center models with quick speed to market while meeting hyperscalers' growing market, data, utility, and space demands. The company has 57 buildings currently in planning, underway or completed, representing over 4.1 GW of power in seven major US markets providing power delivery for its projects in 2026/2027. Operating as the data center division of AREP, PowerHouse is strongly positioned as a leader in world-class data center development. With some of the industry's deepest real estate relationships, PowerHouse leverages its strategic joint venture partnerships, notable leadership, and established technical expertise to deliver innovative real estate solutions nationwide. Visit our newsroom for more information, and follow us on [LinkedIn](#), [YouTube](#), and [X](#).

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