

Al is Driving Rapid Growth in Data Center Property Development

Find out why the Al-centric data centers are rapidly growing and emerging as the new hot sector in commercial real estate development.

AUSTIN, TX, UNITED STATES, September 11, 2024 / EINPresswire.com/ -- Once a Niche Service Offering, Al Data Centers Emerge as a Major Player



The rapid development of artificial

intelligence-powered chatbots and generative AI tools based on large language models (LLMs), such as OpenAI's ChatGPT, Google's Gemini, and Anthropic's Claude, is driving a major shift in the <u>data center</u> property development landscape, with hundreds of new AI data centers now

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Compared to traditional data centers, such as cloudbased data storage or web services, LLM-based chatbots and other related Al systems require significantly higher amounts of computing power." *Formaspace* planned.

Deployment of New AI Data Centers is Gaining Speed

Thanks to the rapid growth of AI, all eyes are focused on the fast-rising demand for high-throughput data centers dedicated to serving up AI-based applications.

What's the reason for the stepped-up demand?

Mostly, it comes down to the AI applications themselves and their exceptionally intensive data processing

requirements.

Compared to traditional data center offerings, such as cloud-based data storage or web services, LLM-based chatbots and other related AI systems require significantly higher amounts of computing power, both in terms of unique machine learning hardware (generally sourced from Nvidia) as well as memory usage and bandwidth. This increased power usage is also driving up the need for increased cooling – generally exceeding the available HVAC system capacity found in legacy data centers.

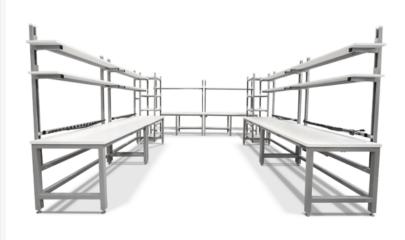
Property Developers Measure Size of Al Data Centers in Gigawatts of Power Consumption

To quantify the size of these new class of data centers, property developers, investors, and brokers have adopted a new measurement unit – gigawatts of power consumption – to classify the capacity of these new Al data centers.

According to the Wall Street Journal, Microsoft, Google, and Amazon have leased over 2.4 gigawatts of capacity in North America over the past year.

They also quote a report from datacenterHawk that an additional 15 gigawatts of data center capacity are

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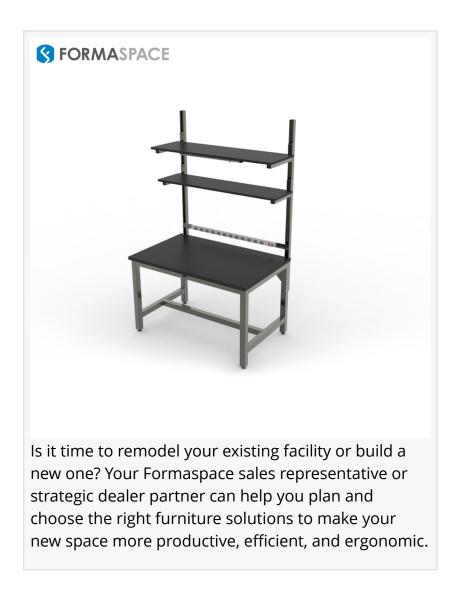


Thanks to Formaspace's heritage as an industrial furniture manufacturer, you can depend on our furniture products to be strong, durable, and longlasting. Shown above is a custom height-adjustable workstation installation for a tech lab in Silicon Valley.

currently in the planning stage, making new data center construction a bright spot in the commercial real estate landscape.

Read more ...

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