

TRACT ACHIEVES MAJOR COURT VICTORY AGAINST SWITCH IN RENO DATA CENTER LAND DISPUTE

Court Affirms Tract's Property Rights, Rejects Switch's Claims Over Colocation Covenant

RENO, CO, UNITED STATES, October 13, 2025 /EINPresswire.com/ -- In response to inquiries, Tract welcomed the First Judicial District Court of Nevada's Final Judgment against data center developer Switch as a critical victory for Tract as it continues to deliver significant economic development to Storey County and the Northern Nevada region.



Tract's land portfolio in the Greater Reno Area is over 12,500 acres.

Tract, a horizontal developer of master-planned data center parks, has been expanding its footprint in and around the Tahoe Reno Industrial Center (TRIC) to support the rapid growth of cloud computing and AI data center deployments in the Reno/Sparks market.

“

Switch's lawsuit never had any basis in law or fact. The Court has unambiguously rejected Switch's claims and vindicated our position.”

Tract

Contrary to Nevada law on restrictive covenants, Switch had improperly sought to use a colocation covenant to block Tract's horizontal development plans. The Court's order confirms that, despite Switch's attempts to the contrary, the colocation covenant only restricts multi-tenant data center facilities on Tract's Peru Shelf property in TRIC, which represents only 5% of Tract's total Reno portfolio. The Court's Order, following its September 29th

Order defining the meaning of the covenant, grants final judgment in favor of Tract and its affiliates and against Switch on all of Switch's claims, bringing to a close more than two years of fruitless litigation initiated by Switch.

“This a decisive legal victory for Tract. We have known since we first entered the Tahoe Reno

Industrial Center that the Switch colocation covenant only restricts multi-tenant data center facilities on Tract's Peru Shelf property. The Court's ruling supports Tract's rights on its property in TRIC, unequivocally validating Tract's interpretation of the covenant's restriction. Tract has always been committed to respecting that restriction. Switch's lawsuit never had any basis in law or fact. The Court has unambiguously rejected Switch's claims and vindicated our position. Our work will continue for our customers and investors as we bring significant additional economic development to Storey County and the surrounding communities," Tract stated.

The litigation which had been brought by Switch centered on the scope of a restrictive covenant negotiated in 2015 between Switch and the original landowner, Tahoe Reno Industrial Center, LLC, as part of Switch's acquisition of land for its data center operations. Despite the narrow scope of the covenant and Switch's business in 2015 as only a multi-tenant data center provider, in 2023 Switch sought a broad interpretation of the covenant, aiming to prohibit a wide range of data center developments on the Peru Shelf parcels now owned by Tract and its affiliated real estate investment trusts, not just multi-tenant data centers. Tract maintained throughout the two-year process that the covenant's plain language only restricts multi-tenant data center facilities, not single-tenant or owner-occupied data centers, nor cloud or hyperscale facilities serving a single customer.

After extensive discovery and briefing, the Court found the covenant to be unambiguous, strictly construing its terms under Nevada law: "Tract's construction is the correct reading of the Covenant according to its unambiguous terms." The Court's Judgment in favor of Tract and its affiliates confirms Tract's right to horizontally prepare the Peru Shelf for the development by others of any type of data center that is not a multi-tenant data center facility, and clarifies that the restrictive covenant does not apply to cloud or hyperscale facilities serving a single customer.

Switch, Ltd., et al. v. NVLCO Storey County, LLC, et al., Case No. 23 RP 00005 1E, District Court of Storey County, Nevada.

About Tract:

Tract is the trusted partner for accelerating responsible technology infrastructure. We create opportunities that bring economic development to communities.

As technology becomes a larger part of our lives and economy, Tract provides master-planned data center parks to facilitate speed and certainty in developing new data center capacity. We work with hyperscalers and operators, local communities, landowners, and energy companies to incorporate long-term planning and scaled sites in a way that streamlines development cycles and benefits all stakeholders.

We believe that master planned development projects must be strategically coordinated with long-term vision and commitments. Our team brings together curated, operational capabilities and essential expertise in planning, development, energy, digital infrastructure, and real estate

to achieve end-to-end coordination with our partners.

Legal Contact:

McDermott Will & Schulte LLP | mwe.com

444 West Lake Street, Suite 4000, Chicago, IL 60606

Tract

marketing@tractcapital.com

Marketing

This press release can be viewed online at: <https://www.einpresswire.com/article/857653072>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.