European Data Centres

FIGURE 1: European colocation market new supply and take-up, 2025F vs 2024

Year	FLAPD new supply	FLAPD take-up	Secondary market new supply	Secondary market take-up
2025F	623MW	652MW	247MW	253MW
2024	374MW	443MW	276MW	256MW

Source: CBRE Research, Q3 2025; FLAPD = Frankfurt, London, Amsterdam, Paris, and Dublin.
Secondary market category includes Berlin, Brussels, Madrid, Milan, Munich, Oslo, Stockholm, Warsaw, Vienna, and Zurich.

▲ 5,023MW
European colocation supply

▼ 432MW
European colocation availability

▼ 115MW
European colocation take-up

Note: Figures are representative of top 15 European markets covered by CBRE. Arrows indicate change from same quarter in previous year. For take-up, the figure represents a comparison of Q3 2025 versus Q2 2025.

Signings for AI data centre capacity have more than trebled year-to-date

New signings for colocation data centre capacity earmarked for artificial intelligence (AI) purposes in Europe have soared this year amid lower hyperscaler demand and a need by AI-focused infrastructure providers, often called neocloud firms, to move into data centres quickly. The volume of data centre capacity sold to neocloud providers in the first nine months of the year rose to 414MW, up from 133MW compared to the same timeframe in 2024.

The deals cover capacity that has since been recorded as take-up or for capacity that has been pre-let to neocloud providers.

More than half of the signings volume (57%) is for capacity in Nordic countries, such as Norway and Iceland. Regional data centre providers can offer neocloud providers, such as CoreWeave, with resource-intensive computer equipment, lower power costs, and available capacity, which is increasingly difficult to find in Europe. The cost of power is typically the greatest expense incurred by data centre providers and their tenants.

Neoclouds increasingly attractive to data centre providers

More European data centre providers are accepting neocloud firms as tenants despite their considerable AI infrastructure requirements and short operational histories. Neocloud firms have drawn more interest from data centre developers with facilities that are built further away from markets where hyperscalers have availability zones. These facilities may have limited value and are therefore harder to let. The growing acceptance for neocloud tenants coincides with the lower demand for leased capacity on the part of hyperscalers in Europe this year.

In February, one hyperscaler halted talks for capacity at data centres in Europe leaving some providers with capacity to spare, which is one reason why neocloud firms have become more attractive potential tenants.

Data centre providers are taking measures to mitigate the additional risk taken on by leasing capacity to neocloud firms. For example, higher rents are charged to account for the higher risk client and to help recover the considerable build costs incurred in building AI-ready data centres. Rental deposits and parent company guarantees are sometimes asked of neocloud firms too.

Supply

There were 114MW of data centre supply delivered in Europe in Q3, down from the 137MW recorded in Q2.

By year-end, data centre developers are expected to deliver a projected 871MW of new capacity, 34% more than the 2024 supply total and a new record.

Almost three-quarters of the new data centre capacity added in Europe this year will be found in the five largest markets.

Expansion of cloud regions and AI requirements have led to the growth of Frankfurt, London, and Paris supply over the past five years; Paris has almost trebled in that timeframe.

The capacity delivered in Q3 was mostly delivered in London (68MW) and Paris (32MW). The rest of the new supply was delivered in Zurich (12MW) and Amsterdam (9MW). There was no capacity delivered in Frankfurt or Dublin in Q3.

114MW

Of new supply recorded in Q3

28%

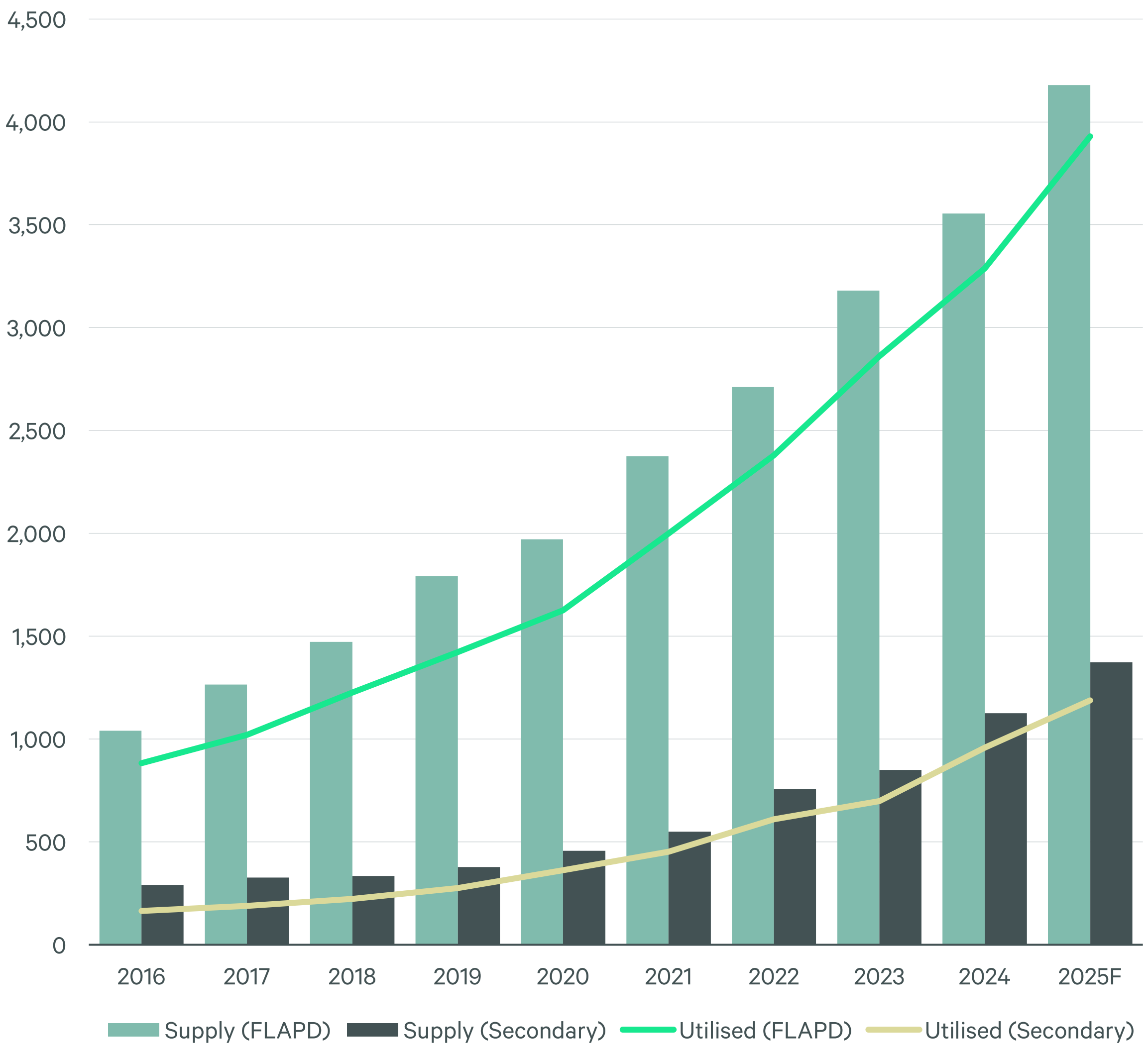
More than one-quarter of new supply this year is expected to be delivered to secondary markets in Europe, namely Milan and Warsaw.

FIGURE 2: New supply in Q3 2025

	Q3 New supply	Full-year 2025
Frankfurt	0MW	227MW
London	68MW	193MW
Amsterdam	9MW	31MW
Paris	32MW	84MW
Dublin	0MW	89MW
Secondary markets	12MW	247MW

Key: Q3 New supply | Full-year 2025

FIGURE 3: European market supply and utilisation, 2016–2025F (MW)



Source: CBRE Research, Q3 2025

Take-up

Take-up (114MW) fell short of new supply delivered (120MW) in Q3, despite strong demand across Europe. It was the second consecutive quarter that has happened.

It is unusual for new supply to exceed take-up in a quarter. However, two new wholesale facilities in London and Paris were delivered in Q2 and Q3, respectively, that have only been partly let. As such, take-up was less than the new capacity that became available. This is increasingly rare as new wholesale data centres are usually pre-let or the facility is constructed with a customer in mind. For the year, take-up (906MW) is expected to be greater than the new supply (871MW) delivered in Europe. Given the difficulties meeting demand in the five largest markets of Europe (i.e. FLAPD), developers are building at scale in the Nordics and in Southern Europe. Data centre capacity in those regions is attractive due in large part to the lower cost of power.

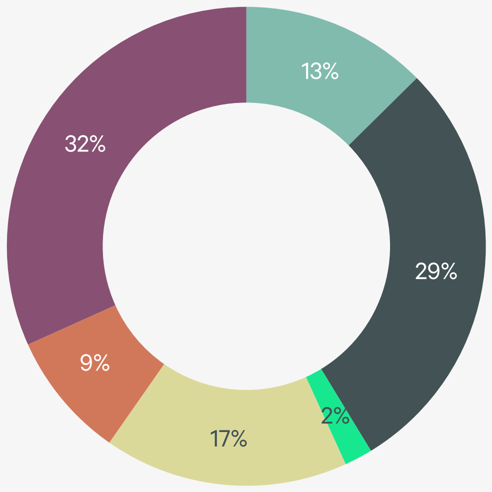
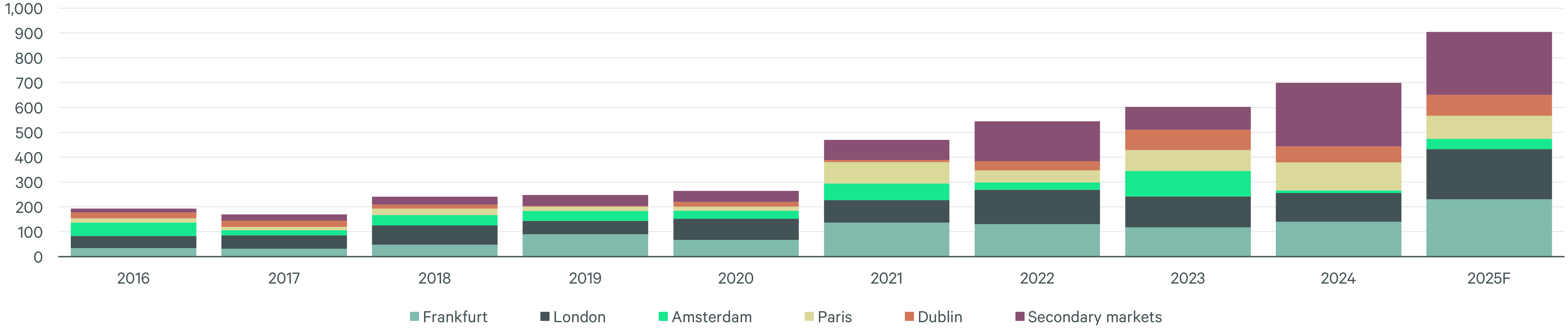


FIGURE 4: Take-up by market, Q3 2025

- Frankfurt
- London
- Amsterdam
- Paris
- Dublin
- Secondary markets

Source: CBRE Research, Q3 2025

FIGURE 5: European market take-up (MW), 2016–2025F



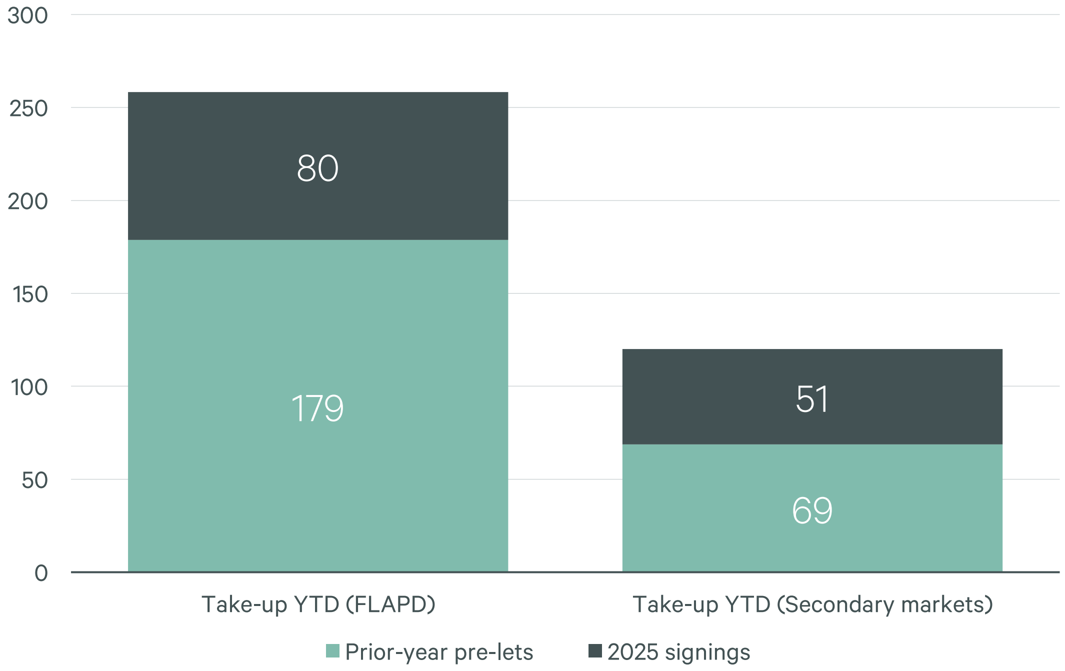
Source: CBRE Research, Q3 2025

Pre-lets

Prior-year pre-lets represented nearly two thirds (66%) of the 2025 year-to-date (YTD) European take-up total.

That means, the majority of supply delivered last year is a result of signings for capacity recorded in 2024. In FLAPD, 69% of take-up was the result of prior-year pre-lets in the first three quarters of the year. In the secondary markets tracked by CBRE, 57% of the 2025 YTD take-up total were the result of prior-year pre-lets.

FIGURE 6: European market take-up by 2025 YTD signings and prior-year pre-lets (MW)



Source: CBRE Research, Q3 2025

Q3 activity

Frankfurt	Nominal take-up (2MW) was recorded in Europe's second-largest market in Q3. Much of Frankfurt's forecasted take-up will likely be realised in Q4. Germany's financial capital is expected to represent nearly a quarter of European take-up by year end.
London	Record take-up (201MW) is expected in London in 2025. Neocloud demand has featured prominently in London this year. However, demand from hyperscalers still represents the vast majority of take-up in London.
Amsterdam	There has been minor take-up recorded in Amsterdam this year. Demand has been limited somewhat by a lack of capacity available to buyers. However, take-up is expected to pick up in a meaningful way in Q4.
Paris	The French capital has established itself as the third-largest market in Europe; demand for capacity is consistently strong in the South of Paris, where data centres that meet the needs of hyperscalers are often built.
Dublin	Data centre developers remain encumbered by the ongoing ban on applications for power by EirGrid in Dublin. However, there remains considerable demand for data centre capacity this year. Q3 wasn't representative of the interest in Dublin as there was less than a MW of take-up. By year-end, CBRE expects 53MW of take up.
Secondary markets	Take-up in Europe's secondary markets are largely driven by demand in four cities. To that end, more than 75% of the projected 253MW of secondary market take-up in 2025 will be recorded in Madrid, Milan, Warsaw, and Zurich.

Note: Prior-year pre-lets represent deals signed prior to 2025 but were recorded as take-up in Q3 or will represent take-up this year.

Vacancy

The European vacancy rate is on track to close at 7.8% by the end of 2025 as take-up is expected to exceed new supply delivered for the fourth consecutive year.

Based on our forecast, the 2025 vacancy rate will close at under half of its 2021 year-end level. Should our vacancy rate expectation come to pass, it will be a new low.

In Q3, the European vacancy rate dipped to 8.6.%, half a percentage point lower than the Q2 figure. The market has tightened due to heightened demand from AI providers and a renewed interest in leased capacity from hyperscalers.

Availability has declined consistently over the past five years in Europe. This has left neocloud providers and hyperscalers to secure as much capacity as possible in advance of data centre openings.

Capacity at scale is particularly hard to find in London and Frankfurt, Europe's two largest markets. The vacancy rate in FLAPD closed at 7% in Q3. Some smaller European markets, such as Milan (4%), standout in that regard too.

The dwindling amount of available capacity across Europe means that organisations are having to wait longer to secure capacity and pay more for it once it becomes available. Infrastructure buyers are letting data centre space previously deemed unattractive to ensure their organisational requirements are met.

FIGURE 7: European market availability, 2016–2025F (MW)

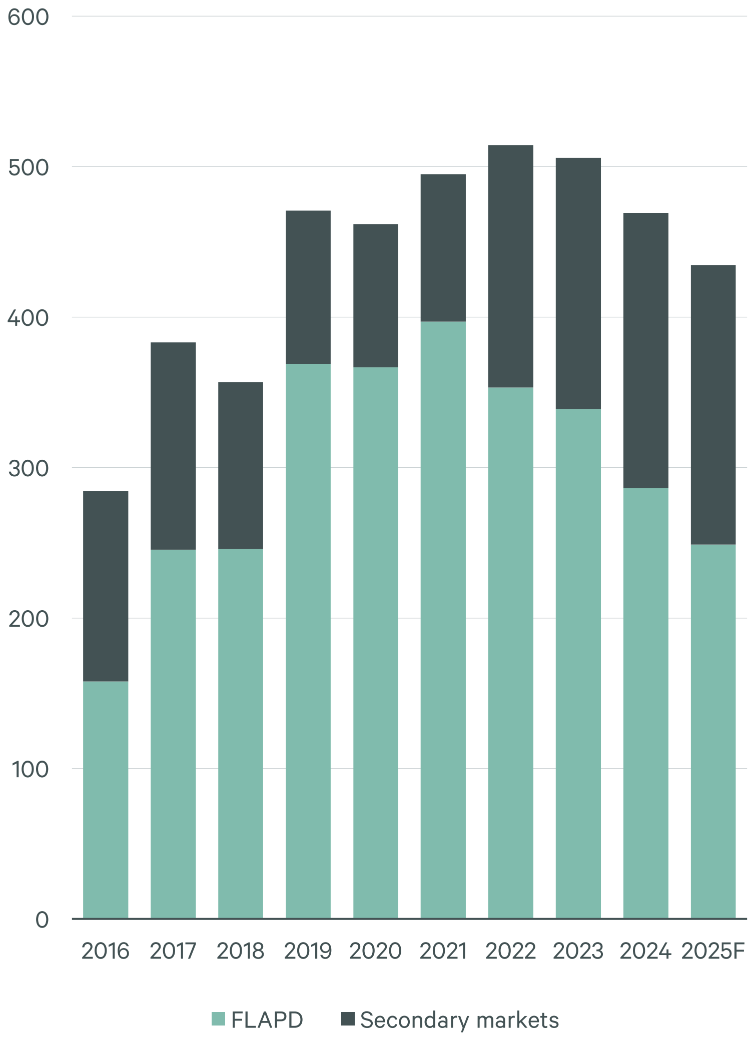
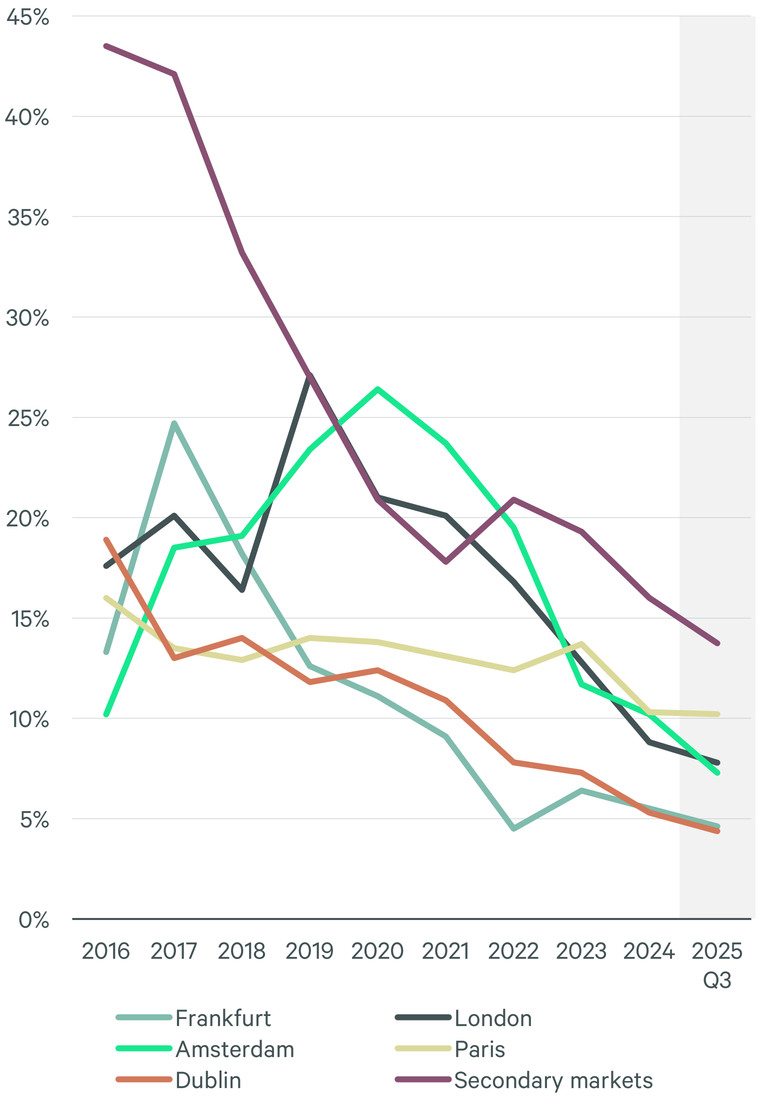


FIGURE 8: European market vacancy rates, 2016–2025 Q3 (MW)



Source: CBRE Research, Q3 2025

Market focus: Dublin

Dublin is on track to have a record year of new supply delivered. However, regulation and a lack of new power may inhibit market growth of that scale in future.

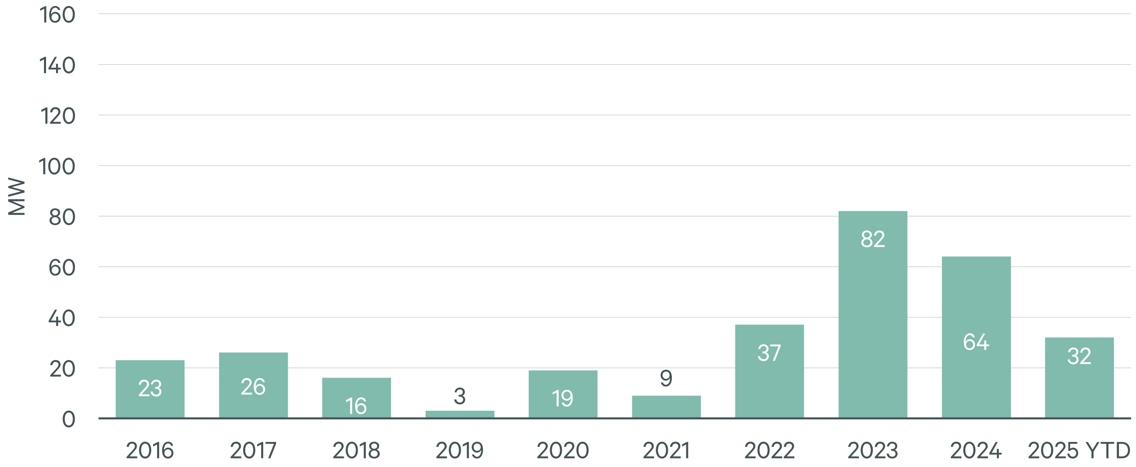
Data centre construction has continued in earnest even though providers are unable to apply for a grid connection for new schemes. Grid constraints are likely to be a feature of the Dublin data centre landscape for the foreseeable future. In the meantime, AI and hyperscaler requirements are ending up elsewhere. This has led larger, more compute-intensive workloads to be housed in other European data centre markets, such as Milan and Madrid, where they can be accommodated.

As a result, Dublin's data centre growth is relatively slow when compared to larger markets such as Frankfurt and London.

It's possible that data centres are built in the rest of Ireland over the medium- to long-term as power can be more easily secured outside of Dublin's traditional data centre clusters.

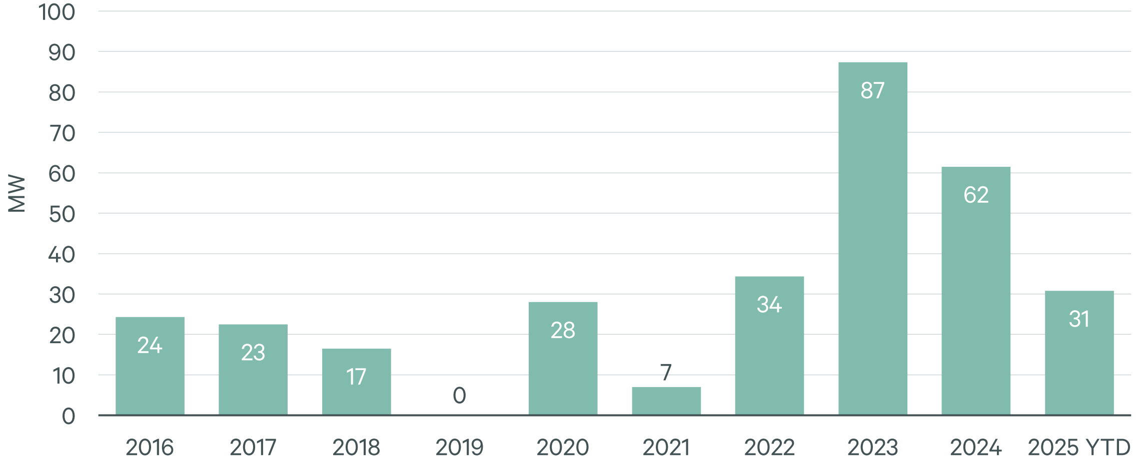
Should developers choose to build data centres at scale outside the city's development radius, Dublin may be able to sustain the growth we've seen this year and compete with larger markets over the long-term.

FIGURE 9: Dublin take-up, 2016–2025 YTD



Source: CBRE Research, Q3 2025

FIGURE 10: Dublin new supply, 2016–2025 YTD



Source: CBRE Research, Q3 2025

CBRE's Premier Colocation Report

CBRE has created the sector's Premier Colocation Report to provide the industry with the most in-depth market analysis in Europe.

The report contains key data relative to each FLAPD market on a quarterly basis. CBRE also tracks and forecasts 10 European secondary markets.

The reports are comprised of take-up, supply, availability, absorption (all of which are forecasted) as well as market maps, new schemes in the supply pipeline, colocation pricing (rental ranges) as well as occupier and investment commentary.

For more details on the PCR service, please click here.

Contents		Figures	PCR
Supply	Aggregated, annual and YTD – chart	✓	✓
Let and available capacity	Aggregated, annual and YTD – chart	✓	✓
Take-up	Aggregated, annual and YTD – chart	✓	✓
High-level market commentary and quarterly highlights		✓	✓
Key metrics	By market, current quarter – table		✓
Supply	By market, annual and YTD – chart		✓
Let and available capacity	By market, annual and YTD – chart		✓
Take-up	By market, annual and YTD – chart		✓
Net absorption	By market, annual and YTD – chart		✓
Supply projection, two years	By market, annual – chart		✓
Vacancy projection, two years	By market, annual – chart		✓
Take-up projection, two years	By market, annual – chart		✓
Market balance analysis	By market, annual and YTD – chart		✓
Supply pipeline, two years	By market – table		✓
Market map: key colocation hot spots in the market	By market – map		✓
Colocation pricing	By market, annual and YTD – table		✓
Detailed market commentary and quarterly highlights			✓
Occupier focus			
Occupier take-up review and trends			✓
Colocation pricing analysis			✓
Leading market focus			✓
Investment focus			
Corporate M&A tracker			✓
M&A market commentary			✓
Investment market commentary			✓
+ All charts and data available by individual market			✓
+ Data table with time series available for all charts			✓
+ Wholesaler and retailer split where appropriate			✓
+ Data tables available in Excel for in-house design and analysis			✓

Definitions

Supply

Retailer colocation supply comprises fitted data centre space only – unbuilt shell phases of the data centre are excluded.

Wholesaler colocation supply includes both fitted and shell data centre space. Typically, wholesale operators sell shell space which is built out to suit customers.

Availability

Retailer availability of space is based on fully fitted space, vacant and available to sell.

Wholesaler availability is based on all vacant space.

Market absorption

Market absorption is the number of years it would take current vacant supply to be fully let based on the fixed average take-up of the previous five years (i.e. not including take-up in the current year).

Vacancy rate

The vacancy rate is reflective of availability as a percentage of total supply.

Take-up

Take-up comprises data centre capacity sold at retailer and wholesaler colocation facilities in the relevant quarter where that capacity is in our supply figures. Capacity that will be recorded as supply in future is considered ‘pre-leased’.

Space type

Shell: Shell and core space is the base real estate of a data centre, a wind and watertight structure with exposed floor and ceiling slabs and exposed finishes to the walls. The landlord obtains permissions for data centre use and makes provisions for tenants to install their own chillers and back-up power generating equipment, or the landlord would provide these on a build-to-suit basis.

In addition, an incoming diverse raw HV (high voltage) power supply would usually be provided.

Fitted: Fully fitted space is ready for tenant IT equipment to be installed almost immediately or subject only to minor works being carried out to account for bespoke equipment and layouts.

FLAPD and secondary markets

The five largest colocation markets in Europe. FLAPD is an acronym used to represent Frankfurt, London, Amsterdam, Paris and Dublin collectively. Secondary markets tracked and reported on by CBRE in this report are Berlin, Madrid, Milan, Munich, Stockholm, Warsaw, Vienna and Zurich.

Headline signings

Headline signings are a measure of capacity signed by an operator during any period of time.

European Data Centres

CBRE Data Centre Solutions

CBRE formed a Data Centre team in 1994 to address the specialised technical real estate needs of high-tech firms such as telecommunications companies, data centre operators and corporates.

Core technical real estate services provided by the CBRE Data Centre Solutions team include:

- Acquisition – One-off assignments, worldwide network rollouts
- Disposal – One-off assignments, multi-site marketing campaigns
- Investment – Due diligence and transactional services
- Consultancy – Consolidation strategies, mergers & acquisitions
- Asset valuation – Bank, corporate
- Project management, development monitoring, due diligence, building and M&E surveys
- Research – Market statistics, forecasting
- IT consultancy

CBRE has tracked European colocation data centre markets since 1999. CBRE offers reports on 15 European markets on a quarterly or semi-annual basis. Custom research is provided to clients as well.

To learn more about CBRE Data Centre Solutions group, please visit:

www.cbre.co.uk/services/industries-and-specialties/data-centre-solutions

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