

Market Conditions Report

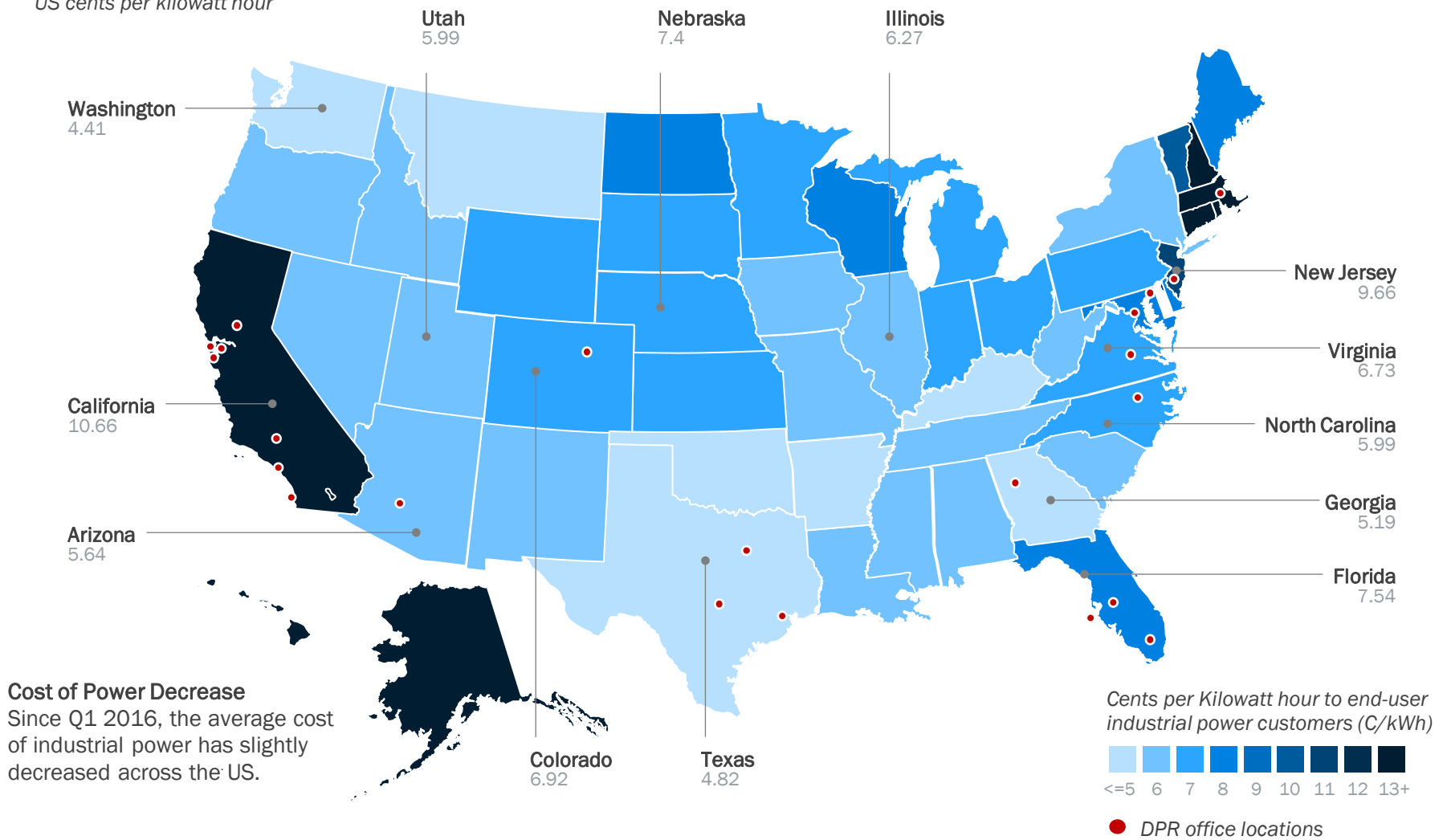


9 Things to Consider Before Building Your Data Center

Looking for low-cost power? Want to better understand the ups and downs of copper pricing? The following Market Conditions Report summarizes current cost trends in nine key areas to consider when thinking about your next project: Power, Labor, Nonresidential and Domestic Construction Spending, Copper, Aluminum, Steel, Concrete and Oil.

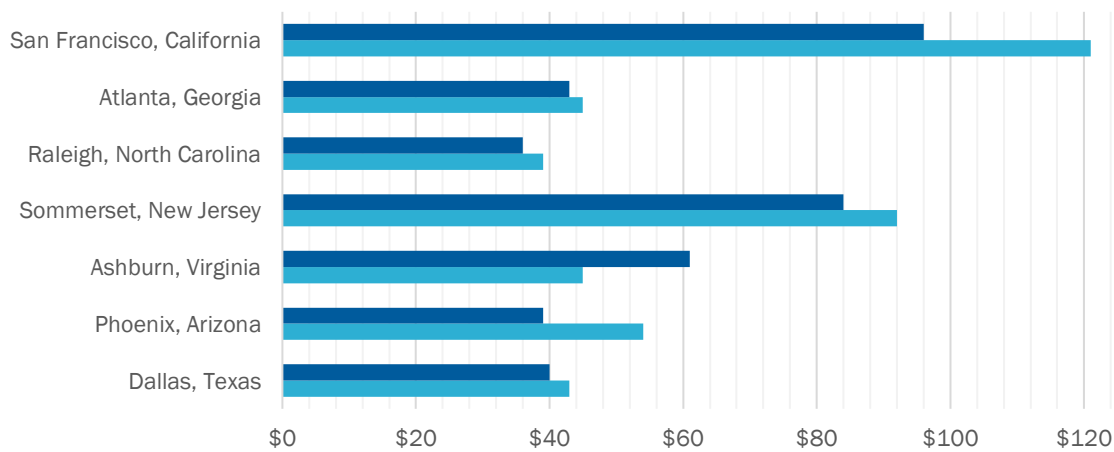
1. Cost of Power

US cents per kilowatt hour



2. Mechanical, Electrical, Plumbing Labor Rates

MEP journeyman base labor and fringe total rates per hour

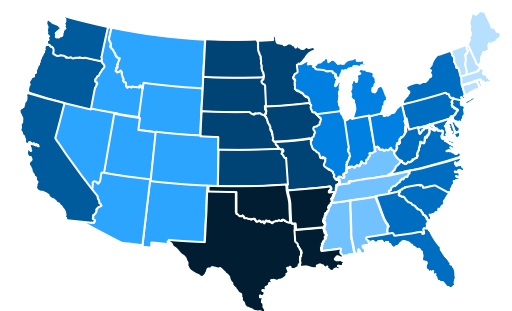
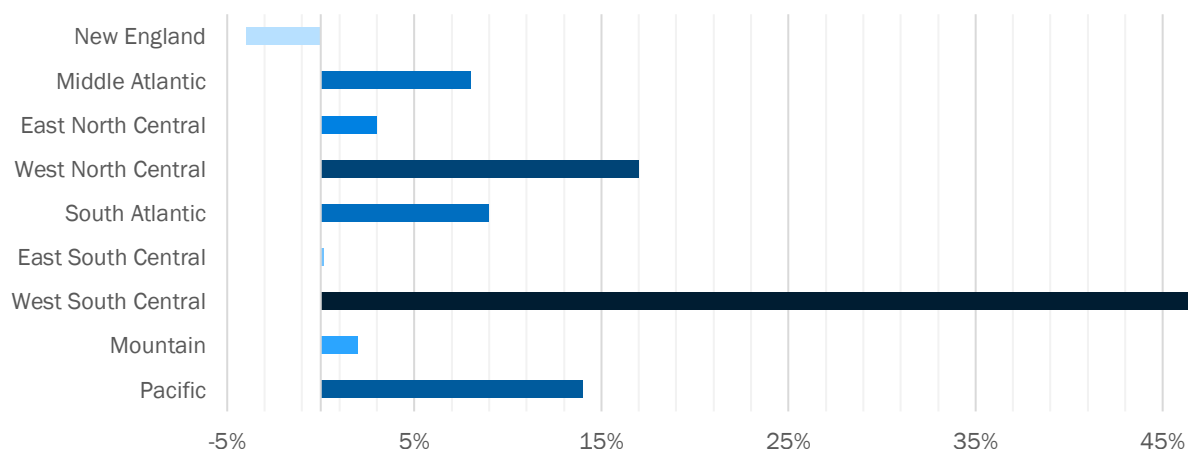


MEP Labor Rates

For the remainder of 2016, the majority of unions are reporting a promising outlook for workers. The Pacific North West is experiencing a labor shortage, therefore premiums may apply.

3. Nonresidential Construction Spending

Projected variance by region, 2014-2015³



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1 http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_5_6_a

2 Construction Trade Unions UA and IBEW 2016

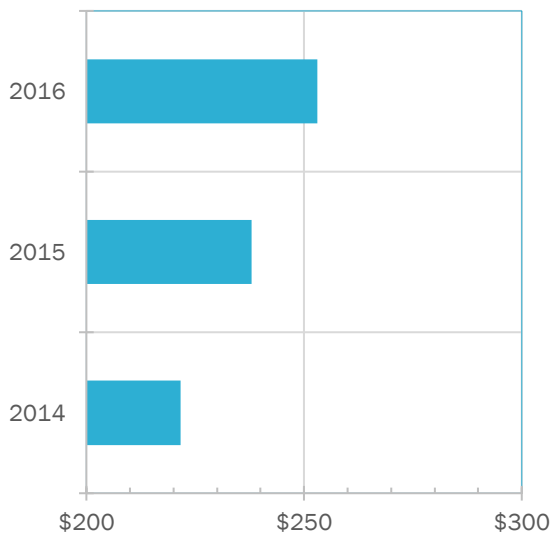
3 Preliminary data from US Census. Private Nonresidential Construction excludes the following categories: Power, Communication, and Railroad.

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4. Domestic Construction Spending

Commercial and industrial construction sectors, estimated in billions



Domestic Construction Spending

Estimated domestic construction spending has steadily risen over the past two years; rising an estimated 7.3% in 2015 and will continue to rise by 6.3% in 2016.

5. Copper Pricing

International cost per pound

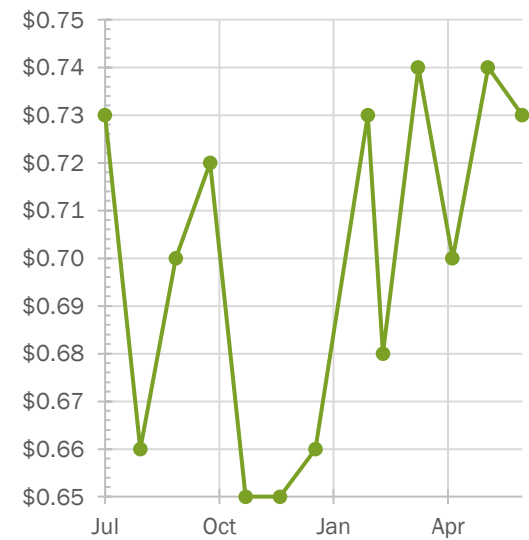


Copper

Since last years sharp fall, the price of copper has consolidated with fluctuations between \$2.00 - \$2.30 for 2016. The outlook for the remainder of 2016 is that copper pricing will remain fairly stagnant with no sharp increase or decrease.

6. Aluminum Pricing

International cost per pound

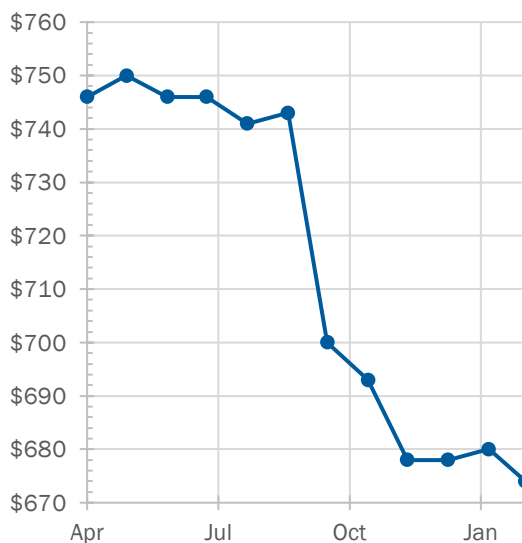


Aluminum

Similar to copper, aluminum pricing has consolidated over the past year and remained within a 10c high / low range of 0.65c - 0.75c through 2016. It is anticipated that the pricing will remain stagnant through the end of 2016.

7. Steel Pricing

Prefab structural sections and beams, US price per ton

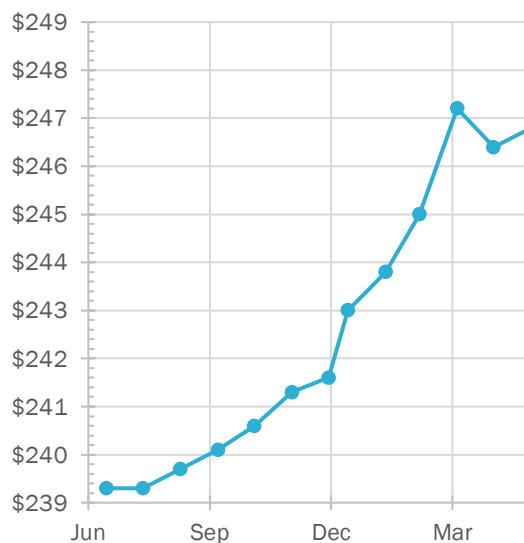


Steel

Over the past year and for 2016 thus far, steel pricing has continued to fall due to the large amounts of foreign import reserves. Pricing is anticipated to remain consolidated with the possibility of a steady increase due to the new Chinese import tax which was approved in May 2016.

8. Concrete Pricing

US Producer Price Index



Concrete

Across the U.S., the price per cubic yard (CY) of ready mix concrete has steadily and consistently increased over the last year. In 2016, it is expected that the price will increase at the same rate or faster.

9. Oil Pricing

US price per barrel



Oil

Since Q1 2016, the price of oil per barrel has increased. Over the past year, oil pricing has fluctuated between \$30 - \$50 per barrel. Expectations for the remainder of 2016 are that oil pricing will remain fairly consolidated.

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DPR Construction's team of mission critical operatives can help steer the process – taking a project from site selection and analysis to single point-of-failure identification during start-up and commissioning. Specializing in highly complex and sustainable projects, DPR ranks among the top data center contractors in the nation with seasoned teams of estimators, MEP specialists, and program, design and construction managers and engineers working around the world.

4 AIA Consensus Forecast FMI Randy Giggard (919) 785-9258
5 http://www.kitcometals.com/charts/copper_historical_large.html#1year
6 http://www.kitcometals.com/charts/aluminum_historical_large.html#1year
7 <http://www.meps.co.uk/N.Amer%20Price.htm>
8 http://www.bls.gov/regions/mid-atlantic/data/producerpriceindexconcrete_us_table.htm
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