

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

Current Report Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): October 24, 2005

EQUINIX, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	000-31293	77-0487526
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

301 Velocity Way
Foster City, California 94404
(650) 513-7000

(Addresses, including zip code, and telephone numbers, including area
code, of principal executive offices)

Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of the
following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry Into A Material Definitive Agreement.

On October 24, 2005, Equinix RP, Inc., a Delaware Corporation and wholly-owned subsidiary of Equinix, Inc. ("Equinix") entered into a definitive purchase and sale agreement ("Agreement") with iStar Financial Inc., a Maryland real estate investment trust ("Buyer"). The Agreement governs the sale and leaseback by Equinix of an existing, improved 107,000 square foot data center located in El Segundo, California known as the Maple data center. The purchase price was determined through negotiations between Equinix and Buyer, and is approximately \$38.7 million dollars to be paid in cash at closing. The long-term lease between Equinix and Buyer will commence upon closing, and is at market rates with options to renew. The sale-leaseback transaction is subject to closing contingencies, and it is expected that these conditions will be removed on or before November 1, 2005 and the transaction will close before the end of the year. Buyer is also the owner of approximately 39 acres of unimproved land which Equinix currently leases in San Jose, California.

Item 8.01. Other Events

On October 24, 2005, Equinix, Inc. entered into a non-binding letter of intent to obtain long-term debt financing on Equinix's recently-purchased Washington, D.C. area data center campus and to amend its ground lease for 39 acres of land in San Jose to allow for early termination of Equinix's obligations under this lease.

Regarding the Washington D.C. area data center financing, Equinix has negotiated a non-binding letter of intent to finance this acquisition with a \$60 million mortgage over 20 years. This financing is subject to completion of definitive agreements, and although there is no assurance that the definitive agreements will be completed, Equinix currently expects the transaction to close

before the end of the year. In addition, Equinix currently intends to list for sale those buildings within the business park that will not be used for its current operations or expansion plans.

Equinix also announced today that it has entered into a non-binding letter of intent for the early termination of its San Jose ground lease. The ground lease, which covers 39 acres, was entered into in June of 2000, had a remaining commitment of nearly \$100 million through 2020. Under the proposed terms of the letter of intent, Equinix will pay \$40 million over the next four years, commencing January 1, 2006, as well as certain carrying costs of the property totaling an additional amount of approximately \$1.5 million. This financing is subject to completion of definitive agreements, and although there is no assurance the definitive agreements will be completed, the Company currently expects the transaction to close in January 2006. As a result of the deal, Equinix will incur a restructuring charge in the range of \$35-\$40 million in the fourth quarter.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

99.1 Press Release of Equinix, Inc. dated October 25, 2005, furnished in accordance with Items 1.01 and 8.01 of this Current Report on Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EQUINIX, INC.

DATE: October 25, 2005

By: /s/ KEITH D. TAYLOR

Keith D. Taylor
Chief Financial Officer

Equinix Executes Sale-Leaseback Agreement for Recently Acquired Data
Center in L.A. Area and Updates Expectations for Financing
Washington, D.C. Area Campus

FOSTER CITY, Calif.--(BUSINESS WIRE)--Oct. 25, 2005--

Company Also Announces Agreement for Early Termination of Ground
Lease in San Jose Yielding Substantial Long-Term Cost Savings

Equinix, Inc. (Nasdaq:EQIX), the leading provider of network-neutral data centers and Internet exchange services, today announced that it has entered into a sale-leaseback agreement for the data center property it recently purchased in the Los Angeles area. Equinix also has entered into a non-binding letter of intent to obtain long-term debt financing on Equinix's recently-purchased Washington, D.C. area data center campus and to amend its ground lease for 39 acres of land in San Jose to allow for early termination of Equinix's obligations under this lease.

In September 2005, Equinix purchased a 107,000 square foot stand-alone data center located in El Segundo, in the Los Angeles area, for \$34.7 million, including closing costs. The Company has now entered into a purchase and sale agreement dated October 24, 2005, to sell this data center for \$38.7 million and to lease it back from the purchaser pursuant to a long-term lease. Equinix will realize approximately \$15 million in cash savings over the initial term of the lease as opposed to having entered into a direct lease with the previous owner. These savings include a cash benefit on the sale of the center approximating \$3.5 million, net of costs. The sale-leaseback transaction is subject to certain closing contingencies. Although there can be no assurance that these contingencies will be met, it is expected that these conditions will be removed on or before November 1, 2005 and the transaction will close before the end of the year.

In October, Equinix purchased its flagship Washington, D.C. area data center campus in Ashburn, Virginia for \$53.0 million. The Company drew down \$30.0 million of its \$50.0 million Silicon Valley Bank revolving credit line to fund a portion of the purchase price for this property. The Company has negotiated a non-binding letter of intent to finance this acquisition with a \$60.0 million, 8% mortgage to be amortized over 20 years. Equinix plans to continue expanding its IBX operations on the Ashburn campus and has agreed to invest \$40.0 million in the property by the end of 2007. This financing is subject to completion of definitive agreements, and although there is no assurance that the definitive agreements will be completed, the Company currently expects the transaction to close before the end of the year. In addition, Equinix currently intends to list for sale those buildings that will not be used for its current operations or expansion plans.

The Company also announced today that it has entered into a non-binding letter of intent for the early termination of its San Jose ground lease. The ground lease, which covers 39 acres, was entered into in June of 2000 and had a remaining commitment of nearly \$100.0 million through 2020. Equinix has determined that there were more attractive expansion opportunities than building a new center on this property and requested an early termination of the lease. Under the proposed terms of the letter of intent, Equinix will pay \$40.0 million over the next four years, commencing January 1, 2006, as well as certain carrying costs of the property totaling an additional amount of approximately \$1.5 million. This financing is subject to completion of definitive agreements, and although there is no assurance the definitive agreements will be completed, the Company currently expects the transaction to close in January 2006. As a result of the deal, Equinix will incur a restructuring charge in the range of \$35.0 to \$40.0 million in the fourth quarter.

"The financial strength of Equinix has enabled us to gain financial control over key strategic properties and to better align our real estate assets with our long-term expansion objectives," said Peter Van Camp, CEO of Equinix. "Assuming the completion of these transactions on current terms, we anticipate significant savings over the terms of these leases."

About Equinix

Equinix is the leading global provider of network-neutral data centers and Internet exchange services for enterprises, content companies, systems integrators and network services providers. Through the company's Internet Business Exchange(TM) (IBX(R)) centers in 11 markets in the U.S. and Asia, customers can directly interconnect with every major global network and ISP for their critical peering, transit and traffic exchange requirements. These interconnection points facilitate the highest performance and growth of the Internet by serving as neutral and open marketplaces for Internet infrastructure services, allowing customers to expand their businesses while reducing

costs.

This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, the challenges of acquiring and operating IBX centers and developing, deploying and delivering Equinix services; a failure to receive significant revenue from customers in recently-acquired data centers; a failure to complete our contemplated financing arrangements; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers and other risks described from time to time in Equinix's filings with the Securities and Exchange Commission. In particular, see Equinix's recent quarterly and annual reports and registration statement on Form S-3 filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

Equinix and IBX are registered trademarks of Equinix, Inc.
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