

U.S. Data Center Market Update

Where capacity is being built, and what it takes to deliver it

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Market Snapshot | Record build, record-low vacancy

New capacity is absorbed as fast as it is delivered across the eight primary markets, H1 2026

7,481 MW

under construction

Record high, up 25% YoY

1.4%

vacancy rate

Record low, from 1.6% a year ago

80%

of new capacity preleased

Up from 74% a year ago

10,903 MW

total inventory

Up 34% YoY

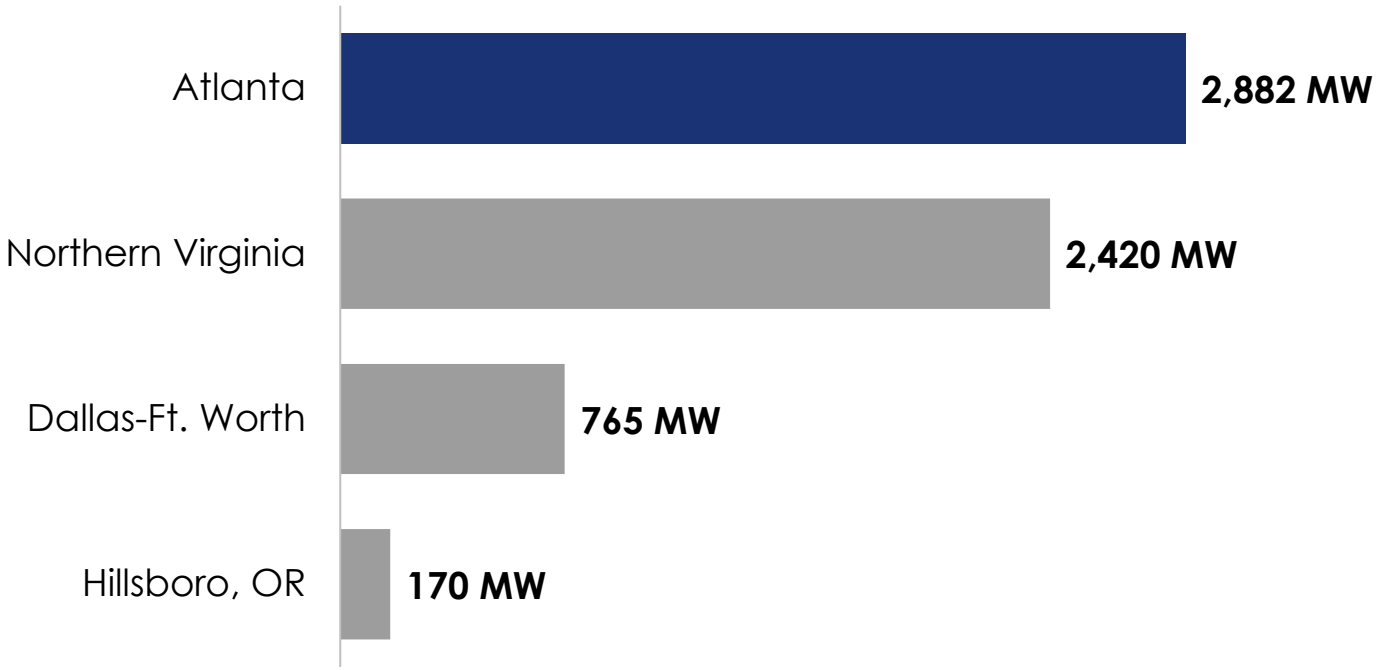
Less than 1,500 MW remains available for preleasing: about six months of demand at the H1 absorption rate of 1,456 MW.

Primary markets: Northern Virginia, Atlanta, Dallas-Ft. Worth, Phoenix, Chicago, Silicon Valley, Hillsboro, NY Tri-State. Source: CBRE, North America Data Center Trends H1 2026.

Active Regions | Atlanta now leads U.S. construction

Atlanta overtook Northern Virginia in capacity under construction for the first time in H1 2026

Capacity under construction by market, H1 2026



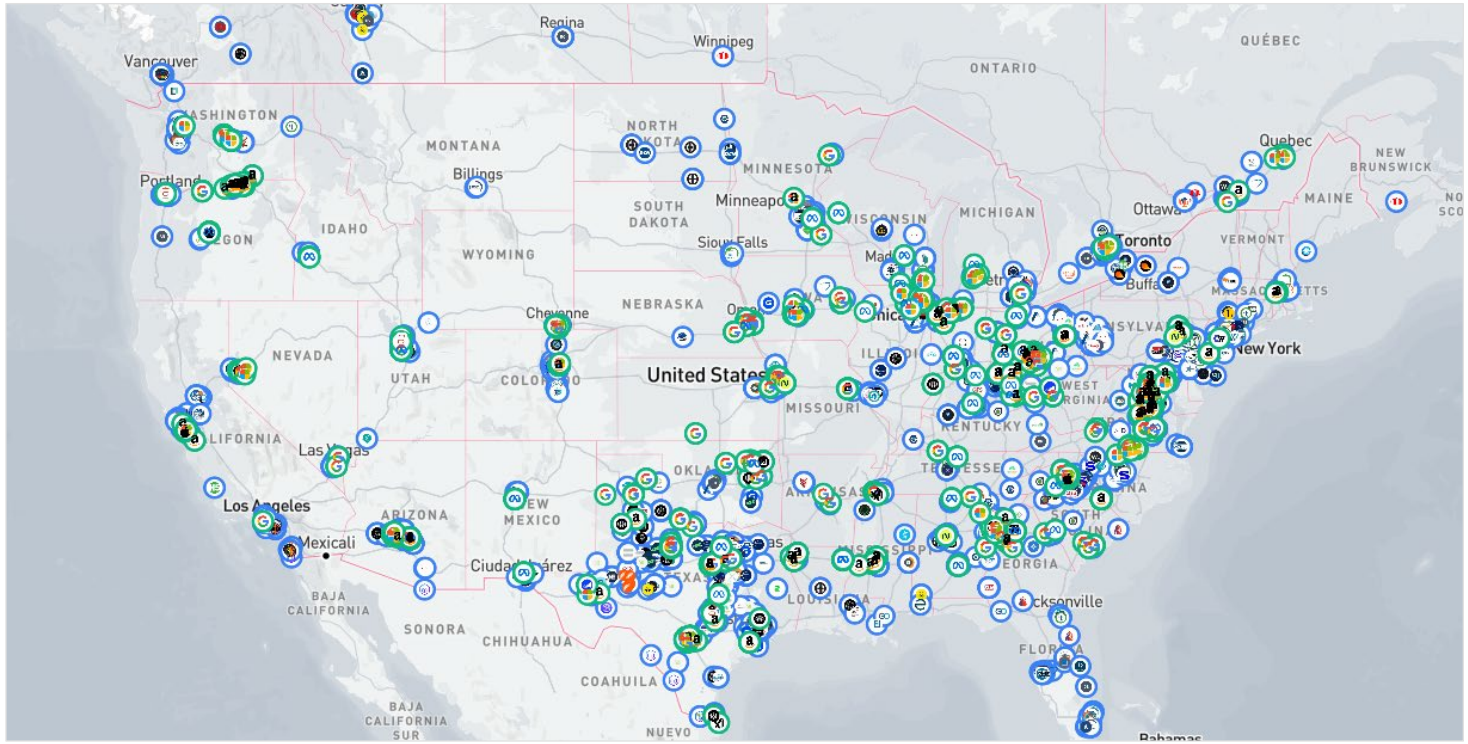
- **Atlanta, +52% YoY:** tax incentives, available labor and rural sites drive the build.
- **Northern Virginia, +17% YoY:** land, permitting and power limits slow growth; vacancy is 0.2%.
- **Dallas-Ft. Worth:** 95% of the 765 MW underway is preleased, with 3.7 GW more planned.
- **Next wave:** West Texas and Indiana attract projects on power availability and cost.

Dallas-Ft. Worth figure is colocation capacity. Source: CBRE, North America Data Center Trends H1 2026 (Aug 2026).

Inventory | Never Fear, Building is Happening Everywhere!

Northern Virginia is still the largest market, but growth is spreading south and west

Data center sites across the U.S.



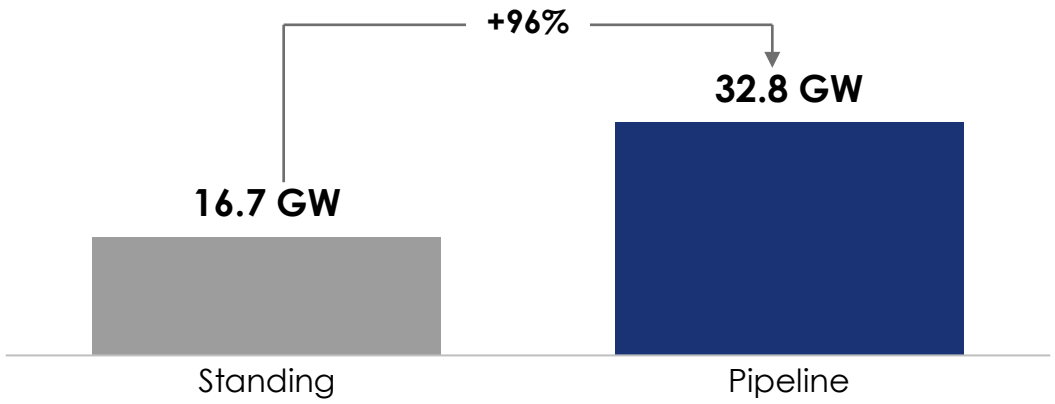
- **Northern Virginia:** 4,497 MW of the 10,903 MW primary-market total, with only 10.8 MW available.
- **Atlanta and Dallas-Ft. Worth** now rank second and third, at 1,803 MW and 1,433 MW.
- **Phoenix passed 1 GW;** Arizona has more than 10,600 MW of projects planned statewide.
- **Chicago:** utility power delivery dates now extend to 2032 or later.

Source: CBRE, North America Data Center Trends H1 2026 and Global Data Center Trends 2026; Arizona Corporation Commission (Apr 2026).

MW & Square Footage | Pipeline doubles MW in 2.3x larger buildings

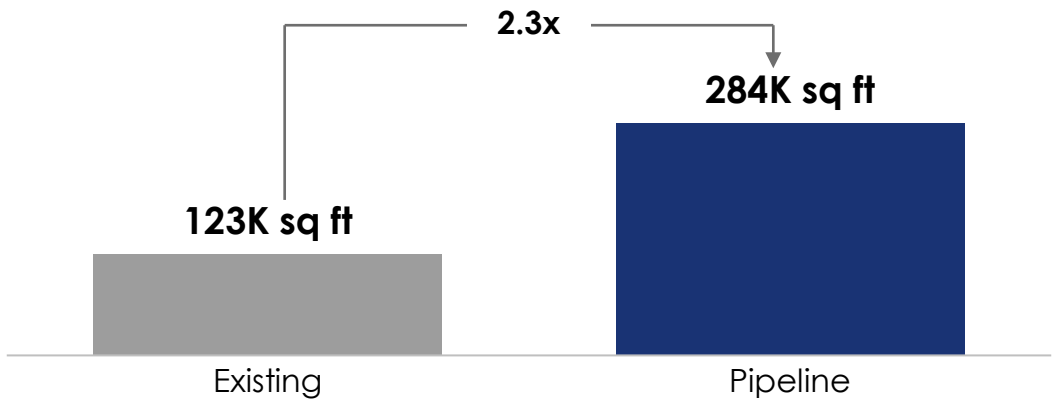
32.8 GW and 204M sq ft are in the U.S. pipeline, but not all of it will deliver on schedule

MW to be deployed
U.S. data center capacity, GW, June 2026



7.5 GW	under construction, 8 primary markets (CBRE)
66 GW	under construction across North America (JLL)
1/4 to 1/3	of pipeline MW on schedule by 2028 (MMCG)

Square footage to be deployed
Median U.S. data center building size, June 2026



204M sq ft	in the pipeline, 90% of 225M sq ft standing
701K sq ft	average 2026 project start, up from 454K in 2025
$818 / sq ft	avg. 2026 build cost, up 57% from 2025

Trackers differ in coverage. Source: MMCG U.S. Data Center Census (Jun 2026); CBRE DC Trends H1 2026; JLL Midyear 2026; ConstructConnect (Sep 2026).

Critical Items | What it takes to deliver on time

With 80% of new capacity preleased, **the delivery date is a contract term**, and these six items decide it

Power and interconnection

Secure a utility commitment before site control; Chicago power dates now run to 2032 or later.

Long-lead equipment

Order at design start: MV switchgear 52–80 weeks, transformers 75–110, large generators 90–110.

Permits and approvals

Zoning, entitlements and community review now gate sites alongside power and fiber.

Cooling for AI density

Design for liquid cooling and high rack densities from day one rather than retrofitting.

Skilled labor

Lock in electrical trades and commissioning agents early in markets competing for crews.

Commissioning

Plan integrated testing into the baseline so energization and handover hit the lease date.

Source: Terrapin Construction Group equipment lead times (Jun 2026); CBRE, North America Data Center Trends H1 2026 and Global Data Center Trends 2026.

Questions & Discussion

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