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SPECIALIST RECRUITERS

# DATA CENTRE CONSTRUCTION MARKET

## 2026 COMPREHENSIVE MARKET SNAPSHOT

# MARKET AT A GLANCE

The data centre construction sector is experiencing its most explosive growth period in history. Driven by AI infrastructure demand, hyperscale expansion, and the relentless growth of cloud computing, the sector has moved from a specialist niche to the most competitive and well-capitalised construction market in the United States. Coming into 2026, the pipeline is enormous and shows no sign of slowing.

**$52B+**

US data centre construction spend projected in 2026, up from $33B in 2023

**12–18%**

Annual wage growth for experienced data centre construction professionals

**10–25%**

Salary premium data centre roles command over equivalent general commercial positions

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Salary premium data centre roles command over equivalent general commercial positions

**$1M+**

Average daily contractor cost on a hyperscale campus build, making schedule the primary risk

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# KEY MARKET DRIVERS

## 1. The AI infrastructure boom

The rollout of large language models, generative AI services, and GPU-dense computing infrastructure has created an entirely new class of data centre demand. AI training clusters require 50–100MW+ of power capacity per facility, driving hyperscale operators to commit to multi-billion-dollar campus programmes years in advance. This is not a cycle: it is a structural shift.

## 2. Hyperscale operator expansion

Amazon Web Services, Microsoft Azure, Google Cloud, and Meta are each running multi-year, multi-market construction programmes that collectively represent hundreds of billions in committed capital. Each hyperscale operator has published aggressive capacity expansion targets through 2028 and beyond, providing a pipeline visibility that is unique in the construction industry.

## 3. Colocation and enterprise growth

Equinix, Digital Realty, Iron Mountain, and a growing field of specialist colocation providers are expanding capacity in response to enterprise cloud migration and hybrid IT demand. The colocation sector represents a significant portion of total construction activity, with build-to-suit facilities for anchor tenants driving substantial new development across emerging markets.

## 4. Power and energy transition

Power availability has become the primary constraint on data centre development in established markets. Operators are increasingly developing campuses adjacent to renewable energy sources, driving construction activity into secondary markets with available grid capacity. This geographic expansion is creating new demand clusters in markets that previously had limited data centre presence.

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# MAJOR PROJECT TYPES
## IN 2026

### Hyperscale campus builds

The largest and most complex build type in the sector: multi-phase campus programmes delivering 100–500MW+ of capacity across multiple data hall buildings, extensive power infrastructure, and integrated cooling systems. Projects routinely exceed $1–3B per campus and run for 3–7 years. Amazon, Microsoft, Google, and Meta are the primary drivers.

### Colocation facilities

Multi-tenant facilities designed for enterprise and cloud customers who lease space, power, and connectivity rather than owning infrastructure. Build-to- suit colocation for anchor tenants is a major growth area, with operators competing to secure long-term commitments from hyperscale and enterprise customers in high-demand markets.

### AI-optimised facilities

A new and rapidly growing build type designed specifically for GPU-dense AI workloads, requiring power densities of 50–150kW per rack, advanced liquid cooling infrastructure, and structural systems capable of supporting significantly higher floor loads than traditional data centres. This segment is the fastest-growing in the sector and commands the highest construction premiums.

### Edge and network facilities

Smaller-scale facilities positioned close to population centres or network nodes to reduce latency. Typically 1–20MW in scale, edge facilities are proliferating across secondary and tertiary markets as operators seek to extend their network reach. High volume, standardised design, and fast-track delivery are the hallmarks of this segment.

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# GEOGRAPHIC HOT SPOTS

## Where the construction activity is concentrated

Data centre construction activity is heavily concentrated in established markets with reliable power, fibre connectivity, and a mature contractor ecosystem. However, power constraints in Tier 1 markets are accelerating growth in secondary and emerging locations, creating new demand across markets that previously had limited mission-critical construction activity.

For construction professionals, geographic flexibility is one of the most significant factors influencing compensation and opportunity. Professionals willing to work in high-demand markets consistently command 20–35% premiums over national benchmarks, with per diem and relocation packages often adding a further $20–40K in annual total compensation.

### TIER 1: ESTABLISHED MARKETS (20-35/ ABOVE NATIONAL AVERAGE)

Northern Virginia / Ashburn

Seattle / Hillsboro

Silicon Valley / Bay Area

Chicago

New York / New Jersey

### TIER 2: HIGH-GROWTH MARKETS (15-25/ ABOVE AVERAGE)

Phoenix

Atlanta

Denver

Dallas / Fort Worth

Austin / San Antonio

### TIER 3: EMERGING MARKETS (5-15/ ABOVE OR AT AVERAGE)

Columbus, Ohio

Kansas City

Indianapolis

Salt Lake City

Charlotte / Raleigh

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# MARKET CHALLENGES

The demand-supply imbalance creates cascading consequences across the data centre construction ecosystem:

**The business impact:**

Replacing senior construction leadership costs $50,000–$75,000 per position after recruiting, onboarding, and productivity loss. On a programme running at $1M+ per day, this economic reality is pushing firms to invest aggressively in retention strategies.

### Power infrastructure constraints

Grid capacity limitations in established markets are the single most significant constraint on data centre development in 2026. Utility interconnection queues in Northern Virginia, Phoenix, and Silicon Valley have extended to 5–7 years in some cases, forcing operators to invest in on-site generation, renewable energy procurement, and geographic diversification to secure capacity.

### Long-lead equipment procurement

Transformers, generators, switchgear, UPS systems, and cooling equipment face lead times of 18–52 weeks in the current market. On hyperscale programmes, procurement must begin at design stage to avoid schedule risk. Experienced estimators and pre-construction teams who understand long-lead sequencing have become uniquely valuable to clients managing concurrent programmes.

### Cost escalation

Labour costs are rising 6–8% annually in standard markets, with premium data centre markets seeing higher growth. Material costs for steel, concrete, and specialised MEP components remain elevated. Operators are increasingly locking in pricing through long-term contractor frameworks and multi-project agreements to gain predictability on costs.

### Permitting and regulatory complexity

Data centre projects face increasing scrutiny from local authorities over power consumption, water usage, and environmental impact. Permitting timelines have extended significantly in several major markets, with community opposition and environmental review requirements adding months or years to project delivery in some jurisdictions.

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# TECHNOLOGY ADOPTION

## 1. BUILDING INFORMATION MODELING

BIM adoption in data centre construction now exceeds 60% nationwide. The complexity of data centre MEP systems makes BIM clash detection not optional but essential: a single unresolved MEP conflict on a live build can cost days of schedule and six figures in rework. Projects using BIM consistently complete faster and at lower final cost than those without.

### 20%
**Faster delivery on BIM-enabled projects on average**

## 2. MODULAR AND PREFABRICATED SYSTEMS

Factory-built MEP racks, power distribution assemblies, and cooling modules are reducing on-site labour requirements and compressing construction timelines by 4–6 months on major programmes. The shift to prefabrication is accelerating as labour shortages make on-site assembly increasingly costly and schedule-risky. Professionals who can coordinate prefab workflows with live site operations are in high demand.

### 4–6 months
**Timeline reduction on prefabricated MEP programmes**

## 3. AI-DRIVEN PROJECT MANAGEMENT

AI-assisted scheduling, cost forecasting, and risk modelling are becoming standard on hyperscale programmes. Smart scheduling tools that optimise crew deployment across concurrent phases, predictive analytics that flag supply chain risks before they materialise, and automated reporting systems are all reducing the management overhead on programmes that would otherwise require significantly larger teams.

### 60%
**Reduction in downtime on AI-scheduled programmes**

## 4. LIQUID COOLING INFRASTRUCTURE

The transition from air-cooled to liquid-cooled AI infrastructure is creating an entirely new specialism within data centre construction. Direct liquid cooling, immersion cooling, and rear-door heat exchanger systems require specialist installation knowledge that is not yet widely available in the market. Professionals who develop expertise in liquid cooling installation and commissioning are entering the highest premium segment of the sector.

### Next
**Emerging premium specialism across all construction disciplines**

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# PROCUREMENT TRENDS

### Progressive design-build and EPC

Hyperscale operators are increasingly using progressive design-build and EPC (engineering, procurement, construction) delivery models that allow early contractor involvement in design, constructability review, and long-lead procurement. These approaches compress programmes that would otherwise take years, and create deep long-term relationships between operators and preferred GC partners. Being on a hyperscale operator's preferred contractor list is one of the most valuable positions in the sector.

### Multi-project framework agreements

To address cost unpredictability and labour availability risk, hyperscale operators and major colocation providers are increasingly committing to multi-year, multi-project framework agreements with preferred contractors. These frameworks pre-agree pricing, labour supply commitments, and delivery standards across entire programme pipelines, providing contractors with revenue visibility and operators with supply chain security. Framework positions are intensely competed for.

### Self-performing general contractors

Contractors with large in-house craft workforces are gaining significant competitive advantage in the data centre market. Reduced subcontractor dependency means better schedule control, higher quality consistency, and lower exposure to the skilled trades shortage. Leading firms are investing heavily in growing their self-perform capabilities, with some operating 5,000 or more in-house workers. This trend is reshaping the competitive landscape of the GC market.

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# OUTLOOK THROUGH 2027

The market shows no signs of slowing: The structural drivers behind data centre construction growth are durable and multi-year. AI infrastructure demand alone represents a generational investment cycle, with hyperscale operators publicly committing hundreds 0f billions in capital expenditure through 2026 and 2027. Key indicators pointing to continued robust growth:

> AI training and inference capacity requirements growing faster than any prior technology transition

> Hyperscale operators maintaining aggressive capex guidance through 2027 and beyond

> Secondary market development accelerating as power constraints shift activity out of established markets

> Enterprise cloud migration continuing to drive colocation demand

> Liquid cooling infrastructure requiring widespread retrofit and newbuild investment

> Sustainability mandates and renewable energy commitments driving further facility investment

## Market Forecast:

Data centre construction spending is expected to maintain 15–20% annual growth through 2027, with AI optimised facilities and liquid-cooled infrastructure representing the fastest-growing segments. The talent shortage will remain the primary constraint on delivery capacity across every major market.

**$650K**
Construction and operations roles projected sector-wide by 2026

**2035+**
Horizon through which AI infrastructure demand is expected to sustain growth

**15–20%**
Projected annual market growth rate through 2027

**Top 3**
Data centre construction is now among the three highest-paying sectors in US construction

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