

## Article Overview

Full racks in North American Tier III data centers typically cost \$1,000-\$1,500 per month, with half racks starting at \$400-\$600, while private cages range from \$2,000 to \$5,000 per month depending on size, power, and location.

## Pricing Overview

Colocation pricing is primarily determined by space, power, and connectivity. Providers charge based on the rack footprint (full rack, half rack, or partial units), the power allocation in kilowatts, and additional services such as cross-connects, bandwidth, and remote hands support .

- o Full Rack (42U): \$900-\$2,000 per month depending on location, facility tier, and power configuration. Centrally located Tier III facilities with dual 20-amp 208V circuits typically cost \$1,000-\$1,500 per month .
- o Half Rack (20-21U): \$400-\$600 per month, usually including 20-30 amps of 208V power and shared cooling .
- o Private Cages: Semi-dedicated spaces (200-400+ sq. ft.) start at \$2,000-\$5,000 per month, with larger or custom build-to-suit cages quoted individually .

## Key Cost Drivers

- o Power Usage: Power allocation is now the most significant factor in pricing. High-density deployments, such as AI workloads requiring 20-100 kW per rack, command higher rates than standard 3-10 kW racks .
- o Location: Data centers in Tier 1 cities or major metros (e.g., New York, Silicon Valley) are more expensive due to connectivity, latency, and disaster recovery advantages . Secondary markets offer lower rates.
- o Bandwidth and Connectivity: Costs vary based on port speed, metered vs. unmetered billing, and cross-connect requirements .
- o Facility Tier and Efficiency: Tier III or IV facilities with lower PUE (Power Usage Effectiveness) are more energy-efficient, which can reduce operating costs and influence pricing .
- o Additional Services: Setup fees, remote hands, disaster recovery, and contract length can significantly affect total monthly costs .

## Market Trends

- o North American colocation vacancy fell to a record 1.4% at the end of 2025, driving faster price escalation and limited negotiation room .
- o Average monthly rates for 250-500 kW deployments are around \$196 per kW, with all-in rates including power and services closer to \$250 per kW .
- o High-density AI colocation is creating a separate pricing track due to specialized cooling and power requirements .

# Pricing of Data Center Rack Placement

## Summary

When budgeting for colocation, consider rack size, power density, location, bandwidth, and service add-ons. Transparent comparison of quotes is essential, as base rates often exclude critical costs like power delivery, cross-connects, and remote hands support. For most North American deployments in 2026, expect half racks at \$400-\$600, full racks at \$1,000-\$1,500, and private cages at \$2,000-\$5,000 per month, with high-density or premium locations commanding higher prices .

This option allows businesses to house their servers and IT equipment within a designated

Data center cost per rack: Rack-level costs vary significantly by density and cooling

The average cost per rack in a data center is increasingly a function of power pricing, not

Rent rack space from 1U to full rack across 500+ data centers. Compare real pricing on power, bandwidth,

There are two main approaches to colocation pricing: per rack, which includes some amount of power, or just straight

This paper optimizes the configuration of large-scale data centers toward cost-effective, reliable and sustainable cloud

Data center colocation pricing can vary significantly, depending on a large number of factors. Here is the data center colocation

The data center real estate market is hyperlocal -- a rack in Ashburn, Virginia and a rack in

Colocation pricing is built on three main components: physical space (measured in rack units

This post breaks down real pricing for each deployment size, from single-unit racks to private

Thus, overall, the cost of the hardware, the installation, and the constant usage of the rack in one data center may vary from \$5000

What data center colocation costs in 2026, priced per rack, per kW, and per cabinet.

How to size, lay out, and cool data center server racks the right way. A



# Pricing of Data Center Rack Placement

This guide outlines the costs of colocation and helps you better understand how data centers price colocation.  
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Learn how kW per rack impacts colocation pricing, energy efficiency, and performance.

Learn how to choose data center racks, their technical features, and maintenance considerations for

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