



# AVAIO | CAPITAL

<b>POSITION</b>	<b>CHIEF COMMERCIAL OFFICER &amp; PRINCIPAL</b>
<b>REPORTS TO</b>	Member – ADP Investment & Development Team
<b>DATE</b>	May 2021
<b>WEBSITE</b>	<a href="https://www.avaiocapital.com/">https://www.avaiocapital.com/</a>
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## COMPANY OVERVIEW

AVAIO Capital is a build-to-core infrastructure investment firm led by professionals from investment, development, engineering, construction, and operating backgrounds. AVAIO makes equity investments in, and brings investment, development and construction expertise to the creation and redevelopment of sustainable infrastructure assets throughout North America and Europe in four sectors: digital, water, energy transition and transportation. In aggregate, the team has completed more than \$4 billion of equity transactions and over \$50 billion of infrastructure development and construction projects across the water, transportation, digital and energy sectors. Founded in 2016 by Mark McComiskey and Anthony Gordon as the private infrastructure investment arm of AECOM, one of the world's largest engineering companies, AVAIO was spun out into an independent, partner-owned business in 2019.

## KEY DIFFERENTIATORS

**Fusion of investment and in-house operating capabilities** - Our team combines deep investing expertise with development, construction, and operating capabilities

**AECOM Relationship** - Unique source of both deal flow and technical expertise

**Sustainability** - Climate-related risks integrated into project evaluation and investment underwriting

### **Middle market proven value-creation techniques**

- Single asset creation
- Platform creation
- Carve out / build out

**Stage-gate approach to diligence and investment** - Capital is expected to be deployed only as milestones are achieved and project de-risked



## TARGET SECTORS

Balanced focus across the core infrastructure sub-sectors -

TRANSPORT	WATER	DIGITAL INFRASTRUCTURE	ENERGY
<ul style="list-style-type: none"> <li>- Container Terminals</li> <li>- Private Rail</li> <li>- Private Airports</li> <li>- Logistics Centers</li> <li>- Cargo Facilities</li> </ul>	<ul style="list-style-type: none"> <li>- Pipes &amp; Storage</li> <li>- Desalination</li> <li>- Water Utilities</li> <li>- Industrial Water Treatment</li> </ul>	<ul style="list-style-type: none"> <li>- Data Centers</li> <li>- Fiber Networks</li> <li>- Cell Towers</li> </ul>	<ul style="list-style-type: none"> <li>- Pipelines &amp; Storage</li> <li>- Grid-scale Batteries</li> <li>- LNG &amp; Processing</li> <li>- Energy Efficiency</li> <li>- District Energy</li> </ul>

## COMMITMENT TO SUSTAINABILITY

AVAIO Capital aims to create long-term infrastructure assets that are vital to the wellbeing and economic growth of the communities in which they are located.

AVAIO Capital focus from the outset to ensure that...

- Our projects observe the highest standards of environmental and safety compliance.
- We are transparent with, and responsive to the needs of, all stakeholders in the communities we serve.



**AVAIO Capital is pleased to announce the funding of AVAIO Digital Partners ("ADP")**, a digital infrastructure platform pursuing build-to-suit development and construction of sustainable hyperscale data centers in the Americas and Europe. Funded by a \$375 million equity commitment from a large investment manager with more than \$25 billion of assets under management, ADP has a pipeline of hyperscale projects already under development in the US, Canada and Western Europe representing over 400 MWs of capacity.

"The data-center market continues to benefit from secular demand trends worldwide. We are thrilled to have partnered with an investor that shares our view that the most attractive segment in this market is the creation of new, sustainable data-center facilities to meet the needs of leading global companies. We are excited to advance the development of our growing portfolio of hyperscale sites", said Mark McComiskey, a Partner at AVAIO Capital.

"AVAIO's expertise in creating new, sustainable infrastructure is well suited for the data-center market where existing facilities have become very expensive and demand from global companies continues to grow rapidly", said AVAIO Partner Anthony J Gordon.



## ADP INVESTMENT & DEVELOPMENT TEAM

ADP's team has over 100 years of infrastructure investing experience –

- Financial and operational professionals with significant experience in development, construction, and power
- Managed development and construction of billions of dollars in infrastructure assets, from data centers to conventional and renewable power generation to water and transportation facilities
- Deep experience in key areas for data center new build strategy: power generation and distribution, water, project development and large-scale construction



**MARK MCCOMISKEY**  
*Partner*

[Company Profile](#)  
[LinkedIn Profile](#)



**ANTHONY GORDON**  
*Partner*

[Company Profile](#)  
[LinkedIn Profile](#)



**KEVIN MURPHY**  
*Partner*

[Company Profile](#)  
[LinkedIn Profile](#)



**DAN MCQUADE**  
*Partner*

[LinkedIn Profile](#)



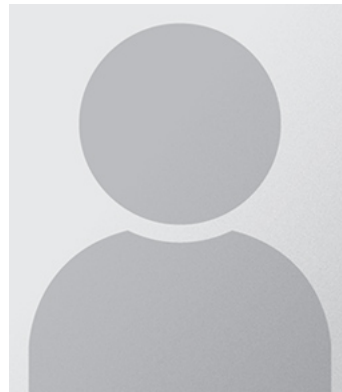
**JOHN MALONE**  
*Principal*

[Company Profile](#)  
[LinkedIn Profile](#)



**JOHN DELACIO**  
*Vice President*

[Company Profile](#)  
[LinkedIn Profile](#)



**TBD**  
*CCO & Principal*



## PROJECTS

ADP has created > \$3B real asset TEV in infrastructure to include –

- 100MW+ greenfield data center complex in Phoenix AZ
- 50MW+ & 50MW greenfield data center complexes in VA
- 50MGD Carlsbad Desalination Plant in CA
- 100MW Solar Portfolio in Europe

ADP has more than 50 global projects under consideration at different stages of maturity –

- Priority – Market and technical assessments complete or current. Partnerships established, timing forecasted, and prospective market and customer applications defined.
- Next Wave – Leveraging development history, partnerships, and relationships, ADP has a massive and unique leads and insights on prospective deals that are not ‘on market.’
- Review – A pipeline of additional leads pushing the bandwidth of the team to qualify and prioritize the Next Wave stages of prospective projects into Priority stage. #Opportunity

## APPROACH

ADP’s Partners are capitalizing on the significant evidence of demand and willingness by end-users to outsource capacity.

- Secular increase in data volume, traffic, and applications at B2B, B2C, & C2C levels
- Trends accelerating the need for significantly increased digital infrastructure.
- Highlights immediate need for robust, resilient, redundant data center capacity.

ADP’s “Build-to-Core” data center approach delivers large value uplift. ADP focuses on Advanced Development and Construction stages with intent to sell vs operate the asset. ADP invests in pre-construction projects (within 2 years of FID) and targets PE returns in part by capitalizing on the gap between build and buy costs. ADP secures project control and the right to invest in the construction of the project and then will leverage value uplift from the creation of a growing platform of operational, core-infrastructure assets.

## PARTNERSHIPS

ADP is partnering with the most credentialed organizations supporting the data center and mission critical market.

### Design Partners



### Construction Partners





### Operations Partners



### Finance Partners



## COMPANY CULTURE

AVAIO Digital Partner's team is comprised of enterprising executives with an exceptional track record returning value to their investors. This requires an outcome oriented, performance-based culture which tends to attract confident, independent, and accountable professionals who value collaboration and interdependence.

## COMPANY NEWS

March 2021 - [Macquarie and AVAIO Partner on Antwerp Desalination Plant Development](#)

February 2021 - [AVAIO Capital Announces the Launch of AVAIO Digital Partners](#)

November 2019 - [Mark McComiskey: Infrastructure's most important role](#)

April 2019 - [AVAIO launches inaugural \\$1B infra fund after spinout from AECOM](#)

January 2019 - [AVAIO Capital Completes Spin Out from AECOM](#)

## COMPANY NEWS

## COMPANY ARTICLES

### Data centers: balancing climate change and digital growth

John Malone

### Where Climate Meets Digital

AVAIO Data Centers and Sustainability White Paper



# AVAIO | CAPITAL

## **CHIEF COMMERCIAL OFFICER & PRINCIPAL**

As an independent investment manager focused on the creation of new and the expansion of existing infrastructure assets, AVAIO Digital Partners (ADP) takes a value-added approach to creating and investing in de-risked, mid-to-late stage, real asset creation and redevelopment opportunities. The team is composed of both financial and operational executives with substantial experience in investing, developing, constructing, and operating infrastructure assets. They are seeking a Chief Commercial Officer (CCO) & Principal with expertise in the development and commercial transactions of data center real estate with globally hyperscale and cloud platform companies.

## **GO TO MARKET**

ADP offers a remarkable advantage both to the CCO as well as the target customer by virtue of their well thought out strategy, which has the benefit of hindsight of infrastructure development in other vertical markets. As a private investment organization with massive infrastructure development and construction expertise, ADP approaches the market with no constraints or definitions imposed on them, the way a PE, Infrastructure, or REIT might. They enter the data center infrastructure market with a strategic value proposition that anticipates requirements for solutions every step of the way.

All their sites are greenfield which offers more opportunity to create value while lowering risk. This allows ADP a freedom to be adaptable and create value where the specific opportunity requires. They can start conversations and create alliances at an asset level, with a country or region or municipality, with landowners, construction companies, utilities, energy, power, and/or connectivity interests. This extent and multitude of perspectives defines the value the team's history in proving out this model. They are unencumbered and prepared to create solutions and capitalize on situations where others see obstacles.

## **COMPETITIVE ADVANTAGE**

### **Platform Thesis**

- Global demand from highly creditworthy end users for data center capacity is growing rapidly
- "Hyperscale" (large, 25+ MW, massively scalable) data center supply is lagging demand
- Construction of new data centers offers highly attractive creation multiples (sub 10x EBITDA) versus trading and sale value of operating data centers (20x+ EBITDA), providing the opportunity to ample capital appreciation
- The ADP team brings over 100 years of experience developing, construction, and operating sustainable infrastructure assets



**Phased Low-Risk Approach** - A milestone-based approach to project development and de-risking -

- ADP's phased approach to data center creation means comparatively small amounts of capital are spent on site diligence, exclusivity, and development (~\$1.5mm on sites per ~\$250 million data center site)
- New data centers are only put into construction, and significant capital invested, once long-term leases with strong customers have been executed.

**Project Focus** - Build to suit, hyperscale data centers and supporting digital infrastructure.

- >20 Ha, line of sight to 100MW+ in <24 months
- Focused on scalable, campus style development opportunities.
- \$100 million to \$1.5 billion total project value

**Commercial Model** - ADP offers hyperscale customers attractive and flexible commercial structures.

- Pre agreed lease terms prior to material investment with buyout rights.
- Strong focus on project sustainability and resiliency

**Capital Backing**

- \$375 million equity commitment from leading global asset manager with over \$25 billion in assets under management provides certainty of funding.

## CHARTER

The charter of the CCO in its simplest terms is to amass, distill, and market ADP's resources and competitive advantages to sign triple net leases with growing hyperscale and cloud platform organizations seeking additional data center capacity in the form of building, buying, or leasing new facilities in globally diverse geographic locations. ADP has been positioning to secure sites in locations they know are attractive to this target audience. The CCO will work in close coordination with the target audience to determine their growth directives and capacity interests and in turn, mobilize resources to develop those locations which facilitate the target audience's presence in those market faster and with less risk.

This requires an exceptional range of market knowledge from both a supply and demand standpoint. ADP has already created a massive pipeline of prospective project sites. The CCO will marry up their customer demand knowledge and ensure the target audience is aware of the site's availability, characteristics, and financial advantages. ADP will have conducted the necessary due diligence to determine if the site is suitable from a technical and commercial perspective and when deemed appropriate, move proactively to entitle, permit, and engage necessary power, MEP, & connectivity resources.



## EXPECTATIONS

The CCO is expected to possess a unique and extensive combination of experiences and skills that can progress, entice, and facilitate sophisticated considerations of ADP's global offering of sites, financial resources, and infrastructure development resume. At a high level, this will require -

- 10+ years of progressive experience in the commercialization of data center real estate opportunities across a broad set of criteria to include customers, locations, and financial arrangements.
- Self-assured and self-directed professional who is comfortable operating independently in an environment with a modicum of structure and yet has the operational intelligence to collaborate and align visions and resources to mutually successful outcomes.
- Embraces a performance-based work environment where everyone works under the same organizational structure and financial incentives to achieve great outcomes for a broad set of constituents involved.
- As a senior management member of the company, embraces a circumstance of having momentum, funding, and material to work with but excited about the opportunity to mold and create products and services that spark enthusiasm and derive value.
- ADP works for their investors which assumes a responsibility to be as forthright, earnest, honest, and transparent with all parties involved in these deals to ensure value is created and shared.
- Demonstrated ability to engage in meaningful discussions with prospective customers and articulate ADP compelling advantages -
  - Highly credentialed partners in the data center market who understand the current base design requirements of the leading data center organizations.
  - Backed by a major financial organization which provides more than ample capital to pursue a multitude of deals, structures, and timing.
  - 5+ construction sites that could start construction tomorrow and deliver buildings as fast as 6 months, effectively saving a year's time from a customer doing this on their own.
  - Flexibility to offer build-to-suit, full purchase, or wholesale lease.
  - History of applying this model to other types of vast, fast growth infrastructure development so they can mobilize quickly and professionally.

## KEY QUALIFYING CRITERIA

ADP will be evaluating CCO candidates by virtue of the extent of demonstrated experience and characteristics related to the following –

- Build-to-Suit, wholesale lease, and/or data center commercial transaction history.
- Hyperscale and Cloud platform relationship network.
- Market knowledge – domestic and international locations, trends, tendencies, and interests
- Invested environment history, knowledge, and motivations.
- Team player and value creator.





## WHY CONSIDER THIS OPPORTUNITY WITH AVAIO DIGITAL PARTNERS?

**Stage** – From an economic perspective, the CCO receives ground floor valuation equity versus an equity position with an already capitalized company where the ability to create value is dramatically minimized.

**Impact** – While just leaving the starting gates, ADP already has projects to leverage and momentum to build on. From day one, the CCO will be relied upon to make decisions that meaningfully impact how investments create value for all stakeholders.

**Financial Strength** – The ADP team has gained the confidence of a premier investor to partner with in the digital infrastructure market. This partner is “the platinum card’ in what they do and broadly recognized and respected across the global investment market.

**Culture** – ADP’s leadership are eager to share their lean, entrepreneurial, earnest, self-accountable, and outcome-oriented culture with someone who shares these values and is eager to build a company where ‘bad news travels fast.’

**Credentials** – ADP leadership team brings a remarkable track record of investment and development success to the digital infrastructure market. They have worked together in the past and keenly enjoy solving challenges to exceed performance return expectations.

**Focus & Flexibility** – ADP structure allows for a clear market investment thesis and yet unencumbered in their ability to pivot to capitalize on strategies which present clear business case propositions with attractive return outcomes.

## COMPENSATION

Private equity structured compensation package to include a base salary, moderate annual performance compensation, benefits, and substantial long term incentive compensation in the form of participation in the performance of the investments.

## SEARCH PROCESS

Following a thorough exchange of information relating to company information, resume, and key qualifying criteria, CFS Partners anticipates recommending a short list of candidates to AVAIO Digital Partners for video introductions with the Senior Leadership Team in May 2021. Finalists will be selected and determinations for travel to meet in person will be contingent on Covid related sensitivities and considerations at that time. The selected finalist will be presented with a compelling offer contingent on clean reference and background checks.