Proskauer

Proskauer Represents DataBank on a $6 Billion Equity Recapitalization

September 14, 2022

September 14, 2022 (New York) – Proskauer represented DataBank, a nationwide edge data center platform, and its sponsor entity, Digital Bridge Advisors, on the closing of a partial equity recapitalization and general partner led secondary, involving the continuing investment by certain investors and over $1.5 billion paid by new equity investors (led by affiliates of Swiss Life Asset Management AG ("SLAM") and EDF Invest ("EDF")) to equity holders electing to sell interests in the transaction. The transaction valued DataBridge (on an enterprise basis) at approximately $6.0 billion.

On August 25, SLAM and EDF acquired approximately 27% of the fully diluted equity interests in DataBank from existing investors for approximately $1.2 billion.

On August 26 and September 2, existing investors sold $360 million of indirect equity interests on DataBank (representing an approximately 8.1% interest) to investment vehicles associated with new investors in DataBank (including investment vehicles affiliated with Northleaf, Ardian and Blackstone).

The transaction has drawn interest from additional investors looking to acquire equity in DataBank from existing investors, and additional transactions are expected to close in the coming weeks raising approximately $1.16 billion of additional equity. All sides (including investor counsel and representation and warranty insurers and brokers) reported that the transaction structure broke some new ground and was "another level" in the general partner led secondaries space.

The recapitalization will enable DataBank to accelerate its long-term U.S. edge infrastructure growth strategy. Since 2016, DataBank has been progressively building an ecosystem of interconnect and data center locations in Tier 1 and Tier 2 U.S. markets. Today, their colocation and edge infrastructure footprint includes over 65 data centers and 20 interconnection hubs in more than 27 markets; on-ramps to an ecosystem of cloud providers; and a modular edge data center platform.

The Proskauer team advising DataBank was led by partners Don Melamed (Private Funds); Steven Lichtenfeld (Private Equity Real Estate) and Amanda Nussbaum (Tax). It also included associate Muhyung (Aaron) Lee (Tax); associate Laura Addicott (Mergers & Acquisitions); senior counsel Natalie Scott and associates Kristopher Yingling, Danyelle Everett-O'Neill (Private Funds); partner John Failla (Insurance Recovery and Counseling); Ira Bogner and senior counsel Adam Scoll (ERISA).

About Proskauer

We are 800+ lawyers serving clients from 12 offices located in the leading financial and business centers in the Americas, Europe and Asia. The world's leading organizations, companies and corporations choose us to be their representatives in their most critical situations. But more, they consider Proskauer a strategic partner to drive their business forward. We work with asset managers, major sports leagues, Fortune 500 companies, entertainment industry legends and other industry-redefining companies.

Related Professionals

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