42MW Grid-Powered Capacity + 50MW Gas Expansion with Long-Term Recurring Revenue



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42MW Grid-Powered Capacity + 50MW Gas Expansion with Long-Term Recurring Revenue

An opportunity to participate in a large-scale data center development in Texas, combining phased grid-connected capacity with an additional gas-powered expansion. The project features a long-term rental model, tenant-backed credit support and a structured project-level financing arrangement.

TARGET PRICE
$400,000,000

GROSS REVENUE
$0

EBITDA
$0

BUSINESS TYPE
Data Centers

COUNTRY
United States

BUSINESS ID
L#20261227

INVESTMENT AT A GLANCE

Key metric	Project overview
Proposed equity investment	US$20 million
Proposed SPV participation	5%
Total billable IT capacity	92 MW
Grid-powered capacity	42 MW
Gas-powered expansion	50 MW
Rental rate	$175 / kW / month
Annual rental escalator	3%
Projected annual revenue at full capacity	~$193.2M
Illustrative 15-year investor cash	$81.0M
Illustrative 15-year IRR	~24%

PROJECT OVERVIEW

The development is structured around three phases of power deployment:

Phase 1 – Initial Grid Capacity

- 12 MW of critical IT capacity.
- Target billing commencement: June 2027.

Phase 2 – Additional Grid Capacity

- Additional 30 MW of critical IT capacity.
- Target billing commencement: December 2027.

Phase 3 – Gas-Powered Expansion

- Additional 50 MW of gas-powered critical IT capacity.
- Target billing commencement: February 2028.

Total planned billable IT capacity reaches 92 MW.

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REVENUE MODEL

The project follows a long-term data center leasing model.

- Initial rental rate of $175 per kW per month.
- 3% annual rental escalation.
- Electricity and fuel costs paid by the tenant.
- Projected annual revenue of approximately $193.2 million at full capacity, based on the initial rental rate.
- Advance rental prepayment and additional tenant credit support under the proposed lease structure.

INVESTMENT STRUCTURE

The proposed equity investment is US$20 million in exchange for a fixed 5% interest in the entire project SPV.

The proposed project financing structure includes senior debt alongside equity participation.

Detailed financing terms, investor distribution mechanics and definitive SPV documentation are subject to due diligence and final agreements.

ILLUSTRATIVE INVESTOR RETURNS

Investment metric	Projected returns
10-year cumulative cash	$49.4M
15-year cumulative cash	$81.0M
20-year cumulative cash	$146.6M
15-year cash / invested	4.05x
Illustrative 15-year IRR	~24%
Quarterly cash, first full year	~$1.18M

The projections are based on the sponsor's financial model and are not guaranteed returns.

KEY INVESTMENT HIGHLIGHTS

Phased grid deployment

42 MW of grid-connected capacity targeted to become revenue-generating in two stages during 2027.

Gas-powered expansion

Additional 50 MW of capacity targeted for February 2028.

Long-term recurring revenue

Rental income supported by a proposed 3% annual escalation.

Tenant-backed structure

Proposed 12-month rental prepayment and 12-month letter of credit, structured in two tranches.

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Attractive projected investor economics

Illustrative 15-year cash distributions of $81 million for the proposed 5% SPV interest.

Power cost allocation

Electricity and fuel expenses are allocated to the tenant under the proposed lease structure.

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