



FAIRNESS OPINION

CASE STUDY

Fairness Opinion for a Complex GP-Led Secondary Transaction Involving Data Center Assets

Simon Koo, CFA, MBA

Director - Financial Valuation & Consulting
skoo@marshall-stevens.com

John Agogliati, ASA, CFA, MBA

Managing Director - Transaction Advisory Services
jagogliati@marshall-stevens.com

Challenge

A publicly traded alternative asset manager focused on digital infrastructure investments engaged Marshall & Stevens to provide a fairness opinion in connection with a GP-led fund-to-fund transfer of a data center development asset. The transaction involved a data center project anchored by a hyperscale tenant and required evaluation across affiliated funds with differing investor interests. The analysis included multiple structuring scenarios, including contingent earnout provisions tied to future leasing and stabilization milestones. The engagement was further complicated by evolving market dynamics, including power availability constraints, regional pricing variability, and a compressed timeline with multiple stakeholders.

Approach

Marshall & Stevens served as an independent valuation consultant and fairness opinion provider, performing a comprehensive valuation analysis of the data center development project. The team evaluated project-level forecasts, construction timelines, and contractual arrangements with the hyperscale tenant to assess key value drivers and risks. Multiple valuation methodologies were applied, including discounted cash flow analyses under various development scenarios and benchmarking against comparable data center transactions. Sensitivity analyses were performed on critical assumptions such as lease-up timing, power costs, and exit capitalization rates, with particular attention to the structure and impact of contingent consideration. Marshall & Stevens coordinated closely with management and legal advisors to ensure alignment on assumptions and support a well-informed and defensible fairness conclusion.

Outcome

Marshall & Stevens delivered an independent fairness opinion, providing the client with confidence that the consideration was fair from a financial point of view. The analysis helped clarify key risks and value drivers, particularly related to development uncertainty and earnout structures. The engagement supported fiduciary responsibilities, aligned investor interests across funds, and facilitated timely execution of a complex transaction. Marshall & Stevens presented its analysis of the transaction to the approving board to assist their ultimate determination of whether or not to proceed with the transaction.