

Information Infrastructure: sector brief

Proceeds from the origination sectors are reallocated first to information infrastructure. The reason is duration. A regional data facility, a fibre route or a secure records site carries contracted revenue over 10 to 15

KIND	EXPOSURE	POSITIONS
Deployment	US\$104 million across 4 positions	4
DIVISIONS		
Information & Data, Private Equity, Commercial Finance		

Overview

Proceeds from the origination sectors are reallocated first to information infrastructure. The reason is duration. A regional data facility, a fibre route or a secure records site carries contracted revenue over 10 to 15 years, which is the opposite risk shape to a biological asset. Holding both at once is what capital mobility is for.

The 4 positions total US\$104 million. Two are regional colocation facilities serving customers who require their data to remain inside one jurisdiction. One holds capacity on terrestrial fibre routes between secondary cities. The fourth is a secure records and archive site with climate control. Contract terms average 9 years and carry annual indexation. No facility depends on a single customer for more than a third of its contracted revenue.

Power and permits set the ceiling. A facility is worth what it can cool, and cooling is a function of grid connection and local consent. Every position is underwritten against a signed connection agreement and a consent that runs beyond the contract book. The Information Governance Committee reviews the data residency terms in each customer lease.

Thesis

Information infrastructure converts short-cycle origination profits into long-dated contracted income. The customer base is regulated, the switching cost is physical, and the revenue is indexed. IGUAKO Capital accepts a lower headline return here in exchange for duration, and uses that duration to carry the origination book through its own cycles.

Themes

- Regional colocation with residency inside one jurisdiction
- Terrestrial fibre capacity between secondary cities
- Secure records and archive sites with climate control
- Grid connection and local consent as the binding constraint
- Indexed contracts averaging 9 years

Case studies

Case	Year	Jurisdiction
Kawartha Reach Data Centres	2023	Canada

Research

- 2021-09-15: The second cable: connectivity risk in small jurisdictions
- 2023-08-15: Power before fibre: underwriting a small-market data centre
- 2024-11-12: Landing stations: financing connectivity for small island economies
- 2026-06-16: Small halls, local rules: underwriting data residency

Colophon

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