



365 Data Centers Acquired by Investor and Management Group

Industry Veterans to Leverage 365's Carrier and Content Centric Edge Data Center Colocation Platform for Expansion into Enterprise and Managed Services Markets

April 25, 2017 - An investor group, led by Chirisa Investments in partnership with Lumerity Capital LLC and Longboat Advisors LLC, announced that it has acquired 365 Data Centers, a leading provider of data center solutions for carrier, content and cloud customers in eight strategic markets. Bob DeSantis, previously Co-founder and Managing Partner of Xand, has assumed the role of Chief Executive Officer at 365 Data Centers.

The acquired facilities are located in Buffalo, Chicago, Detroit, Indianapolis, Nashville, Philadelphia, New York, and Tampa. 126,000 square feet of floor space and 9 MW of power are in place to serve customers in these markets, where the enterprise percentage of the data center spend exceeds the national average. The carrier, content, and cloud centric customer ecosystem residing within these eight facilities include 25 major carrier customers, which have 122 network PoPs providing access to national and international core internet nodes and peering points and 20 million households, and many of the nation's top cable operators and other content providers. The Nashville and Tampa facilities also host their regions' internet exchanges while the Buffalo facility serves as a dominant carrier gateway to Canada. In addition, the Tampa facility is the primary carrier hotel in its region.

"This initial acquisition provides us with a proven carrier neutral platform in predominantly edge markets that can realize internal growth from added content provider and enterprise market share and be enhanced by additional data center and managed services investments," noted DeSantis. "We intend to grow the company for our customers, employees and investors by significantly increasing our sales team, investing in new product offerings, and broadening our target market to leverage our exceptional carrier, content, and cloud centric ecosystem and the available space and power at each of the facilities."

The company's Customer Service Center/NOC in Tampa, the 365 brand, all operating, monitoring, and administrative systems, and all operations, customer service center, and sales and marketing employees will remain in place. The corporate office is being moved from Emeryville, CA to Fairfield County, CT.

DeSantis added that, "The transaction will be seamless to existing customers and vendors as Jason Kiser, who has had responsibility for the eight data center facilities and customer service center for over a decade, will continue as Vice President, Operations of the company, and Steve Weaver, who has spearheaded the company's carrier, content and cloud customer strategy, will stay on as Vice President, Sales & Marketing. Kalindi Bhatt, who has worked with me in senior roles in communications, power, and data center businesses, has been appointed Vice President, Finance & Controller to round out the senior management team."

The investors formed 365 Data Centers Holdings, LLC to acquire 365 Data Centers and to identify and make investments in other colocation and managed services assets. Chirisa Investments is a Dublin-based private investment firm headed by Colm Piercy, the former CEO of Viatel, an international connectivity and colocation provider, and current Chairman of Dataplex, a wholesale data center, company based in Dublin. Lumerity Capital, LLC, a Connecticut based private equity investment firm was founded by Matt Kim, a 20-year veteran of the TMT sector. Lumerity's portfolio companies include Tricore Solutions, an ERP application managed services provider, and Datavail Corporation, a provider of data and database managed services. Connecticut-based Longboat Advisors LLC was founded by DeSantis, who has been a leader in acquiring, building and growing technology, power, and communications businesses, including Xand, which become the largest privately owned data center operator in the Northeast prior to its sale to Tierpoint.

Piercy, who will serve as Chairman of 365 Data Center Holdings, stated that, "This investment provides Chirisa with a solid foundation to execute on its strategy to broaden its data center, managed services, and real estate reach into the US market. Chirisa is pleased to have joined forces with partners that have successful track records, significant experience, and meaningful contacts in the technology, communications, and data center industries."

"We are enthusiastic about our investment in 365 Data Centers, which embodies key attributes of Lumerity's targeted investments, including proven management with deeply-relevant experience, a unique asset that is difficult to replicate by virtue of its high carrier density, and a go-forward strategy with multiple avenues of growth," added Kim.

The Bank Street Group LLC served as exclusive buy-side M&A advisor to 365 Data Centers Holdings LLC in connection with the acquisition and placement agent for the senior secured credit facility, which was provided by the Specialty Lending team at Crestline Investors, Inc.

About 365 Data Centers

365 Data Centers is a leading provider of data center solutions in strategic edge markets. Our robust, carrier neutral ecosystem and secure, reliable edge colocation services help organizations reduce costs, drive innovation and improve their customer experience. 365 Data Centers supports mission-critical application infrastructure by providing 100% uptime and adhering to industry standards such as HIPAA, PCI DSS, SSAE 16, SOC 2, and ISAE 3402. 365 Data Centers is based in Connecticut, and operates eight geographically diverse US data centers. Visit [365datacenters.com](https://www.365datacenters.com) for more information.

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