

DATE

April 26, 2024

SECTORS

Infrastructure

DEAL LOCATIONS



DEAL TEAM



Hannah Schofield
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UN SDG ACTIVITY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



DC Advisory advises Conterra Networks on its refinancing



Background

- Conterra Networks (Conterra) is an independent fiber operator delivering high-bandwidth connectivity services to underserved markets in the south-east and south-central regions in the US
- Conterra provides essential digital services to customers in the enterprise, carrier, education, government, and data center sectors via its c. 14,000 mile route fiber network
- Its majority shareholders are global infrastructure investors APG Group NV (APG) and Fiera Infrastructure Inc (Fiera)

Process

- DC Advisory was appointed as financial advisor by Conterra to provide debt advice on the refinancing and restructuring of its existing Term Loan B facilities
- DC Advisory ran a comprehensive refinancing process, targeting new banks and institutional investors with the aim of establishing a long-term financing platform to support Conterra's future growth
- The refinancing included a number of detailed workstreams covering financial modelling, external ratings assessment, business planning, debt structuring, assisting with the due diligence process and assisting with negotiation of the finance documentation

Outcome

- DC Advisory successfully delivered a flexible debt structure for Conterra, provided by a club of banks and institutions, the key highlights of which include:
 - An investment grade rated multi-creditor OpCo financing, which includes term facilities of 7 to 12 years and committed revolving debt facilities to support Conterra’s growth ambitions
 - A MidCo term facility was also included to optimize Conterra’s capital structure
- The successful outcome demonstrates DC Advisory’s expertise in repositioning assets into the Infrastructure market, accessing alternative pools of liquidity and depth of experience in the fiber sector

“DC Advisory was instrumental in helping us deliver our refinancing, with the new structure providing Conterra with the financing required to continue our growth and provide market leading fiber-connectivity services to our customers. Their guidance and expertise throughout the process was critical in delivering a successful outcome for Conterra.”

Craig Gunderson
Conterra Networks, President & CEO

“We’re delighted to have supported Conterra and their shareholders on this important transaction. Having secured a first-of-its-kind investment grade private rating for a US fiber operator, Conterra is now in an excellent position to access additional funding to support its exciting growth plans and provide underserved markets in the US with access to full-fiber connectivity. This transaction is also another excellent example of DC Advisory’s ability to successfully reposition an asset into the infrastructure market, opening up more flexible and longer-dated financing solutions.”

Hannah Schofield
DC Advisory, Managing Director