

**USA & Canada****Sector:** Transport**Country:**  USA**Published:** 01 October 2019

## CDOT approves Connecticut Service Plazas deal

01 October 2019 | 19:37UTC

The Connecticut Department of Transportation (CDOT) on 30 September approved the USD 229m sale of [Connecticut Service Plazas](#) to an international consortium bringing the transaction to a close, a [1 October press release](#) states.

UK-based service plaza operator Applegreen PLC along with consortium members [IST3 Infrastruktur Global](#) and TD Greystone Asset Management first announced the acquisition of CT Service Plazas, which operates 23 on-highway services plazas, on 7 August.

The purchase price includes USD 94m in equity contributions from the three partners. Applegreen and IST3 each control 40% of the consortium, or USD 37.6m each, while TD Greystone controls the remaining 20%, or USD 18.8m, a [7 August press release](#) states.

Aside from each consortium member's consideration, the deal was financed CT Service Plaza's operator, Project Services LLC, cash reserves and an amendment and restatement to an existing non-recourse debt facility within the acquired entity, which equates to approximately \$30 million coming from additional debt in the acquired entity.

The highway service plazas that CT controls are located in Connecticut across interstate 95, interstate 395 and route 15, three heavily trafficked routes between New York and Boston.

Project Services LLC has the exclusive rights along the routes in the state under a concession agreement with CDOT that currently has 25 years remaining with the potential to extend for a further 10 years.

The plazas offer essential services including fuel, quick-service food and beverage, retail, restroom and other facilities, operating 24 hours a day and 7 days a week.

Approximately 91% of the revenue that CT generates is from long-term anchor tenants including McDonald's, Dunkin' Donuts, Subway and Alliance Energy.

The business generated USD 14.5m in EBITDA for the fiscal year ended 30 June 2018.

Advising the consortium on the deal was KPMG (financial, tax), Hogan Lovells (legal), Marsh LLC (insurance), Stantec (traffic), PWC (model audit) and Ecology and Environment (environmental). Separately, IST3 was supported by Baker McKenzie.

KeyBanc served as debt advisor on the deal and the lender's legal counsel was Mayer Brown.

### Deal Profile

#### Connecticut Service Plazas Sale (2019)

 USA | Transport | Transport Other | PPP | Brownfield

Seller Financial Advisor	<b>Macquarie</b>
Seller Legal Advisor	<b>Nixon Peabody</b>
Acquirer Financial Advisor	<b>KPMG</b>
Acquirer Financial Model Auditor	<b>PricewaterhouseCoopers (PwC)</b>
Acquirer Legal Advisor	<b>Baker McKenzie, Hogan Lovells</b>
Acquirer Technical Advisor	<b>Stantec</b>
Acquirer Insurance Advisor	<b>Marsh-JLT</b>
Funders Financial Advisor	<b>KeyBank Debt and Capital Markets</b>
Funders Legal Advisor	<b>Mayer Brown</b>

## Investor Profile

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### IST3 Infrastruktur Global FUND

 SWITZERLAND | Unlisted | Open-ended | Equity fund

### TD Greystone Asset Management (formerly Greystone) GP

 CANADA | Unlisted

## Advisor Profile

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### Baker McKenzie

 USA | Legal | Deal count: 213

### Marsh-JLT

 USA | Insurance | Deal count: 317

### PricewaterhouseCoopers (PwC)

 UNITED KINGDOM | Financial | Deal count: 695

### KPMG

 NETHERLANDS | Financial | Deal count: 710

### Mayer Brown

 USA | Legal | Deal count: 96

### Hogan Lovells

 UNITED KINGDOM | Legal | Deal count: 281

### Stantec

 CANADA | Technical | Deal count: 81

### KeyBank Debt and Capital Markets

 USA | Financial | Deal count: 13

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SNC team to continue bidding for CAD 1bn Quebec tunnel project 26 September 2019

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