

Data Center Securitizations

A Practical Guidance® Practice Note by Boong-Kyu (B.K.) Lee, Alston & Bird LLP



Boong-Kyu (B.K.) Lee
Alston & Bird LLP

This practice note provides a practical overview of data center securitizations, equipping attorneys to navigate one of the fastest-growing asset classes in structured finance. As AI and cloud computing fuel unprecedented demand for digital infrastructure, the practice note explains how data centers are developed, classified, and financed across their life cycle, with a focus on securitization take-outs following stabilization. It offers a clear, side-by-side analysis of ABS and CMBS structures—highlighting differences in collateral

frameworks, bankruptcy remoteness, leverage, investor base, remedies, and flexibility—so practitioners can better advise on structure selection and market positioning. The practice note also addresses current market pressures, including tenant confidentiality and disclosure challenges, the growing role of private credit, and the legal and underwriting implications of power availability, cost volatility, and AI-driven load demands. For counsel representing sponsors, lenders, or investors, it delivers both foundational guidance and insight into the evolving risks and opportunities shaping data center finance.

Click [here](#) for full access to this Practical Guidance® content.

Boong-Kyu (B.K.) Lee, Partner, Alston & Bird LLP

Boong-Kyu (B.K.) Lee has over 20 years of experience representing issuers, underwriters, and U.S. and international financial institutions in a variety of public and private asset-backed securities offerings. B.K. provides advice to participants in structured finance and M&A transactions involving credit card receivables, data center revenues, automotive loans, pharmaceutical royalties, student loans, peer-to-peer loans, and solar assets. B.K. has also counseled on whole business and other operating asset securitizations, as well as resecuritizations and repackagings of various securities and other financial assets, including those using advanced derivative products. His clients rely on him for structuring advice to comply with the Credit Risk Retention Rule, the Volcker Rule, and other Dodd-Frank Act regulations.

B.K. has also advised on several major transactions involving Korean entities, including the government of the Republic of Korea. He often counsels his Korean clients on matters relating to U.S. law.

This document from Practical Guidance®, a comprehensive resource providing insight from leading practitioners, is reproduced with the permission of LexisNexis®. Practical Guidance includes coverage of the topics critical to practicing attorneys. For more information or to sign up for a free trial, visit [lexisnexis.com/practical-guidance](https://www.lexisnexis.com/practical-guidance). Reproduction of this material, in any form, is specifically prohibited without written consent from LexisNexis.