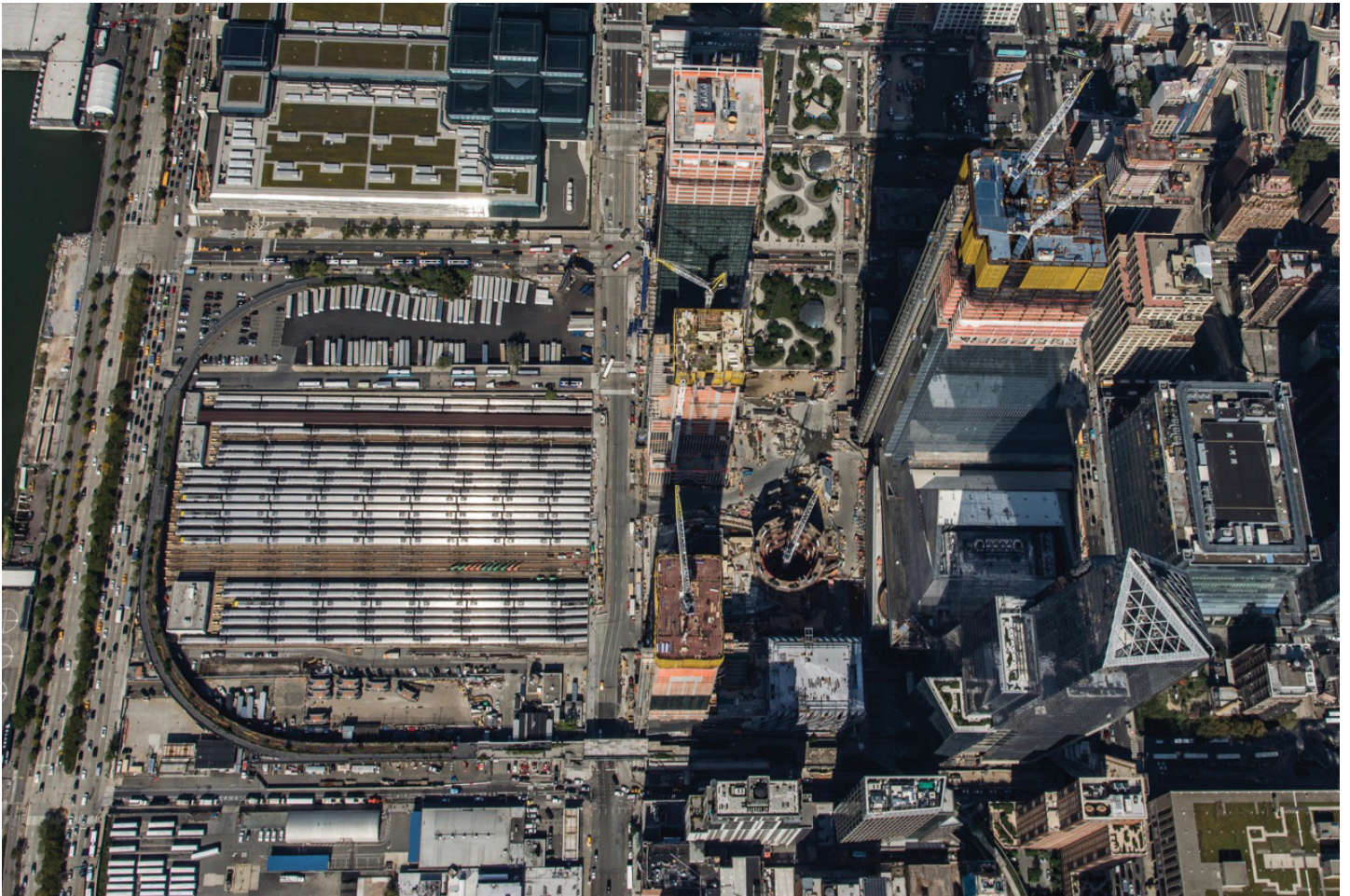


# CRAIN'S

## Related Launches Infrastructure Investment Group

While many funds pour equity into individual projects, Related will take a broader approach

December 6, 2017 | By JOE ANUTA



Hudson Yards construction site

Related Cos. announced the creation of a new group Wednesday that will invest in companies that operate, service and build transportation infrastructure across the country. The group, called Related Infrastructure, will be led by Anthony Foxx, the former U.S. Transportation Department secretary, and Andrew Right, a former executive at the department.

The infrastructure field is a crowded one. An arm of Brookfield, another active local developer, has raised tens of billions of dollars for global infrastructure projects. But Related said that it has found a unique niche by focusing on companies instead of the projects themselves.

"There is a lot of big money chasing a small number of hard infrastructure deals," Foxx said. "But we feel like this space is one the market has missed."



The transportation sector tends to be a late-adopter of technology, and many of the companies in the industry—an airport operator, or a firm that services streetlights, for example—are based regionally. For Foxx, that suggests there is huge potential to invest in these companies, increase their efficiency and expand them nationally.

"Our idea is to go out and look for best-in-class [firms] across a range of different subsections of transportation, and we will then try to grow those businesses," he said.

By all accounts, the nation's infrastructure is in terrible shape and in dire need of more investment. President Trump has also float-



ed the idea of a \$1 trillion infrastructure investment plan, though its future is unclear.

Related's investment group will be run through the company's debt and equity fund management arm.