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The most responsible data center prospector in the gold rush used to be a rental broker

Onetime Citi Habitats partner Igal Feibush has a hyperscaler signed up to lease his $15B data campus

Feibush at the data center construction site in Cumberland County, Pennsylvania. PHOTO BY PAUL DILAKIAN/THE REAL DEAL

By Elizabeth Cryan

The first thing you notice is the dust. It hangs over the rolling hills of a former horse farm outside Carlisle, Pennsylvania, as construction crews move mounds of dirt and drill through bedrock.

Home to a stretch of the Appalachian Trail, Cumberland County still looks much as it has for generations, with farms and small towns tucked into the limestone valleys. But on this 700-acre tract, the landscape is being transformed into a massive data center campus, part of a nationwide building spree as developers race to supply the computing power behind artificial intelligence.

Scenes like this are unfolding across the country as developers, brokers and hyperscalers descend on farms, ranches and abandoned industrial sites in search of the rare combination that can unlock a data center project — land, power and the approvals to build.

The stakes are huge. AI infrastructure is fueling one of the largest investment booms in U.S. history, with spending on data centers, power infrastructure and chips potentially rivaling past eras of railroad and interstate highway buildouts. McKinsey estimates that the race to build the data centers needed to power artificial intelligence will require nearly $7 trillion in global capital investment by 2030, making digital infrastructure one of the biggest real estate opportunities in decades.

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The frenzy has attracted a new class of developers with little traditional data center experience. These data center cowboys are building speculative facilities in hopes of flipping them to a major operator or leasing to a cloud company. Landing a hyperscaler is where developers can make their fortunes, locking in the long-term leases that transform a speculative project into a multibillion-dollar asset.

For some newcomers, the window may already be closing, as communities grow more skeptical of massive data-center campuses, and some local governments and states are putting development on pause. But some may have timed their entry just right.

One of them is Igal Feibush, a real estate entrepreneur best known for his role of building the rental brokerage Citi Habitats in New York City.

From horse farm to data center

Ten years ago, Feibush, 58, wasn't looking to build data centers. He was looking for a traditional real estate deal.

The Carlisle property, bordered by the Conodoguinet Creek, had already gone through several failed iterations. Retired Bear Stearns banker Fred Kayne bought the land as a real estate investment in 1985. He initially planned to keep it as a horse farm, but changing tax laws and a collapse in the horse industry derailed those plans. He later spent several years securing approvals for a 1,000-home development, only to watch that deal collapse during the 2008 financial crisis, he said.

The land sat until Kayne met Feibush about a decade ago in California, where both men were living. Feibush asked Kayne whether he had any real estate deals they could pursue together. Kayne flew him to Pennsylvania to see the property.

"I wish him luck in his data centers." *Andrew Heiberger, Feibush's former partner at Citi Habitats*

"Go there and find out what can be done," Kayne recalled telling him.

Feibush's original vision was for an industrial development, capitalizing on the site's location along the Interstate 81 corridor. But another asset class soon proved far more valuable. High-voltage transmission lines crossed the property, and the local power company had plans for upgrades. That made it a prime location for a data center campus.

"I looked into it, and had Igal look into it, and we both decided that this was probably a very good area for a data center, and that's how it got started," Kayne said.

Feibush devoted the next years to learning about data centers, securing power and winning local zoning approvals. In 2025, he arranged a deal to sell the land to a joint venture for a reported $30 million. Kayne said Feibush received a sizable share of the proceeds, though he declined to disclose the amount.

Instead of walking away with his earnings, Feibush rolled them into a new data-center development company, Pennsylvania Data Center Partners, and took an equity stake in the project. An established data-center developer, Virginia-based PowerHouse Data Centers, was also on board.

Power player

What began as a rural Pennsylvania industrial development became an estimated $15 billion bet on AI infrastructure. The joint venture unveiled plans last summer for a 18-building hyperscale campus, PAX-1, with 1.35 gigawatts of initial capacity and the ability to expand to 1.8 gigawatts.

As the data center moved from concept to execution, the business consumed nearly all of Feibush's time. He spent months trying to win over skeptical neighbors. He held town halls, invited residents to tour the site, met with local officials and community groups and fielded questions about everything from noise and traffic to blasting and water usage.

It was the painstaking, analog side of the business: trying to persuade those who did not necessarily want a hyperscale data center in their backyard.

He did not win over everyone, but in early 2026, the development secured water and sewer agreements with Middlesex Township, clearing a key hurdle for construction. Site work has begun, with the first phase targeting delivery of 450 megawatts of power by the end of 2027. The joint venture brought in a well-known private lender as a capital partner, Feibush said, though he declined to identify the firm.

"We're building critical infrastructure," Feibush said — like the interstates.

Pennsylvania has become one of the country's hottest data center markets, thanks to its abundant electricity, proximity to major East Coast population centers and large tracts of developable land. As PAX-1 grew into one of the largest proposed data-center campuses in the state, Feibush suddenly found himself with a seat at the table alongside the dealmakers and politicians shaping the industry.

His campus was one of more than a dozen projects highlighted by President Donald Trump at last year's Pennsylvania Energy and Innovation Summit, placing Feibush alongside executives including Blackstone President Jon Gray and BlackRock CEO Larry Fink at an event showcasing billions of dollars of planned AI and energy investment.

Gov. Josh Shapiro has sought to make Pennsylvania a destination for data centers, arguing that they bring investment and jobs while insisting that developers meet standards for energy affordability, workforce development and community impact. The strategy isn't free from backlash. A state senator has introduced a bill to establish a three-year pause on the siting and permitting of new hyperscale data centers, similar to neighbor New York's.

Feibush argues that the benefits of PAX-1 outweigh the drawbacks. The project will generate roughly $65 million a year in property taxes, most of it flowing to local schools, and add relatively little traffic once construction is complete, he said.

Broker beginnings

Feibush's career began in a far more familiar setting for the Dix Hills, Long Island, native.

After college, he answered a classified advertisement for an

PHOTO BY PAUL DILAKIAN/THE REAL DEAL

apartment in Manhattan. The broker showing the apartment brought him back to his office, where he started talking to "this guy in a suit, a couple years older than me," Feibush recalled. The young broker was named Steve Croman. He found Feibush an apartment, and then offered him a job.

Feibush took the opportunity and quickly started making good money as a rental broker, he said.

He recruited friends, built a team and eventually broke off to start his own business. He later joined forces with his childhood friend Andrew Heiberger at Citi Habitats, the residential brokerage that at one point dominated Manhattan rentals. Heiberger has said he gave Feibush a 50 percent stake in the fledgling business for $43,000, expecting they would build it together.

At its peak, the company had the market cornered for renters arriving in New York City. But the partnership unraveled before then. After five years, Heiberger bought out Feibush, who left New York for Florida.

"I liken it to having 24 planes in the air. Twelve have to land at the exact same time, and the other 12 have to land in pretty precise succession." *Igal Feibush*

"Andrew's smart — he's a hustler. But he's a little fast and loose," Feibush said of the falling out. "There's a time in a business life cycle where the mom and pop can only go so far. You have to bring in some more structured, organized management."

Heiberger remembers things differently.

"One of us was Jalen Brunson, and the other one of us was Ariel Hukporti," Heiberger said, contrasting the Knicks star point guard with the reserve center whose contract was not extended this summer.

"I wish him luck in his data centers," he added.

The comeback

After Citi Habitats, Feibush bounced among ventures. He had hospitality and industrial projects and ran a sizeable privately held real estate fund that worked across multiple asset classes, he said. In 2006, he relaunched Toughlove, a troubled-teen intervention program founded in 1979 by David and Phyllis York that promoted firm parenting.

Feibush called it a passion project, designed to shepherd parents through the difficult teenage years. But the business venture failed to take off and Feibush was sued by his business partner, psychiatrist Rony Zodkevitch, in a dispute over control of the company and its assets.

It was another setback in a career that Feibush characterized as "an ebb and a flow."

"In 2018, I had a lot of assets and zero cash flow," Feibush said. "There have been plenty of times throughout my career where I look around and think, 'Oh my God.' You always have to check yourself as a real estate developer and entrepreneur."

Then came Pennsylvania. The timing couldn't have been better. As AI spending exploded and developers raced to secure sites for massive data centers, the value of Kayne's land soared.

The long bet

On a recent afternoon, Feibush was dressed in a black suit and white button-down, his gray-speckled beard trimmed close and a modest watch peeking from beneath his cuff. Mild-mannered and self-deprecating, he hardly projected the image of a data-center baron as his black BMW sedan rolled past red yard signs reading "No to Data Centers" and into the fenced-off PAX-1 campus, which resembled a moonscape.

The project has become a flashpoint in the community, where opposition persists even as construction moves ahead. A local group, Stewards of Cumberland County, challenged the township's spot rezoning in court, a move Feibush called a "Hail Mary."

Residents have also raised concerns about the project's water use, noise, traffic and the precedent it could set for future data-center development.

The public pushback over PAX-1 is one part of a much larger battle. Feibush has spent years navigating a complex web of power, financing and permits.

"I liken it to having 24 planes in the air. Twelve have to land at the exact same time, and the other 12 have to land in pretty precise succession," he said. "It's not for the faint of heart."

Feibush says the project has signed a lease with a hyperscale tenant for the entire campus. He declined to identify the company or lease terms because the deal has not yet been publicly announced.

The opportunity comes with enormous upside, and no shortage of risk. Past waves of infrastructure spending have often ended in overbuilding, excess debt and painful shakeouts, Columbia Business School professor Stijn Van Nieuwerburgh argues in a new paper. The 19th-century railroad expansion created enormous wealth, but fortunes collapsed when speculation outran demand.

If AI demand cools, power constraints persist or advances in computing make today's facilities obsolete faster than expected, the fallout could ripple well beyond Silicon Valley to the developers, lenders and investors bankrolling the boom, Van Nieuwerburgh says.

Feibush admits he sometimes wonders whether he should have let someone else take on the headache. Instead, he relocated to central Pennsylvania, bought a house and set up his company headquarters in a nearby office park. He hired a team of development, construction management and civil engineering experts. Pennsylvania Data Center Partners has nine projects in various stages of development.

"I work harder than I've ever worked," Feibush said.

Winding down the tour of the construction site, he tucked his hard hat and safety vest into the trunk of his car, brushed the dust from his suit and headed to an event at the Governor's Residence.