



Nautilus Solar Energy Closes Portfolio Financing With U.S. Bank and KeyBank; Expands Distributed PV Portfolio Aggregation Structure

SUMMIT, N.J., July 24, 2011 /PRNewswire/ – Nautilus Solar Energy, LLC, one of the largest privately-held solar IPPs in the US, has closed its most recent financing for an approximately 9 MW portfolio of solar photovoltaic projects in the Northeast and California. The financing, provided by a subsidiary of U.S. Bancorp (NYSE: USB) and an affiliate of KeyCorp (NYSE: KEY), provides long-term tax equity and debt financing for a series of distributed generation projects under 15-20 year power purchase agreements.

In addition to its US portfolio, Nautilus Solar is currently in discussions with lenders for the financing of a 10 MW portfolio of distributed generation projects under the Ontario Power Authority's FIT program. The company owns or manages over 74 MW of PV projects and is actively building out a 100 MW pipeline over the next 24 months.

Laura Stern, President of Nautilus Solar Energy, commented, "We are extremely pleased to partner with U.S. Bank and KeyBank on this innovative, non-recourse portfolio transaction. This successful financing demonstrates the availability of capital for well-structured distributed generation projects in the Northeast."

The projects are a combination of rooftop, canopy and ground-mounted installations that are expected to save their customers—school districts and municipalities in New Jersey, Maryland and California—over \$17 million during the term of the PPAs.

"We're excited to create this new relationship with Nautilus Solar, a company that's recognized for developing clean-energy alternatives," said Daniel Siegel, Assistant Vice President of Renewable Energy Investments for U.S. Bancorp. "This transaction will not only provide significant economic savings to the schools and communities being served, but will also demonstrate leadership when it comes to issues of environmental stewardship. We're just pleased to participate."

KeyBank provided senior debt to the projects. Andy Redinger, Managing Director Group Head KeyBanc Utility, Power & Renewable Energy group, commented, "Nautilus Solar is a strong financing partner that can reliably develop and execute on a high-quality pipeline."

Reznick Capital Markets acted as advisor to Nautilus. "Reznick Group and Reznick Capital Markets were elated to be able to work with Nautilus Solar on the tax equity financing of this very complicated transaction," said Rob Sternthal, President of Reznick Capital Markets. "Utilizing the full scope of resources and expertise across Reznick Group's various practices, we were able to closely align with the Nautilus team to quickly navigate the financing structure." The Carreden Group acted as advisor to U.S. Bank.

Nautilus Solar intends to replicate this portfolio transaction on a larger scale. Jim Rice, CEO of Nautilus Solar, remarked, "I'm proud that the Nautilus team has proven that we can develop, construct, aggregate and fund distributed solar projects. Our future plans focus on repeating this portfolio aggregation structure with more MWs, in more markets, including raising project level equity for the portfolios."

About Nautilus Solar Energy

Founded in 2006, Nautilus Solar Energy, LLC ("Nautilus Solar") is a leading independent solar power producer headquartered in Summit, New Jersey. Nautilus Solar develops, constructs, finances, owns and operates distributed generation and utility-scale solar electric systems. The company owns or manages over 74 MW of projects throughout the US and Canada. Nautilus Solar is majority-owned by an investment affiliate of Starwood Energy Group Global, LLC, based in Greenwich, CT. For more information, visit www.nautilussolar.com.

About KeyCorp

Cleveland-based KeyCorp is one of the nation's largest bank-based financial services companies, with assets of approximately \$89 billion. Key companies provide investment management, retail and commercial banking, consumer finance, and investment banking products and services to individuals and companies throughout the United States and, for certain businesses, internationally. KeyBanc Capital Markets' Utilities, Power & Renewable Energy Group leverages the expertise of its experienced senior banking team and the capabilities of its full-service capital markets platform to provide strategic advisory and capital-raising solutions for clients in the Utilities & Power, Renewable Energy and Clean Technology segments. For more information, visit <https://www.key.com>.

About U.S. Bancorp

With \$321 billion in assets as of June 30, 2011, U.S. Bancorp is the parent company of U.S. Bank, the fifth-largest commercial bank in the United States. The company operates 3,086 banking offices in 25 states and 5,086 ATMs and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. U.S. Bancorp is a recognized leader in financing a variety of renewable energy projects, building on its experience in other tax credit equity investments, including new markets, historic, and affordable housing tax credit investments. U.S. Bancorp has committed more than \$540 million of renewable energy tax equity to finance over \$1 billion of renewable energy projects in the United States primarily in the solar market, and in select opportunities in the wind energy market. Visit U.S. Bancorp on the web at www.usbank.com.

About Reznick Group

Reznick Group is a top 20 national public accounting firm providing accounting, tax and business advisory services to clients nationwide. The firm's industry experience includes affordable housing, financial services, renewable energy, healthcare, nonprofits, professional services, commercial real estate and technology. For more information, visit www.reznickgroup.com.