

Ares Infrastructure and Power and IGS Ventures Raise \$150 Million for Third Residential Solar Investment Vehicle

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Capital Raised by Ares and IGS For Three Solar Vehicles Now Totals \$450 Million and Demonstrates Continued Interest in the Growing Residential Solar Opportunity

LOS ANGELES--(BUSINESS WIRE)-- Ares Management Corporation (“Ares”), through funds managed by its Infrastructure and Power strategy and IGS Ventures (“IGS” together with funds managed by Ares Infrastructure and Power the “Sponsors”) announced the completion of a \$150 million capital raise for IGS Resi Solar III, LLC (“Solar III”). Solar III constitutes the Sponsors’ third investment vehicle under their residential solar investment program (the “Solar Platform”).

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Solar III’s capital commitments are comprised of cash equity from the Sponsors, tax equity, and debt that will be deployed to fund a portfolio of approximately 4,000 residential solar power installations with 25-year power purchase agreements or leases across multiple states.

Together with previous investment vehicles, the Solar Platform has raised nearly \$450 million in total capital commitments. With the addition of Solar III, the Solar Platform is expected to build an aggregate portfolio of approximately 11,000 residential solar projects across nine states and totaling approximately 100 megawatts.

“We are thrilled to have worked with our leading capital partners to continue building upon the growth opportunity in residential solar,” said Andrew Pike, Partner and Co-Head of Ares Infrastructure and Power. “Executing on Solar III is a testament to the strength of our partnership with IGS and the essential services provided by our market-leading Solar Platform.”

“The solar market holds so much potential for growth as a way to provide sustainable energy to homes in a cost-effective way,” said Mike Gatt, Chief Operating Officer of Distributed Generation at IGS. “Established investment partnerships like the one we share with Ares empowers us to bring solar energy to more homeowners so that they can realize significant financial and environmental benefits.”

In conjunction with the capital raise, the Sponsors also executed on a 7-year \$146 million senior secured financing with IGS Resi OpCo II, LLC (the “Borrower” and the operating company of the consolidated Solar Platform), which included a \$140 million term loan facility and a \$6 million letter of credit facility. For this senior secured financing, ING acted as Coordinating Lead Arranger, Sole Bookrunner, Hedge Coordinator, and Administrative Agent, and Silicon Valley Bank served as Joint Lead Arranger and Bank United also acted as a Lender in the transaction. U.S. Bank and other investors provided \$50 million of tax equity to a subsidiary of Solar III.

“Ares has been a longstanding client of ING, and we are excited to continue to support them and IGS as they build out their residential solar platform,” said Scott Hancock, Director at ING. “We fully support the build out of residential solar and the renewable sector in general and are happy to

be able to partner with the Sponsors which have a demonstrated track record of success in the space.”

“We’re excited to partner with IGS and Ares to advance the deployment of residential solar across the U.S,” said Marissa Jacobus, renewable energy investments project manager with U.S. Bancorp Community Development Corporation, the tax credit and community investment subsidiary of U.S. Bank. “Investing in residential solar is one of the key ways U.S. Bank can be a responsible steward of the environment, provide job growth and savings to homeowners.”

About Ares Management Corporation

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager operating integrated businesses across Credit, Private Equity and Real Estate. Ares Management’s investment groups collaborate to deliver innovative investment solutions and consistent and attractive investment returns for fund investors throughout market cycles. Ares Management’s global platform had \$149 billion in assets under management as of March 31, 2020 with more than 1,200 employees in over 20 offices in more than 10 countries. Please visit www.aresmgmt.com for additional information.

About Ares Infrastructure and Power

Ares Infrastructure and Power (“AIP”) strategy seeks to provide flexible capital for cash-generating assets across the climate infrastructure, natural gas generation, and energy transportation sectors. AIP leverages a broadly skilled and cohesive team of more than 25 investment professionals with deep domain experience and has deployed over \$8.5 billion of capital in over 140 investments and more than 200 different infrastructure and power assets and companies.

About IGS

With more than 30 years of experience in the energy industry, the IGS family of companies provide the following to nearly 1.5 million customers across the country: natural gas, electricity and home protection products; power generation solutions off the grid; clean, domestic alternative fueling options; and solar solutions. The company empowers consumers to make choices that best fit their energy needs. IGS Energy’s community investment program, IGS Impact, provides employees with opportunities to get involved with causes that are meaningful to both the company and to them personally. For more information about our residential and commercial solar offerings, please visit www.igs.com.

About ING

ING Capital LLC is a financial services firm offering a full array of wholesale financial lending products and advisory services to its corporate and institutional clients. ING Capital LLC is an indirect U.S. subsidiary of ING Bank NV, part of ING Groep NV (NYSE: ING), a global financial institution with a strong European base. The purpose of ING Bank is empowering people to stay a step ahead in life and in business. ING Bank’s more than 53,000 employees offer retail and wholesale banking services to customers in over 40 countries. Please note that neither ING Groep NV nor ING Bank NV have a banking license in the U.S. and are therefore not permitted to conduct banking activities in the U.S.

About U.S. Bancorp Community Development Corporation

With \$32.7 billion in tax credit equity committed as of April 30, 2020, U.S. Bancorp Community Development Corporation, a subsidiary of U.S. Bank, provides innovative financing solutions for community development projects across the country using state and federally sponsored tax credit

programs. USBCDC's commitments provide capital investment to areas that need it the most and contribute to the creation of new jobs, the rehabilitation of historic buildings, the construction of needed affordable and market-rate homes, the development of renewable energy facilities, and the generation of commercial economic activity in underserved communities. Visit USBCDC on the web at www.usbank.com/cdc.

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Ares Management Corporation

Mendel Communications

Bill Mendel, 212-397-1030

[\[email protected\]](#)

or

Carl Drake, 678-538-1981

[\[email protected\]](#)

or

Brittany Cash, 212-301-0347

[\[email protected\]](#)

IGS Ventures

Dave Gilligan, 614-659-5422

[\[email protected\]](#)

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