



For Immediate Release

STARWOOD CAPITAL GROUP CLOSSES SECOND STARWOOD ENERGY FUND ABOVE TARGET

GREENWICH, CT – January 7, 2014 – Starwood Capital Group Global, LLC announced today the final closing of Starwood Energy Group’s blind-pool, discretionary funds collectively referred to as Starwood Energy Infrastructure Fund II (SEIF II), with total capital commitments of \$983 million.

SEIF II will follow the middle-market, value-add focus of its predecessor fund, Starwood Energy Infrastructure Fund, L.P. (SEIF I), and invest in wind, solar, natural gas and other power generation and high-voltage transmission assets primarily in North America. SEIF I achieved its final closing in June, 2008 with total capital commitments of \$433 million, and has received distributions totaling \$287 million – approximately two-thirds of its investment commitments - from its energy assets.

“We are focused on a market that has an annual opportunity set approaching \$100 billion in the U.S. and Canada,” said Brad Nordholm, CEO of Starwood Energy Group. “Currently low domestic natural gas prices and the lower cost of proven renewable energy technologies have created a rich environment for Starwood Energy Group. We believe that our ability to timely deploy capital and expertise by our team of energy industry experts that has doubled in size over the last five years makes Starwood Energy Group a reliable and desirable partner for both sellers and developers. SEIF II enables us to continue sourcing and executing on a middle-market strategy that has yielded favorable results, while also strengthening our co-investment capability.”

SEIF II attracted commitments from a wide range of investors, including sovereign funds, pension plans, funds of funds, insurance companies and other institutional investors. “I am gratified that investor interest in SEIF II was so robust that the Fund achieved total commitments in excess of its target of \$750 million and allocated investors to a level just under our ‘hard cap’ of \$1 billion in just 12 months from the first to final close,” said Barry Sternlicht, Chairman of Starwood Capital Group and Starwood Energy Group. “In this challenging fundraising environment, the team’s value-add approach clearly resonated with existing investors, as well as new investors that include some of the world’s largest and most sophisticated sovereign wealth funds and direct investors in energy infrastructure.”

The SEIF I portfolio comprises a number of current and realized assets, including, in part:

- *Hudson Transmission Project*: A 660 MW transmission line connecting Ridgefield, NJ with Midtown Manhattan that commenced operations in June 2013. This critical infrastructure project—which includes four miles of transmission cable beneath the Hudson River—assists the New York Power Authority in meeting reliability standards for New York City, while linking its

grid to electricity markets in 13 states and the District of Columbia, stretching from Pennsylvania to North Carolina and westward to Illinois.

- *Starwood SSM Project*: A 69 MW DC solar photovoltaic project in Sault Sainte Marie, Ontario, Canada that, at the time of its completion in November 2011, was among the largest photovoltaic facilities in Canada. The project was sold to a prominent infrastructure investor in February 2013.
- *Starwood Midway*: A 120 MW simple-cycle peaking plant near Fresno, CA, developed and completed by Starwood Energy Group in May 2009, that supplies power under a 15-year purchase agreement with Pacific Gas & Electric. Starwood Energy Group sold its interests in the company in September 2013.
- *Thermo Facility*: A 272 MW combined-cycle power plant and associated greenhouse steam-host located near Denver. The primary purchaser of power and capacity from the project, a non-profit electric cooperative, acquired Starwood Energy Group's equity interests in the facility in December 2011.

About Starwood Energy Group Global, LLC

Starwood Energy Group is a private investment firm based in Greenwich, CT that specializes in energy infrastructure investments. Through its general opportunity funds known as Starwood Energy Infrastructure Fund I and II, and other affiliated investment vehicles, Starwood Energy Group manages total equity commitments of approximately \$1.9B. The Starwood Energy Group team brings extensive development, construction, operations, acquisition and financing expertise to its investments, with a focus on the natural gas and renewable power generation, and transmission sectors. To date, Starwood Energy Group and its affiliates have committed to energy infrastructure transactions totaling approximately \$3.8B in enterprise value. Starwood Energy Group is an affiliate of Starwood Capital Group Global, L.P. Additional information about Starwood Energy Group as well as Starwood Capital Group can be found at www.starwoodenergygroup.com

Media Contact

Tom Johnson or Patrick Tucker
212-371-5999