

# James Reid Nelson

## PARTNER

Chicago

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Jim Nelson is a partner in the Corporate Finance Department and is a member of the Asset Securitization Group, the Cross-Border Institutional Private Placement Group, the Lease Finance Group, and the Project Finance Group. Jim was a founding member of Chapman's Diversity Committee, and previously served on Chapman's partner compensation committee, management committee, hiring committee, and associate review committee.

Jim has extensive experience in corporate finance and securities offerings, including private placements of debt (both secured and unsecured) and equity, Rule 144A offerings, equipment and real estate leasing transactions, credit tenant loan transactions, complex project and facility financings, and asset securitization transactions. In recent years, Jim has also worked extensively with clients in energy-related financings, cross-border private placements, and federal government financings. He is also a CPA (inactive status).

## Representative Matters

A sample of transactions in which Jim was the originating and responsible partner include:

- \$236.5 million senior secured notes to finance two dual-fired 200 MW Peaking Generation Facilities.
- \$82 million senior secured notes to finance 11 Bcf Underground Natural Gas Storage Facility in Alaska.
- \$90 million senior secured notes to finance two hydro facilities 61.5 MW located in New York.
- \$540 million senior secured notes in connection with financing a participant's TIC interest in a 900-megawatt coal-fired power plant,

## Admitted

Illinois, 1991

New York, 2004

## Education

The University of Iowa  
College of Law, J.D., with  
distinction, 1991

- *Journal of Corporate Law*  
University of Iowa, M.B.A.,  
Finance, 1988
- Coe College, B.A.,  
Accounting/Economics, 1984

## Practice Focus

Conventional Secured and  
Unsecured Debt Finance

Corporate Finance and  
Securities

Credit Tenant Loan Finance

Cross-Border Institutional  
Private Placements

Equipment Finance

Federal Government Finance

Lease Finance

Leveraged Leasing (Cross-  
Border and Domestic)

Private High Yield

Project Agreements

Project Finance

secured in part by a “take-or-pay” styled power purchase agreement entered into with a Southeastern electric cooperative, and credit enhanced by a guarantee of payment by the investment grade parent during the construction period.

- Recycled containerboard mill in Shreveport, Louisiana, owned and operated by Pratt Industries, Inc., will use 100 percent post-consumer fibers to produce 360,000 tons of containerboard per year. The project was funded with \$112 million of debt in a hybrid public/private structure designed to meet the diverse needs of the lenders, the local government, and Pratt. *Project Finance* magazine named the transaction ‘Euro Money North America Industrial Deal of the Year’ for 2008.
- Counsel to institutional investors in connection with the purchase of \$125 million senior secured notes issued by Kramer Junction Solar Funding, LLC, the holding company of 5 operating company loans made to five separate independent 30-Megawatt Solar Energy Generating Systems (SEGS) in the Mohave Desert, known as Kramer Junction SEGS III-VII. This financing was structured as a hybrid “holding company”/“operating company” transaction and provided the issuer with the benefit of a “portfolio effect” with respect to the operating performance of the separate SEGS.
- Counsel to institutional investors in connection with a \$101.8 million construction and permanent financing of a 39-megawatt cogeneration plant that will be located at the US Navy base in Yokosuka, Japan.
- Counsel to the purchaser of approximately \$60 million of debt securities to fund the construction and permanent financing of the build-to-suit headquarters for the Federal Bureau of Investigation’s Northern Virginia Resident Agency. The financing was structured as a full faith and credit real estate lease financing with the US Government’s General Services Administration as the tenant.
- \$1.2 billion (US Dollars) Senior Unsecured Notes issued in the US Private Placement Market for Safran, a French conglomerate involved in defense, aerospace propulsion and equipment.
- Counsel to the investors in connection with A/B structured notes to fund the construction and permanent financing for the development of a 348,031 sq. ft build-to-suit, six story Class A office building leased to an agency of the US Government.
- Counsel to institutional investors in connection with a \$29 million construction financing of a medical office building on the campus of an Akron, Ohio based hospital. The financing is secured by a letter of

Public-Private Partnerships

Real Estate

Real Estate Investment Trusts (REITs)

Renewable Energy

Renewable Energy Finance

Utility Finance

credit, shall commence amortization after construction is completed and will thereafter be secured by a fee and leasehold mortgage on the property and is expected to qualify as a Credit Tenant Loan.

- Counsel to institutional investor in connection with \$10 million senior secured notes secured by collections on a dynamic pool of defaulted consumer receivables.
- Counsel to institutional investor in connection with \$13.2 million A/B structured real estate financing of Grande Denali Lodge and Denali Bluffs Hotel (Alaska) backed by a guaranty of the Bureau of Indian Affairs (agency of the US Government).
- Counsel to the initial purchaser in connection with a Rule 144A offering of \$327 million securities backed by 839 restaurant sites and related ground leases in which the tenant is one of the world's leading food service retailer. This transaction included the innovation of tenant self-insurance for title insurance coverage.
- \$70 million Credit Tenant Loan financing used to fund the acquisition and remaining construction costs for a facility leased to the General Services Association for the National Oceanic and Atmospheric Administration (NOAA) located in Riverdale, Maryland. The financing funded the acquisition of the NOAA Facility from a Maryland receiver that took over control of the NOAA facility after the previous owner of the facility, Opus East, filed for US bankruptcy protection in 2009, and funded the remaining construction costs associated with the NOAA facility.
- \$131 million Credit Tenant Loan financing to fund the construction and development for a built-to-suit headquarters office building for the National Institute of allergy and Infectious Diseases located in Rockville, Maryland.
- Counsel to institutional investors in connection with an \$81 million condominium CTL financing for the headquarters of International Flavors & Fragrances located in New York City.
- Counsel to institutional investors in connection with an \$85 million construction and permanent CTL financing for an office building for the District of Columbia located in Washington, DC.
- Counsel to institutional investors in connection with a \$45 million acquisition CTL financing for a medical office building for the St. Lukes Healthcare System.
- Counsel to institutional investors in connection with an \$20 million CTL financing for an office building for the University of Utah in Salt Lake City.
- Counsel to institutional investors in a private placement of \$610 million senior notes that were indirectly secured by approximately \$6 billion of "margin stock" (as defined by Regulation U) of a major media company.
- Transaction counsel in connection with \$39.5 million Trust Certificates issued under a master trust program relating to the securitization of various energy related payments of the US Government.
- Counsel to institutional investors in connection with a private placement of \$50 million floating rate senior notes of a Barbados corporation issued to finance the acquisition of a medical university in the Caribbean.
- Counsel to institutional investors in connection with a private placement of \$30 million senior notes of a major Canadian corporation.

- Transaction counsel in connection with a \$310 million “lease securitization” of rents payable by a subsidiary of a major US bank for a Class A office tower used as its regional corporate headquarters.
- Counsel to the initial purchaser in a Rule 144A offering of \$135 million senior secured notes issued by an instrumentality of the US Government in which the senior secured notes constituted “exempt securities” under The Securities Act of 1933 (as amended), the proceeds of which were used to construct improvements at several U.S. Armed Forces Recreational Centers located in various parts of the world.
- Counsel to a major government contractor relating to the securitization of energy payments to be made by the US Government under various energy savings performance contracts.
- Counsel to institutional investors in connection with a \$12.5 million project financing of a brine processing facility, secured by a take-or-pay contract of a major chemical producer.
- Counsel to the institutional debt investor in connection with the borrower’s purchase from MCI of a data center in Somerset, New Jersey. The financing was structured as a \$38 million credit-tenant loan, involving a long-term lease of the property to Bank of New York. The credit-tenant loan structure provided MCI substantially greater value than other alternative sale options. With MCI operating in bankruptcy, the asset sale was conducted through a bankruptcy court approved Section 363 auction.
- Counsel to institutional investors in connection with the purchase of \$125 million senior unsecured notes issued to finance the construction of the national headquarters of a major US insurance company, which converted to senior secured notes of a special purpose company that owned the headquarters and leased the property to the US insurance company upon completion of the project.
- \$60 million synthetic lease construction and permanent financing of the headquarters of a nationally prominent company in which the transaction was structured to be 9710 compliant.
- Counsel to institutional investors in connection with a \$90 million cross-border financing of two ocean-going ships registered under Bermuda law, secured by ship mortgages and charters.

## Memberships

American College of Investment Counsel

## Publications

### November 28, 2022

NAIC’s Proposed Bond Definition: Application to Rated-Debt Feeder Funds

### January 13, 2022

Rated-Debt Feeder Structure: NAIC Regulatory Accounting Treatment

- “Unique Issues Associated with Financing Federal Government Receivables,” *Journal of Structured Finance*, Spring 2005