



# 2017

YEAR-IN-REVIEW

Wow. What a year. With so many distractions outside of Wunder, our team remained focused on accelerating the deployment of solar by bringing turnkey, competitive financing solutions to the deeply underserved commercial solar market. That focus has resulted in the explosive growth you'll see in our performance metrics to follow. We're now evaluating more than \$100mm a month in borrower requests, while a year ago it was nearly a tenth of that. We've increased the projects we finance and capital to do so by a similar magnitude. Beyond growth, this remarkable year at Wunder has added enormously to our confidence in two principles upon which we started and have built Wunder. One: there is a very large and hungry market in commercial solar for precisely the turnkey financing solutions that have fueled explosive growth in residential. Two: availability of financing is often the primary factor holding back projects below 2 MW.

With the help of more than 155 of our developer and installation partners, we are now showing more and more investors how big the underserved commercial lending opportunity can be in solar. While with our investors' help, we are working with more and more solar players to turn their focus to the biggest untapped opportunity in today's solar market. We could not do it without you, and with 2017's growth, we are beginning to shift the conversation together.

One of our most successful shifts this year at Wunder has been divorcing how quickly borrowers pay back principal, and how quickly investors are projected to see their investment returned. By employing "mini-permanent" lending structures that are commonly found in broad-based commercial finance, we're now able to offer longer amortization periods, but shorter loan durations. As a result, we are now able to offer notes with term lengths as short as 5 years,

while reducing borrowers' total monthly payments by more closely matching the asset life of a system. These flexible structures reflect the maturation of the refinancing and secondary markets for solar systems, as well as solar financing more broadly. We have seen a strong positive reaction from both investors and borrowers since the introduction of our new structures, and anticipate continued rapid growth in 2018.

Beyond new investing and lending structures, our team has been hard at work improving the experience of working with Wunder across a variety of investor and borrower types and touch points. We've meaningfully improved and shortened the borrower application experience, have increased information from and access to Wunder's leadership team and top partners, and are rolling out a wave of features for the increasingly diverse types of investors that Wunder finds itself working with. As always, we'll continue to explore opportunities to broaden the types of investors that we can serve.

We're deeply grateful to you - our investors, borrowers, solar partners, and friends - for your support in helping us get to where we are today. We're even more grateful, however, for the opportunity you've provided us to scale another order of magnitude and accelerate the proliferation of solar throughout the U.S. As always, please feel free to email me directly at [Bryan@WunderCapital.com](mailto:Bryan@WunderCapital.com) with any feedback, questions, or ideas. Thank you and God bless the solar cost curve!



*Bryan Birsic*  
Wunder, CEO



# TABLE OF CONTENTS

Project Pipeline .....4

Impact .....5

Project Case Studies .....6

Partner Case Study .....14

Investor Overview .....15

Fund Overviews .....16

Investor Testimonials .....20

About Wunder.....21

2018 Outlook .....22

Disclaimer .....23

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# \$603.8MM

### Proj. Financing Requested in 2017

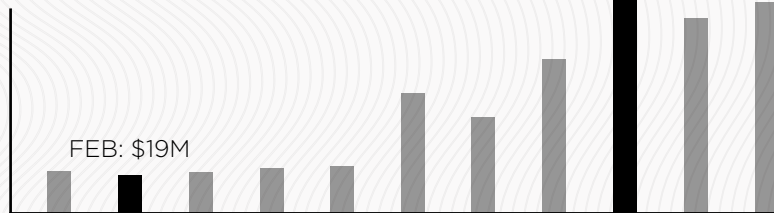
\$517M more than 2016

831

## Financings Requested in 2017

2017 Financing Requests Per Month (\$)

SEPT: \$108M



# 37.3MW

Generation Cap. Financed in 2017

34.3MW more than 2016

115

## Financings Completed in 2017

# 61 DAYS

Avg. Origination-to-Financing Time

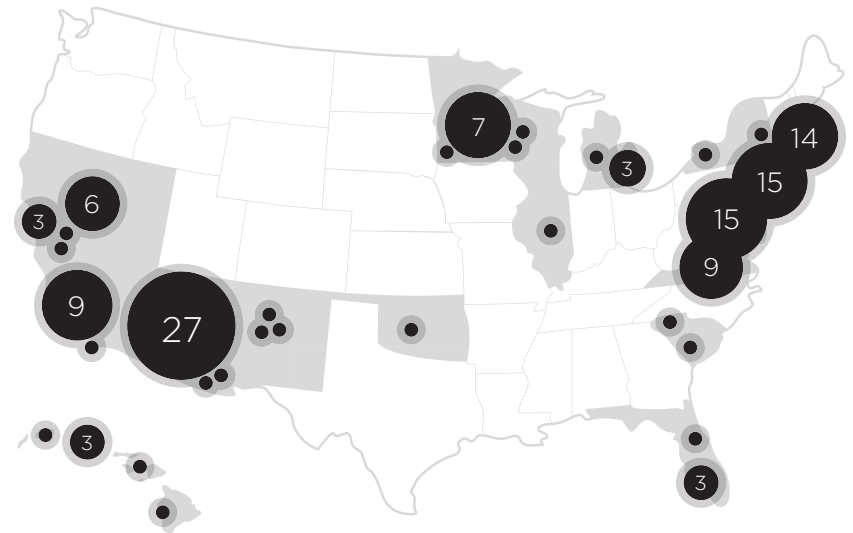
37 days faster than in 2016

**\$347K**

Average Loan Size  
in 2017

# WUNDER'S 2017 SOLAR PIPELINE

In 2017, we increased our solar project pipeline by an order of magnitude. This is due in large part to more resources dedicated to pipeline development, advancements in our lending practice, and - at a macro level - a rapidly growing solar market and commercial sector.



- Projects Financed To Date

# WHAT IMPACT DOES 37.3MW OF SOLAR HAVE?

—  
In the FIRST YEAR ALONE, it will offset  
the CO<sub>2</sub> emissions from...



**36,421,035**

Pounds of coal burned; or...



**1,114,084**

Incandescent lamps; or...



**3,745,789**

Gallons of gasoline  
consumed; or...



**4,989**

Homes' electricity needs  
for one year; or...

Or, in the FIRST YEAR ALONE, it will offset the  
greenhouse gas emissions from...



**23.2M**

Pounds of waste recycled  
instead of landfilled; or...



**7,128**

Cars driven for one  
year

Or, in the FIRST YEAR ALONE, it will  
sequester the same amount of carbon as...



**39,209**

Acres of U.S. forests in one  
year; or...



**862,718**

Tree seedlings grown for  
10 years



Location

**KAUAI, HI**

Site

**GROUND-MOUNT**

System Size (kWdc)

**212.5**

Loan Amount

**\$485,100**

Est. Elec. Prod. (kWh/Yr)

**318,146**

Int. Rate + Fees (Annualized)

**7.75%**

Loan Term (Years)

**5**

Energy Cost Savings in Yr 1

**\$22,270**

## HAWAII BEACH RESORT

With many remote locations and few resources available for large-scale power production, Hawaii's sky-high electric rates have long made solar an attractive option in the state. After new regulations a few years ago made grid connection more difficult and utility compensation schemes less favorable, installers saw an opportunity to bring more energy storage solutions into the market.

This 25-acre beachside resort features 4 restaurants, 4 swimming pools, and modern amenities throughout. Multiple meters on the site allowed their chosen installers to pick one with the most stable load profile and size a solar and storage system large enough to meet 100% of the meter's demand over a 24 hour period. A system about 5 times as large will service the remaining meters at the resort and is planned for installation in 2018.



## CA DEPT. OF WATER & POWER

In 2012, the California State Legislature passed a law requiring all public and privately owned utilities serving more than 75,000 residential customers to provide a Feed-in-Tariff (FiT) program to generate additional capacity within the utility zone from renewables. After years of ironing out the program's details, Los Angeles' FIT program is finally starting to see solar generating capacity come online.

To that end, one of Wunder's borrowers recently partnered with a prominent developer in Southern California to develop a project within LA's FIT program. The project has strong economics, driven by a PPA rate nearly 3x wholesale power rates, and is buoyed by investment grade credit (rating by Moody's).

Location

**LOS ANGELES, CA**

Site

**ROOFTOP**

System Size (kWdc)

**700.6**

Est. Elec. Prod. (kWh/Yr)

**1,098,153**

Loan Amount

**\$1,082,229**

Loan Term (Years)

**5**

Int. Rate + Fees (Annualized)

**7.23%**

## DC PUBLIC CHARTER SCHOOL

Over the past year, Wunder has partnered with several leading installers and developers serving the greater Washington DC area. These partnerships provide access to projects with some of the strongest economics in the country.

This project, for a public charter school, is an example of several that Wunder has financed in the back half of 2017. The 435kWdc system is located on a school that was built in 1900 and is owned and operated by the District of Columbia. It serves nearly 1,000 children from across the city, offering Pre-K classes all the way through high school. This award-winning school scores consistently at the top of performance standards, and in 2015, won unanimous approval for an extension of its charter.

Because of the strength of Washington DC solar renewable energy credits, our development partner is able to offer the school a very competitive contract while still generating sufficient revenue to cover project costs and pay down financing from Wunder.

Location

**WASHINGTON, DC**

System Size (kWdc)

**435.6**

Loan Amount

**\$661,000**

Site

**ROOFTOP 522,720**

Est. Elec. Prod. (kWh/Yr)

Interest Rate (Annualized)

**8.50%**

Loan Term (Years)

**7**



## NON-PROFIT THEATER

Limited rooftop space and aggressive RPS standards have made the economic incentives available through Washington DC's SREC market significant. As such, on certain projects, solar developers in the area are able to offer extremely competitive contracts to building occupants for the installation and maintenance of the system, as well as the resulting Renewable Energy Credits.

Such was the deal struck between a prominent non-profit theatre company in the heart of Washington DC, and one of Wunder's top east coast solar partners. After having undergone a major renovation and expansion in recent years, the building's energy demands increased significantly. Saving over \$50,000 per year by installing solar panels on the roof will be a helpful way to top-off the renovation and tighten the budget.

Location

# WASHINGTON, DC

Site

# ROOFTOP

Loan Amount

# \$835,635

System Size (kWdc)

# 452

Est. Elec. Prod. (kWh/Yr)

# 576,292

Int. Rate + Fees (Annualized)

# 8.50%

Loan Term (Years)

# 7

Energy Cost Savings in Yr 1

# \$51,866



Location

**ANADARKO, OK**

Site

**GROUND-MOUNT**

System Size (kWdc)

**253**

Loan Amount

**\$122,847**

Est. Elec. Prod. (kWh/Yr)

**393,048**

Int. Rate + Fees (Annualized)

**9.46%**

Loan Term (Years)

**10**

Energy Cost Savings in Yr 1

**\$7,075**

## OK TRIBAL ORGANIZATION

This project was developed for the first Native American nation to enter into a treaty with the newly formed government of the United States. For more than two centuries, it has been recognized by the US government as having a right to provide goods and services to its own people. In recent years, the Nation has expanded ways in which they can provide services to their people through the development of Casinos and an Economic Development Authority, which makes investments for the benefit of its people.

To that end, the Nation owns a commercial property in Oklahoma that was an ideal candidate for solar. Specifically, the project qualified for a Rural Education Achievement Program grant equal to 25% of the solar project's value. This grant, combined with a third-party who will monetize the tax credits, will provide significant estimated savings (in year one alone) to the Nation and its people.



## VA COMMUNITY CREDIT UNION

A member-owned community credit union that serves customers across Virginia sought to save money and improve their community by going solar.

While the credit union has excellent credit and a longstanding operating history (it was founded in 1959), it does not have a tax burden because it's classified as a 501c(14) non-profit credit union. This meant that there was a need for a tax equity investor to monetize credits associated with the project through a PPA. The project's developer recognized this opportunity and approached Wunder to see if we could help. Wunder ultimately connected them with a Colorado-based tax-equity group that was able to extend a PPA. As part of the arrangement, Wunder provided the project with debt financing.

The project includes the installation of solar on nine sites across Virginia, serving as an example of Wunder helping to bring solar to both an underserved part of the market and geography.

Location

**WAYNESBORO, VA**

Site

**ROOFTOP**

System Size (kWdc)

**301.14**

Loan Amount

**\$206,183**

Est. Elec. Prod. (kWh/Yr)

**396,328**

Int. Rate + Fees (Annualized)

**9.46%**

Loan Term (Years)

**10**

Location

**BLOOMINGTON, IL**

Site

**ROOFTOP**

System Size (kWdc)

**122.5**

Loan Amount

**\$160,000**

Est. Elec. Prod. (kWh/Yr)

**154,980**

Int. Rate (Annualized)

**8.50%**

Loan Term (Years)

**7**

## IL COMMUNITY CENTER

Illinois has been one of the Midwest states pushing hardest to develop its solar industry. In an effort to meet aggressive RPS standards, the state recently passed regulations allowing for the creation of a state-wide SREC market. Many installers, long starved for an economic boost to their projects' cashflows, have been providing their industry insights and program feedback as the new regulations have developed.

After switching from fluorescents to LEDs, a non-profit that provides women with career services and child care sought additional measures that they could take to be more energy efficient and save money. As a non-profit, they could not take advantage of the many tax incentives available to solar system owners. Instead they signed a Power Purchase Agreement with a local solar developer who, because of the new state SREC market, could offer significant savings to the non-profit while also generating enough revenue to own and maintain the system for the 25 year contract period.



## OH SCHOOL DISTRICT

Wunder has historically focused on projects located on the East and West coasts, due in large part to comparatively higher utility costs. That said, as energy economics improve and solar becomes more attractive, we have begun to see more deal flow from the rest of the country, including the Midwest.

This project, a large ground-mount system located in northwestern Ohio, will offset most of the energy needs of a local middle and high school, as well as district offices and a number of sports facilities.

This is the first of several projects Wunder expects to finance in the area.

Location

**NORTHWEST OHIO**

Site

**GROUND-MOUNT**

System Size (kWdc)

**1,033.5**

Loan Amount

**\$1,116,955**

Est. Elec. Prod. (kWh/Yr)

**1,359,292**

Int. Rate + Fees (Annualized)

**8.50%**

Loan Term (Years)

**7**



Founded

**1979**

MW Constructed

**20**

Comm. Projects Completed

**30**

Wunder Loans Contracted

**14**

Active Markets

**8**

Employees

**25+**

**“Wunder Capital offers  
a good alternative for  
financing. We highly  
recommend the  
Wunder team.”**

~ Michael Chen, ADON CEO

## ADON SOLAR

Founded in 1979, Adon Construction Inc. is a general construction firm operating in the state of Hawai'i. Adon focuses primarily on commercial construction, with a major emphasis on condominium and commercial/industrial buildings. With construction engineering in-house, Adon is a leading Hawai'i contractor for major multi-level buildings, highway, bridges, and commercial structures across the island state.

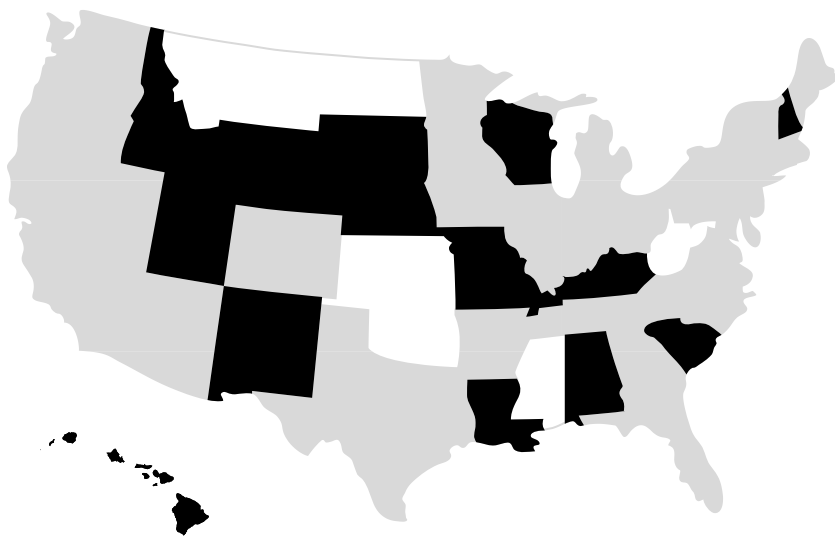
In addition to their construction and engineering services, Adon Renewables (a division of Adon Construction Inc.) is a leading full-service solar systems contractor in Hawaii - building, financing and maintaining both residential and commercial-scale systems. With many remote locations and increasingly less favorable utility regulations, Adon has begun incorporating more and more storage into their system designs.

Wunder's friendliness towards storage, as well as the speed of their process for securing project-level debt, made them a good financing partner for Adon. In 2017, Wunder helped finance a large installation on a Maui retail center, as well as a number of smaller projects across the other Hawai'ian islands. The projects are expected to be online by the end of the year or early in 2018.



# WUNDER SOLAR INVESTORS IN 2017

In 2017, our investments team focused primarily on increasing the types of investments that we can facilitate. As a result, we can now accept investments from self-directed IRA's, trusts, and companies! In addition, we also made a number of site improvements, like implementing a streamlined accreditation verification process.



● States with Wunder solar fund investors

● New states with investors in 2017

Year-Over-Year Investment  
Growth Rate

**199%**

Year-Over-Year New  
Investor Growth Rate

**135%**

Avg. Single Investment Size

**\$26,493**

Up \$10,929 from 2016

Repeat Investment Rate

**45%**

Average Investment Position with Wunder

**\$51,453**

Waitlisted Non-Accredited  
Investors in 2017

**10,000+**

Wunder is working on  
allowing investments  
from non-accredited  
investors

Launch Date

**OCT '17**

Investment Type

**DEBT**

Target Annual Return

**7.50%**

Proj. 2017 Annual Return

**7.50%**

Write-Offs

**0**

Avg. 2017 Investment Size

**\$31,345**

Return Distributions

**MONTHLY**

On-Time Distributions To Date

**100%**

Average Loan Size

**\$348,960**

Average Project Size (kW)

**184**

Wunder Capital V, LLC

## THE WUNDER CAPITAL 5 FUND

This fund finances and manages a diversified portfolio of commercial-scale solar projects that service stable businesses, municipalities, non-profits, and community solar developments across the United States. Borrowers enjoy monthly electricity savings, as well as peace-of-mind knowing that they are helping their environment and local community by 'going green'. Each solar loan is secured by the assets of the respective solar system, and each system is developed by one of Wunder's trusted solar partners.

Wunder Capital 5 provides investors with targeted monthly cashflows of 7.50% annually for 5 years. This fund does feature an amortization schedule that is designed to benefit investors by returning investment principal more slowly, thereby keeping more of the original investment principal at work earning interest for a longer period of time.

We anticipate that Wunder Capital 5 will continue to accept new investments through 2018.

**START INVESTING TODAY**



Wunder Capital, LLC

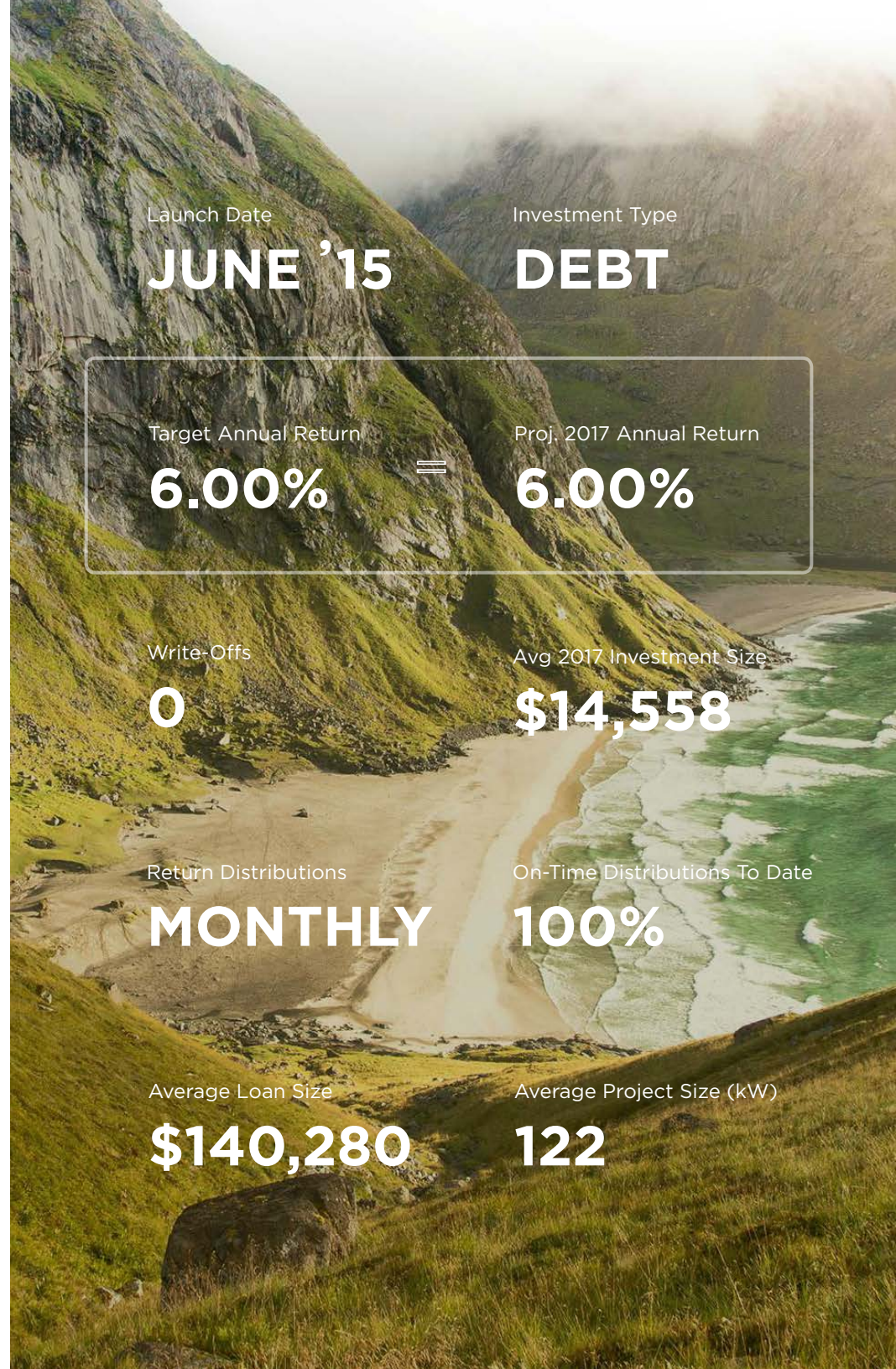
# THE WUNDER INCOME FUND

This fund finances and manages a diversified portfolio of commercial solar projects that service stable businesses, municipalities, and non-profits across the United States. Borrowers enjoy monthly electricity savings, as well as peace-of-mind knowing that they are helping their environment and local community by 'going green'.

The Wunder Income Fund provides investors with targeted monthly cashflows of 6% annually for 10 years. Each solar loan is secured by the assets of the solar system, and each system is installed by one of Wunder's trusted solar development partners.

We anticipate that the Wunder Income Fund will continue to accept new investments through 2018.

**START INVESTING TODAY**





Launch Date

**JULY '16**

Investment Type

**DEBT**

Target Annual Return

**8.5%****=**

Proj. 2017 Annual Return

**8.5%**

Write-Offs

**0**

Avg 2017 Investment Size

**\$26,925**

Return Distributions

**MONTHLY**

On-Time Distributions To Date

**100%**

Average Loan Size

**\$446,570**

Average Project Size (kW)

**379**

Wunder Capital III, LLC

## THE WUNDER TERM FUND

This fund finances and manages a diversified portfolio of commercial-scale solar projects that service strong businesses, municipalities, non-profits, and community solar developments across the United States. Borrowers enjoy monthly electricity savings, as well as peace-of-mind knowing that they are helping their environment and local community by 'going green'.

This full-amortized fund provides targeted monthly cashflows of 8.5% annually for 7 years, while aiding in the fight against climate change by significantly reducing carbon energy pollution. Each solar loan is secured by the assets of the solar system, and each system is installed by one of Wunder's trusted solar development partners.

The Wunder Term Fund is now closed to new investment.



Wunder Capital II, LLC

# THE WUNDER BRIDGE FUND

This fund finances and manages a diversified portfolio of short-term loans that allow leading solar installers and developers to cover the upfront costs of new solar development (namely, hardware procurement). Traditionally, these borrowers have floated development costs off of their own balance sheets, which significantly constrains their ability to book new business. Bridge loans allow borrowers to grow their businesses beyond a leveraged balance sheet or distributor credit limit. They can simply wrap the cost of capital up into their installation bid and pass it on to the customer.

This fund provides targeted monthly cashflows of 11% annually for 2 years, while aiding in the fight against climate change by significantly reducing carbon energy pollution. Each solar loan is secured by the assets procured, and each borrower is a trusted Wunder solar installation and development partner.

The Wunder Bridge Fund is now closed to new investment.

Launch Date

**NOV '15**

Investment Type

**DEBT**

Target Annual Return

**11%**

Proj. 2017 Annual Return

**11%**

Write-Offs

**0**

Avg 2017 Investment Size

**\$18,113**

Return Distributions

**MONTHLY**

On-Time Distributions To Date

**100%**

Average Loan Size

**\$353,380**

Average Project Size (kW)

**606**

"Solar is one of the many great ideas to keep literal energy flowing through the economy while leveraging established infrastructure and resources. The missing piece seemed to always be financing a long term investment in an economy built on short term results. Wunder spoke to this well and I bought in."



Skip Larson

"Wunder's platform made it easy to invest across a variety of projects and with small incremental investments over the course of years, instead of \$100k upfront for a piece of only one 100kW project."



Alex Drake

"Having spent nearly a decade in the solar industry, I feel I have a better than average understanding of the risks of these types of investments and have always wanted to invest some of my personal savings into solar. But, prior to Wunder Capital, there was not really a good way for me to invest smaller amounts of capital into these projects, which were typically limited to larger companies, institutional investors, or very high net-worth individuals."



Craig Lawrence

## HEAR FROM OTHER WUNDER FUND INVESTORS

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Wunder's solar investor network is comprised of individuals and organizations that are spread across the United States. They vary in profession, background, and motivation, but all share a common vision for our energy future. One wherein energy is cheap, environmentally friendly, and abundant. We consider ourselves privileged to work with these investors every day and help them realize that future.



# ABOUT WUNDER

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2017 has been a year about growth and maturation. Our solar investment funds have scaled well, our new market offerings have grown quickly, and our team, our resources, and our mission have been bolstered significantly.

Since the beginning of the year, we've added 8 new members to our team, enhancing our engineering, project finance, and capital markets divisions. In addition, we also have a number of key hires lined up to join our team in early 2018.

Our technology has also undergone some impressive advancements over the last twelve months. We've rolled out a number of improvements for the investor and solar customer portals, enhancing the user experience and enabling new features (like investments from self-directed IRA's, trusts, and companies). On the back end, we've laid the foundation for project underwriting automation, with an eye to increasing our efficiency and our throughput.







## 2018 & THE FUTURE OF SOLAR

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Heading in to 2018, we have a number of exciting developments planned! Notably, we will be expanding our national network of capital partners, working with more family offices, foundations, investment banks and specialty debt shops. For individual investors, we're planning on rolling out a new streamlined investment process, and we're expecting to increase both the number of IRA custodians that we integrate with and the number of educational webinars and events that we host. And - of course - we will continue to update our investor portal, providing more information and transparency.

2018 is shaping up to be a transformative year for Wunder and for the commercial solar industry. Solar financing demand is growing at an incredible rate, and we'll be looking to both individual investors and institutional investors to catalyze growth in this important sector.

**START INVESTING TODAY**

**SCHEDULE A CALL WITH WUNDER**



# IMPORTANT DISCLAIMERS

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