



YEAR-IN-REVIEW

2018

When I look back to 2017's Year in Review, I'm struck by how far we've traveled together in one rotation around our all-important star. To begin our measurement of a Wunder year as we ought to, how much solar capacity did we finance? On this most critical metric we made good strides, from 37MWs in 2017 to 61MWs in 2018. What stands out to me about these past 12 months at Wunder, however, are the investments we made into growing sustainably and successfully for years to come.

Here, the most visible differences are the size and capabilities of our team. Entering 2019 we have more than doubled the number of team members we came into 2018 with, and have added experienced leadership in a variety of key functions. To accommodate these new ranks, we have more than tripled our space with a new downtown Boulder HQ and the opening of a Denver office. We've never been better positioned to increase our impact on the commercial solar market and thereby the climate fight.

This investment in our most important asset - the Wunder team - was enabled primarily by the \$112mm financing we closed in April of 2018 led by Cyrus Capital Partners. In addition to the resources this fundraise directly provided for our growth, deploying tens of millions alongside an institutional capital partner has given us an invaluable education as to how we can better structure, scale, and service these institutional facilities and partners in 2019 and beyond.

Speaking of structures in 2019 and beyond, we're working hard this year to bring Wunder's speed, transparency, and low project minimums to new markets and financing types. In the past six months we've developed, launched, and contracted projects using a new financing structure for community solar, and we're investing

heavily in launching new financing options and structures to our developer and installer partners in the coming year.

Along with new and improved financing options, we have a number of improvements on deck for our developer and installer partners, including easier onboarding, better underwriting visibility, more disbursement communication, and enhanced asset management. If there's anything more that we can do to increase the value we bring to partners, please reach out to me or anyone on our team to let us know.

All of our 2019 improvements are in pursuit of financing 250 MWs on an annual run rate basis. We've identified this scale as a tipping point in the validation of commercial solar and Wunder as a platform. I hope to write you a year from now that Wunder has reached this goal, however, most important is that the scale and standardization that has made residential solar financing so successful is brought to commercial solar as quickly as possible. The solar market has historically flourished or sputtered on the quality and scale of the financing available, and at 37% of U.S. electricity consumption we must ensure that commercial roofs are covered in solar as rapidly and thoroughly as any other. In 2019, this remains our primary focus.

As always, please feel free to email me directly at Bryan@WunderCapital.com with any feedback, questions, or ideas. Thank you and God bless the solar cost curve!



A handwritten signature in black ink that reads "Bryan Bryan". The signature is written in a cursive, flowing style.

Wunder, CEO

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Disclaimer: The data, projects, and investments described in this report reflect historic or projected performance that we believe to be reasonable and accurate. This is not a solicitation to purchase any securities. Investments can and do lose money. Read all disclosures including the respective Private Placement Memorandums before investing. Important disclaimers appear on page 25.

**\$2.53B**

Financing Requested in 2018

**1,999**

Financings Requested in 2018

**61 MW**

Financed in 2018

**80**

Financings Completed in 2018

**704**

Solar Partners

**34**

Active States

**\$1.12M**

Average Loan Size in 2018

## WUNDER'S SOLAR PIPELINE

In 2018 we took a step back, dug deep into our data, and sat down with our partners to better understand their needs. While significant origination volume has been and will continue to be important, we chose to embark on a number of initiatives oriented around pipeline health and enhancing our solar partner experience in the pursuit of sustainable future growth.

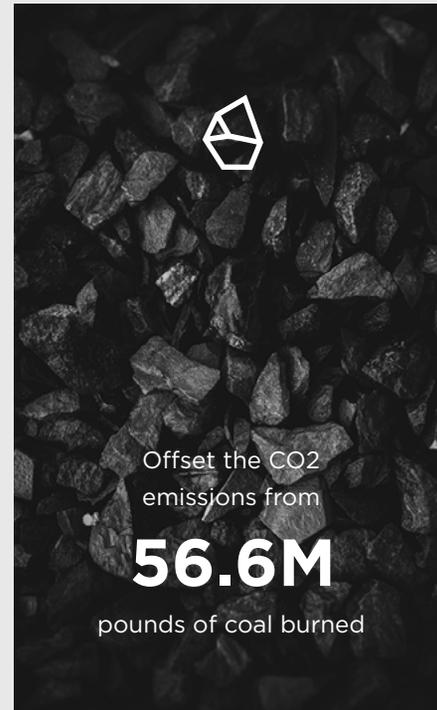
When compared to 2017's \$603.8M of financing requests, 2018's \$2.5B speaks for itself. This tremendous growth has been the result of our efforts to bolster Wunder's national partnership network of solar professionals, introduce new innovative financing products to the market, and improve both the partner and borrower experience. Needless to say, we're thrilled with how our team's focus is (already) paying off.

IMPACT

# WHAT IMPACT DOES 61 MWs OF SOLAR HAVE?

In the FIRST YEAR ALONE, it could...

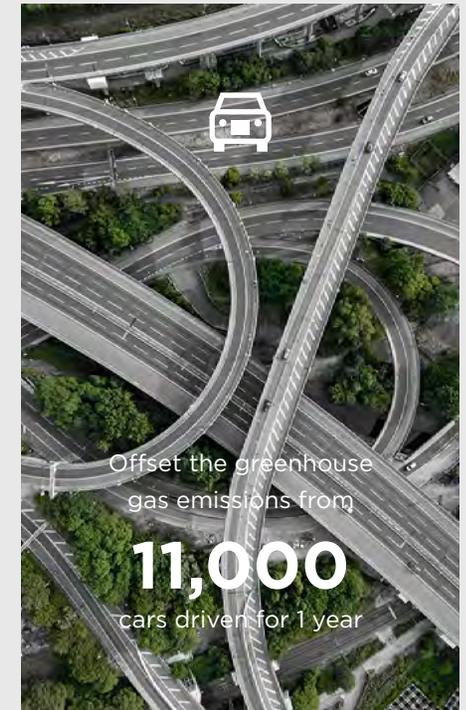
CITE: [EPA GREENHOUSE GAS EQUIVALENCIES CALCULATOR](#)



Offset the CO2 emissions from

**56.6M**

pounds of coal burned



Offset the greenhouse gas emissions from

**11,000**

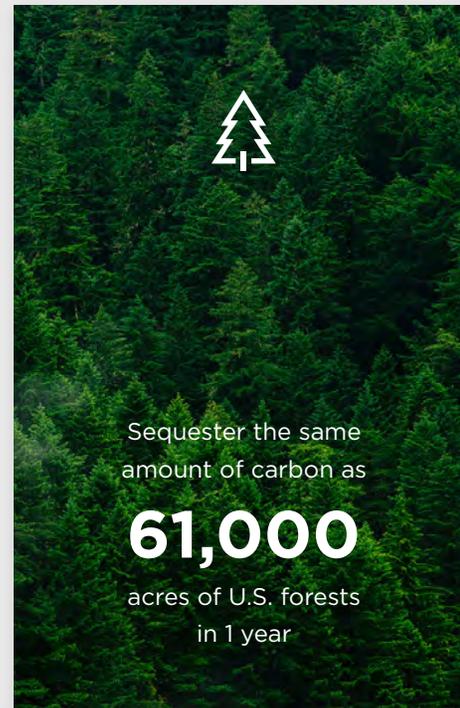
cars driven for 1 year



Offset the greenhouse gas emissions from

**36.1M**

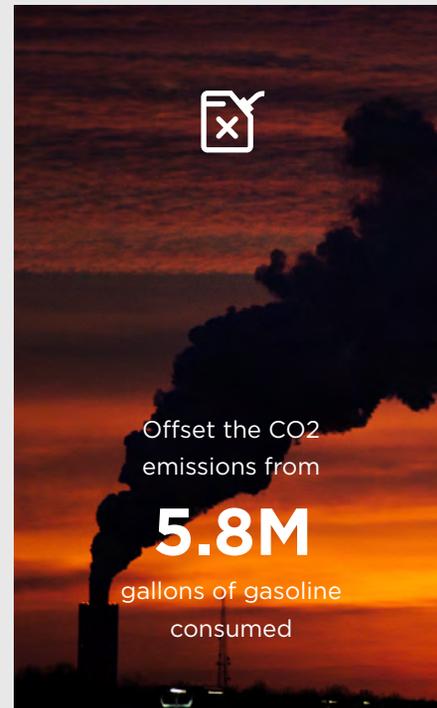
pounds of waste recycled instead of landfilled



Sequester the same amount of carbon as

**61,000**

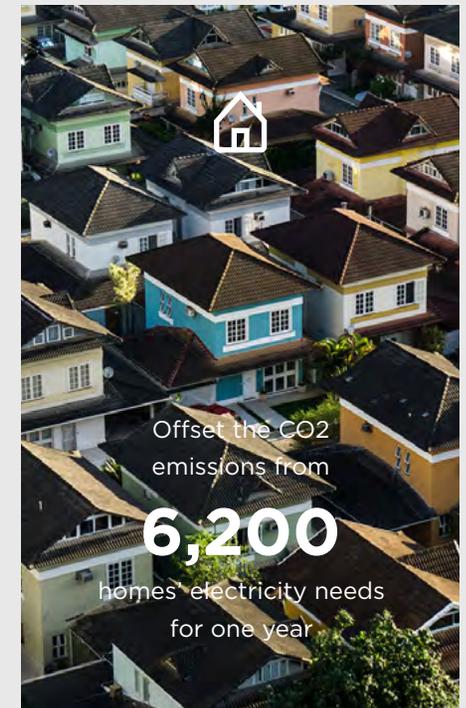
acres of U.S. forests in 1 year



Offset the CO2 emissions from

**5.8M**

gallons of gasoline consumed



Offset the CO2 emissions from

**6,200**

homes' electricity needs for one year

Location

**MCDERMOTT, OH**

Site

**GROUND-MOUNT**

System Size (kWdc)

**1,230**

Loan Amount

**\$1,100,474**

Est. Elec. Prod. (kWh/Yr)

**1,707,616**

Loan Term (Months)

**60**

## **3 OHIO SCHOOLS GO SOLAR**

An elementary, middle, and high school located in the beautiful plains and rolling hills of southern Ohio wanted to cut down on their fossil fuel dependency. The field between the three schools was the perfect place to build 1.2 MW of solar capacity, drastically curbing these schools' carbon emissions and benefitting their local community.

This project is a good representation of the Midwest market, where the introduction of new incentives and cheaper solar panels has allowed sophisticated market participants to turn the region into a solar stronghold in recent years.

# UNIVERSITY LED COMMUNITY SOLAR

The spatial limitations of New York City life are real. That means few options for anyone looking to develop a community solar project. This university decided to look to the skyline and take advantage of unused space on their rooftop to build a 963 kW solar facility on previously unused space.

Generating more than 1 GWh of electricity annually, this array will provide electricity to university facilities, another local school, and individuals who want their electricity to be cheap and clean. In NYC, with most people living in apartments, it's not as simple as putting solar panels on your roof. Community solar allows people to source their electricity from solar even if they don't have the space to install panels themselves.

Location

**NEW YORK, NY**

Site

**ROOFTOP**

System Type

**COMMUNITY SOLAR**

System Size (kWdc)

**962.5**

Loan Amount

**\$710,144**

Est. Elec. Prod. (kWh/Yr)

**1,137,874**

Loan Term (Months)

**60**

Location

**LESTER PRAIRIE, MN**

Site

**GROUND-MOUNT**

System Type

**COMMUNITY SOLAR**

System Size (kWdc)

**1,404**

Loan Amount

**\$1,199,707**

Est. Elec. Prod. (kWh/Yr)

**1,872,000**

Loan Term (Months)

**60**

## **MINNESOTA GOES GREEN WITH COMMUNITY SOLAR**

The Minnesota community solar program is one of the most forward-looking in the country with nearly 500 MW of operational capacity. Wunder partnered with a leading MN solar developer to crack the code for community solar, financing a 1.4MW project of theirs to kick off the partnership.

To better service the community solar market, we went back to the basics in 2018 and developed a community solar underwriting framework from the ground up, in turn removing some of the traditionally onerous requirements that have plagued this space. With Wunder's new process, financing community solar arrays is now straightforward for developers, installers, and customers alike.

# A NEW JERSEY (GREEN) LAWN CARE COMPANY

This manufacturer and retailer of lawn products has a warehouse in New Jersey with prime roof space for solar. With the opportunity to save hundreds of thousands of dollars in just the first year alone, this company jumped at the prospect of going solar and building a new array on their rooftop.

For this project, the solar developer was able to monetize New Jersey's Solar Renewable Energy Certificate (SREC) incentives, affording the solar customer an electricity rate that is far below their current utility rate, which will lead to spectacular savings. In addition to the economic benefits for the solar installer and the energy customer, the world will benefit from the 2.6 million kWh this array will offset from the electricity grid.

Location

**EGG HARBOR, NJ**

Site

**ROOFTOP**

System Size (kWdc)

**2,097**

Loan Amount

**\$2,450,000**

Est. Elec. Prod. (kWh/Yr)

**2,617,405**

Loan Term (Months)

**60**

# A MASSACHUSETTS SOLAR-POWERED ICE RINK

You may not think that the sun could be responsible for creating a large swath of ice, but this ice rink in Massachusetts harnesses the sun for that very purpose. The 575 kW rooftop solar array financed by Wunder will help the rink continue the energy intensive endeavor of maintaining ice through the summer months.

For this project, the developer is helping to monetize the tax benefits and solar incentives, while the ice rink is capitalizing upon the project by earning revenue for a lease on their rooftop.

Location  
**CANTON, MA**

Site  
**ROOFTOP**

System Size (kWdc)

**575**

Loan Amount

**\$853,000**

Est. Elec. Prod. (kWh/Yr)

**670,000**

Loan Term (Months)

**144**

# A CONNECTICUT SCHOOL DISTRICT GOES SOLAR

This Connecticut school district has a campus with plenty of available space. By hosting 350 kW's of solar capacity across a few facilities, the district is now able to generate all but 10% of its electricity consumption from solar, saving more than \$8,000 a year on its electricity bill while also helping the local community.

The developer is monetizing tax benefits that the school district isn't able to take advantage of (due to their tax-exempt status) and as a result can offer more generous terms, making solar an attractive proposition for the district. Saving money, reducing carbon emissions, and educating our children can all go hand-in-hand when it comes to solar.

Location

**BETHANY, CT**

Site

**ROOFTOP**

System Size (kWdc)

**349**

Loan Amount

**\$640,000**

Est. Elec. Prod. (kWh/Yr)

**451,561**

Loan Term (Months)

**144**

Location

**WASHINGTON, D.C.**

Site

**ROOFTOP**

System Size (kWdc)

**113**

Loan Amount

**\$223,360**

Est. Elec. Prod. (kWh/Yr)

**142,200**

Loan Term (Months)

**60**

## **A CLEAN POWER CONDO COMPLEX IN THE DISTRICT**

Washington DC's SREC incentive program provides generous incentives for solar energy production within the District. This new condominium complex in the NW quadrant of the city is taking advantage of these strong incentives by leasing out their roof space to host a solar array.

For this project, the developer is monetizing the incentives and selling the power produced, in turn paying for the privilege of using the condominium complex's rooftop for solar. At 113 kW, this array is perfectly sized for a city rooftop and fits right in with Wunder's mission of servicing commercial solar of many shapes and sizes.

# AN AUTOPARTS COMPANY SAYS ALOHA TO SOLAR

This national autoparts company has a large distribution warehouse located in Hawaii, where electricity rates are twice the national average. Wunder was able to finance a rooftop solar array through one of its partners to nearly halve the cost of electricity at this facility.

Despite the sunshine that makes Hawaii prime for solar development, most of the electricity in the Aloha State is generated from petroleum that needs to be shipped across the ocean. Not only will this solar array save the company \$47,000 in year 1, but it will also help reduce the need for fossil fuels to travel thousands of miles to keep the lights on.



Location

**WAIPAHU, HI**

Site

**ROOFTOP**

System Size (kWdc)

**270**

Loan Amount

**\$615,000**

Est. Elec. Prod. (kWh/Yr)

**416,335**

Loan Term (Months)

**60**

Location  
**HERMOSA BEACH, CA**

Site  
**ROOFTOP**

System Size (kWdc)

**142.56**

Loan Amount

**\$106,750**

Est. Elec. Prod. (kWh/Yr)

**233,361**

Loan Term (Months)

**120**

## **GREEN ENERGY IS KEEPING VEGGIES GREEN IN CALIFORNIA**

Refrigerating and storing the food that ultimately ends up on your dinner table is no lean energy feat. A Los Angeles grocery store recently wanted to go solar and offset the fossil fuel consumption required by their energy intensive business.

To meet this goal, they partnered with a solar developer, who in turn worked with Wunder, to build a rooftop solar array that produces more than 250,000 kWh annually.

Commercial projects of this type, which are too small for traditional banks, are right in Wunder's wheelhouse. This is because we have developed proprietary technology and can utilize in-house expertise to facilitate the underwriting of smaller opportunities.

# A HOT SUN KEEPS THIS ARIZONA CHURCH COOL

This church in Phoenix, AZ is hosting a 162 kW solar array on its roof to use the intense Arizona sun to its advantage. The same sun that beats down in an Arizona summer will now help this church air condition its congregation from electricity generated by a carport-mounted solar array, shading church-goers' parking spots as well.

As a 501(c)(3) non-profit organization, this church has no tax liability, so they couldn't take advantage of the Investment Tax Credit afforded to renewable energy projects like solar. By allowing a developer to own and operate the asset, all parties in the deal are now able to maximize value and take advantage of benefits that otherwise couldn't be unlocked.

Location

**PHOENIX, AZ**

Site

**ROOFTOP**

System Size (kWdc)

**161.7**

Loan Amount

**\$175,213**

Est. Elec. Prod. (kWh/Yr)

**267,898**

Loan Term (Months)

**180**

Location

**NORTHRIDGE, CA**

Site

**ROOFTOP**

System Type

**FEED-IN-TARIFF**

System Size (kWdc)

**4,024**

Loan Amount

**\$7,585,000**

Est. Elec. Prod. (kWh/Yr)

**6,720,514**

Loan Term (Years)

**60**

## **A MUNICIPAL UTILITY USING DISTRIBUTED SOLAR ASSETS**

California has some of the most aggressive renewable energy requirements in the country, aiming to produce 100% of its electricity needs from renewable sources by 2045. To meet this aggressive goal, a California municipal utility purchases electricity through a feed-in-tariff from solar arrays of varying sizes throughout the city.

One of Wunder's consistent partners has developed more than a few of these arrays, backed by Wunder debt. The quick turnaround at Wunder from offer to funding allows our partners to move quickly to take advantage of incentives and help California reach its aggressive renewable energy standards.

# A COMMUNITY CENTER SETS AN EXAMPLE

Located along the coast, this New Jersey community center requires a significant amount of electricity to support their swimming pool, gymnasium, and other facilities. The solar system that Wunder financed on the roof of their largest complex will now reduce that demand by more than 450,000 kWh annually.

Not only will the center receive thousands of dollars a year in electricity savings, but they also receive an upfront payment for using their roof to host a solar array. As solar panels continue to grow cheaper, developers and hosts can agree on revenue streams that make all parties better off.

With solar, this community center has strengthened its financial position, reaffirmed its status as a beacon in the local community, and set an example for others to follow.

Location  
**MARGATE CITY, NJ**

Site  
**ROOFTOP**

System Size (kWdc)

**353**

Loan Amount

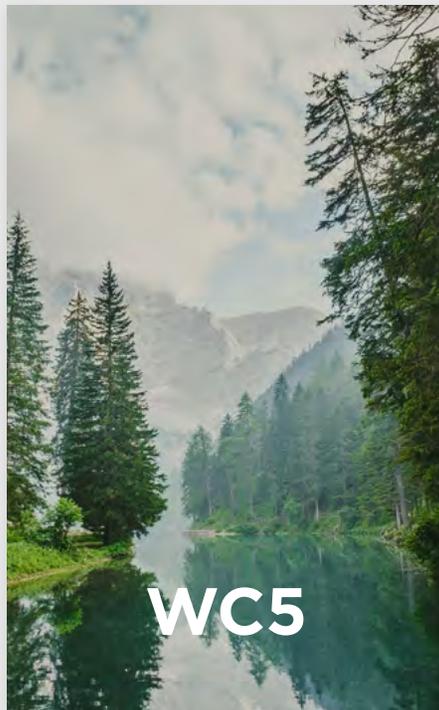
**\$718,300**

Est. Elec. Prod. (kWh/Yr)

**461,212**

Loan Term (Months)

**60**



CAPITAL

## SOLAR FUNDRAISING

At Wunder, we raise capital for the purpose of financing commercial scale solar projects, and in the process we've democratized access to this emerging investment opportunity. While we work closely with large financial institutions, structuring \$100M+ facilities, we have also made a number of investment opportunities available to individuals, family offices, and small institutions over the years. These funds allow individual investors to invest as little as \$1,000, and hopefully do well while also doing good.

Going in to 2019 we're focused on scaling up our Wunder Income Fund - [You can learn more here!](#)

# THE WUNDER INCOME FUND

This fund finances and manages a diversified portfolio of commercial solar projects that service businesses, municipalities, and non-profits across the United States. Borrowers enjoy 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 2019.

**INVEST TODAY**

Launch Date  
**JUNE '15**

Investment Type  
**DEBT**

Fund Target Annual Return  
**6.00%** = Actual 2018 Annual Return  
**6.00%**

Write-Offs To Date  
**0**

Average 2018 Investment Size  
**\$15,882**

Average 2018 Loan Size  
**\$291,500**

Average 2018 Project Size  
**188 KW**

Launch Date  
**NOV '15**

Investment Type  
**DEBT**

Fund Target Annual Return

**11.00%**

Actual 2018 Annual Return

**11.00%**

**=**

Write-Offs To Date

**0**

Average 2018 Investment Size

**\$22,942**

Average 2018 Loan Size

**\$1.28M**

Average 2018 Project Size

**1,026 KW**

## 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 covered development costs off of their own balance sheets, which significantly constrains their ability to book new business. Bridge loans allow these borrowers to grow their businesses beyond a leveraged balance sheet or distributor credit limit, simply wrapping the cost of capital up into their installation bid and passing 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 closed to new investment.

# THE WUNDER TERM FUND

This fund finances and manages a diversified portfolio of commercial-scale solar projects that service 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 closed to new investment.

Launch Date  
**JULY '16**

Investment Type  
**DEBT**

Fund Target Annual Return

**8.50%**

=

Actual 2018 Annual Return

**8.50%**

Write-Offs To Date

**0**

Average 2018 Investment Size

**\$23,925**

Average 2018 Loan Size

**\$140,000**

Average 2018 Project Size

**93 KW**

# 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 cost savings, as well as the 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 features 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.

The Wunder Capital 5 fund is closed to new investment.

Launch Date  
**OCT '17**

Investment Type  
**DEBT**

Fund Target Annual Return

**7.50%**

**=**

Actual 2018 Annual Return

**7.50%**

Write-Offs To Date

**0**

Average 2018 Investment Size

**\$29,879**

Average 2018 Loan Size

**\$623,191**

Average 2018 Project Size

**393 KW**

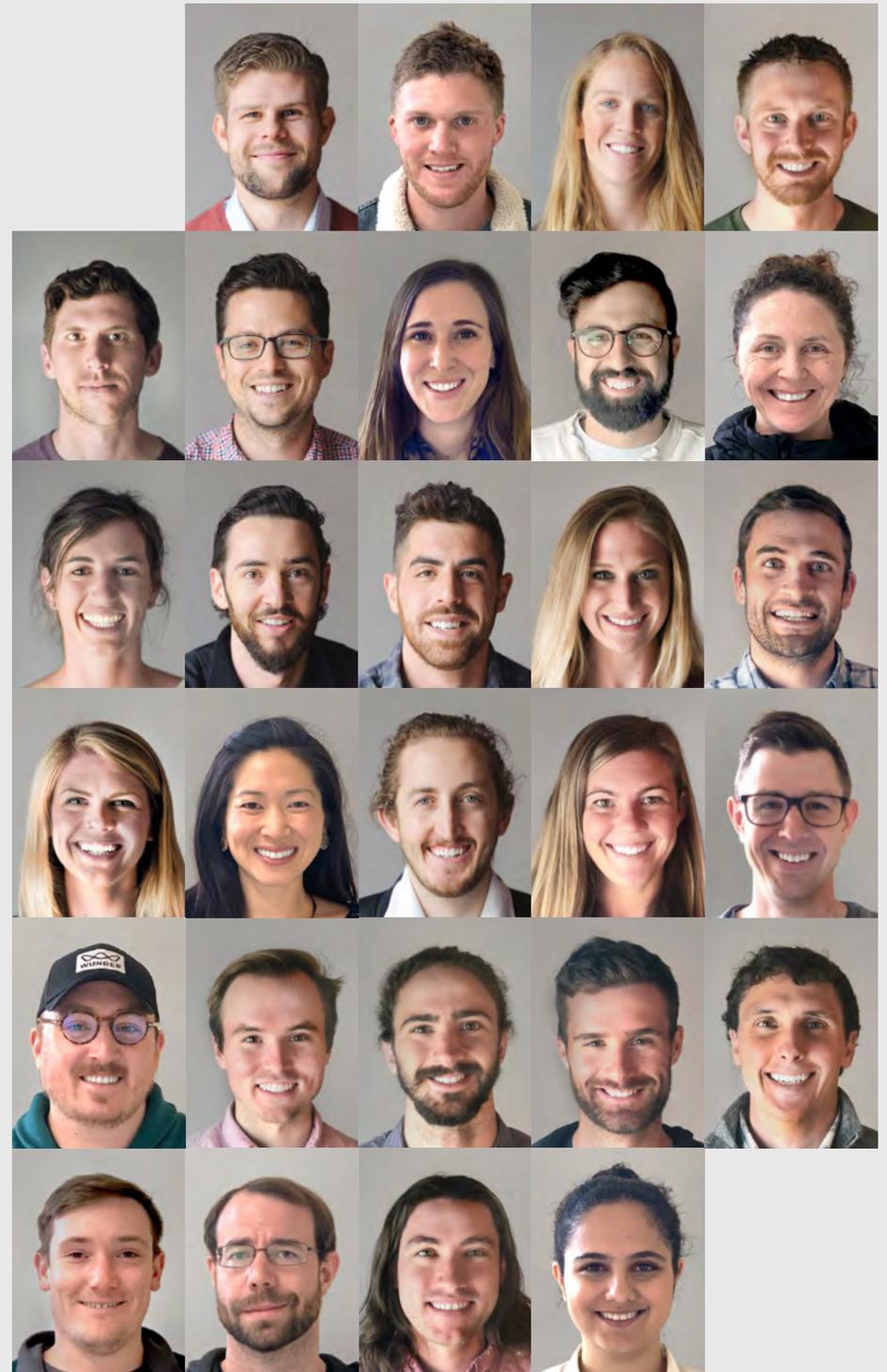
TEAM

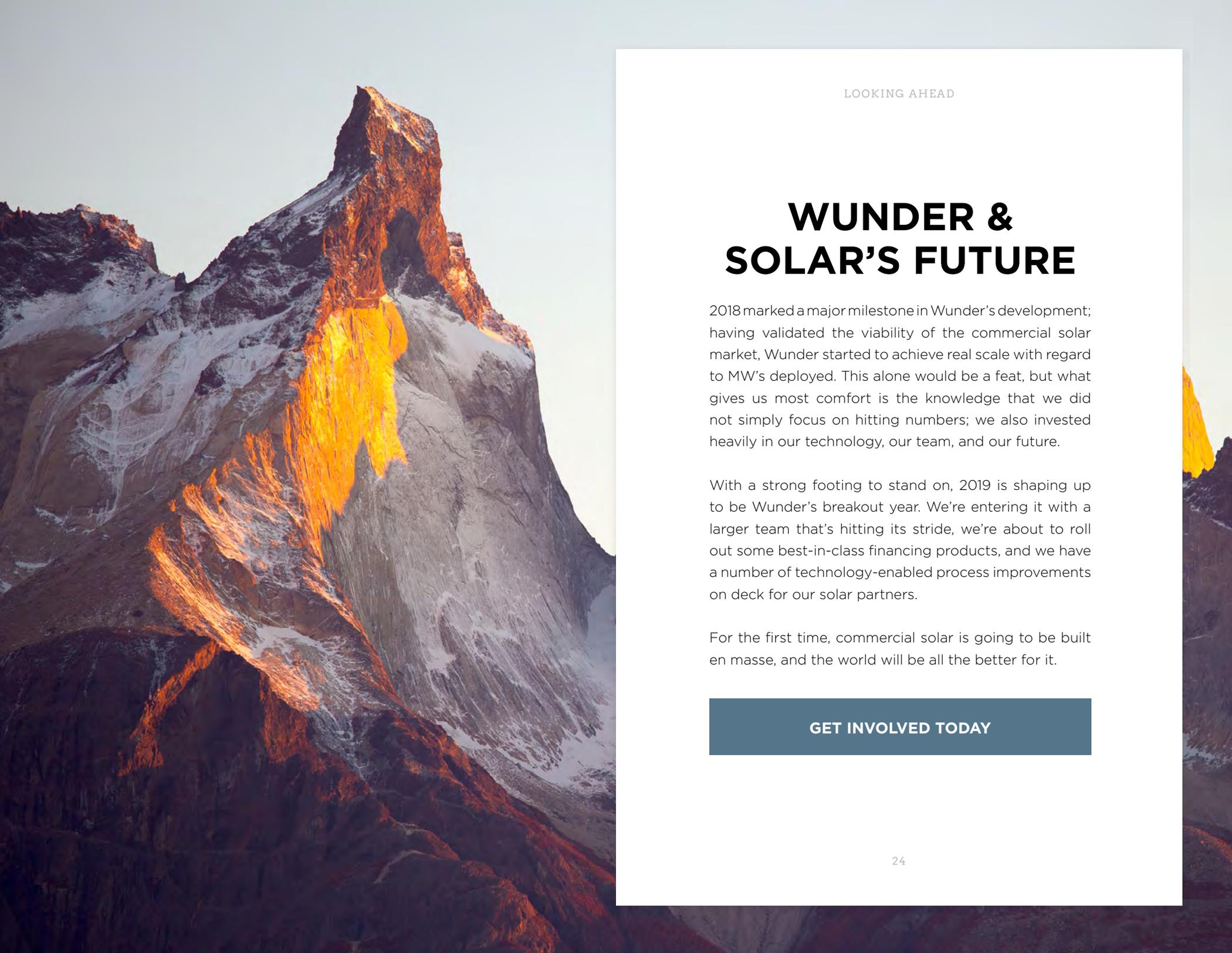
# ABOUT WUNDER

2018 was a big year for Wunder, not only in terms of solar capacity deployed, but also in organizational growth. To fuel this growth, in April we announced a new round of company financing in the form a venture-led Series B. These new resources have helped us expand Wunder's office footprint and teamsize in a way that will have massive repercussions for the commercial solar industry in the years to come.

To house our growing team (and ambitions), we renovated and moved into our new downtown Boulder headquarters back in September. Just a quick hop, skip, and jump away from our previous office, this new 8,500 sqft facility provides us with the space we need to stretch our wings and scale.

To fill this new space we have worked diligently over the last 8 months to hire passionate and talented teammates. We have grown from 14 to 30 strong, augmenting our Financing, Originations, Operations, Engineering, and Capital Markets teams. If you or someone you know is interested in joining the climate fight, we have multiple positions currently open and plan on continuing to hire aggressively through 2019.





LOOKING AHEAD

## WUNDER & SOLAR'S FUTURE

2018 marked a major milestone in Wunder's development; having validated the viability of the commercial solar market, Wunder started to achieve real scale with regard to MW's deployed. This alone would be a feat, but what gives us most comfort is the knowledge that we did not simply focus on hitting numbers; we also invested heavily in our technology, our team, and our future.

With a strong footing to stand on, 2019 is shaping up to be Wunder's breakout year. We're entering it with a larger team that's hitting its stride, we're about to roll out some best-in-class financing products, and we have a number of technology-enabled process improvements on deck for our solar partners.

For the first time, commercial solar is going to be built en masse, and the world will be all the better for it.

[GET INVOLVED TODAY](#)

## IMPORTANT DISCLAIMERS

The Wunder Term Fund, the Wunder Income Fund, the Wunder Bridge Fund, and Wunder Capital 5 (together, the “Funds”) are administered by The Wunder Company (“Wunder”). Please contact Wunder for more information. Wunder is headquartered in Boulder, Colorado.

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