



Solar Exclusively for Nonprofits

CHURCHES, SYNAGOGUES, ALL FAITH BASED ORGANIZATIONS, TRANSITIONAL HOUSING, ARTS & CULTURE ORGANIZATIONS, ENVIRONMENTAL ORGANIZATIONS, VETERANS ORGANIZATIONS, HOSPITALS, ANIMAL SHELTERS, YOUTH ORGANIZATIONS, FOOD BANKS, AND OTHER COMMUNITY SERVICE ORGANIZATIONS

888-980-CSUN (2786)

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www.collectivesun.com



CollectiveSun is Proud to Be the Only Company in America That Exclusively Helps Nonprofits Get Solar

CollectiveSun has been helping nonprofits fund solar projects nationwide since 2011. Our expert team understands the financing challenges nonprofits face better than anyone else. Our proprietary funding model was designed to minimize your nonprofit's time and effort while guaranteeing the least expensive funding options available. IRS rules unfairly dictate nonprofits are excluded from utilizing tax benefits because of their tax exempt status. However, CollectiveSun's innovative financing model allows a portion of the tax benefits to be accessed by your nonprofit.

- ✓ CollectiveSun can reduce ANY solar installers bid by 10% on projects 20 kW or greater
- ✓ CollectiveSun can help finance solar projects for ANY nonprofit nationwide
- ✓ CollectiveSun will ALWAYS offer the least expensive funding options
- ✓ CollectiveSun does not attach any liens to the nonprofit's property
- ✓ CollectiveSun can use one or ANY combination of payment options below to fund projects

There Are Basically 4 Options to Fund a Solar Project

1. *Banks or Wall Street Investors* – these lenders view nonprofit loans as high risk investments. If a loan is actually approved it will come with a high interest rate to mitigate the perceived high risk.
2. *Donations* – require going to supporters with your hands out asking for money yet again.
3. *Cannibalizing Reserves* – a nice option if the nonprofit has reserves robust enough to pay for the system outright but most nonprofits prefer to save these funds for a rainy day.
4. *CollectiveSun's Proprietary Crowdfunding Campaign* – a direct loan from supporters of the nonprofit with principal and interest repaid annually over 10-12 years using the savings from the solar project. Because it's a direct loan between the nonprofit and its supporters (investors), the interest rate can be set at the discretion of the nonprofit (0%-10%). CollectiveSun has a 100% success rate funding these projects.

CollectiveSun's Crowdfunding Model

Simply stated, a small group of supporters from the nonprofit provide a loan (an unsecured note) to the nonprofit. The nonprofit uses this loan to pay for the prefunded PPA (90% of the installer cost). If a nonprofit replaces a \$50,000 per year utility bill with a \$40,000 per year loan, the loan eventually goes away and the nonprofit enjoys free power for decades.

Prefunded Power Purchase Agreements (PPA)

Under traditional "full cost" PPAs, a large bank, a Wall Street Investor or another unaffiliated entity is profiting from the financing of your nonprofit's solar project. CollectiveSun's "prefunded" PPAs differ because they are funded by community members who profit from the transaction, thereby keeping dollars in the community.

"POWER BY THE PEOPLE"

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Regardless of who is funding the project, someone's making money on the transaction.

CollectiveSun believes the community members should be that "someone" because...

1. The community will evaluate the default risk of their nonprofit lower than a traditional financing company and will accept a lower interest rate.
2. Keeping dollars local and having supporters of the nonprofit benefit is better than sending profits to a large bank or a Wall Street investor.

Another way of looking at it:

Getting financing from a large bank or traditional solar financing company means your nonprofit is going to be paying a lot more in the long run because banks categorize nonprofits as "risky" investments and to mitigate the perceived risk, they attach exceptionally high interest rates to the transaction. Going to your community and using the CollectiveSun crowdlending platform means your nonprofit will pay substantially less and your community members are the ones that will benefit.

If you'd like to learn how your nonprofit can save 10% off any installer's bid, please contact us today.

Donations

CollectiveSun believes the time to ask for donations is when your investors are receiving their loan repayments. During the annual loan repayment notification process, when CollectiveSun informs community members their loan repayments are arriving and how much principal and interest they've earned during the year, we offer them an opportunity to donate all or a portion of their repayments back to the nonprofit they love and support. This unique component of CollectiveSun's crowdlending campaign provides nonprofits with an opportunity to "double dip" from a singular investment. The nonprofit receives the initial loan amount to fund the solar project and then charitable donations are received when these same funds are paid back annually to the investors.

Sample Project

A church in New York wanted to reduce their energy bills with clean, renewable energy. They also wanted to demonstrate their commitment to Creation Care Theology by supporting environmental causes. They decided to use an installer who gave them a bid of \$200,000 for a 60kW system that will reduce their energy bill by 75%. The pastor looked at all available funding options. He didn't have enough money in reserves to pay for the system outright. Two banks told him his loan request was too risky with a third bank offering an 11% loan. The pastor didn't want to go to his supporters asking for another round of donations. Instead, he decided to utilize CollectiveSun's crowdlending campaign which allowed the pastor to ask his supporters for a loan to fund the solar project. He informed his supporters that he wanted the Church to become more fiscally responsible by lowering operating expenses with solar. At the same time he explained that the Church would become a better shepherd of the earth (Creation Care Theology). He informed his supporters the loan would be paid back annually over 10 years with a 5% return on their investment, the church would take possession of the system at no additional cost in just 5 years, the prefunded PPA would allow the church to lock in a discounted energy rate 75% less than what they were currently paying for 25+ years which protects them against any utility rate increases. Best of all, the church only needed to raise \$180,000 because CollectiveSun was able to apply tax credits to reduce the cost by 10% (a \$20,000 saving). That's money they could use to build a new playground. At the end of the 25+ year life of the solar system, this church will end up saving \$400,000 or more!

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