



Raise Green

Corporate Structures --- For Project Finance

Structuring for Solar EPCs, Contractors,
Developers, more

info.raisegreen.com/get-funded





What We Do

Raise Green is committed to accelerating the transition to a decarbonized future by providing climate projects a direct line of funding. Inclusive modes of investing allow for communities to benefit from the projects they need, and allow project owners to secure financing that augments their business model.

Since its founding, Raise Green has enabled direct investment in a variety of climate projects, including new solar construction, solar refinancing, energy efficiency improvements, and more. With a community of 50,000+ avid mission-aligned impact investors, community members and climate activists and an average investment amount of over \$3,500, Raise Green provides an accessible and simple source of capital to new and existing solar projects and climate businesses.

Raised \$1,000,000



Raised \$398,000



Raised \$250,000



Raised \$165,000





Solar Project Finance

Only about 3.5% of US commercial buildings have onsite solar.¹

There is a significant missed opportunity for solar installations on commercial and non-profit buildings, due to financing complexity, and value is left on the table.

The Challenge: Traditional project financiers can be RIGID

- Fixed requirements and terms set by traditional financing partners
- An unwillingness to fund small to medium projects
- Restrictions to fund projects within a limited geographical area
- Or other strict controls that make funding difficult!

The Solution: Raise Green provides financing FLEXIBILITY.

- Terms and repayment structure adapted to your project
- Well suited to small and medium projects
- No arbitrary restrictions - run your business your way
- Easy step-by-step guidance and document templates

Our Menu of Solar Financing Templates

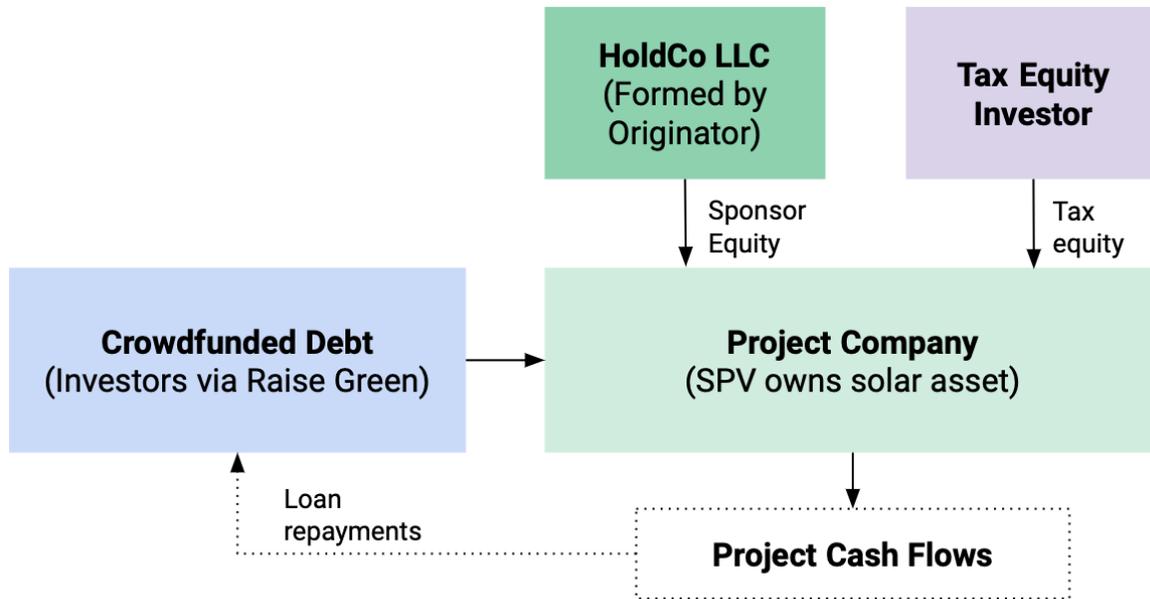
Raise Green has proven 3 simple models, each of which allows you to leverage impact investment dollars and support your other stakeholder needs. We're committed to helping make your project a success.

- Project Company Debt
- Holding Company Debt
- Holding Company Equity

1. ("Revealing the true commercial solar addressable market," 28 July 2020)



Option 1: Project Company Debt



Project Company issues debt to investors through Raise Green

Advantages:

- Use Raise Green's ready-made debt crowdfunding templates.
- Calibrate key terms like the interest rate to suit your project.
- If you have existing solar assets with unattractive debt rates, for example post-flip projects, use Project Debt to refinance your project and liberate cash for your next project!

Considerations:

- If you have a tax equity investor, project-level debt may not be an option for you, especially if it is secured by project collateral, due to subordination concerns. In that case, check out structure #2!
- Still, impact investing projects may be of interest to smaller or unconventional tax equity investors like individuals, foundations, and family offices.
- Crowdfunded investment can help build public support: to ease a project's permitting process, to share profits with the community, and to give you status as a developer at the knife's edge of democratized, inclusive and innovative financing mechanisms.



Case Study: Project Company Debt



- Solaris Energy combined multiple investment sources into a holding company, so they didn't want to take out debt at that level.
- Instead, they used an existing Project Co Elm Lea Renewable Energy, LLC, which owns the array, to raise debt against project cash flows.
- The project had been operational for several years and had a secured PPA with a school.
- This freed up capital for Solaris Energy to redeploy on other projects.

\$250,000.00 raised

Maximum \$250,000.00
Target \$50,000.00

500% of \$50,000.00 min goal raised

100% of \$250,000.00 max goal raised

45

Investors
Offer Expired

Start date: March 24, 2021

End date: May 14, 2021

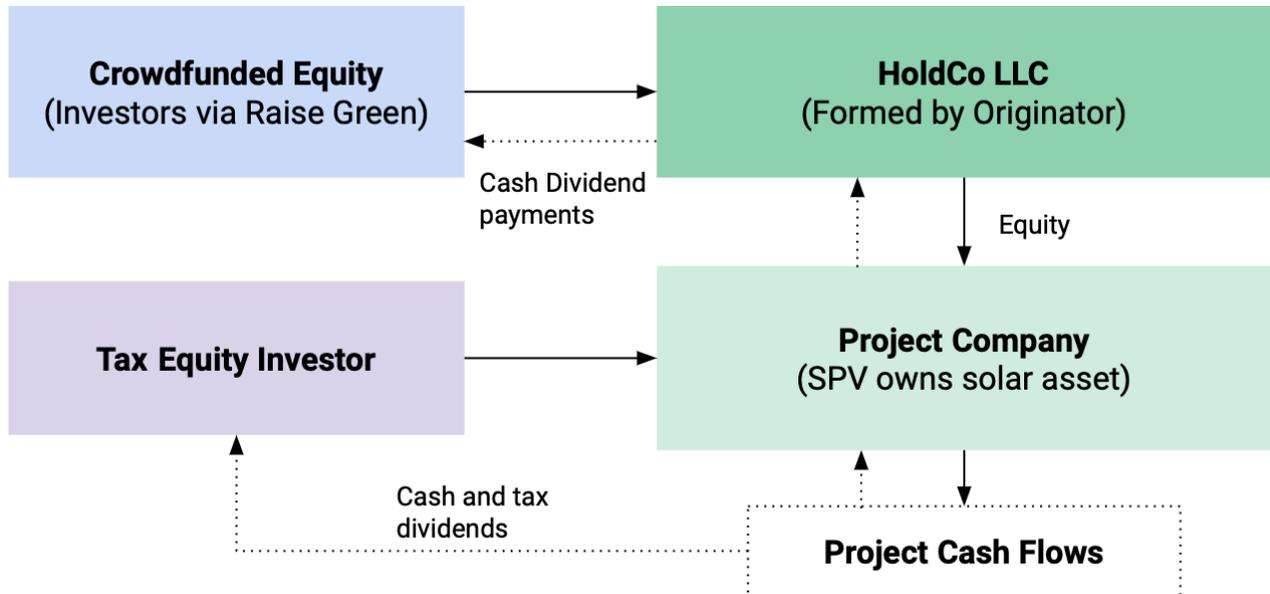


Project Finance For Solar Projects

- You may know that solar financing is driven primarily by expected cash flows, and not primarily by the asset value. Debt structuring is then defined by where those cash flows go, and it's important to ensure the project and operating risks are held by the party best suited to handle them.
- The Project Company owns the assets, and ringfences the overall project risk from the project sponsor.
- The Project company farms out construction, operating, and market price risk to an EPC, an O&M contractor, and an offtaker (through a PPA).
- What's left? The remaining free cash flows are used to pay off debt and equity holders.
- Because of this we typically see Project-level Debt as simple, unsecured senior debt, covered by the projected cash flows of the project.



Option 2: Holding Company Debt



Holding Company above the Project Company issues debt to investors through Raise Green.

This is called a back-leveraged structure - it's quite common in solar financing.

Advantages:

- Use Raise Green's ready-made debt crowdfunding templates
- Calibrate key terms like the interest rate to suit your project.
- You can finance multiple projects through a single holding company, or re-use the Holding Company for other projects later! This can really simplify how you put together financing for your incoming pipeline of projects.

Considerations:

- If your tax equity investor won't support Project-level Debt, Holding Company Debt can be the solution. Sponsor Equity value underpins the ability to pay back this debt, and it's on more equal footing with other equity holders.



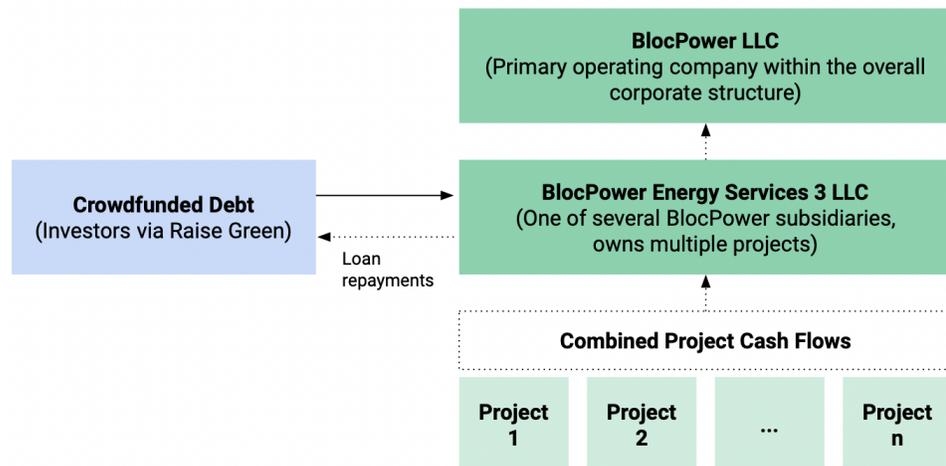
Case Study: Holding Company Debt



- BlocPower is a developer of energy efficiency retrofits, but they used the same corporate structure that solar projects utilize
- They originate, develop, and own multiple projects, and they raised money for around a dozen installations, from a single investment offering on Raise Green
- BlocPower raised nearly \$1M in just over 2 months through Reg CF
- This bundled project structure could dramatically simplify your project capital fundraising!

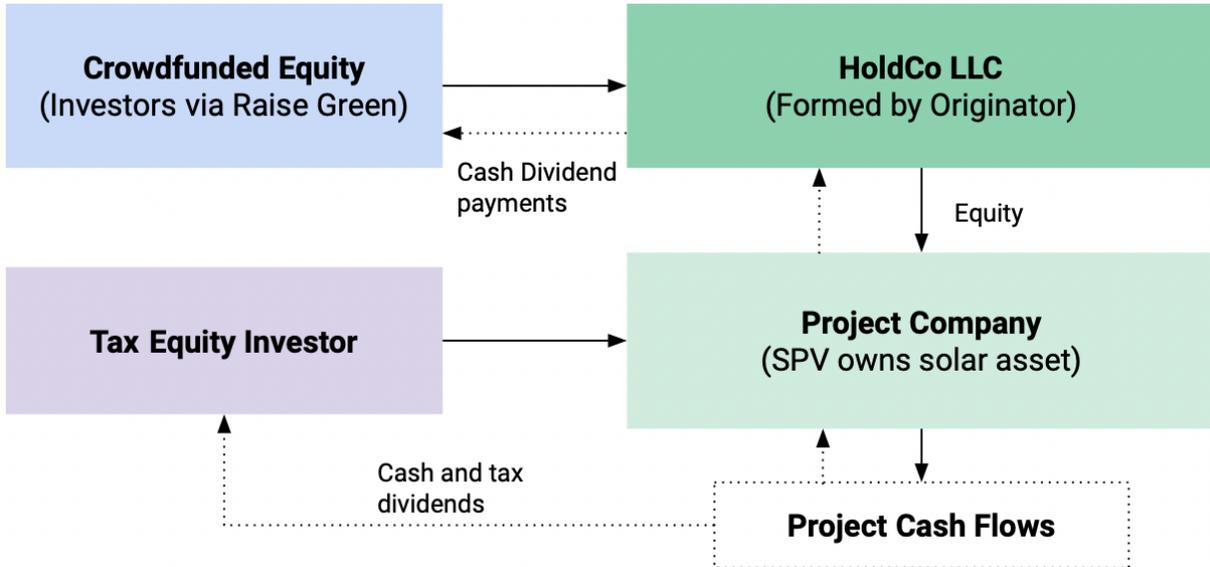


BlocPower Corporate Structure





Option 3: Holding Company Equity



Holding Company above the Project Company issues equity to investors through Raise Green.

Advantages:

- You don't have to add any more debt to your balance sheet
- Equity has a lower repayment priority than Debt: This means your equity holders would only be repaid after you pay your debt coverage.
- You can choose to sell common or preferred shares - no voting rights required
- Equity allows for more flexible repayment terms and schedule
- You can engage the local community or your target customer base by offering them partial ownership in the work you do!

Considerations:

- When you're selling equity, you're selling the value of the company and its future success, based on the health of your business and pipeline, whereas with debt you're simply committing to return borrowed funds under a certain repayment plan.
- You can raise up to \$5 million of Holding Company equity per year with Raise Green, and use this in combination with an outside debt source, to add further leverage.



Project Finance with Raise Green



21 Days - 90 Days



\$10,000 - \$5,000,000



Retail, Accredited, and Institutional Investors



40+ Years Experience in Project Finance, Renewable, and Securities

Overview of Regulation Crowdfunding

Created in 2015 under the JOBS Act, Reg CF is now part of the Securities Act of 1933 and can now be used by clean energy projects and climate tech companies to complement or even replace traditional financing sources, such as banks and institutional lenders, project sponsor investments, and private equity funds. This new and innovative tool provides a powerful opportunity to take control of project capital formation. Since the inception of Regulation Crowdfunding, companies have used it to [raise over \\$1 Billion](#).

2

Reg CF acts as a new form of finance, in which investors can purchase a debt or equity stake in a business that excites them, providing up to \$5M per company per year. This powerful new tool empowers companies to secure financing on their terms, maintain the desired project ownership structure, and leverage the rapidly-expanding movement of principle-driven retail investing.



Raise Green

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...there needs to be more authentic market-makers, like Raise Green, who are not reclassifying traditional assets by 'greenwashing,' but are pioneering the development of new, truly sustainable investments.

Forbes

Ready to finance your next project? We're here to help you. Visit us at info.raisegreen.com/get-funded and we'll be in touch.

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Want to talk sooner? [Schedule a time to speak with one of our clean energy project managers.](#)

For illustration and business discussion purposes only. All issuers should consult with their legal counsel on the legality of any given corporate structure. Holdcos are created by external originators and cannot be created, managed, or controlled by Raise Green. Raise Green takes a share of equity compensation (of the same classes of securities as listed in the offering) for each listing in accordance with Reg CF under the Securities Act.

Raise Green is a financial technology company that provides funding opportunities to renewable energy projects and climate technology ventures. By pairing climate-conscious mission-driven investors with projects in need of financing, Raise Green is creating an investment platform that allows for direct climate action. With Raise Green, you get the funding you need to decarbonize our future.



raisegreen.com