

YEAR IN REVIEW

FY2020



solarenergyloanfund.org



IN THIS REPORT

What Happened in FY2020	3
SELF Innovations	4
Loan Activity: Outstanding Results in a Tumultuous Year	6
Loan Activity: Market Demand	7
Loan Portfolio Composition: Project Types	8
Loan Portfolio: By State	9
Triple Bottom Line Impacts	10
SELF Milestones	11
Contactor Impacts	12
SELF Clients	13
SELF Financials	16
Summary of Key Financial Indicators	17
Capital	19

WHAT HAPPENED IN FY2020

FY 2020 – The year of reckoning with the inescapable reality of our global connectivity and our collective vulnerability to climate, health and economic impacts.

Fiscal Year 2020 was the most unpredictable and challenging year for the nonprofit SELF organization since our inception in July 2010. It was also a record breaking year in many ways.

During the first half of FY 20 (Oct 1, 2019 – March 31, 2020), SELF continued its steady year-over-year growth in lending activity and made significant progress in all partnering communities, including the City of St. Petersburg, Hillsborough County, and Martin County.

But the world changed in mid-March 2020 when **COVID-19** was declared a global pandemic and public safety immediately became priority number one. SELF took swift action to protect staff and clients and continue operations by: shutting down headquarters and all three satellite offices (i.e., St. Pete, Tampa, Orlando); shifting exclusively to on-line lending; and, having all fifteen employees work from home, with the exception of the accountant, who worked safely alone at a secure office. SELF also immediately contacted all of our existing clients (i.e., approximately 750 individuals/families with outstanding loans) to assess the status of our nearly \$5 million loan Portfolio.

Another major consideration was the unknown effect of the pandemic and stay-at-home orders on **DEMAND** for SELF's products and services. The nation largely shut down at this time because of the coronavirus and the American economy quickly plunged into crisis, losing 20.5 million jobs in May, with unemployment peaking at 14.7%. It was the worst loss of jobs and economic devastation since the Great Depression. And, according to the Energy Information Administration (EIA), the United States concurrently experienced the largest decrease in energy use ever recorded in modern history in April 2020. Federal officials reported that U.S. energy consumption had plummeted to its lowest level in more than 30 years, and the price of US oil even turned negative for the first time in history. As a non-profit lender with considerable activity in the energy sector, this was a time of great uncertainty. As a result, the SELF Executive Team notified the Board of Directors that staff had adjusted its annual lending goal for FY 20 downward from \$3.6 million to \$3 million.

COVID-19 RESPONSE

SELF simultaneously offered a payment deferment plan to all clients with verifiable impacts from the pandemic and we were pleasantly surprised that only 28 clients requested and received deferments (3.7%). Furthermore, nearly all of these impacted-clients were back on track within 90 days. SELF also adjusted underwriting criteria and requested specific information about direct impacts of COVID19 on the applicant's ability to pay.

Despite the uncertain times, SELF also closed more than \$1 million of loans for the first time ever during these traditionally slower first 6 months of the FY, and we increased overall lending by 14% compared to the same time period the previous year. This steady growth was largely attributable to a greatly expanded contractor network that surpassed 500 companies for the first time, robust partnerships with the above mentioned local governments, and increased marketing and community outreach.

SELF INNOVATIONS

Finally, it should be noted that SELF made timely investments in internal system upgrades in 2019 that were completed just before the global pandemic was announced. These system upgrades, robust partnerships, and herculean efforts by staff, enabled SELF to meet burgeoning demand and achieve record breaking results in 2020.

GIBSON PLAZA



In September, 2020, SELF and Miami-Dade County applied for and were awarded a \$200,000 grant from the Leon Lowenstein Foundation to demonstrate a replicable and cost-effective model for solar energy and battery backup on multi-family dwellings that reduces GHG emissions, increases resilience, and

enhances the health, safety, and welfare of low-income and vulnerable elderly populations. The project will update Gibson Plaza, a County owned housing facility with 65 units for low-income, elderly residents with a new solar-ready cool roof (paid for by the County) and new solar PV and battery backup system (paid for by the Grant). Special design consideration will be given to local wind loads, warranties, energy savings, emergency preparedness, and public health needs during major storm events and power outages. This innovative Project will serve as a replicable model to promote solar energy, climate resilience, and social and environmental justice at other multi-family dwellings in South Florida and beyond.

JP MORGAN CHASE PARTNERSHIP



In October 2019, SELF and its partners, the South Florida Community Land Trust, Community Land Trust of Palm Beach County, Enterprise Florida, and the Florida Community Loan fund, were honored to be awarded a \$5 million, 3-year initiative to develop affordable, resilient and sustainable housing for

residents living near Florida East Coast Railway transit stations in Miami-Dade, Broward and Palm Beach counties. The grant will also help upgrade affordable housing with energy-efficient and climate-resilient technologies in low-to-moderate income neighborhoods around current and proposed transit stations.

MAJOR PARTNERSHIPS



SELF'S partnership with the City of St. Petersburg helped the City to achieve its goals as part of the Bloomberg Philanthropies American Cities Climate Challenge. St. Petersburg is SELF's most mature satellite office.

- City of St. Petersburg Office closed \$1,135,576.68
- Helped 107 families install roofs, high efficiency HVAC, disability upgrades and solar PV
- 53% in the CDFI investment areas



SELF'S partnership with Hillsborough County continued to help the County achieve their sustainability and affordable housing goals.

- Hillsborough Office closed \$817,142.97
- Helped 83 families afford roofs, high efficiency HVAC, and disability upgrades
- 69% in the CDFI investment areas

NEW PARTNERSHIPS



CITY OF ORLANDO & ORANGE COUNTY PARTNERSHIP



In May, 2020 the City of Orlando helped SELF secure a grant from the Energy Foundation as part of the Bloomberg Philanthropies American Cities Climate Challenge and Orange County. The grants will help SELF support sustainability initiatives in both Orlando and Orange County.

- Orlando Office closed \$211,194.14
- Helped 20 families afford roofs, high efficiency HVAC, and solar PV

LOAN ACTIVITY

OUTSTANDING RESULTS IN A TUMULTUOUS YEAR

Despite all of these worst case scenarios and extreme events becoming a reality and happening all at once, SELF never experienced the anticipated decrease in demand. Quite the contrary: SELF's lending activity in March went up 23% from the previous year and in April the organization set a new all-time **lending record** by surpassing \$400,000 in loans for the first time in any month over the last decade! In May, SELF broke the new lending record we just set the previous month by reaching \$421,675 in loans, which was a 69% increase from the previous year.

In late May, SELF also consummated a major multi-year partnership with the City of Orlando, the Energy Foundation, and Orange County. SELF fast-tracked recruitment and hired the new Central Florida Regional Director in June and then shortened the training and ramp-up period in order to open the new

Central Florida Satellite Office as quickly as possible. SELF was also working on community outreach and contractor recruitment with all of our existing partners.

As SELF moved into its peak season during the late summer months and early fall, demand sky-rocketed even further and the organization set **new monthly lending records in six consecutive months**, peaking out in August with \$634,415, which was 155% more than the previous year. Demand was simply off the charts during the second half of FY 20 (i.e., first 6 months of the pandemic) with loan closings increasing by 89% in FY 20 versus the same half year period in FY 19. SELF also finished FY 2020 by completing a total of \$4,187,280 of loans, which established yet another new record for SELF and was 61% more lending than the previous year.

MONTH-TO-MONTH CLOSINGS COMPARISON FY19-FY20

MONTHS	FY 2019	FY 2020	% +/-	\$ +/-
October	\$145,833	\$128,020	-12%	\$(17,813)
November	\$156,880	\$234,148	49%	\$77,269
December	\$119,139	\$56,465	-53%	\$(62,674)
January	\$124,555	\$172,401	38%	\$47,846
February	\$201,432	\$241,083	20%	\$39,651
March	\$201,149	\$248,359	23%	\$47,210
April	\$178,396	\$405,274	127%	\$226,878
May	\$249,224	\$421,675	69%	\$172,451
June	\$289,977	\$563,291	94%	\$273,313
July	\$344,769	\$628,411	82%	\$283,642
August	\$248,822	\$634,415	155%	\$385,593
September	\$335,412	\$453,740	35%	\$118,328
	\$2,595,587	\$4,187,280	61%	\$1,591,693

LOAN ACTIVITY

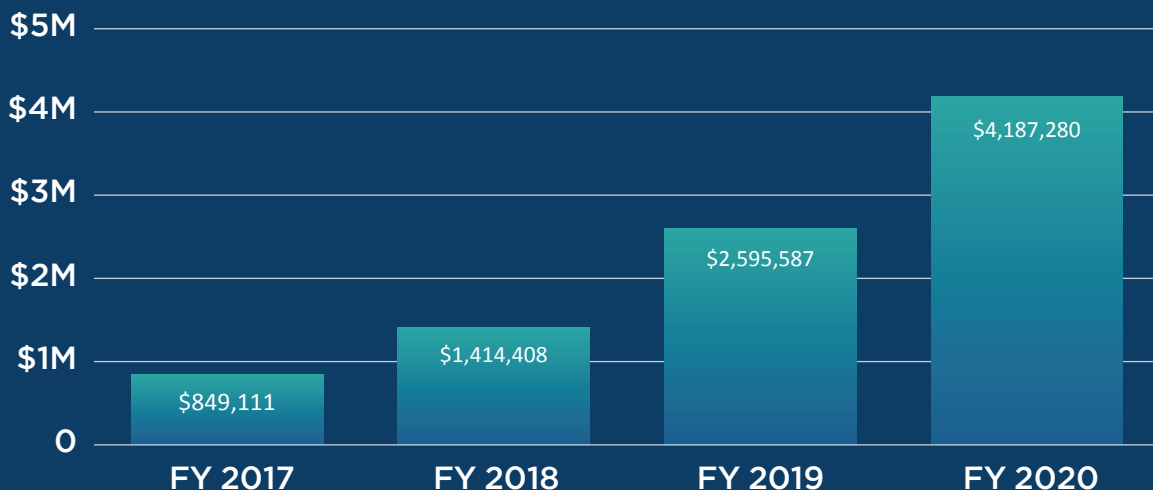
MARKET DEMAND

As more information became available in the summer about energy consumption and economic impacts by sector, it was much more evident why SELF was experiencing such unprecedented and record-breaking growth. First, it's very notable that while overall electricity demand fell by about 4% in 2020 that decrease was largely due to the significant impact on commercial and industrial sectors, while residential electricity sales actually increased by 9% during the spring, 3.8% from January to August, and 1.3% overall in calendar year 2020. Homeowners were hunkered down at home, 24-hours a day, month after month, for the entire second half of FY 20, so logically residential electricity consumption increased accordingly. The fast-evolving health crisis also

magnified the importance of the family home as the one sanctuary to safely endure the pandemic. As a result, homeowners rapidly increased investments in fixing and improving their properties and both new home construction and home improvement companies (i.e., Lowes and Home Depot) were some of the few thriving sectors of the economy in 2020, particularly in Florida. Homeowners were also more readily available to coordinate and work with contractors to complete assorted home improvement projects. The net results were record-breaking in almost all regards, and are likely to continue into FY 21, though there continues to be significant uncertainty about the on-going impacts of the global pandemic.

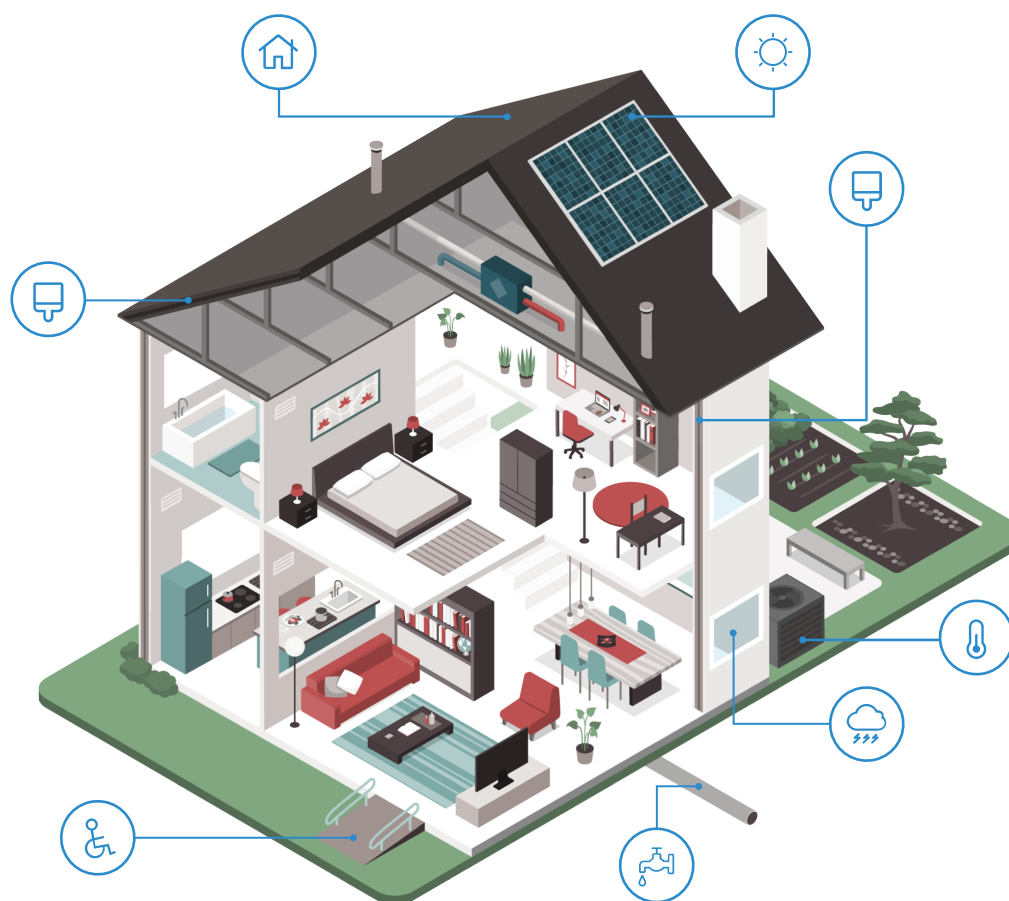
SELF's nearly \$4.2M in total lending in FY 20 and overall increase of \$1.59M from FY 19 was a continuation of the organization's rapid growth over the last three years. SELF's total lending in FY 20 was 393% more than in FY 17.

ANNUAL LENDING BY FISCAL YEAR



LOAN PORTFOLIO COMPOSITION

PROJECT TYPES




Solar
Products


Sewer
and Water


Storm
Resilience

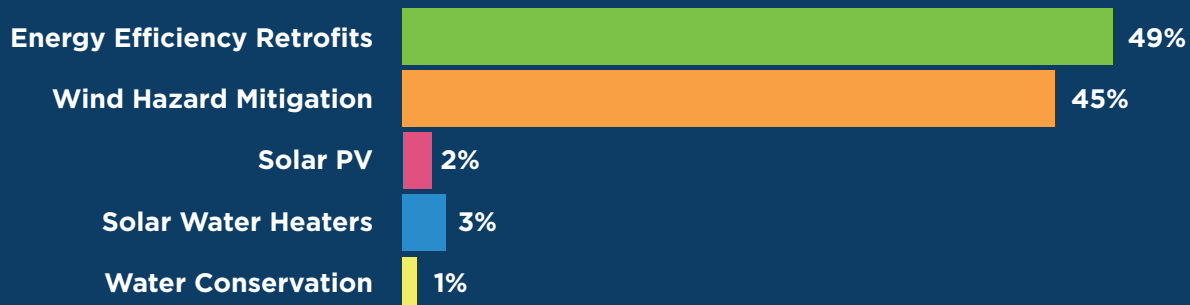

Roofing


Air
Conditioning


Disability
Products

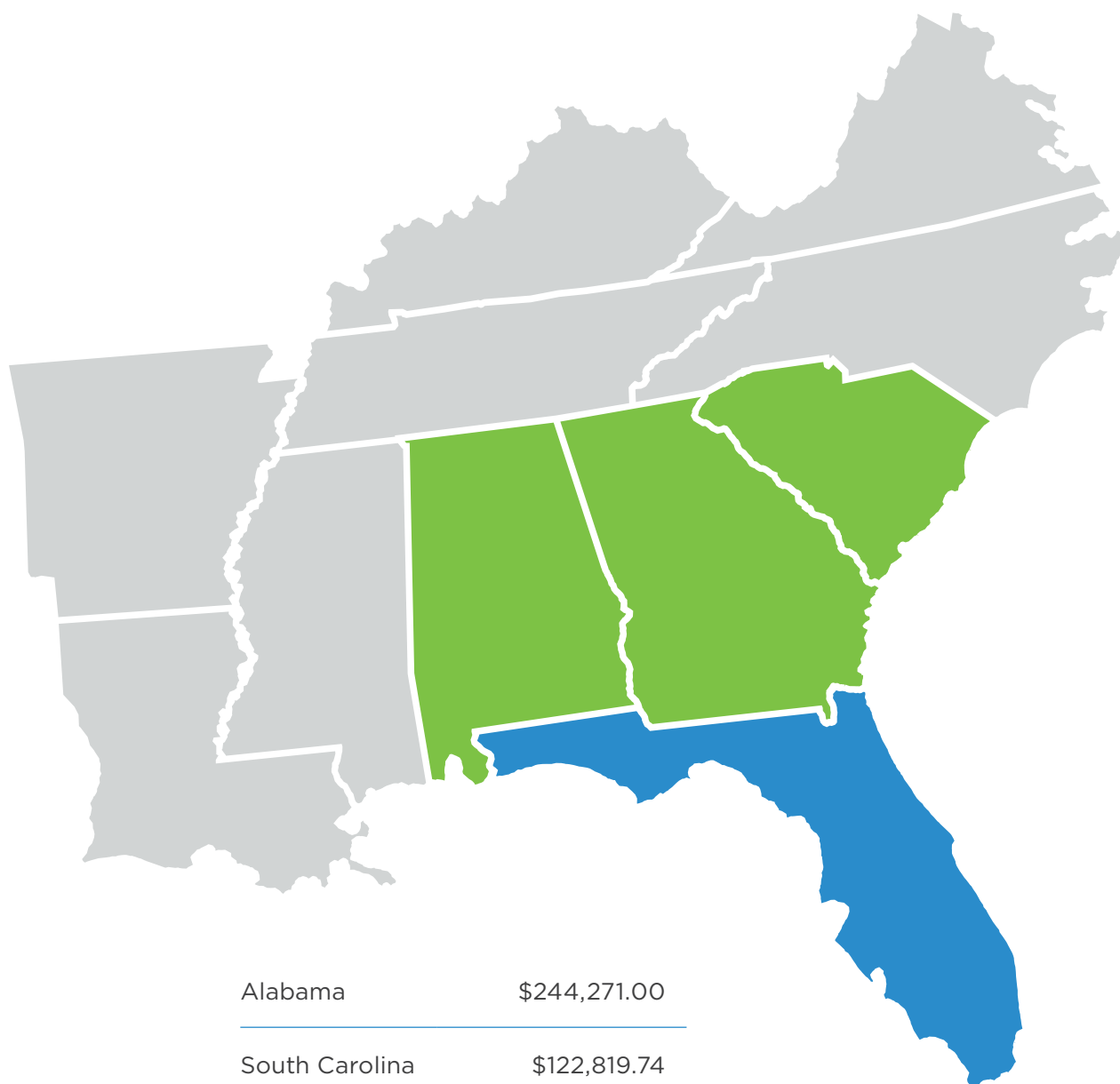

Weatherization
and Insulation

TYPES OF LOANS



LOAN PORTFOLIO BY STATE

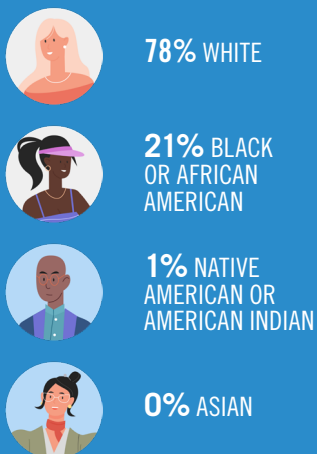
SELF initiated pilot expansion programs in Georgia, Alabama and South Carolina.



TRIPLE BOTTOM LINE IMPACTS

DEMOGRAPHICS

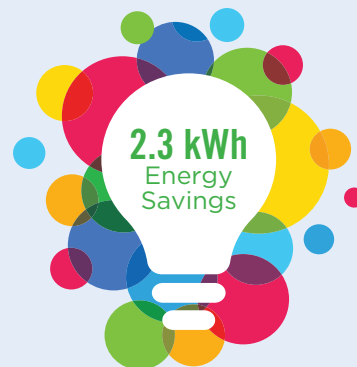
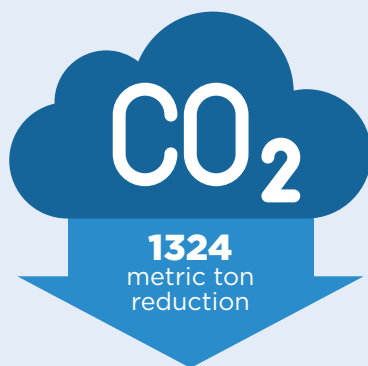
LOAN BY ETHNICITY



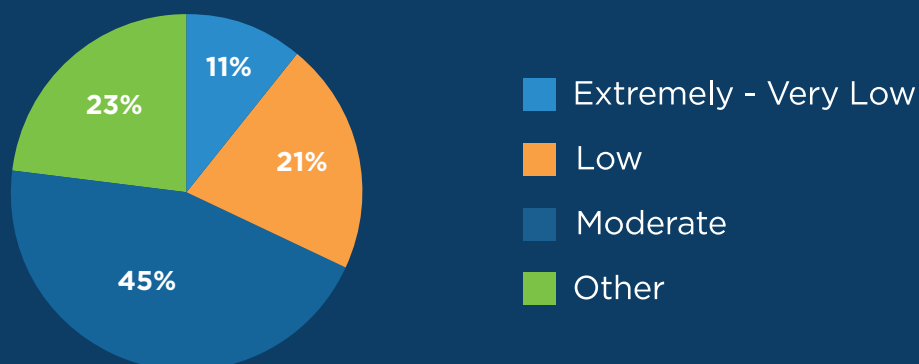
AGE DISTRIBUTION



ENERGY AND ENVIRONMENTAL



ECONOMIC BRACKETS PER HUD (LMI)



SELF MILESTONES

01

Exceeded \$17 million
in total lending

02

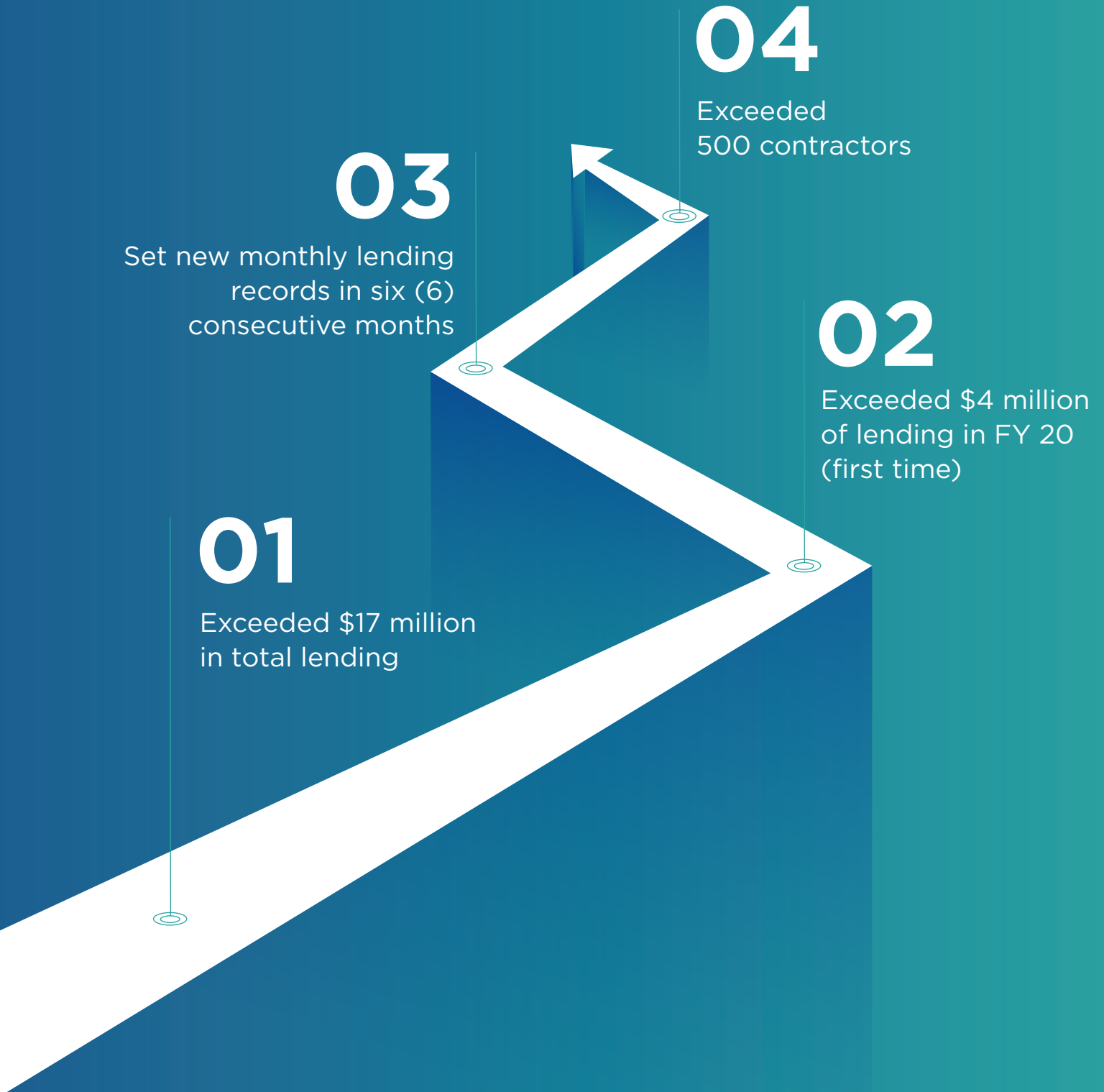
Exceeded \$4 million
of lending in FY 20
(first time)

03

Set new monthly lending
records in six (6)
consecutive months

04

Exceeded
500 contractors



CONTRACTOR IMPACTS

During FY19/20, SELF added 199 contractors, growing its contractor base from 380 to 579 contractors! By utilizing SELF financing, contractors are able to expand their services into the LMI market. The LMI market represents approximately 45% of any residential market. SELF makes it possible for contractors to move into to this undervalued market, increasing their bottom lines while helping out their communities.



SELF and Urban Enterprise created a stress free roof replacement experience for this Central Florida client.

"We are always grateful for the opportunity to assist the community and are glad that we have been given the chance to do so."

SELF helped Pinellas Comfort Systems deliver a cool and healthy home to relieve an elderly disabled couples' suffering on the Gulf Coast.



SELF CLIENTS

The fiscal year 2020 SELF issued \$4.2 million dollars in loans. We are proud to have helped 444 families in four states, including Alabama, Florida, Georgia, and South Carolina. Financing resilient roofs, high-efficiency ACs, solar PV, disability improvements, storm rated windows and doors, and much more. 73% of these loans were for low-and-moderate

income homeowners, elderly on fixed incomes, female heads of households, U.S. veterans, and people with disabilities. Of the 423 families we served, 195 families resided in the CDFI Investment Area, and 217 were LMI. Contractors and their crews invested 22,000 hours installing these renovations to improve the quality of life for these families.

Urban Enterprise Construction has been working with the SELF program for almost a year. As a contractor, being able to offer an alternative to residents who may have trouble securing traditional financing has been essential. Not only has this given us another tool to help people protect what is normally their largest investment but in some cases this has been their only option to repair their home.

The process of notification of approval and submitting invoices is simple and straightforward and we receive our funds quickly! In addition, the staff is accessible, informative, helpful, and truly care about not only the homeowners that they are helping but the contractors that are providing services as well.

We are always grateful for the opportunity to assist the community and are glad that we have been given the chance to do so as an approved vendor of the SELF program.



Joe Pennella

Managing Partner, Urban Enterprise Construction

Loan Type: Energy Efficiency

Project Description: Damaged/Inoperable AC

Loan Terms: \$5,995 - 7.50% - 5 years

Barriers: High energy bill

Achievements: Accessed affordable financing - Energy saving

"I'm so happy and pleased with my new unit. I want to thank you and everyone, from the start I've been happy with how everyone has treated me with so much kindness and professionalism."



Loan Type: Wind Hazard Mitigation

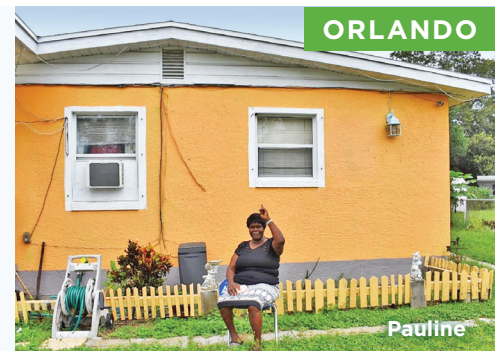
Project Description: Roof replacement

Loan Terms: \$12,000.00 - 9.99% - 5 years

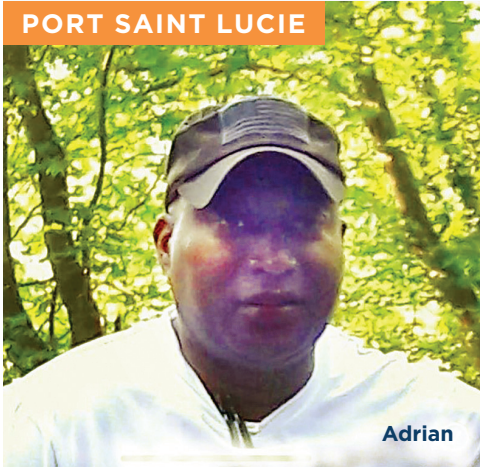
Barriers: Leaking roof - Unable to obtain other financing

Achievements: Safety - Quality of life

"We learned about SELF from our contractor Collis Roofing. We received a better interest rate than what was being offered at other banks. I received a new roof, and we were able to get homeowners insurance on our home. I am so happy with the services provided by SELF. SELF made it easy, and I feel safe in my home."



PORT SAINT LUCIE



Adrian

Loan Type: Wind Hazard Mitigation - PACE

Project Description: Hurricane Shutters & Fasteners

Loan Terms: \$12,952 - 6.00% - 7 years

Barriers: Unable to improve his home

Achievements: Comfort - Safety

"First I'm a Disabled US Veteran and one of my disabilities is that I'm a right leg above knee amputee, as of 9/11/20. Chuck Washington has been Amazing in working all the points out so that this could be done. IT'S GOING TO BE A MAJOR HELP AND ASSURANCE to know that we have these shutters up!! I'm grateful for this program and making it possible to help individuals like myself! Installation was done with professionalism and instructions on how to close and open, even up keep of the shutters. DVT did an AMAZING job in getting them installed!! God Bless ALL involved in making this possible!! THANK YOU!!!"

Loan Type: Wind Hazard Mitigation

Project Description: Replaced leaking roof with new energy-efficient/storm resilient roof

Loan Terms: \$4,000 - 4 years - 9.5%

Barriers: Leaking roof

Achievements: Safety - Reduced electric & homeowner's insurance costs

"My roofer told me about the SELF program and I liked the interest rate possibilities and how they helped low income borrowers. The fact that they are helping the environment through lowering the energy costs is another reason that I wanted to apply. I submitted all the documents to my loan officer whom was super nice to me and my co-borrower, and a few weeks later I got approved with a great loan with low interest rate and easy payments. I am so grateful for this loan and SELF was really there for me. And according to the roof inspector, my energy bill will drop too."

HILLSBOROUGH



Monica

Loan Type: Wind Hazard Mitigation and Energy Efficiency

Project Description: Replace leaking roof/install energy efficient HVAC

Loan Terms: \$14,741 - 7 years - 9.50%

Barriers: Unable to obtain other financing - High energy bill

Achievements: Energy Savings and Safety

"SELF has made this entire process so easy and convenient. Rob and Annie were very responsive and patient and answered my MANY questions I asked. I would not have been able to get even half of this work done if not for the opportunity that SELF has offered and I am so glad that I found them. My home will now be safer and more efficient and it's all thanks to the funding and hard work from the staff at SELF."

Kathleen



ST. PETERSBURG

Loan Type: Energy Efficiency & HALO

Project Description: Replaced broken AC with new high-efficiency system

Loan Terms: \$5,285 - 7.00% - 5 years

Barriers: High energy bill - Damaged A/C

Achievements: Quality of life - Comfort

"This was a wonderful experience for me. The loan program manager was wonderful! He always kept me updated on every step that was made, as well as making sure everything went smooth and was done in a timely matter. I am so impressed with the SELF program I have sent information to my family in Georgia, they will be starting the process soon. With my new ac unit, I am now living like a queen! Thank you for everything! The SELF program is the best! I can guarantee that!"

Patricia



ST. PETERSBURG



Laurelin

MOBILE, AL

Loan Type: Wind Hazard Mitigation

Project Description: Roof and Window Replacement, Window Shutters

Loan Terms: \$14,300 - 10.50% - 5 years

Barriers: Leaking roof

Achievements: Lower interest rate

"SELF made this process as painless and worry-free as possible. I am so grateful for all their help, thanks to everyone!"

SELF FINANCIALS

SELF increased the proportion of grants in 2020 largely due to having received \$2 of the \$5 Million from the JP Morgan Chase Pro Neighborhood Grant. In FY 2020, SELF also received both 2019 and 2020 CDFI Federal Assistant grant awards which was unrelated to SELF and an anomaly for the CDFI Fund. The combination of these two sources of grant funds made the relative proportion of grant funds larger, however the Total earned income from interest and fees has grown consistently over the years and SELF is poised to continue this trend while reducing reliance on grants as demand and expansion continue to grow.

REVENUE 2018 - 2024



SUMMARY OF KEY FINANCIAL INDICATORS

USE OF FINANCING RESOURCES	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Financing Funds	3,838,543	3,673,947	4,044,408	5,042,114	9,153,218
Total Loans Outstanding	2,446,942	2,303,782	2,733,161	4,311,841	6,992,379

** FY 2020 - \$2 MM of Financing Funds Reserved for JPMC Pro N projects pending development by Land Trusts*

NET WORTH COMPOSITION AND LEVERAGE	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Assets \$000s	4,140	4,080	4,967	6,000	10,819
Net Assets/Total Assets	18.9%	14.4%	20.5%	20.6%	35.2%
Net Assets for Financing/Total Assets	18.9%	14.4%	20.5%	20.6%	35.2%
Leverage (Total Debt/Net Assets)	3.9	5.2	3.0	3.1	1.4
(UNA + Allowance for Loan Losses)/ Gross Loans Receivable	34.0%	22.3%	13.4%	18.2%	14.4%

PORTFOLIO QUALITY INDICATORS	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Gross Loans Outstanding \$000s	2,447	2,304	2,733	4,312	6,992
Delinquencies (>30 Days)/Outstandings	0.8%	2.0%	1.4%	1.4%	1.1%
Nonaccruals Also Reported as Past Due > 90 Days %	-	1.1%	1.0%	1.1%	0.9%
Net Charge-Offs %	1.0%	0.5%	1.0%	0.4%	1.2%
Allowance for Loan Losses %	2.0%	2.2%	1.8%	1.2%	3.6%

EARNINGS HISTORY FIGURE	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Revenue	477,635	341,935	708,487	1,454,403	1,786,070
Total Expenses (Net of Unrealized)	651,448	659,668	855,320	1,034,586	1,766,305
Earned Revenue	269,837	254,715	506,700	725,107	956,451
Operating Expenses (Net of Unrealized and Grants Made)	564,777	564,019	746,109	929,628	1,339,764

* Operating expenses do not include financing expenses or any grants that the CDFI may have made

EARNINGS HISTORY FIGURE



* Operating expenses do not include financing expenses or any grants that the CDFI may have made.

FINANCIAL HIGHLIGHTS	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Assets	4,140,270	4,079,968	4,966,746	6,000,035	10,819,182
Leverage: Total Debt/Net Assets	3.9	5.2	3.0	3.1	1.4
Total Loans Outstanding \$	2,446,942	2,303,782	2,733,161	4,311,841	6,992,379
Deployment	63.7%	62.7%	67.6%	85.5%	76.4%
Current Ratio: Current Assets/Current Liabilities	3.1	2.7	1.5	1.1	1.1
Total FTE Staff #	6	7	8	12	15

CAPITAL

FY2020 SUMMARY

Loan Activity for FY 2020: 444 loans closed for \$4.2MM

Cumulative loans closed by end of FY 2020 (09/30/2020): \$14MM

Loan Portfolio Balance (09/30/2020): \$7MM

Growth from previous year in total loans deployed 64%

Loan Portfolio Balance grew by \$2.3 MM (49%) from previous year

FY2020 Default Rate: 1.2% Avg. Delinquency: 1.1%

TOTAL CAPITAL RAISED IN FY2020

FY2020 Grants Operating

OFN Grant	\$ 200,000.00
City of Orlando	\$ 50,000.00
Energy Foundation	\$ 50,000.00
BankUnited	\$ 10,000.00
Total Operating Grants	\$ 310,000.00

Service Contracts

Hillsborough Co.	\$ 50,000.00
Martin County	\$ 60,000.00
City of St. Pete	\$ 50,000.00
Total Local Gov't Service Contracts	\$ 160,000.00

Grant Funds for Loan Capital

CDFI Fund FA Grant *Restricted for Loan Capital	\$ 868,700.00
JPMC *Restricted for Loan Capital Martin County	\$ 2,000,000.00
Total Grant for Loan Capital	\$ 2,868,700.00

TOTAL CAPITAL RAISED TO DATE

*CUMULATIVE 2010-2021

Cumulative Loan and Grant Capital

\$\$

Total CDFI and PACE Loan Capital	\$19,549,203
Total Grants (Operating)	\$4,654,415
TOTAL GRANTS AND LOAN CAPITAL	\$24,203,618

CUMULATIVE LOAN CAPITAL

\$19,549,203

