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SunPower, Hannon Armstrong and SunStrong Secure Attractive Financing for Residential Solar Lease Business Into 2020

New Fund Will Supplement U.S. Customer Solar Purchase Options of Cash and Loan

SunStrong Acquires SunPower Residential Lease Portfolio from Capital Dynamics

SAN JOSE, Calif., June 19, 2019 /PRNewswire/ -- SunPower (NASDAQ:SPWR) today announced that with Hannon Armstrong Sustainable Infrastructure Capital, Inc. (NYSE:HASI) and SunStrong Capital Holdings, LLC, it has secured financing commitments for its residential solar lease program that will help meet SunPower's expected customer demand into 2020. SunPower has provided solar lease financing options to customers since 2010. The attractive financing provisions with this new fund will supplement the solar loan and cash sale alternatives currently offered by the company.

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The new fund is structured as a levered tax equity partnership with a multi-party forward purchase commitment, allowing generation of upfront cash margins for residential solar leases. The financing commitments for this new fund are being provided largely from a repeat group of loan and equity providers that continue to have strong long-term relationships with SunPower and Hannon Armstrong.

Bank of America Merrill Lynch (NYSE: BAC) acted as the sole structuring and placement agent for the cash equity and multi-draw term loan, as well as the sole tax equity investor. Additional equity capital was provided by SunPower, Hannon Armstrong and their joint venture SunStrong, which holds equity interests in more than 55,000 residential solar energy systems.

"SunPower's strong suite of acquisition options, and our technologically superior solar energy solutions, allows us to continue meeting growing customer demand," said Tom Werner, SunPower CEO and chairman of the board. "Thanks to our financing partners, who share our clean energy future goals, we're able to ensure funding to meet the needs of those customers who desire a leasing option."

"This latest fund continues our multi-year programmatic investment with SunPower, helping to decarbonize the residential sector using solar, one of the climate solutions essential to mitigating climate change," said Jeffrey Eckel, Hannon Armstrong president and CEO. "We are especially pleased with the expansion of SunStrong's role in this innovative fund as it demonstrates the increased financial capabilities of this new joint venture with SunPower."

Residential Solar Business

SunPower offers its lease program through its network of residential solar dealers across the U.S., new home builders where the company holds a market-leading position, and direct sales teams. Last year, SunPower's U.S. residential business saw annual deployment growth of more than 15 percent, bringing the total number of American homes with SunPower® solar to over 275,000 consumers.

SunStrong Acquires Capital Dynamics Residential Lease Portfolio

Additionally, the company announced that SunStrong has acquired a residential lease portfolio from Capital Dynamics. This transaction adds to SunStrong's existing high-quality asset portfolio with the addition of more than 41 MW and 5,100 residential systems.

"This transaction reinforces SunStrong's belief in the long-term value of owning high quality solar systems and SunPower's commitment to providing on-going products and services to our customers," said Werner.

About SunPower

As one of the world's most innovative and sustainable energy companies, SunPower Corporation (NASDAQ:SPWR) provides a diverse group of customers with complete solar solutions and services. Residential customers, businesses, governments, schools and utilities around the globe rely on SunPower's more than 30 years of proven experience. From the first flip of the switch, SunPower delivers maximum value and superb performance throughout the long life of every solar system. Headquartered in Silicon Valley, SunPower has dedicated, customer-focused employees in Africa, Asia, Australia, Europe, North and South America. For more information about how SunPower is changing the way our world is powered, visit www.sunpower.com.


About Hannon Armstrong

Hannon Armstrong (NYSE: HASI) focuses on making investments in climate change solutions by providing capital to the leading companies in the energy efficiency, renewable energy and other sustainable infrastructure markets. Our goal is to generate attractive returns for our stockholders by investing in a diversified portfolio of investments that generate long-term, recurring and predictable cash flows from proven commercial technologies. Based in Annapolis, Maryland, Hannon Armstrong is proud to be the first U.S. public company solely dedicated to investments that reduce carbon emissions or increase resilience to climate change. For more information, please visit www.hannonarmstrong.com. Follow Hannon Armstrong on [LinkedIn](#) and Twitter [@HannonArmstrong](#).

SunPower's Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding expected demand and our ability to meet it, and our plans regarding product and services offerings. These forward-looking statements are based on our current assumptions, expectations, and beliefs and involve substantial risks and uncertainties that may cause results, performance, or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include but are not limited to: regulatory changes and the availability of economic incentives promoting use of solar energy, and challenges in managing our joint venture relationships. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission (SEC) from time to time, including our most recent reports on Form 10-K.

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