LEND ACADEMY

PODCAST TRANSCRIPTION SESSION NO. 104-BRYAN BIRSIC

Welcome to the Lend Academy Podcast Episode No. 104. This is your host, Peter Renton, Co-Founder of LendIt and Founder of Lend Academy.

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Peter Renton: Today on the show, I am delighted to welcome Bryan Birsic, he is the CEO and Co-Founder at Wunder Capital. Now Wunder Capital is a little bit different, they're focused in the solar space, they provide financing for solar energy projects. I wanted to get Bryan on the show because the company has been around for a few years, it's starting to get some traction and they really have what is a unique offering. They've discovered a niche within the solar financing space that was underserved and they are going after it fairly aggressively. On the flip side of that, they have great opportunities for investors to invest in a different kind of asset-backed project and obviously for those investors who are impact focused then this provides a great avenue for that as well. It was a fascinating interview, hope you enjoy the show.

Welcome to the podcast, Bryan.

Bryan Birsic: Thanks so much, good to be here.

Peter: Okay, so why don't we get started by giving the listeners a little bit of background about yourself, talk about how your career has gone and what you've done before Wunder Capital.

Bryan: Sure, grew up in Pittsburgh, public school kid and went to a small liberal arts school in Massachusetts called Williams College and then went to New York City for eight years, started at Bain & Company, which is a large management consulting firm and then moved over at Bain to private equity for my last year there and then joined a venture capital firm doing really early stage technology focused investments so this was five to ten person companies raising a couple of million dollars into technology startups.

Being in New York City, one of the big industries is the financial technology industry and we've seen so much innovation in that space, of course, in the last decade or so and we were lucky enough to back a company called OnDeck Capital and frankly, a bunch of companies in the space of commercial lenders. So I got to spend a lot of time with people figuring out how technology was making commercial lending better, opening up new markets, finding new assets or data streams to value, kind of all of the things that alternative lenders have really done over the last decade. And, you know, what I bring to Wunder, there are a bunch of other people on the team particularly my founders that bring other perspectives.

But my background that I bring to Wunder is really that of the lessons of the last decade of commercial lenders and how they brought technology to commercial lending and we're of course doing that for the solar market. So applying those lessons in the solar space to get the same kind of benefits that have built these billion dollar and publicly traded companies like OnDeck Capital that we backed when they were eight people.

Peter: Interesting, interesting. And then so you obviously found your way out to Boulder, Colorado it seems like...so what brought you out to Boulder from New York?

Bryan: So Boulder is a really interesting combination of solar expertise and experience and network combined with a really robust, early stage startup tech community. You know, and there's been some written about this, the way that tech ecosystems are really important where it's not only the engineers willing to work for a startup who understand startup pay and equity, but it's lawyers who are used to doing these sorts of deals and mentors and people who have exited before and can make your angel investment. And Boulder has that, in a pretty remarkable way for the size of that town and really greater Denver.

And Boulder...going back to the solar, we have the National Renewable Energy Lab ten miles away, DOE's biggest renewable energy lab. You've got Rocky Mountain Institute, the nation's arguably best and most recognized NGO in the renewable energy space right down the street and Colorado has a lot of old energy money and there are some old energy money that doesn't like renewables. But there's a bunch and an increasing amount that wants to hedge against, you know, renewable is doing really well…with their fortunes they made in energy and so we actually find a very friendly investor base so that kind of unique alchemy of solar and startup tech ecosystem and money that was used to long term energy based bets felt to us like a really good place to start Wunder Capital.

Peter: Well I'm pleased about that. I'm sitting here in my studio in downtown Denver and it's great to talk to somebody who's just 25 miles away as opposed to thousands or hundreds anyway.

Bryan: Right down the street.

Peter: Yeah, (Peter laughs). Anyway, let's get back to the founding of the company, what did you see that was a catalyst to start Wunder Capital?

Bryan: I have to give credit where it's due, it's really amongst our founders, Dave Riess, our CTO, and my co-founder, who was at the Department of Energy's top national lab, Lawrence Berkely, out in Berkely, California as a Senior Researcher leading the team writing software to help California's grid deal with the now millions of roofs that are not just as they've been for the whole history of utilities' lifetime and all of electricity infrastructure, just consumers, just one top down unidirectional flow of electricity from big systems to consumers.

Now it is millions of roofs whether commercial or homes or small utility that are feeding back into the grid as well and that just creates a totally new dynamic. So in the process of modeling out for California, how they're going to deal with this, you're of course looking at the growth rate of solar and perhaps things like wind, but particularly solar because of this dynamic where so many small roofs turn into little power generation units. It's just a fundamentally different thing and so they're modeling that out and looking at historical growth rates, of course, to try to project forward.

The residential space in the last five years, residential solar, you know, rooftops installed per year has more than tripled in the last five years. Utility-scale systems have more than quadrupled in the last five years and a lot of the story of this growth is that the price of solar has dropped in half, it's been cut in half in those five years so that's driving a lot of that growth.

Now commercial solar, same price decrease, same federal tax subsidy, same installation efficiencies has grown about 50% in the last five years. So tripling/quadrupling and then 50% and that's a real anomaly, of course (laughs), you're wondering what's going on there, what's the problem and as an entrepreneur, of course, you're always looking for a problem so you can come in and try to provide a solution. And what we saw was that this issue that had plagued...you know, the 80% of businesses in the country that don't have a commercial grade credit score, I mean, the vast majority of businesses that aren't Walmart and aren't CVS who have no problem financing these systems.

The vast majority of these commercial entities…just like they experienced broadly before these commercial lenders came in who could underwrite them very efficiently and therefore service them with small loans amounts…which a lot of the revolution of online lending in commercial is about being really efficient and being able to service people even when you had to underwrite them and they had relatively small loan sizes. It's kind of a pure efficiency, fixed cost sort of play. So no one had done that in solar, first of all, and then we also saw that solar was this really fantastic asset to own in the case of default.

And so when you look at the online lenders that have done really well, you want to bring this technology efficiency story of reducing the cost of underwriting and on-boarding and servicing the loan all through software and automation but it really helps to have some new asset that you feel like or you can tell a story to the capital markets are underpriced which I believe very firmly myself that solar assets are underpriced in the market. They're kind of misunderstood, they're relatively new.

So we thought the combination of coming into commercial, this underserved market, this market that should have grown by multitudes suggests to us some underserved demands with both a really efficient software enabled lending process which really as I say is an innovation that's been proven out over the last decade so we're kind of taking a lot of those lessons to solar, but also we think in a fairly innovative way focusing a lot on solar as an asset and really, frankly, trying to create solar as a new asset-backed security kind of product where people think of it as, you know, in the way people think maybe of equipment lending or auto lending, home lending where even in the case of default there's a meaningful recovery story and asset there. So that was what we saw an opportunity to do and that's what we've been doing since 2013.

Peter: Okay, so can you maybe just give us a couple of examples. You talk about this commercial solar and I realize it's not…as you said it's not Walmart, it's not utilities so who is it and what's the scale of these projects? Can you just give us some examples?

Bryan: For sure. So first of all, when we came into the market what we saw was that there was a very robust commercial project finance industry above about $3 or $4 million, if you had really big systems. There were plenty of kind of traditional project finance sort of folks that saw what was happening in solar and were willing to service you but below about $1.5 million project size and particularly below a million, those people doing it relatively manually just simply didn't make enough money on the deals to justify their expenses because, again, they weren't using software, they weren't really automating, fairly manual approach like I did in VC. I'm not attacking it; it just doesn't work at those small sizes from an economic standpoint.

So our sweet spot we think is kind of a quarter million dollars to one million dollars. Our average deal is about a half of a million dollars right now through the year and to give some sense of scale to listeners, an average size kind of good three or four bedroom suburban house in America might have a $25,000 system, that would be a pretty substantial system for a home. So at $250,000, even ignoring economies of scale, you're at 10x that system size so just the minimum is not going to be a restaurant or a barber shop. Even the relatively small ones are kind of multi-store retail with a box retailer that's acting as kind of credit anchor, couple story commercial real estate, storage spaces, warehouses, generally kind of multi-use properties that's helpful, you don't want high specialization because it's hard to fill those buildings and God forbid the case of default.

So it's not individual things that might look something like a home consumption. It's kind of 10x would be the minimum and then of course at $1 million you're at 40x a residential system so starting to get pretty big. You know, the $1 million systems are four, five, six story, fairly energy intensive commercial real estate, like I said a lot of office buildings, lot of headquarters, generic office space, warehousing, storage, that's kind of our sweet spot.

Peter: Okay, I actually bought solar panels for my house back in 2006. I no longer live in that house anymore so the new owners are enjoying the solar panels. I'm curious because back then it was really only in sort of the fall and spring that I was able to get breakeven on…basically have an electricity bill of zero. I couldn't do it at any other times of the year, but obviously that was 11 years ago so I'm just curious, how efficient is it now and what's the payback? Someone sort of says they want to put in a $250,000 system, it's a warehouse, they've got plenty of roof space, what's the payback?

Bryan: Sure, so you know, one thing to observe about 11 years ago…kind of perhaps two things. One, I mentioned that the prices have literally been cut in half in the last five years. I don't have on mental hand what 11 years ago was...

Peter: That's okay.

Bryan: …but I would expect it's something like 70% or 80% cheaper.

Point two is that the warranties, the standardization, and the density and the installation have all gotten a lot better. I suspect some of the how much can you produce with a roof dynamic you might have experienced has grown by I would suspect at least two-fold, in terms of what you can get out of a given square meter of roof.

So those are two dynamics, I mean, I think the broader point though that this doesn't take you off the grid is a really good one. I mean, I think a lot of people think you can certainly have backup power that can be helpful if you have a certain type of inverter that's a little more expensive but not wildly expensive…much that if power was knocked out you can actually consume your solar energy. But for 99% of projects people are staying attached to the grid and either generating some energy that they build a relatively large system that has to be sent back to the grid and how that's treated is state by state. Sometimes you get, you know, dollar for dollar against your energy bill, that's the most favorable. Sometimes you get some portion of that, sometimes you don't get anything and some systems are built such that they're deliberately only giving you 60% or 70% perhaps of your consumptive need.

We actually like those systems more because they're not subject to those regulatory dynamics that I just described, the sending power back to the grid and then the utility has to figure out in conjunction with local jurisdictions, how they're going to treat it. So I would say today the vast majority of commercial systems...you know, it's hard for me to speak to residential because we do commercial systems exclusively. We see payback period in the five to seven year range so that's what we like to see. If you were in a very, very expensive rate case state so let's say California has a relatively high rate cases, a bunch of places in New England, of course Hawaii or Puerto Rico, those kinds of places you sometimes see below five years.

We don't like to see much past, you know, 7, 8 or 9, but with a really, really credit worthy borrower we might look at it. Right now we're seeing that if you're below about 12 cents or 11 cents, the math starts to get...you know, it starts to push those numbers out, but we're doing a lot of deals right now in places where a few years ago it didn't make sense, but now it does which we see as like 12 cent power to about 15 cent power so it really depends on where you are, but the short answer is that...you know we've got 25-year warranties on these things now and if you're getting paid back in five to seven years for the folks who we're working with, you can imagine the project ROI is pretty darn good in those out years.

Peter: Right, right. I want to talk about underwriting for a little bit. You mentioned a couple of times that tech is really an important focus for you to be able to do this efficiently, so can you just talk us through your underwriting process and how you decide what projects that you're happy to take on?

Bryan: Sure, I'll maybe just start at a really high level because I did talk a little bit about solar projects as assets. The first bifurcation is are we talking about underwriting the borrower, the business, the municipality, the hospital, the school, whoever it might be in our case. Or are we talking about the quality of the assets of the loan if that initial borrower defaults which is to say that the solar system and more to the point was the cash value of that system.

So if you think about that bifurcation on the borrower side, on the evaluation of the business, you know, I do think in the last ten years there's been some industry practices developed that are based in a lot of years of data of medium sized business lending, commercial lending in the US. And I think we've done a very good job of bringing in people to help us build a system that reflects those practices.

The truth is there's not a lot of...you know, the things you would think you look for, you look for and there's not a lot of secret data. I mean, I think we do a few clever things, but five years of audited financials tell you a lot (laughs). So you can be as clever as you want to about evaluating those, but I don't know that...you know, our story to investors is that we're doing that somehow better than the market leaders, than someone like Kabbage who is doing just broad based commercial lending not focused on solar. I think we're doing a very good job there and I don't think we're lending to any businesses that aren't good counter parties, but I don't know that we're innovating on that side.

There is the other side of it which is the quality of that system. What I mean by that is that…you know, in year four, God forbid, there's some cycle no one sees and it was a good risk but the business fails and Wunder has to take ownership on behalf of our investors and the fund they've invested in of that system and monetize it. The range of things you're looking at there are very different from the sort of things that a traditional commercial lender like Kabbage or OnDeck might look at.

We're, first of all, making sure that the person who builds it is of a very high quality, we're doing third party inspections, we're making sure they're very experienced, above at least 25 systems of this type, etc. etc. Our approval rate for installer partners is actually 30% which is I think very good given that we're trying to grow our business as well but we're very kind of sticklers for really good partners, and they're also incented over time through O & M, through production guarantees to build a really good system so all of those things need to be in place. Moreover, the hardware you use and the warranty behind it are incredibly important. If you buy some hardware on discount to get a lower price or take more margin and that business goes away and that warranty is now defunct, because they didn't reinsure us properly that's a real problem if you own the system and something breaks.

Peter: Right.

Bryan: Which happens less, but you still want to think about that downside.

Peter: Uh-ha.

Bryan: So those are the sorts of things we're looking at there. The last one is how are you going to monetize the system. I think a lot of people intuitively think you're going to take the hardware itself, you're going to go grab that, those solar panels and you're going to sell them for what they're worth. That turns out to be very expensive. About 20% of solar project cost is installation and so just taking it all down is 20%, putting it back up somewhere else is 20% and it's used hardware. There's not a huge market for that stuff.

The way to think of it is you're generating…if your original deal provided a savings to the borrower. If the total package was such that they were saving money every month and you were still paying your investors all that you promised them which is how we structure our deals then as long as there's someone in that building consuming power and you own this electricity generation machine on the roof, it should be a very compelling offer to that tenant saying...would you like to save 10% or 15% or 20%?

Actually in our underwriting we model out what we would need to offer or what the terms would be if we offered a 30% discount. So if we were to go in and say, we own an electricity generation system on your roof we'll offer you a 30% discount to the utility which I think is very compelling. What would that return look like? We like to see that even at that level, we'll get all or most of our investors' money back. And so that's all the work that we're doing…I just wanted to kind of lay that out because there is really two categories of work.

Peter: Right.

Bryan: I think on the business evaluation side, there is a lot of standardized information, there's a lot of Experian reports, there's a lot of SBA datasets, a lot of quantifiable stuff and we've added a lot of tech there in the way that, again, these major players have kind of paved the road on. The solar is really stuff that we've innovated on and frankly, has been such in flux as we develop our best practices internally. That stuff is getting automated, but we're really building some of that stuff for the first time. I think there's a great Paul Graham blog post about keeping things manual until you really understand what you need. I think just in the last 12 to 24 months, we've kind of nailed down what that approach is because that's novel territory whereas there was really a playbook to come in and run in 2013 when we got started on how you evaluate a business.

The last thing I'll say though is that software is great at going out and gathering data, at filtering out projects that are clear no's. Oh, one of the principals had a bankruptcy in the last three years, no thank you. Red flag, no very expensive human eyeballs are going to look at this. A lot of it is how you optimize for your very expensive, wonderful brains on your team right in that time, and the more efficiency you can get there that's kind of the whole ballgame and so you want to filter out, you want to gather data intelligently, scrape data, use APIs, fill out these profiles, but the most familiar portion of our process to a traditional project finance person would actually be….once that profile is no red flags and filled out…

We have a very traditional kind of product underwriter; one person leads it, takes it to the credit committee, goes back and does research in some of the areas that got flagged. We have kind of the traditional red, yellow, green [inaudible] across hundreds of variables. So, actually, we believe that the one place where human beings are really essential is...these are still fairly complex multivariate sorts of decisions and there's a lot of contexts and understanding. Is it okay they didn't hit our 10% profit margin goal over the last four years, what happened there? It's a really a hard thing to automate, at least today. So we kind of have this belief that underwriting, the core underwriting, is this a good project has to stay human and we don't see that changing anytime in kind of the short or medium term.

Peter: Right, right, understood. Okay, I want to switch to the other side of the platform here and talk about the investors because clearly this is where you have a compelling offer here. So why don't you describe...you go to your homepage and you see the two different investment products, why don't you describe what they are for the listeners?

Bryan: Absolutely, thanks. So our most recent fund, the Term Fund, which is the vast majority of the volume that we're doing today and launched last July offers a projected 8.5% annual return to investors over a seven year fully amortized term. So kind of think of it from a cash flow standpoint being kind of the lender side of a mortgage, that it's a seven year mortgage at 8.5% term. You can pull up any standard amortization and interest calculator and see exactly what the payments are and where you'd be so pretty vanilla paper.

The wrinkle is of course, that we're financing solar systems and that's our collateral so we have more than a hundred installer partners across the country. These are folks out in your local town or area convincing people to go solar and actually doing the work of building it, designing it and engineering it; it behooves them to have a financing offer. Some people are interested in a monthly payment option, not paying upfront, particularly when it's an average half a million dollar ticket for us so we come in as a financing offer.

We are giving them loans with the exact same term as your projected notes as an investor so a lot like Lending Club, of course, the largest still online lender. We're basically pairing you to the term of the debt and we will sometimes lend slightly higher than that, something like 8.75% or in that range in order to provide a little extra cash in the vehicle. Wunder doesn't take that excess, it's saved in the vehicle for down the road potential workout costs or similar. Sometimes costs arise in funds, it's good to have cash, but basically we're pairing you to commercial entities as I described, done a robust job underwriting, understanding the risks associated with and just as importantly, we've both done the work to make sure that these are really good systems, that make economic sense for whomever is in that building and also done the work to understand in that jurisdiction how do we exercise...the fund's rights really our investors' rights as it relates to ownership of those systems in the case of default.

So we are releasing at end of project completion just to be clear because we're underwriting really the cash flow stream on the electricity generation more than the hardware, the hardware doesn't do me any good. We're not releasing into the projects until they are at substantial completion is the term du jour in the industry and that's basically the overview.

The last thing I will say is the fund structure...the reason we went there...we actually started as a marketplace where you could come in and pick your own projects and it turns out that people were really trusting us and looking to us to curate our pipeline of this flow from our 100+ partners of any business that's looking at a quarter of a million to a million dollar system. They wanted us to curate it and moreover people wanted diversification when they want an allocation to this asset class. So we switched course starting in 2015 and the idea is they can come in and get a note that is....the only claim against this portfolio of cash flows coming in from the loans that we make to businesses. You're immediately diversified both against your pro rata share of all previous projects financed and all future projects financed until we stop taking in capital. So you can make as small as a $1,000 investment. We regularly also get six figure investments into these funds and seven figure investments into these funds. You can make as small as a $1,000 investment and be diversified in our Term Fund in 30+ projects and we're only less than a year through it.

Peter: Okay.

Bryan: So it is a kind of immediately diversified allocation to commercial solar.

Peter: So the other fund that you have on your website, the Wunder Income Fund, which has a term of 120 months, a target return of 6%...that is still a product that you're offering?

Bryan: Absolutely, absolutely.

Peter: What's the difference then, is it just really one is lower risk type businesses that you're...what is the difference between the two?

Bryan: Yeah, the difference is really that we launched the Income Fund first, what we found that at the 6% over ten years was that there was an appetite in the capital markets for that type of term and rate, but most of that interest was concentrated around people that were very focused on the relationship between the utility bills so the avoided costs and the monthly debt service. So basically, if what you're worried about is does the electricity generation cover my monthly amount making it a longer term and making it a lower rate effectively allows you to have a bigger buffer. Obviously the monthly payment is going to be smaller and the utility bill will stay the same and the system will generate the exact same amount.

So as you lengthen the term and as you reduce the rate, what you see is that if what you're really interested in is the ratio between kind of what the cash flow value of the underlying asset is and what good debt coverage is, is the ratio you're focused on, there's a subset of investors that really enjoy that product for that reason…where it gets through some filter that they apply. What we found is that the vast majority of our investors and partners prefer an 8.5% over seven year return and solar systems are delivering so much economic value these days that we can go get them those rates and shrink the term in that way. So we really launched the second fund, the Term Fund, to service, I would argue, a larger portion of the capital markets than what the Income Fund does. So our volume being focused on the Term Fund is really a reaction to capital market demand.

Peter: Okay, can you give us a sense of that volume, I mean, where are you at as far as number of projects, total loans originated?

Bryan: Yeah so as I mentioned the Term Fund itself just launched in July of last year...I suppose ...I can't believe it's about to be June so I suppose we're sneaking up on the one year anniversary. Between loans financed and those contracted to be executed in the next 90 days, we have more than 40 projects in the Term Fund just in that under a year period. I believe our total counts on projects financed or solar loans made is over a hundred across our funds at this point. So we've done a significant volume of projects and our internal target as a team is to be in the kind of mid-eight figure range in terms of projects financed and dollars out the door in 2017, in this year, and we are on target to hit those numbers.

Peter: Okay, so who are the investors? Are you like 100% individual investors now, do you have institutional capital and are these people who really are impact type investors, can you just give us a little bit of info about the investors?

Bryan: Sure, so I think one of the big challenges when you start a new underwriting approach, you're going after a new market, you yourself are a new loan issuer is how do you get to the first rung of respectability or diligence ability for institutional investors because anyone who is paid to manage someone else's money is probably not going to give you money when you have...definitionally, at some point we had zero dollars out and zero projects done. We needed to go figure out how to get those first dollars and individual investors they came predominantly through our website and a disproportionate amount I would say of impact investors early on were the people who got us going and God bless them.

Increasingly, we are finding ourselves servicing, because of the scale that I just mentioned, we have found a lot of success with family offices, with community banks and co-ops, with foundations and some early conversations with some of the really large banking players, but I think you know, in 2017, I would have to go see how this is modeled but I believe we're expecting relative parity between individuals and institutions, whether they're smaller institutions, they might be small seven figure, mid seven figure checks or larger institutions that are looking at larger amounts and we'll probably do something more custom for.

So we did really get started on individuals and impact investors, but we find ourselves increasingly fielding interest and developing products, frankly, for a larger check size and more sophisticated institutional investor. I don't know if this has been said publicly so this might be an announcement here, but we're working on our next fund. We'll actually be targeting only qualified purchasers and kind of the terms, some of the dynamics will be more focused on what institutions are used to and like investing in as opposed to retail investors. So we're actually launching a fund deliberately for those folks in reflection of the trend that I just mentioned.

Peter: Okay, that makes sense. So what about non-accredited investors, are you looking at anything for the vast majority of the population?

Bryan: Yeah, we keep working hard with our council and some of our peers in the online lending space to nail down what the regulatory costs, the upfront costs are and the annual ongoing costs are for a couple of different options they make available or the SEC does and this is all a fallout from the 2012 JOBS Act by the way.

Peter: Right.

Bryan: We currently issue a regulation D 506C securities, those are our funds on our website, wundercapital.com, but there's another portion of that regulation that fairly recently has been re-ruled on actually. It's called Regulation A and the re-ruling is called Regulation A+ and what Regulation A+ did was take Regulation A which allowed you to raise from unaccredited, any investor for up to $5 million and took it up to $50 million which I thought was actually fairly reactive to criticism that the fixed cost associated with it just didn't make any kind of sense at $5 million.

There was actually I think a recent New York Times article that made a point that it's kind of yet to be seen, whether A+ will realize a lot of fundraising business in the markets. There is a certain amount of how much actual demand is there out there from unaccredited investors; funny enough, that it's something everyone assumed but that's something we're watching, but the big barrier for us is we just talked to a firm actually, I talked last week to a firm about A+ because I like to check in on it and it was described to me as a mini IPO as it relates to the kind of overhead and regulatory expectations. So a mini post Sarbanes–Oxley IPO is not something that a company trying to grow fast and launch funds is incredibly excited about.

Peter: Right.

Bryan: So we'll continue to try to work with the SEC to get real clarity on whether you can do this in a cost effective way. I don't know that we're going to go out and be the valiant knights of A+ to charge down that road and prove it out. I think we have some other roads we're hoping to charge down like unlocking this underserved commercial market. If we see it start to work, I'm really excited about it. It really pains me that there are people who want to invest and promote solar, literally dollar for dollar building solar with their capital and still making what we think is a really strong return, I hate it. We'll get e-mails, people thinks it's us providing the restriction, you know, people angry and I'm with them. So I would love to do it, but I don't know that we're going to be the groundbreakers there.

Peter: Right. Well there are other companies I know that are doing Reg A+ deals and it's...I have heard from many of those people that it is a hard slog and that's a shame, but hopefully it will get easier and there will be more opportunities for non-accredited investors down the road. Anyway, we're just about out of time, I wanted to give you a chance maybe to tell the listeners what's exciting for you, what are you working on now, what are the things that you see coming down the pipe in the next 12 months for Wunder Capital?

Bryan: Yeah, absolutely. We're just starting to roll out retirement accounts. That's a huge thing for us, we haven't had that previously and it's obviously a whole separate market and figuring out how to talk to and get to and get ourselves in front of and make a good impression for the retiree market is probably what I'm going to be spending a lot of my next three to six months on.

The other as I mentioned is in the family office or foundation space is we feel as though we're in this critical transition period where if we can get a couple of seven-figure/eight-figure investments from people that perhaps have some impact focus, but also have strong risk return focus, that really will allow us to grow to a scale where I think we'll start to take off. So we're really focused on servicing that market well and as I mentioned, we're launching a fund in that space. So those will be the two big things that we're focused on in 2017.

Peter: Okay, well we'll have to leave it there. I really appreciate you coming on the show today, Bryan.

Bryan: Thank you so much, really enjoyed it.

Peter: Okay, see you.

Bryan: Take care.

Peter: I applaud what Bryan and his fellow co-founders and the team at Wunder Capital have done. They've come into a niche that was obviously fairly well established with traditional finance, but they have taken an innovative approach and opened it up to individual investors to invest in. It's a great niche, I mean, even if you're not an impact investor you can earn 8.5% returns backed by an asset that's a pretty compelling return today. And if you are an impact investor then you have a great option with a minimum of $1,000. You know, I'm actually surprised there's really not more players today in the solar space. It's a growing industry, as Bryan said, and the sun is obviously not going away and we have a lot of the planet that receives lots of sunlight so I think they've focused on a business that has a lot of potential in a niche that will almost certainly be far, far bigger in ten years time than it is today.

Anyway on the note, I will sign off. I very much appreciate your listening and I'll catch you next time. Bye.

(closing music)