



**Blue Sky Utility 2017 LLC
(Winery Square - Fairfield)**

Quarterly Report- Q3
07/1/2020 – 09/30/2020

The information contained in this report is for informational purposes only and is not intended to provide tax, legal or investment advice. Adjustments and modifications to the information contained in this report may be identified after the date of distribution of this report. This report does not constitute a solicitation of any order to buy or sell securities. This report is confidential and proprietary to Blue Sky Utility 2017 LLC (Winery Square - Fairfield)

Confidential

1 | Executive Summary

In Q3 2020, the portfolio performed (15.60)% below the predicted production model for the quarter, this amounts to (24,217.00) kWh. Year to date the portfolio performed (8.49)% below the predicted production for the period. This total amounts to (34,058.00) kWh. The reason for the below performance was the irradiance was lower than expected, and the California wildfires contributed to heavy soiling.

In Q3 2020, the financial income was (22.69)% below the predicted financial model for the quarter, this amounts to (\$9,314.39). Year to date, the financial income was (1.49)% below the predicted financial model for the quarter, this amounts to (\$1,267.36). This asset is currently in the process of reallocation of credits and we are working with the utility company to speed this up.

Summary of Quarter by Month

Month	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced \$	Accrued Credits \$	Value Created \$	Projected Revenue \$	Revenue Variance \$
Jul	56,656	51,001	(5,655)	\$ 4,835.81	\$ 7,120.23	\$ 11,956.04	\$ 15,827.70	\$ (3,871.66)
Aug	54,223	43,913	(10,310)	\$ 4,626.03	\$ 5,766.39	\$ 10,392.42	\$ 13,813.27	\$ (3,420.85)
Sep	44,354	36,102	(8,252)	\$ 5,035.43	\$ 4,357.82	\$ 9,393.25	\$ 11,415.13	\$ (2,021.88)
Total	155,233	131,016	(24,217)	\$ 14,497.27	\$ 17,244.44	\$ 31,741.71	\$ 41,056.10	\$ (9,314.39)

Summary by Quarter

Quarter	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced* \$	Accrued Credits \$	Value Created \$	Projected Revenue \$	Revenue Variance \$
20 - Q1	81,423	88,830	7,407	\$ 3,933.15	\$ 3,898.18	\$ 7,831.33	\$ 8,417.81	\$ (586.48)
20 - Q2	164,689	147,441	(17,248)	\$ 8,633.51	\$ 35,780.20	\$ 44,413.71	\$ 35,780.20	\$ 8,633.51
20 - Q3	155,233	131,016	(24,217)	\$ 14,497.27	\$ 17,244.44	\$ 31,741.71	\$ 41,056.10	\$ (9,314.39)
20 - Q4	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
YTD Total	401,345	367,287	(34,058)	\$ 27,063.93	\$ 56,922.82	\$ 83,986.75	\$ 85,254.11	\$ (1,267.36)

* **The Quarterly Invoiced figures for Q1 and Q2 have been revised after a reconciliation with accounting records that found discrepancies.*

2 | Portfolio Performance

The predicted energy output for the Blue Sky Utility 2017 LLC (Winery Square - Fairfield) project during Q3-2020 was 155,233.00 kWh. The actual energy output for the project during Q3-2020 was 131,016.00 kWh.

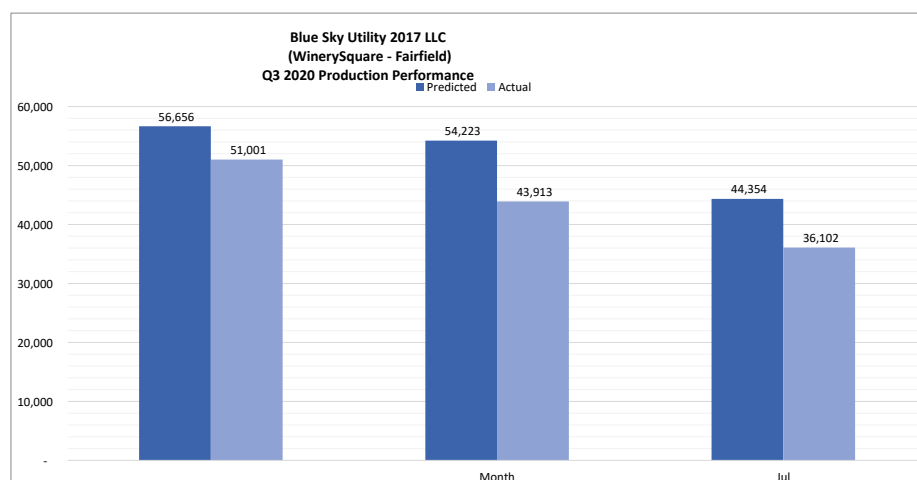
The reason for this performance:

The irradiance was lower than expected in July (-7%), August (-11%), September (-16%), and the California wildfires contributed to heavy soiling.

The performance of the portfolio is evaluated by comparing the produced energy to two quantities: (1) the energy forecasted modeled during pre-acquisition of each array (PVSyst model), to which the quantities are labeled as "predicted" will be associated, and (2) the energy expected using the same model as the forecast, but applied to the actual irradiance, temperature, and wind speed observed at the site during the reporting period. Quantities associated with the specific energy production are labeled as "actual".

3 | Forecasted vs. Actual Energy

The following graph shows performance (Actual-metered energy v. Predicted- PVSYST forecast) for Q3.



4 | Weather Adjusted Performance

Measured Avg Irradiance	Assumed Avg Irradiance	Measured Avg Temp	Assumed Avg Temp	Weather adjusted expected production variance
kWh/m^2	kWh/m^2	F	F	% Variance
215	230.4	71	63.39	-7%
197	221	76	65	-11%
149	178	74	60	-17%

5 | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q3-2020:

Operations:

No Issues during Q3

Cleaning:

Panels were cleaned in August 2020.

6 | Availability

The overall availability for this quarter was 100% and there were no outages.

7 | Billings & Collections

Invoice	Collected	Accrued Credit	Assumed Bad Debt	Recoverable Credits
\$ 3,933.15	\$ -	\$ 3,898.18	\$ -	\$ 3,898.18
\$ 8,633.51	\$ 5,873.36	\$ 35,780.20	\$ -	\$ 35,780.20
\$ 14,497.27	\$ 8,260.68	\$ 17,244.44	\$ 3,503.69	\$ 13,740.75
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 27,063.93	\$ 14,134.04	\$ 56,922.82	\$ 3,503.69	\$ 53,419.13

Notes:

NCM_Wine_270 - Frank & Yuen - Client was visited and query was addressed - payment plan for 2 months to get up to date (client part of program for 3 years).

NCM_Wine_022-1 - Anytime Fitness M2 - Client did was not aware of 2nd PGE meter - client visited and query was addressed - payment plan for 3 months (Client 1st meter being part of program for 3 years).

NCM_CAM1_1 - Landlords was visited to address concerns - back invoices will take place in Q4 to recoup credits.

Assumed Bad Debt Details:

NCM_Wine_40 - La Michoacana - Transfer of ownership - may not recover	\$ 589.26
NCM_Wine_210 - Fairfield Cleaners - closed down - may not recover	\$ 240.56
NCM_Wine_120-3 - CC Studios - closed down - may not recover	\$ 33.21
NCM_Wine_110-2 - Max Beauty - Covid Assistance	\$ 501.54
NCM-Wine_270 - Frank & Yuen - Loyalty Bonus	\$ 2,139.12

Sales are working with the Property Managers to sign-up new tenants to reallocate.

Re-allocation submittal in process to include Walgreens.

8 | Financials

Financials are attached below or sent in separate document.

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Accrual Basis

Blue Sky Utility 2017 LLC (WINERY)

Balance Sheet

As of September 30, 2020

	Sep 30, 20
ASSETS	
Current Assets	
Other Current Assets	
11150 · Billed Accounts Receivable	19,343.41
13000 · Other Current Assets	
13100 · DFC - Current Portion	1,406.25
Total 13000 · Other Current Assets	1,406.25
Total Other Current Assets	20,749.66
Total Current Assets	20,749.66
Fixed Assets	
14000 · Property, Plant & Equipment	
14100 · Plant Equipment	1,013,668.00
14500 · Capitalized Interest	27,000.00
14900 · Accumulated Depreciation	-84,445.77
Total 14000 · Property, Plant & Equipment	956,222.23
Total Fixed Assets	956,222.23
Other Assets	
16000 · Other Assets	
16100 · Restricted Cash - O&M Reserve	7,489.92
16200 · Restricted Cash - Pmt Reserve	15,233.33
16300 · Restricted Cash - Inv. Reserve	9,749.53
16500 · Deferred Financing Costs	10,781.25
Total 16000 · Other Assets	43,254.03
18000 · Intercompany Receivables	
18300 · Due from Esplanade	27,000.00
18400 · Due from San Dimas	28,000.00
Total 18000 · Intercompany Receivables	55,000.00
18200 · Due from Clovis	6,000.00
Total Other Assets	104,254.03
TOTAL ASSETS	1,081,225.92

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Accrual Basis

Blue Sky Utility 2017 LLC (WINERY)

Balance Sheet

As of September 30, 2020

	Sep 30, 20
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	
20200 · Accounts Payable - Other	1,318.66
Total 20000 · Accounts Payable	1,318.66
Total Accounts Payable	1,318.66
Other Current Liabilities	
22000 · Taxes Payable	
22200 · Commission Taxes Payable	975.91
Total 22000 · Taxes Payable	975.91
23000 · LT Debt - Current Portion	33,489.90
25000 · Other Current Liabilities	
25100 · Interest Payable	11,726.53
25150 · Interest Payable - DSA	4,558.44
25200 · Rent Payable	67,631.25
Total 25000 · Other Current Liabilities	83,916.22
Total Other Current Liabilities	118,382.03
Total Current Liabilities	119,700.69
Long Term Liabilities	
27000 · Due to Deferred Dev. Fee BSU	82,877.00
28000 · Long-term Debt	
28100 · Loan 4001180-10	439,969.86
Total 28000 · Long-term Debt	439,969.86
29000 · Other LT Liabilities	
29200 · Due to Colusa	5,700.00
Total 29000 · Other LT Liabilities	5,700.00
Total Long Term Liabilities	528,546.86
Total Liabilities	648,247.55

Blue Sky Utility 2017 LLC (WINERY)
Balance Sheet
As of September 30, 2020

	Sep 30, 20
Equity	
32100 · BSU Portfolio 1 Equity Interest	601,719.05
33000 · Retained Earnings	-125,155.85
Net Income	-43,584.83
Total Equity	432,978.37
TOTAL LIABILITIES & EQUITY	1,081,225.92

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Accrual Basis

Blue Sky Utility 2017 LLC (WINERY)

Profit & Loss

January through September 2020

	Jan - Sep 20
Ordinary Income/Expense	
Income	
40000 · Revenue	
41000 · Tenant Sales	27,010.54
43000 · Sales Discount	-1,378.90
Total 40000 · Revenue	25,631.64
Total Income	25,631.64
Gross Profit	25,631.64
Expense	
60000 · Operating Expenses	
61700 · Bank Service Charges	63.40
64000 · Facilities Expense	
64300 · Rent Expense	17,028.00
64400 · Utilities	1,375.55
Total 64000 · Facilities Expense	18,403.55
Total 60000 · Operating Expenses	18,466.95
63000 · Depreciation Expense	22,353.21
Total Expense	40,820.16
Net Ordinary Income	-15,188.52
Other Income/Expense	
Other Income	
71000 · Interest Income	9.94
Total Other Income	9.94
Other Expense	
72000 · Interest Expense	
72100 · Amortization of DFC	1,406.25
72200 · Interest Expense	27,000.00
Total 72000 · Interest Expense	28,406.25
Total Other Expense	28,406.25
Net Other Income	-28,396.31
Net Income	-43,584.83