UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 7, 2018

Vivint Solar, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-36642**	**45-5605880**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

1800 West Ashton Blvd. Lehi, UT	**84043**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code: (877) 404-4129

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 1.01 Entry into a Material Definitive Agreement.

On August 3, 2018 (the "Closing Date"), Vivint Solar, Inc. (the "Company") and certain of its subsidiaries entered into the transactions described in the press release noted in Item 7.01 below and attached hereto as Exhibit 99.1. As part of such transactions, Vivint Solar Asset 1 Project Company, LLC ("Borrower"), which is indirectly owned by the Company together with investors, entered into a loan agreement (the "Loan Agreement") pursuant to which it may borrow up to an aggregate principal amount of $130.00 million with certain financial institutions for which Wells Fargo Bank, National Association is acting as administrative agent, collateral agent and depositary agent.

Borrower may make multiple borrowings under the loan agreement during the availability period, commencing on the Closing Date and continuing until late 2019 (the "Availability Period"). Proceeds of the loans will be used to (1) purchase residential solar projects from a wholly owned subsidiary of the Company, (2) fund certain reserve accounts, and (3) pay transaction costs and fees in connection with this transaction. After the Availability Period, all outstanding loans under the Loan Agreement will be aggregated into a single term loan (the "Term Loan") with a maturity date 20 years after the date of aggregation. During the first 10 years after the date of aggregation ("Sweep Period"), principal payments will be determined in accordance with a target debt balance schedule to be generated based on the projected cash flows from the solar energy systems owned by the Borrower on the date of aggregation. Failure to make principal payments during the Sweep Period will not result in a default under the Loan Agreement. Instead, such principal payments that remain unpaid at the end of the Sweep Period will remain payable by the Borrower in accordance with a payment waterfall. After the Sweep Period, the Borrower will make mandatory payments of principal in accordance with an amortization schedule to be determined based on the projected cash flows from the solar energy systems owned by the Borrower on the date of aggregation.

Interest on each loan will accrue at an annual rate equal to the U.S. swap rate for the weighted-average life of such loan, plus an applicable margin equal to the greater of (a) 1.90% plus a spread adjustment based on the risk premium on the borrowing date relative to the market index-based risk premium on the Closing Date and (b) 1.50%. Scheduled principal payments are due on a quarterly basis, at the end of January, April, July and October of each year. Upon the occurrence of certain events, Borrower will be required to make prepayments of the loans, including the payment of a make-whole amount in certain circumstances.

The Loan Agreement includes customary events of default, conditions to borrowing and covenants, including negative covenants that restrict, subject to certain exceptions, the Borrower's ability to incur indebtedness, incur liens, make fundamental changes to its business, make certain types of restricted payments and investments or enter into certain transactions with affiliates. The Borrower will fund a debt service reserve account on the Closing Date in an amount equal to the scheduled principal and interest payments over the succeeding six months. The Borrower's ability to make distributions to the investors and the Company is subject to certain distribution conditions, including maintenance of a debt service coverage ratio of 1.15 to 1.00, no defaults, and funding of certain reserves.

The obligations of the Borrower are secured by a pledge of the class B membership interests in the Borrower's parent entity, a pledge of the membership interests in the Borrower, all of the Borrower's assets, and contracts (and rights thereunder) held by Borrower relating to the purchase and sale of projects and maintenance and administrative services with respect to the projects owned by the Borrower.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information related to the Loan Agreement described under Item 1.01 above is hereby incorporated by reference under this Item 2.03.

Item 7.01 Regulation FD.

On August 7, 2018, the Company issued a press release announcing the closing of certain transactions described therein, including the Loan Agreement. A copy of that press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. This information, including the information contained in the press release, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any of the Company's filings, whether made before or after the date hereof, regardless of any general incorporation language in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release issued by Vivint Solar, Inc., dated August 7, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Vivint Solar, Inc.

By: /s/ Dana Russell
Dana Russell
Chief Financial Officer and Executive Vice President

Date: August 7, 2018

Exhibit 99.1

Vivint Solar Announces Innovative Industry-First Financing Vehicle

Raises $327 million in a landmark multi-party forward flow transaction

LEHI, Utah – August 7, 2018 – Vivint Solar, Inc. (NYSE: VSLR), a leading full-service residential solar provider, today announced it closed an innovative multi-party forward flow funding arrangement that includes project-level debt, a levered tax equity partnership, and the company's first cash equity investment. The transaction provides up to $327 million in total funding commitments, with an aggregate value of approximately $410 million, which is structured to generate upfront cash margin for the company for approximately 95 megawatts of future solar energy systems. This transaction is the first of its kind in the residential solar industry that incorporates a multi-party forward purchase commitment anchored by a levered tax equity partnership.

Bank of America Merrill Lynch acted in multiple roles in this transaction, including acting as sole structuring and placement agent for the cash equity and multi-draw term loan. Additionally, Bank of America Merrill Lynch acted as the sole tax equity investor. Hannon Armstrong (NYSE:HASI) is participating as the structured cash equity investor.

"This delivers another landmark financing transaction for the company in 2018, and we look forward to using this vehicle to continue to accelerate solar power adoption across the country," said Vivint Solar CEO David Bywater. "We are grateful for the continued support of Bank of America Merrill Lynch in this transaction and the faith and trust that investors continue to place in the future of our business. Hannon Armstrong's programmatic investment is a key piece of the capital structure in this transaction."

"The cash margin provided by this vehicle for a portion of our future PPA and lease assets is an important step to increase Vivint Solar's financial flexibility and to solidify a sustainable funding model for the business," said Vivint Solar's Chief Commercial Officer and Head of Capital Markets, Thomas Plagemann. "We expect similar results to selling systems directly to homeowners, allowing us to continue focusing on providing the products best suited for each homeowner."

Vivint Solar expects to raise approximately $3.37 per watt in upfront proceeds in addition to $0.41 per watt in retained value and renewal value. In addition, the company recently closed a $50 million tax equity partnership with a new investor. This multi-party forward flow funding arrangement, together with the undrawn committed capital under Vivint Solar's other tax equity partnerships, is estimated to provide funding to install more than 170 megawatts of residential solar energy systems.

"Providing solutions that aid in the adoption of renewable energy is core to Bank of America Merrill Lynch's environmental commitment. We value our relationship with Vivint Solar and Hannon Armstrong and look forward to continuing to grow the partnership," said Omer Farooq, Managing Director in Bank of America Merrill Lynch's Cross Asset Solutions and Strategies team.

"Hannon Armstrong is pleased to support Vivint Solar with capital to facilitate the continued expansion of their business," said Jeffrey Eckel, President & CEO of Hannon Armstrong.

About Vivint Solar

Vivint Solar is a leading full-service residential solar provider in the United States. With Vivint Solar, customers can power their homes with clean, renewable energy and typically achieve significant financial savings over time. Offering integrated residential solar solutions, Vivint Solar designs and installs the solar energy systems for its customers and offers monitoring and maintenance services. In addition to being able to purchase a solar energy system outright, customers may benefit from Vivint Solar's affordable, flexible financing options, power purchase agreements, or lease agreements, where available. For more information, visit www.vivintsolar.com or follow @VivintSolar on Twitter.

Note on Forward-looking Statements

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995, including statements regarding Vivint Solar's installation capacity remaining in tax equity funds, estimated retained value, and estimated retained value per watt, including the assumptions related to the calculation of the foregoing metrics. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Forward-looking statements should not be read as a guarantee of future performance or results, and they will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. These statements are based on current expectations and assumptions regarding future events and business performance as of the date of this press release, and they are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in those statements will be achieved or will occur, and actual results could differ materially from those anticipated or implied in the forward-looking statements. Except as required by law, Vivint Solar does not undertake and expressly disclaims any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. You should read the documents Vivint Solar has filed with the Securities and Exchange Commission, or SEC, for more complete information about the company. These documents are available on both the EDGAR section of the SEC's website at www.sec.gov and the Investor Relations section of the company's website at investors.vivintsolar.com/ .

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