

SOLAR FINANCING

	CASH	LOAN	LEASE
PERFORMANCE GUARANTEE	✓	✓	✓
\$0 DOWN	✗	✓	✓
LARGE TAX LIABILITY	✓	✓	✗
PLAN TO MOVE IN 5 YEARS	✓	✓	✗
ADDED VALUE TO HOUSE	✓	✓	✗
BUY EV CAR IN 5 YEARS	✓	✓	✗
HIGH DEBT TO INCOME RATIO	✓	✗	✓
NO INCOME	✗	✗	✓

SOUTHERN CALIFORNIA EDISON CURRENT BILL: \$200 // SUGGESTED SIZE: 6kW

	CASH	LOAN	LEASE
UPFRONT COST	\$14,500*	\$0	\$0
NEW BILL	\$25	\$25	\$25
SOLAR PAYMENT	-	\$135 (12 YEARS)	\$110 (20 YEARS)
LIFETIME SAVINGS	\$80,000 (25 YEARS)	\$76,000 (25 YEARS)	\$42,000 (20 YEARS)

***After Rebates and Incentives**

FACTORS TO CONSIDER

Why should I lease my solar system when I can buy my system with an unsecured loan with no upfront cost? Which option gives me the highest return?

Tip: Large solar installers push Lease/PPA options very aggressively because it's the most profitable option for them (not the homeowner). Rule of thumb is that if homeowner can collect the 30% tax credit, they should finance the system through one of the many unsecured loan options. The lifetime savings can get be as much as doubled when compared with the Lease/PPA options.

What is the buyout price of my leased system?

Some installers include a stipulation in a leasing contract that imposes up to a \$5/Watt buyout option. Tax Credit is not going to apply if you buyout the leased system. Also, we encourage you to ask about the late payment penalties. Sometimes homeowners find themselves locked in an unfair contract. We highly encourage you to get your lawyer to review the Lease/PPA contracts before signing them.

What's the warranty structure, protecting damages to my roof, or leakage?

Tips: Leasing contracts typically have warranties for your roof for only 1 year after the installation. However, if you have a pre-existing warranty, many contracts will honor this. Always read the fine print.

If my energy consumption increases over time (Buying an EV), can I add extra panels to my system?

Tips: The energy consumption trend of average household increases due to the adoption of new technologies such as new electronic devices or Electric Vehicles. Some of the installers who exclusively sell Lease/PPA options prohibit homeowners from adding extra panels to cover their increased consumption.

Can I hook up my solar system to battery back up in future?

Tips: The prices of battery backups are declining very fast. In the next 2-3 years they will be financially feasible. Some of the Lease/PPA contracts prohibit the homeowner to hook up the panels to battery backups.

What's the gross price of my solar system? (Cash and Loan)

Tips: For a typical system, a good price for a solar system with basic specs should be around \$3.75/Watt.

What's the cost of produced electricity? (Lease/PPA)

The cost of the electricity in PPA option should be \$0.17/kWh with 0% escalator. However, the standard offered price is \$0.15/kWh with 2.99% escalator, which is not recommended.