

# Methods of Solar Panel Financing

1. PACE Financing
2. Second Mortgages
3. Leases

# Property Assessed Clean Energy (PACE)

- Loan from local government (city/county) repaid through property taxes
- Conservation easement

# Downside of PACE Financing

- Lien has superpriority, which impacts ability to obtain financing
- Loan is repaid through property taxes, increasing property tax bill

# How to Avoid Transaction Delays Caused by Solar Panel Financing

- Identify all solar panel financing issues early in the process
- Make information available to potential buyers at the outset

**UTILITIES**

162. **DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?**

	YES	NO		PROVIDER
163.	<input type="checkbox"/>	<input type="checkbox"/>	Electricity: .....	<u>SAMPLE</u>
164.	<input type="checkbox"/>	<input type="checkbox"/>	Fuel: <input type="checkbox"/> Natural gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil .....	_____
165.	<input type="checkbox"/>	<input type="checkbox"/>	Cable / Satellite: .....	<u>SAMPLE</u>
166.	<input type="checkbox"/>	<input type="checkbox"/>	Internet:.....	_____
167.	<input type="checkbox"/>	<input type="checkbox"/>	Telephone:	<u>SAMPLE</u>
168.	<input type="checkbox"/>	<input type="checkbox"/>	Garbage Collection:	_____
169.	<input type="checkbox"/>	<input type="checkbox"/>	Fire:	<u>SAMPLE</u>
170.	<input type="checkbox"/>	<input type="checkbox"/>	Irrigation:	_____
171.	<input type="checkbox"/>	<input type="checkbox"/>	Water Source:	_____
172.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Public <input type="checkbox"/> Private water co. <input type="checkbox"/> Hauled water	_____
173.			<input type="checkbox"/> Private well <input type="checkbox"/> Shared well If water source is a private or shared well, complete and attach	
174.			Domestic Water Well/Water Use Addendum.	
175.	<p><b>NOTICE TO BUYER: If the Property is served by a well, private water company or a municipal water provider, the Arizona Department of Water Resources may not have made a water supply determination. For more information about water supply, or any of the above services, contact the provider.</b></p>			
176.				
177.				
178.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any past or present drinking water problems? Explain: _____	
179.			_____	
180.	<input type="checkbox"/>	<input type="checkbox"/>	U.S. Postal Service delivery is available at: <input type="checkbox"/> Property <input type="checkbox"/> Cluster Mailbox <input type="checkbox"/> Post Office <input type="checkbox"/> Other _____	
181.	<input type="checkbox"/>	<input type="checkbox"/>	Are there any alternate power systems serving the Property? (If no, skip to line 190.)	
182.			If yes, indicate type (Check all that apply):	
183.			<input type="checkbox"/> Solar <input type="checkbox"/> Wind <input type="checkbox"/> Generator <input type="checkbox"/> Other _____	
184.			Are you aware of any past or present problems with the alternate power system(s)? Explain: _____	
185.			_____	
186.	<input type="checkbox"/>	<input type="checkbox"/>	Are any alternate power systems serving the Property leased? Explain: _____	
187.			_____	
188.			If yes, provide name and phone number of the leasing company (Attach copy of lease if available): <u>SAMPLE</u>	
189.			_____	

# Resources

- **State Issues Tracker**

- <https://www.nar.realtor/political-advocacy/state-issues-tracker>

- **California Association of REALTORS® Solar Issues**

- [www.car.org/3550/222860/ppslqa](http://www.car.org/3550/222860/ppslqa)

- **Articles**

- <http://www.maxrealestateexposure.com/solar-power-selling-buying-home/>

- [https://www.washingtonpost.com/news/where-we-live/wp/2015/11/17/why-leasing-solar-panels-may-not-be-a-good-idea-if-youre-planning-a-home-sale/?utm\\_term=.e780f00cf172](https://www.washingtonpost.com/news/where-we-live/wp/2015/11/17/why-leasing-solar-panels-may-not-be-a-good-idea-if-youre-planning-a-home-sale/?utm_term=.e780f00cf172)

- <http://www.sandiegoreader.com/news/2016/nov/14/ticker-solar-power-financing-could-spell-trouble/>