RE105R18
Selling the Sun: Listing, Marketing and Establishing Value of a Solar PV Home

Course Description: Overview of information real estate agents need to address solar photovoltaics (PV) in the residential real estate transaction. Topics include the rapidly emerging residential solar PV market, a breakdown of how the technology works, and resources you need to value solar PV and explain the value to your sellers and buyers. A snapshot of what a successful sale of a home with solar looks like – a home that has an owned solar PV system and a home that has a solar PV system that is leased by a third party (Example Solar City). You will be able to identify what success looks like and how to get there.

Objectives: When you are finished you will be able to…

    A. **Discuss solar PV technology**
    B. **Cite the emerging market opportunity trends**
    C. **Understand different financing options for solar PV**
    D. **Identify the essential system information in the MLS**
    E. **Understand best practices of marketing a home with solar PV**
    F. **Use solar PV valuation tools**

1. **The Emerging Market of Solar PV – Why is solar PV suddenly part of the real estate discussion?**
   A. Growth of solar PV Installations by the Numbers
      - Growth of solar PV on new and existing homes in Massachusetts
   B. Why is Solar Growing So Quickly?
      - Ratepayer stress created by volatility in the power markets (price certainty is attractive)
      - System price per watt has dropped drastically over the last few years
      - Massachusetts and Federal incentives
      - Clean power, lowering environmental impact
      - Off-grid home (NOTE: off-grid homes are not currently accepted in the secondary mortgage market)
      - Market actors are responding: Zillow SunNumber, Google Project Sunroof, forward thinking brokerages

2. Solar PV Technology – The Parts and Pieces
A. Solar PV vs Solar Hot Water: What is the Difference?.
B. Basic Solar PV System Components
  o Panels – Modules
  o Array (a group of panels connected together feeding the home's electrical panel)
  o Inverters (converting DC to AC power)
    ▪ String inverters
    ▪ Microinverters
C. Building code requirements: rapid shutdown, setbacks and ventilation
D. Net Meter (the utility meter that "spins backwards")
  o How does a utility meter spin backwards?
  o Retail vs wholesale rate reimbursement
  o Brief explanation of net metering caps
  o Net metering policies by state
  o Virtual Net Metering and Community Solar

3. How to market solar PV
A. Multiple Listing Service (MLS) solar PV data fields and the Real Estate Standards Organization (RESO) Data Dictionary v1.5 July 2016
  o Year Installed
  o Leased/Owned
  o kW size (nameplate)
  o Anticipated production kWh
  o Actual Production
B. Possible Auto-Population of PV Data fields in MA MLSs
C. The basics of marketing a home with solar PV and risk reduction strategies

4. "To Own or Not to Own"
A. Typical residential solar PV costs and incentives
B. Solar PV financing options
C. Host Owned vs Third Party Owned (TPO) pros and cons
D. Understanding the Power Purchase Agreement (PPA) (Solar Energy Industries Association (SEIA) Lease Agreement Template)
E. Solar PV and Homeowner's Insurance

5. How to establish a list price for a home with host owned solar PV
A. Comparative Sales Approach, Cost Approach, Income Approach to Solar PV Valuation
B. Key Concept: Contributory Value
C. Deep dive pvvalue.com
D. Don't forget the MA State Incentive Programs (these could be separate homeowner assets that could be included in negotiation)

6. Resources for selling a home with solar PV

A. Key Resource: Appraisal Institutes *Residential Green and Energy Efficiency Addendum*

B. *Ready-Made directions for buyers* and *Ready-Made Lender Letter* (scroll to bottom of page at link below) http://www.greenresourcecouncil.org/Appraisal-Links

C. Example of PV Value Tool one page PDF

D. Massachusetts Attorney General's advisory can be found at http://www.mass.gov/ago/news-and-updates/press-releases/2016/advice-to-homeowners-considering-solar-panels.html