



## Questions Related to Financing

- yes  no  notes Have you asked the solar developer to calculate the payback and walk you through the contract and any assumptions?
- yes  no  notes Given your personal tax situation, does it make more sense to own (through a loan or direct purchase) your solar system to take advantage of all the federal and state tax incentives?
- yes  no  notes What is the interest rate and duration (in years) of the financing agreement? Have you shopped around to compare other financing packages?
- yes  no  notes Will you have to make a down payment? Do you have the option to make a down payment to reduce monthly fixed payments (lease) or kilowatt-hour rate (PPA)?
- yes  no  notes Will your monthly loan payments be equal to or less than the savings on your electric bill? (You'll want to factor in how much of your electricity needs will be met by your solar PV system as that will impact the reduction of your electric bill. If the system doesn't cover a significant portion of your electricity needs, then your savings may not be substantial enough to justify the payments for your PV system.)
- yes  no  notes Is there an escalation clause included in the financing agreement? If so, what is the annual escalation rate?
- yes  no  notes If you are financing through a PPA, is the electricity rate you are being offered lower than what you are currently paying?
- yes  no  notes If you are financing through a lease or PPA, is there a pre-payment option under which you can pay some or all of your lease or PPA payments before they become due?

## Questions Related to Financing (continued)

- yes  no  notes If you are financing your system through a lease or PPA, what happens at the end of the contract term? Does the contract require you to buy the system at the end of your term? If so, how is the buyout amount determined?
- yes  no  notes Can you buy out your financing contract? Under what circumstances? At what rate? At what point? How is that rate calculated?
- yes  no  notes What happens if you sell your home before the end of your solar contract term? For instance, what happens if the buyer does not qualify to assume your solar lease or PPA? What if the buyer does not want the solar system included in the property sale?
- yes  no  notes If you are financing your system through a lease or PPA, what happens if you need to replace the roof during the contract term?
- yes  no  notes Could the system be removed or repossessed if the lender goes out of business or gets into financial trouble?
- yes  no  notes Can the lender sell the contract to a new entity? Will you be notified if that happens?