

Considering Solar? We Can Help You Sort Through the Financing Options

Most people, I've found, like the idea of generating their own electricity with a roof-mounted solar photovoltaic (PV) system but are confused by the many solicitations, by mail or by door-knocking, that they receive for buying or leasing such a system. If you shop at Home Depot, you have probably been pitched by Solar City, which has sales tables set up inside each store.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

When Rita and I first invested in a solar PV system 10 years ago, there were not as many options. The only option back then was to buy or not buy, and I was rewarded with a sizable rebate from Xcel Energy for choosing to buy. Those days are gone, largely because solar PV costs less than it did back then. Rebates and credits are slowly disappearing.

Since then, I have made four additional solar PV investments. Two were purchased, one was leased, and the third was purchased on a 6-year installment plan. Meanwhile, I have helped clients to buy and sell homes with solar PV (and other systems) on them and acquired some experience and knowledge about the many options homeowners now face.

Next Tuesday, May 24, 5:30-7:30 pm, at the Golden Real Estate office at **17695 S. Golden Road**, we'll be hosting a seminar about solar power in general and the many options for getting into solar and other carbon-reducing systems. In addition to sharing my own knowledge and experience, we'll have representatives from local solar vendors to answer questions, particularly about financing. Refreshments will be served.

What are your basic choices with regards to getting solar PV on your home?

* You can purchase a system outright. This option earns you a 30% federal tax credit on the investment. Last December I paid about \$33,000 to install 10 kilowatts of additional solar PV at our office, and that earned me a \$10,000 tax credit — in effect, a refund — on my 2015 federal tax return.

* You can lease a solar PV system for 20 years. The typical lease entails no money down, but a monthly payment of less than \$100 per month (depending on the size of your system) which is always less than what you'd pay for the amount of electricity that system generates for you. You save money with no up-front investment and you know you're doing something good for the planet.

When I leased the 10 kW system for my home in 2012, I chose the option of paying for the full lease term upfront at a substantial discount over what I would have paid over a 20-year period. As I recall, I paid about \$12,000, which was amazing, since it would have cost much more than that to buy it outright. The reason? The leasing company, not I, received the

federal tax credit and Xcel's Solar Rewards payments.

What I like about leasing is that the leasing company owns the inverter — the unit which converts DC power from the panels into AC power for the electrical grid — and if the inverter fails during the 20-year lease, the leasing company pays the cost of replacing it. If I had bought the system, that would have been my expense, because the manufacturer's warranty on the inverter is only 10 years.

The lease terms for solar PV systems can vary and I think some companies which promote and sell PV leases have contracts with terms that are unattractive.

For example, some leases have escalation clauses where your monthly lease payment goes up by a certain percentage over the 20-year term of the lease.

This is justified, perhaps, by the fact that the electricity you no longer have to purchase from your local electric utility is going up, too.

Another issue that makes me uncomfortable is the end-of-lease provision. Are you required to sign a new lease, or can you purchase the 20-year-old system — which will, after all, still be generating 80-90% of its original power capacity? If you choose to have it removed, will the solar company charge you to do that, and how much?

These are some of the considerations which our experts will be discussing next Tuesday evening at our South Golden Road office.

Please call or email me (see contact info below) to reserve your seat at our May 24th seminar.

Just Listed by Brokers Jim Smith & Kim Taylor

Rare Opportunity in Golden's Beverly Heights Near CSM



It seems that everyone wants to live within walking distance of downtown Golden and the Colorado School of Mines. That's why Golden's Beverly Heights (just uphill from US 6) has been so popular with Colorado School of Mines professors and others. This home at **1910 19th Street** will tempt many buyers, although it requires both updating and landscaping work. We're holding it open this weekend, but please note that US 6 will be closed for the entire weekend by CDOT as they continue building the grade separated intersection at 19th Street. To get to this home this weekend, come up 19th Street from downtown

Golden. Meanwhile, take a video tour (including drone footage) at www.BeverlyHeightsHome.com. Call your agent or Jim at **303-525-1851** or Kim at **303-304-6678** for a private showing.

Just Listed by Broker Associate Chuck Brown

East Wash Park Bungalow: Scrape Off or Pop the Top?

This 783-sq.-ft. one-bedroom home with a two-car detached garage is located at **792 S. High Street** in Denver's coveted East Washington Park neighborhood. The house could be remodeled, or even have the top popped, but is probably best suited to be razed and built new. The 5,370-sq.-ft. lot is on a corner and features 124 feet of south facing frontage on Ohio Ave. — a superb location only 3 blocks to Wash Park, and 4 blocks to the shops on South Gaylord St. Call **Chuck Brown** for price and details at **303-885-7855**. Check out the video tour at www.WashParkHome.info then come to the **open house on Saturday 1-4 p.m.**



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