

Solar in The Deal



A Quick Guide for Listing & Buying Agents



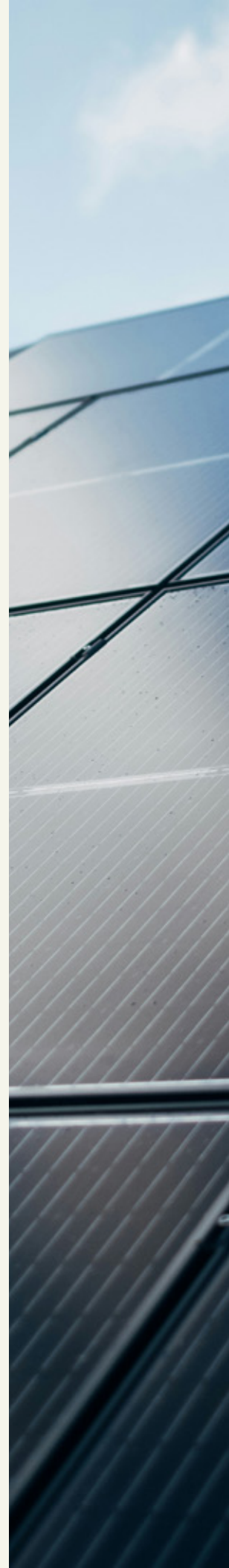
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Sprk

A Quick Guide for Listing & Buying Agents

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Authored by **Cory Vanderpool**

01

Introduction

Why Solar Homes Need a Different Approach

As a real estate agent, you're used to navigating disclosures, appraisals, and negotiations. But when a home has solar, things change. New questions arise:

Who owns the system?

Does it add value?

How do I showcase its benefits clearly and confidently?

This short guide helps you get ahead of those questions—**without needing to become a solar expert**. It outlines the key steps to list and show solar homes with confidence and explains how to avoid common pitfalls during escrow and appraisal.

To make solar home transactions smoother and more reliable, we recommend working with a **Sprk-certified home inspector**—a professional trained to inspect, evaluate, and document solar energy systems in a real estate context.

Whether you're listing or helping a buyer, this guide will help you:

- **Market and disclose solar the right way**
- **Avoid costly surprises during escrow**
- **Use third-party reports to validate condition, value, and savings**
- **Protect your client and your closing**

There are **5 million solar homes in the U.S.** today. Let's make you the agent who knows how to handle them with confidence.

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 What Does That Mean?

“Sprk-Certified Home Inspector”

A home inspector who has completed specialized training through Sprk to inspect, evaluate, and report on solar energy systems and green home features in real estate transactions.

How to Use This Guide

Use this as a quick reference when you’re preparing a listing, walking a buyer through a solar home, or coaching clients during escrow. The key steps and “What That Means” snapshots are designed for on-the-go agents who want to sound sharp and keep deals moving.



Part 1: For Listing Agents — List It Right



Quick Listing Agent Checklist

- Confirm solar ownership type
- Gather solar documents
- Order Solar Listing Report
- Add solar benefits to listing description
- Add Solar Listing Report to listing documentation



Step 1



Identify the Ownership Type

Ask: Is the solar system owned, loaned, leased, or utility-owned?

Understanding the solar ownership method is critical. It determines how the system transfers, whether it adds equity, and how it impacts financing or closing.

Here's a quick overview of the four main types:

- **Owned (No Loan):** The homeowner paid for the system in full. It powers the home and adds value and transfers easily with the home.
- **Owned with Loan:** The system is owned by the homeowner but is financed, and a lien may exist. It will need to be paid off or assumed by the buyer.
- **Lease / PPA:** The system powers the home but is owned by the lease/PPA company. The lease or PPA will need to be pre-purchased, bought out, or assumed by the buyer.
- **Utility-Owned:** The system was installed and is owned by the utility company.

Use the chart below to quickly assess the implications for each ownership method:

Type	Adds Equity?	Has a Lien?	Transferable?
Owned (No Loan)	✓ Yes	✗ No	Easiest
Owned w/ Loan	? Maybe	✓ Yes	Sometimes
Lease / PPA	✗ No	✓ Yes	Requires Credit Approval
Utility-Owned	✗ No	✗ No	Treat like a rate plan

 What Does That Mean?

“PPA (Power Purchase Agreement)”

A contract where the homeowner pays a third party for the power produced by solar panels on their roof, without owning the system itself.



Step 2

Collect Solar Documents Early



Don't wait until escrow. The earlier you gather documentation, the easier it will be to market the home and ensure a smooth transaction.

Ask the Seller to Locate:

- Installation agreement
- Loan or lease/PPA contract
- Panel and inverter warranties
- Net metering agreement
- Monitoring login info

 What Does That Mean?

“Net Metering”

An agreement that allows homeowners to receive credit for excess electricity their solar panels send back to the utility grid.

Step 3:

Order Sprk Solar Report(s)



Sprk's third-party solar reports provide the clarity and confidence needed by buyers, agents, appraisers, and lenders. They help maximize perceived value and reduce confusion or liability during escrow.

Sprk Solar Listing Report

An interactive, shareable report that gives the seller a premium way to showcase their solar system.

Highlights monthly savings and value impact



Discloses solar financing and installer details



Provides tailored transfer instructions for both buyer and seller



The Solar Listing Report transforms complex solar data into a clean, confident marketing and disclosure tool.

Sprk Solar Inspection Report

A Sprk-certified home inspector performs a visual inspection and system assessment to evaluate solar health and functionality.

Measures production and performance



Identifies safety or installation issues



Confirms remaining system life



30% of systems inspected have a condition or performance issue. This report helps avoid post-offer surprises.

 What Does That Mean?

“Solar Inspection Report”

A graded, third-party report that assesses energy production, safety, and expected longevity of the solar system.

Step 4



Prepare the Client for a Smooth Transfer

Going solar was easy — and selling a solar home can be, too. Set your client up for success by helping them understand how ownership type affects timing, paperwork, and buyer confidence.

Use the Solar Equity Strategy Matrix and the Solar Home Transfer Guide (included in the Listing Report) to walk them through key decisions.

Help Your Client:

- Organize solar documentation
- Record home energy efficiency features
- Decide how to handle solar loan or lease
- Notify the solar provider and utility company
- Prepare to transfer utility and solar accounts to the buyer





Step 5

Market the Solar Benefits in the Listing



Highlighting the solar system in your listing not only builds buyer confidence — it differentiates the home in a competitive market.

Example Listing Language:

“Includes an 8.1 kW owned solar system with a 25-year warranty and \$190/month in energy savings. Sprk-certified and inspected.”

 What Does That Mean?

“kW (Kilowatt)”

A unit of measurement that indicates the size or power output of a solar system. More kW = more energy generation potential.

Solar Equity Strategy Matrix

Achieving top-dollar for a solar home takes more than just mentioning it in the MLS. The way solar is positioned, documented, and transferred has a direct impact on buyer confidence, appraisal value, and closing success.

Use this matrix to understand how your listing strategy can either erode—or maximize—the equity your seller earns based on the type of solar ownership. Each row shows a progression from “Fail” to “Maximize Equity,” helping you guide clients through smart decisions that protect value, reduce friction, and support clean closings.

Solar Ownership Type	Solar Ownership Type	Solar Ownership Type
Owned (No Loan)	Owned with Loan	Lease / PPA
<p>Fail</p> <p>No mention of solar; buyers assume it's old or irrelevant</p>	<p>Fail</p> <p>Buyer is surprised by a solar loan lien; delays closing or asks for a price reduction; may not qualify for the home once solar loan is factored in</p>	<p>Fail</p> <p>Lease is hidden or unclear; buyer doesn't qualify for lease, cancels contract, or requests price reduction; buyer views the lease payment as just another unwanted “HOA fee” and undervalues the system</p>
<p>Basic</p> <p>Listing briefly references solar, but lacks supporting info</p>	<p>Basic</p> <p>Loan disclosed during escrow; agent unsure how to handle payoff or assumption</p>	<p>Basic</p> <p>Lease disclosed late; buyer receives minimal info and has limited time to review</p>
<p>Smart</p> <p>Solar is disclosed; age and ownership clarified verbally; some documents available</p>	<p>Smart</p> <p>Loan mentioned early; seller decides on payoff or transfer; basic info shared with buyer</p>	<p>Smart</p> <p>Lease explained early; contract shared; buyer prepped for credit check and approval</p>
<p>Maximize Equity</p> <p>Solar is showcased in listing; system has been inspected; buyer, appraiser, and lender understand solar value and benefits</p>	<p>Maximize Equity</p> <p>Seller either pays off loan and adjusts pricing accordingly, or prepares for buyer loan assumption with documentation in hand; agent clearly explains value, savings, and financial impact to buyer and lender, allowing for smooth transfer and accurate valuation</p>	<p>Maximize Equity</p> <p>Seller either purchases solar from lease company and prices home accordingly, or fully prepares for buyer lease assumption; system benefits and transfer process are clearly explained, allowing for confident, quick closing and appraised value retention</p>

Agent Insight:

“I used to avoid solar, but now I actually use solar to set my listings apart. While other agents may run from solar, now I look for solar homes. When you understand solar, it's a great niche I can use to help my clients' homes stand out.” — **Brian M., Listing Agent, Phoenix, AZ**



Part 2: For Buyer's Agents — Protect the Purchase



Solar homes can either be a win for your buyer — or a last-minute reason to renegotiate, delay, or walk away. As a buyer’s agent, your ability to ask the right questions, gather key data, and guide the financing process will directly impact your client’s confidence and success.

This section helps you assess ownership early, uncover system condition, and protect the buyer’s experience and investment. At the end, you’ll find a strategy matrix that summarizes how your role can either prevent risk — or maximize value and peace of mind.

Quick Buyer’s Agent Checklist

- Confirm solar ownership type and transfer method
- Ask for Solar Inspection Report (or recommend one if not provided)
- Review utility costs and system details with buyer
- Support appraisal and financing using solar documentation
- Guide buyer through loan or lease assumption (if applicable)





Step 1

Confirm Solar Ownership and Transfer Impact

One of the most critical questions in a solar home transaction is: who owns the system and how does it transfer? Early in the process, determine if the system is:

- Fully owned with no lien
- Owned with a loan (with a lien that must be paid off or assumed)
- Leased (with a contract requiring buyer qualification)
- Utility-owned (buyer doesn't own, may receive bill discount)

Understanding this impacts not only the sales strategy, but also the buyer's ability to qualify for financing and how quickly the deal can close.



Step 2



Order or Review a Solar Inspection Report

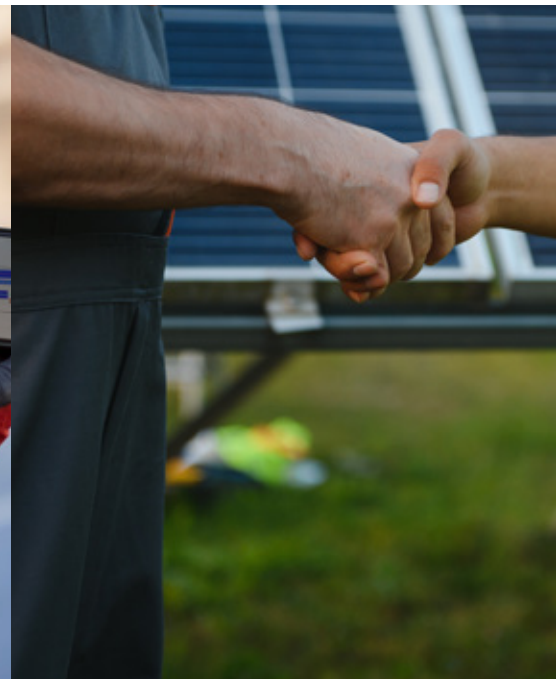
If the listing agent hasn't provided one, recommend it for your buyer. Solar systems are complex, and their value depends on condition and performance. A third-party inspection ensures the buyer knows what they're buying and what maintenance (if any) may be needed.



Confirms system size, age, and expected production



Flags issues like shading, faulty inverters, pest damage, or unpermitted installations



Establishes the basis for appraisal and peace of mind

 What Does That Mean?

“Solar Inspection Report”

A third-party evaluation from a Sprk-certified inspector that grades the system on energy production, safety, and longevity.

Step 3



Understand Utility Costs and Offset

Solar is only valuable if it saves the homeowner money. Use Sprk to generate a Home Energy Report to understand the utility expenses and savings.

Help the Buyer Understand

- What their monthly utility expenses will be
- How much the solar will offset those expenses
- Other energy upgrade options to reduce utility expenses



 What Does That Mean?

“Home Energy Report”


A personalized report that estimates monthly utility savings and projects energy costs based on the home’s current features and solar performance. Sprk’s version is called the Green Home Energy Report.

Step 4



Support Appraisal with Solar Documentation


Many solar systems don't get properly valued because appraisers don't have the documentation they need. As the buyer's agent, ensure:



The appraiser knows the system is owned, not leased (or understands the lease terms)



Production data, inspection reports, and savings estimates are available



Lender underwriters understand the impact of the solar on monthly costs

 What Does That Mean?

“Home Appraisal Report”

A supplemental document that helps appraisers and underwriters evaluate the solar system's contribution to home value. Sprk offers the Green Home Appraisal Report for this purpose.



Step 5

Guide Buyer Through Assumption (if needed)

If the solar is leased or financed, the buyer may need to qualify for the lease or solar loan. Prepare them by:

- Reviewing lease/loan terms early in the transaction
- Connecting with the solar company or lender to understand assumption requirements
- Clarifying whether payments are fixed, escalating, or dependent on usage

In some cases, buyers may prefer the seller to pay off the system to simplify closing. Help your buyer weigh the options.

Solar Confidence Strategy Matrix

Buyers don't just inherit solar systems — they inherit the opportunity or the risk that comes with them. The buyer's agent plays a critical role in helping clients understand what they're getting, what it's worth, and how to avoid surprises during escrow or after closing.

Use this matrix to understand how your actions as a buyer's agent can either protect — or jeopardize — your client's purchase. Each row shows a progression from Fail to Maximize Confidence.

Solar Challenge	Fail	Basic	Smart	Maximize Confidence
Solar Ownership Unknown	Agent assumes system is owned; doesn't verify contract type	Discovers loan /lease late in escrow	Confirms ownership during offer; flags possible lien	Confirms ownership early; explains impact on financing, equity, and timelines
No Solar Documentation Provided	No inspection, no specs; buyer is blind to condition	Seller gives verbal overview only	Buyer reviews energy bills or verbal info + some docs	Agent requests full Solar Inspection Report and Home Energy Report to evaluate savings and system health
Buyer Must Assume Lease or Loan	Buyer finds out post-offer they must qualify; can't or won't	Assumption disclosed late; buyer rushed through approval	Assumption discussed early; lender looped in	Buyer prepared upfront with lease/loan docs, impact on DTI explained, lender consulted pre-offer
Solar Value at Appraisal	Appraiser undervalues system; lender challenges appraisal	Appraiser receives partial system info	Agent supplies system specs, ownership proof	Agent provides solar report with system data and savings, so appraiser can accurately add solar value to home valuation
Utility Savings Confidence	Buyer unclear how system affects bills; worries about hidden costs	General estimate discussed with no data	Utility bills shared or verbally explained	Buyer reviews Solar Inspection Report and Home Energy Report or to understand energy savings & costs, solar offset, and system lifetime

Agent Insight:

"My buyer was ready to walk after seeing the lease—until we walked through the report and saw the savings. That changed everything." — **Marcus R., Buyer's Agent, Temecula, CA**

Final Thoughts:



Don't Go It Alone

Solar doesn't have to complicate real estate — it can elevate it.

As a listing agent, you now know how to avoid common pitfalls and help your seller retain the full value of their solar investment. As a buyer's agent, you know how to protect your client from surprises, support the appraisal, and position solar as an advantage — not a question mark.

Whether you're working with a solar home today or preparing for the next one, you now have the language, the logic, and the tools to lead the way.

Thank you for taking the time to learn more about solar — and for making solar homeownership a priority. When agents are informed, solar homeowners are better represented.

You don't have to be a solar expert to guide a solar transaction. But you do need the right strategy — and the right support.

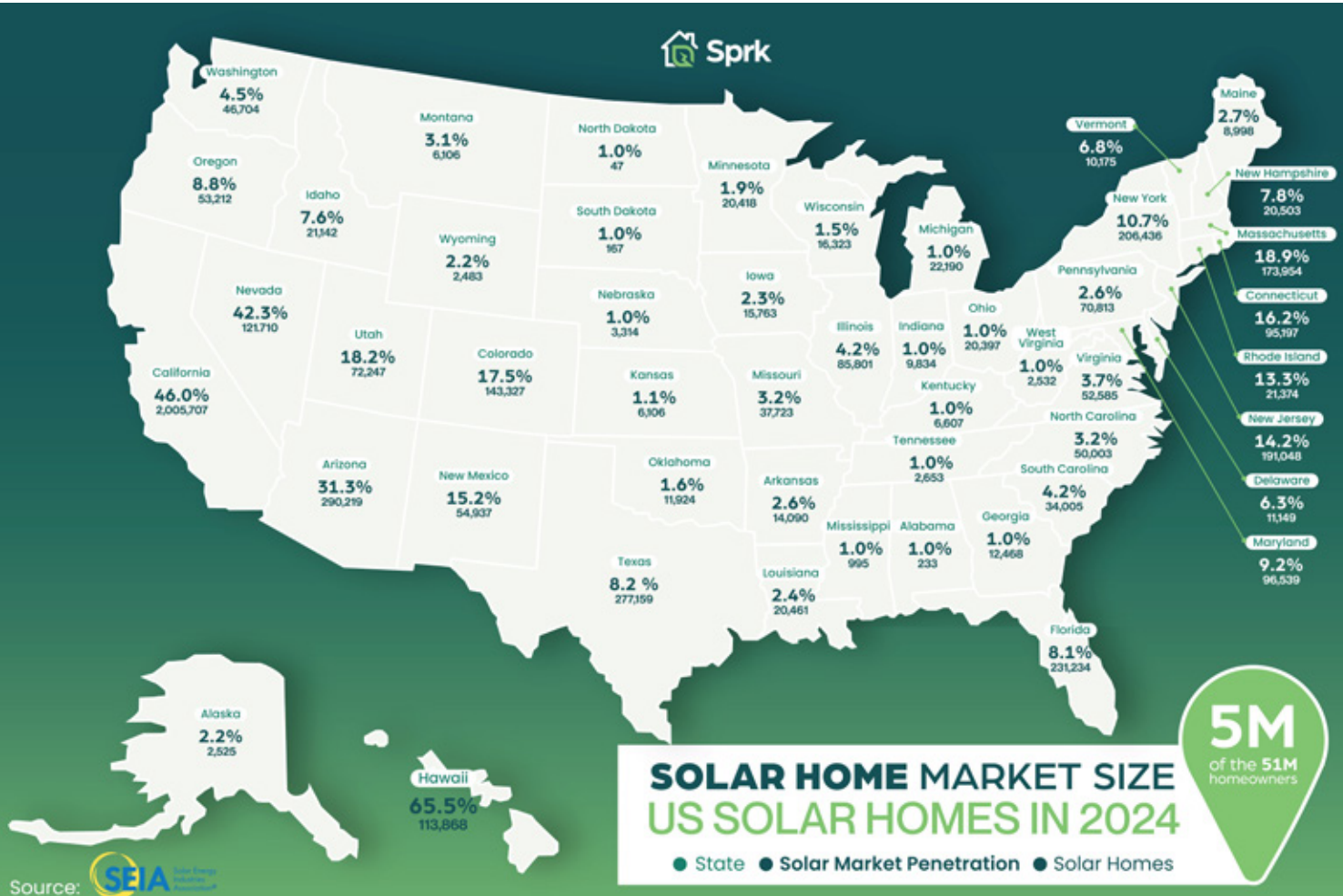
That's where Sprk comes in.



Sprk-Certified Home Inspectors help agents:

- Inspect and explain solar system functionality, longevity, and condition
- Generate Home Energy Reports for buyers
- Create Solar Listing Reports for sellers

The Solar Home Market at a Glance



US Solar Homes by State – 2024

- Inspect and explain solar system functionality, longevity, and condition
- Generate Home Energy Reports for buyers
- Create Solar Listing Reports for sellers

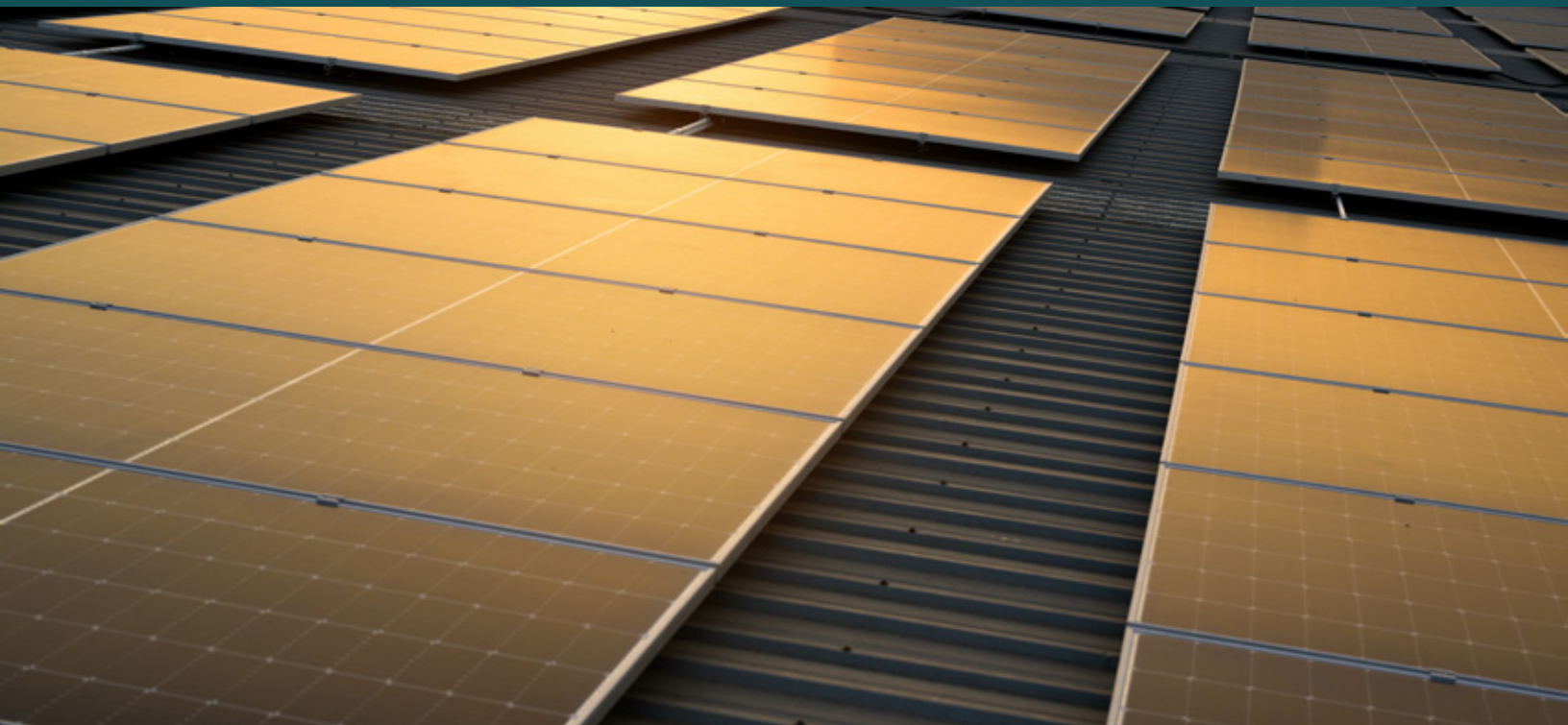
Solar is reshaping real estate. Knowing where solar homes are most common helps agents navigate deals with confidence.

Want to Get Solar Certified?



Sprk offers CE-approved training and certification for real estate professionals. You'll learn how to:

- Confidently list and show solar homes
- Avoid legal risk from poor disclosures
- Understand solar value, liens, and transfer logistics



Visit www.SprkHome.com to get a Sprk report and learn more — or refer your favorite home inspector to the Sprk certification program.



Together, we can Sprk a brighter future — and simplify the way solar homes are bought, sold, and celebrated.