

**19
89** | **OVER
TWENTY
FIVE
YEARS**



Solar industry responds to concerns from real estate; How to make sure it helps, not harms home value - by Tara Bono

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In every industry, there are good and bad actors. As Long Island's only solar industry organization, LISEIA's 30+ members adhere to a stringent code of ethics. Aggressive and misleading sales tactics are not welcome on Long Island, and those companies are not welcome as members of LISEIA.

With more than 35% of N.Y. State's solar energy activity, Long Island is the state's largest market. One in 25 Long Island homes has gone solar. The environmental benefit of these installations is equivalent to taking 63,744 cars off Nassau and Suffolk's roads. Solar energy is an important component of Governor Cuomo's aggressive carbon reduction initiative and goal towards 50% renewable energy powering the state by 2030. Long Island's role in solar energy can pave the way for N.Y. to be a national model for renewable energy.

Over the past decade, residential solar projects have put millions of dollars back in the pockets of Long Islanders, creating a ripple effect that in turn helps boost the regional economy. Many new solar customers tend to be middle- and lower-income families who not only want to save money but leave their children and grandchildren with a better environment. Among the most popular communities for solar installations include Brentwood, Lindenhurst, Bay Shore, Levittown, and Massapequa.

It's unfortunate that some, not all, solar sales companies, blatantly mislead homeowners on system costs, project over-optimistic and exaggerated savings, and knowingly sell systems that will not perform to expectations. Many of these companies knowingly approached the elderly, uneducated, and low-income residents, who never had a chance to do their research, but were strong-armed into signing a 20-year solar contract at the promise of "free" solar.

However, most solar companies are doing the right thing; delivering real savings and providing significant environmental benefits to our region.

Going solar is a major investment that requires extensive homework. In effect, you're buying your next 25+ years of electricity that can easily translate into more than \$90,000 in savings. It is critical that homeowners do their solar research and explore several options before choosing a financing plan, selecting the product, and hiring a reliable company to perform the work. Consumers should ask about product warranty; the experience, and qualifications of the installer; the various financing options available; available rebates and tax credits; compatibility with the local utility; the local permits required; and other important questions. Potential customers should also ask for local references.

We encourage homeowners to be cautious of salespeople misrepresenting themselves as part of the utility company, a state program, or a local university. The NYSERDA has begun to crack down on this dubious practice and requires that all solar companies file a report acknowledging compliance with the order establishing the Uniform Business Practices for Distributed Energy Resource Suppliers.

Solar is never “free.” Anyone making such a claim is dishonest. While the electricity produced from solar panels is indeed cheaper than buying energy from the utility company, it is important to discover how exactly you will pay for it. Some options include purchasing a system upfront and pre-paying the next 25 years or so of energy while reaping significant long-term savings. Financing, often with a monthly payment that is less than what the electric bill was before until the loan is paid off, leaves the consumer with essentially no electric bill. Others may choose to lease or rent panels, saving a little bit each month for a term of typically 20 years.

As more homes switch to solar, it is important for the real estate industry to prepare for home sales and make sure the solar system is properly valued. Hundreds of homes on Long Island have already sold successfully with solar. With a leased or a financed system, there is often a lien on the equipment itself and not on the home. Unfortunately, many banks are not as experienced with this and see this as a hurdle they do not have a process for. Financial institutions are quickly catching up on how to deal with such transfers seamlessly.

LISEIA members have been educating the real estate industry to make sure they are familiar with the terms and conditions of solar agreements. If appraisers use the right resources, an owned solar system could add \$20,000 or more to the value of a home according to third-party studies.

Like any industry, there are bad apples, but we will not let them ruin the whole bunch. Many of the companies mentioned in the investigative report are no longer in business or have left N.Y., thus leaving behind a solar industry better than ever before. There are many trusted and reliable solar companies doing business in Nassau and Suffolk counties. Reputable companies will explain the options available to help homeowners go solar and save thousands of dollars in electric costs.

The future of solar in our region is bright, and we anticipate that out of the roughly 500,000 homes still eligible for solar, 85% of them will install a system in the next 12 years. Solar tax credits remain strong, and Long Islanders should not give up on solar energy, knowing that it is a viable means of reducing energy costs and helping the environment.

“Education is key. We’ve had dozens of clients successfully move with solar because we go out of our way to make sure they know what steps to take when they sell their home to increase the assessed value. Many have even gone solar again at their new homes!” said Georgia Meckes, real estate liaison at EmPower Solar of Island Park. The firm developed a “Solar for Real Estate Professionals” training course and offers up to four courses per month free of charge to Long Island and NYC real estate offices.

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