gogreen FINANCING

Solar Financing Options

Since 2007, the cost of installing solar photovoltaic (solar PV) in California has decreased by nearly 46%. Despite this dramatic reduction, the upfront cost of solar remains a significant investment and can lead many prospective buyers to turn away from installing solar, feeling both discouraged and overwhelmed by the large costs. Today, there are a number of innovative financing solutions available that can address many different situations and needs - including no money down, repayment methods, tax deductibility, credit issues, short term investment requirements, and more.

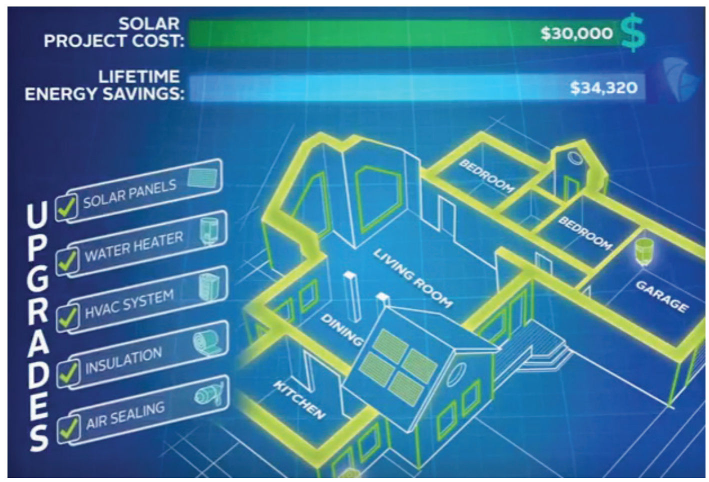
This document explores some of the more common types of financing used for solar improvements and the advantages and disadvantages of system ownership. For information on solar financing options, please visit **GoGreenFinancing.com**.

What financing options are available?

To purchase a solar system with financing, a customer may use one or a combination of the following options:

- Cash
- Home equity line of credit or other mortgage-based product
- Property Assessed Clean Energy (PACE) financing
- Dealer financing
- A secured loan through a local bank or credit union

Commercial properties, local governments, schools and hospitals have additional funding options available including bond financing, revolving loan funds, utility on-bill financing and energy savings performance contracting. These financing options are explained in greater detail on **GoGreenFinancing.com**



When a customer prefers not to purchase a solar system outright, other options to consider include leasing a system or entering into a power purchase agreement (PPA). In both situations, the system is referred to as "third-party owned" and is usually maintained by the third party owner. With a lease, the customer pays for the system on a fixed monthly basis and at the end of the lease term usually has an option to purchase the system. With a PPA, the customer signs an agreement with the third-party provider to purchase power generated from solar panels installed on the customer's roof at a set price per kilowatt hour. In both scenerios, the solar customer begins saving immediately on their energy bill, just as they would if they had purchased the system outright, but without the need to maintain the system.

Solar Financing Options (cont.)

	Purchase (Cash or Loan)	Lease	Power Purchase Agreements (PPAs)
Description	Customer purchases an asset, solar panels, that produces energy thus reducing the net energy consumption needed from their utility.	Customer signs a conract with an installer and pays for the solar system over a period of time. Often, there is an option to purchase the system at the end of the lease term.	Customer signs a PPA where they agree to pay a specific monthly rate for the electricity generated by the system on their roof.
System Ownership	✓ Property Owner	? 3rd Party Ownership (option to purchase)	✗ 3rd Party Ownership
Property Owner Gets Tax Credits & Rebates	✓ Property owner gets tax credit & rebates	✗ No tax credits or rebates	✗ No tax credits or rebates
No Money Down	✗ Usually requires money down	? Zero or low money down	✓ No money down
Fixed Payment	✓ Fixed monthly payment with plan	✗ Recurring monthly payments with escalation	? Pay per kWh consumed Negotiated rate
Maintenance Included in Cost	✗ No maintenance included	✓ Maintenance included	✓ Maintenance included
Property Value Increases	✓ Property value increases	? Property value increases if system is purchased	✗ No property value increase