



# Does Adding Solar Energy to My Home Add Value?

By John Stovall

## **The short answer is YES! Professionally installed solar energy systems can definitely add value to your home.**

Is it worth it? It's your call.

The value of alternative energy systems comes in several ways. It is the combination of those values that influences home buyers and homeowners in their decision to install solar systems.

**Cash saved.** Adding alternative energy systems can help save on your monthly utility bills. The amount saved can vary considerably depending on the efficiency of your home, the type and size of the solar system and your utility's energy costs. Many federal, state and local incentives can also help reduce the cost of adding these cash saving features.

**Comfort.** The bottom line on your energy usage is really comfort and convenience. Start by checking basics like the insulation, weatherization, and sources of outdoor air infiltration. A professional home energy audit can help identify any needs in these areas. Adding properly designed alternative systems should then improve the comfort of your home.

**Resource Conservation.** A less tangible benefit that is important to many people is the "feel good" value of knowing that your home uses fewer non-renewable resources such as natural gas and coal and contributes less atmospheric pollution.

### **Will a solar system add to the resale value of my home?**

The resale value of a home is really the perceived value in the eyes of a potential buyer. A properly trained real estate professional can help buyers understand the facts about the renewable energy systems you have added and the value they bring to the home.

**Reducing utility costs increases value.** In many cases, buyers

pay more for a property with lower utility costs, but you have to show them why they should pay more. Appraisers and lenders also need to know why your house might be worth more than "comparable" properties on the market. The Appraisal Journal, a professional resource for appraisers, has estimated that a saving of \$1.00 in annual utility cost could equate to \$20 in increased value. Saving \$50 a month could be worth as much as \$12,000 in value.

You can help make it happen!

As a homeowner that has taken steps to save energy, you can help yourself communicate the value with a few simple steps:

- Collect and save information about the systems you install. Cost of the system, warranties and system instructions are the minimum.
- Work with a trained real estate professional. Look for a listing broker that has been trained to recognize and market the energy and environmental advantages of your home and can assist buyers in recognizing those values.
- Inform buyers of the advantages of your home. Make the information readily available to any broker showing your property to prospective buyers.
- Make sure the appraiser is aware of the special features of your home.

### **One more time, is it worth it?**

The decision is yours. Get information from qualified professionals and decide for yourself if the comfort, convenience and utility savings you get from a solar system, combined with increased resale value of your home are enough to justify the cost after tax credits and incentives. Be an effective steward of our planet by reducing your dependence on non-renewable resources and enjoy the personal and financial rewards. ✨