

DO IT YOUR WAY SOLAR

# HOME BUILDER GUIDE



DO IT YOUR WAY



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Are you living under a solar mandate or simply curious about this solar craze taking over the nation?

**Your timing is perfect!**

Buyer demand for solar has skyrocketed in the last 10 years. 2020 was record-breaking for the solar industry and projected to climb higher with [18% growth](#) in 2021.

If you're on the fence, now is the time to embrace solar. The benefits speak for themselves:

- Attract more buyers to your homes
- Increase profits by [4.1% per home](#)
- Sell your homes [20% faster](#)
- Put money in your pocket with [federal and local incentives](#)

Let's look at your top solar questions and take your sales to the next level.

# COMPLETE INSTALL VS. SOLAR-READY SOLUTION

## 1. What's the difference between a complete solar installation and solar-ready solution for new homes?

A **complete solar installation** involves mounting a solar panel system on your new build or an existing structure. This means the home is equipped with solar electric power. It includes the full cost of the solar components - such as inverter(s), solar panels, etc. - and is ready to start offsetting the home buyer's electricity bill as soon as they move in.

A **solar-ready solution** gives a buyer the option to install a solar system down the road. A buyer may not have the funds to complete the project during the initial construction process. Solar-ready homes make it easier and less expensive for home buyers to expand their system in the future by installing low-effort material, like conduit and wire, right off the bat. This is attractive to home buyers, knowing their home is primed for a cost-effective solar installation.

**NOTE:** Due to the California mandate, a solar-ready home doesn't meet California's solar /green initiatives for new home builds. Solar-ready solutions are ideal for non-California builders looking to increase home value with minimal effort.

In either scenario, pay attention to the following:

- **Roof steepness:** Go with a south-facing roofing at approximately 15 - 30 degrees
- **Roof layout:** Plan where vents, dormers, and chimneys should be located
- **Solar panel's electrical source:** Install an electrical source for the solar panels in a location that's easy to access and won't cause electrical hazard issues
- **Electrical capabilities:** The electrical system should be designed to equip a solar panel array

# BENEFITS FROM SOLAR TAX CREDITS

## 2. Who benefits from the solar tax credits: my business or the home buyer?

Now, that depends on who purchased the solar system.

If your customer bought the system, they're eligible for a [26% Federal Solar Tax Credit](#) and [local incentives](#).

If you bought the system, the benefits are yours.

**Federal Tax Credit Example:** If you buy the solar kit for \$7,000, plus the additional cost of conduit, wiring, and labor (electrician and roofer hours) puts you at \$10,000 net solar install costs — your tax credit would equal \$2,600 ( $0.26 \times$  net solar installation costs).

**IMPORTANT:** You need to buy and install the system before the buyer moves in. This way you receive the tax credits and incentives (and this is no small bounty)!

components - such as inverter(s), solar panels, etc. - and



# ACCURATE SOLAR INSTALLATION



## 3. How can my team accurately install solar if we don't know the customer's power consumption yet?

This is tricky since there are several variables involved.

**#1:** You want to work with your architect to develop an expected power consumption.

**#2:** Make sure your solar system is modular and expandable. Getting your buyer started with an entry-level system gives them time to determine how much power they're using.

With this information, they can scale-up their system and better offset their power costs.

And by using this approach, you design the perfect home and set your customer up for success.

# INCORPORATING SOLAR INTO PROCESS

## 4. How difficult is incorporating solar into my current process?

It's not difficult if you pick **the right solar partner** that can provide the following:

- A solar electric system design
- [The proper permits](#)
- The needed components
- A crew trained to undertake installations

There are partners out there that will simplify the entire process for you and even provide lifetime support to your buyers.

And if you're looking for turnkey services, they're readily available.

Make sure to work with a solar partner that has a good track record. The last thing you need is unforeseen costs and delays to your current build processes that eat into your margin.



# TURNKEY OR OWN RESOURCES



## 5. Should I use a turnkey solution or my own resources?

If you have several solar installation projects, there's no question - **leverage your own resources**. Your pocketbook will thank you. This can save you an average of \$5,000 per home, which compounds overtime and can make solar work in your favor after you add up all additional margin solar brings to your home value.

Installation trainings are available for your crew, from online classes to hands-on demonstrations at your site for your staff and your trusted subcontractors.

If you decide against having your workers trained, you'll need to partner with qualified installers in your area.

**KEY:** Perform background and employer reference checks before hiring an installer. Completing a solar installation is a significant responsibility and should not be handled by the first person you find.

## 6. Is leasing a good solution for my customers?

**Short Answer:** Leasing is a terrible solution for your customer.

[Third-party leasing](#) is a scam and here's how it hurts your buyer:

- They get locked into a 20 to 25-year lease agreement (which is difficult to escape)
- They pay a 2% to 3% annual escalation rate for power (increasing at twice the rate they'd pay to purchase power directly from the local utility company)
- They never own the system and thus never receive the financial benefits (missing out on several thousand dollars)
- It's harder to sell their home since a new buyer must be willing to take on the costly agreement
- They may pay a hefty sum to end the agreement to attract a buyer

**Key Takeaway:** Don't believe a third party solar lender who promises to make your life and that of your customers easier. It will cost your buyers more than they bargained for and ruin your reputation.



# MORTGAGE

## ADDITIONAL COST

### 7. Can the buyer roll the additional cost of solar into the mortgage?

Yes and yes.

Rolling up the additional cost of solar into the mortgage is the best option. Installing a system is equivalent to adding a pool or patio into the building plans - it increases the home value. Solar is simply an additional home feature that actually pays the customer back over time.

And the option is simple. A [mortgage](#) lowers your customers' upfront investment, cuts their overall monthly outlays, and puts thousands upon thousands of dollars that should rightfully be in their pocket.



# WARRANTY & TECHNICAL SUPPORT



## 8. Who handles warranty issues and technical support for the solar system after it's installed?

This depends on the scope of the materials, production, and workmanship warranties.

Fortunately, ongoing upkeep and repairs rarely fall on you, the builder. The system designer, installer, component manufacturer, or property owner will likely be responsible.

If you're still concerned, fear not.

There are solar partners who handle warranty issues and/or technical support. This includes lifetime support to homeowners, answering all questions and troubleshooting issues.

## 9. Will people be more interested in my homes if they have panels on them?

Absolutely. Most new homebuyers are looking for solar today.

Your buyer will gain:

- A lifetime of savings on electricity bills (and the system pays for itself)
- The opportunity to sell excess power back to the utility company
- A minimum 4% increase in the value of their home
- A quicker home sale if they own the system
- A reduced carbon footprint

Solar is a win-win for your customers.

# AFFORDABLE HOUSING PROJECTS



## 10. Can you incorporate solar in affordable housing projects?

The answer is yes.

Unfortunately, there are no grants available to builders to install solar systems.

However, the Clean Energy Group, under their [Resilient Power Technical Assistance Fund](#), provides grants to analyze potential clean energy projects and to provide pre-development costs for installations in affordable housing and public buildings. Funds range from \$5,000 to \$15,000 per project.

Under the [1603 Program](#), the U.S. Department of Treasury reimburses applicants a portion of their costs to install solar in lieu of receiving the [26% Federal Solar Tax Credit](#). This is helpful if the homeowner doesn't qualify for a tax credit.

Downside: The homeowner must front the costs of the solar equipment and installation to receive the reimbursement.

# CONCLUSION

We know you want to minimize your costs, maximize your profits, sell exceptional homes, and make your buyers happy.

Solar can help you achieve all these goals:

- Increase your profits by over [4.1%](#) per home
- Sell your homes [20% faster](#)
- Put money in your pocket with federal and local incentives
- Expand your customer base

With Unbound Solar's [Builder Partnership Program](#), we find solar solutions for you. We eliminate the time and effort needed to add solar to your construction, supporting you from design through permitting and installation.

And we're the only solar company that provides hands-on training at your site for your crew and your trusted subcontractors.

Or if you want a turnkey solution, we offer that, too.

Fill out this [form](#) to learn more.

We'll get you started on the right foot!