



Why pricing solar is so complex



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Introduction

Installing solar panels is an excellent way to invest in your home. A home solar system can pay dividends by way of potential future savings. When shopping around for solar, you might be wondering why the price varies so much. The fact is, solar pricing is not one-size-fits-all. There are several factors to consider when finding the cost of your solar system. Think of it like remodeling your kitchen. There isn't a fixed price for everybody. You have to think about paint, design, labor, etc.

Solar is the same. There are several factors that make pricing complex and specific to you and your home such as:

- Roof type
- Roof condition
- Shading
- Energy needed
- Location
- Type of solar panels
- Type of monitoring system
- Size of the system
- Your installer
- Grid-Tied or Off-Grid



Roof type



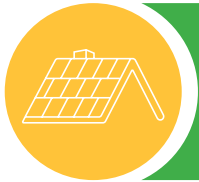
The type of material used to roof your house matters. The price of installation can vary depending on the type of roof you have. For example, asphalt shingle is the most common roof type and is one of the easiest to install on. Clay tiles, on the other hand, are more expensive to install on since the tiles usually have to be removed. This is simply an increase in labor cost.

Common roof types include:

- **Composite** – *Shingles made to look like wood or slate but made of composite material*
- **Tile** – *Made of clay*
- **Metal** – *Metal tiles or sheets*
- **Tar** – *Also known as tar and gravel roofs*
- **Gravel** – *Same as Tar roofs*
- **Torch-Down** – *Often low angle or flat roofs*
- **Foam** – *Often applied on top of existing roofs*



If your roof type isn't listed, don't worry, solar panels can be installed on nearly every kind of roof. Freedom Forever® can show you what options you have and what would work best for your particular roof type. Depending on how much shade your property is covered by, sometimes installing ground-mounted solar panels is a viable option.



Roof condition

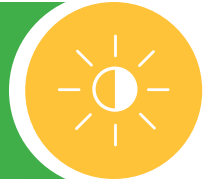
You should look at the condition of your roof when choosing to go solar. If your roof needs repairs to last reliably for 25 or more years, you may want to include that cost when getting solar. If you aren't sure about the condition of your roof, you might want to hire a roofing company to come to your home and inspect it for you.



If your roof needs repairs, make those repairs prior to installing panels.



Shading



It goes without saying that in order to generate power efficiently, the sun must hit your panels. If your property is covered by trees or other obstructions, your system can't create power. That means you're having to use energy from the grid. That definitely isn't anyone's goal when going solar. An installation company like Freedom Forever can advise you on whether or not you'll need to trim/remove any surrounding trees. It is essential that your panels receive enough sunlight to generate the power you need. No sunlight means no solar power.





Energy needed

The main consideration for pricing solar is just how much energy your home uses. This will determine how many panels you need for your system and how much power you need to generate each month. This is very important, as this will give you a chance to keep your monthly energy bill at a fixed rate versus rising and falling.



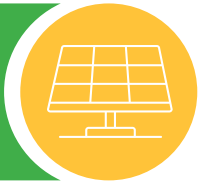
Location

Just like gas prices, the cost per watt is different in each state across the U.S. So, if you're looking up the price of a solar system in Texas but you live in California, you'd be getting inaccurate information. Consulting with an independent authorized dealer can help you figure out the wattage cost in your specific state.



Your location is also important for knowing what tax credits and incentives are available in your state. With more and more states pushing for renewable energy, you could live in an incentivized state, making solar a no brainer. You should consult with a qualified tax professional to determine what tax incentives may apply in your situation.

Type of solar panels



Another thing to consider is the manufacturer of your solar panels. Each manufacturer differs in cost and efficiency. Make sure to ask your solar rep about the different panel types they offer so you can make an informed decision based on what makes sense for you.





Monitoring system

When you're using solar energy, you will be able to monitor your system's power production. By keeping an eye on the power you're producing, you have a better chance to save. The two most common monitoring systems are SolarEdge and Enphase. These two systems are very similar in functionality; it comes down to your preference. Enphase provides various ways to check your system's energy production. SolarEdge on the other hand shows energy production and your personal energy usage. The price for either system will mainly come down to the type of warranty you'd like. Regardless of which system you choose to monitor your system, Freedom Forever will monitor your system for you 24/7. That way if your system ever under produces, we will contact you and send someone out to fix it.



Grid-tied vs. Off-grid



Grid-tied: When you are grid-tied, your system is connected to the grid that is controlled by your utility company. This means that if you ever use more energy than your system produces, you will have to get that additional energy from the grid and pay accordingly. If you live in an area with Time-of-Use (ToU) billing, and your utility company charges more during “peak hours,” you may want to consider using batteries along with your solar panels.

Off-grid: Using batteries alongside your solar panels will allow you to store energy that can then be used during those peak hours. This way, you can stay off the grid and avoid paying high “peak hour” rates entirely. Home batteries hold enough power to run certain appliances within a home for around 4 – 6 hours. Keep in mind, batteries are warrantied to last for only ten years. Another thing to note is that an off-grid system is not always allowed depending on where you live. If it is, it can also be incredibly complex and expensive.





Know your financial options

When it comes to paying for your system, you have different options available. Freedom Forever partners with some of the top financing companies in the country to offer you a wide range of payment options. We want to make it as easy as possible for you to go solar.

Solar purchase vs. leases and Power Purchase Agreements (PPA) which is better

Purchase: If you are able to purchase your solar system with cash, this affects the overall price greatly. The reason is, you're avoiding any loan interest rates and any potential savings is going right into your pocket. This option will give you the greatest return on your investment.



Differences between secured and unsecured loans

Secured loans	Unsecured loans
<ul style="list-style-type: none">• Require collateral• No origination fees• Interest may be tax deductible• Usually have lower interest rates• Easier to qualify for	<ul style="list-style-type: none">• Don't require collateral• Interest isn't tax deductible• Usually have higher interest rates• Harder to qualify for

Loan: When you choose to take out a loan, the better your credit is, the more affordable rate you'll get. Finance companies all have different qualifying factors, so if you are turned down by one company, this does not mean that you will not qualify for financing with a different company. You may even be able to get financed with a FICO score as low as 600.

PPA: A Power Purchase Agreement is a contract between a homeowner and a solar power company for the homeowner to pay a rate for electricity that is lower than what that homeowner would pay the utility company. You don't save as much as you do with a purchased system, but if you can't finance a system, a PPA is a great option that can still save you tens of thousands of dollars depending on what rates you're paying now and how much power you use.

*No statement contained herein shall constitute tax or legal advice. You should consult a legal or tax professional on any such matters.





Conclusion

With all these elements that affect pricing, it's clear to see why pricing for solar is so complex. Since every factor we have gone over can affect the price of your system, it is important to make the right decisions when you go solar. One of our Independent Authorized Dealers would be more than happy to explore all of these different options and help you figure out what makes the most sense for your home. It's our goal to provide the most information so you're empowered to make a decision that makes the most sense to you.

Notes:





Contact us today!

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Q1-FF-WPS-03-2020