



Buying a Home That Has an Illinois Shines Solar Project (Purchase)

If you're buying a home that has an Illinois Shines solar project and the homeowner **owns** the system (including if they have a **loan**), there are a few things to understand and keep in mind.



Learn about the solar project

Before placing an offer on the home, ask for:

- The **solar installation contract** that the home seller signed with the solar company —this will help you understand the expected energy savings from the project.
- **Recent utility bills**, which will give you insight into the home's actual monthly cost of energy and how much the solar project may reduce your usage of electricity from the grid.

During home inspection, hire an inspector who understands solar installations. Make sure the inspector examines the condition of the roof, the panels, the inverter, and the electrical panel.



Understand how the solar project will be transferred to you

- The solar panels will be sold to you along with the home. If the seller took out a loan for the project, they may include the cost of the loan in the price of the home and then pay off the loan separately.
- The home sale contract may have language about whether the solar panels are included in the sale.
- Sometimes, the seller may want you to take over the loan. This is less common.



Keep the project in the Illinois Shines program

When the home seller signed up for Illinois Shines, they signed a contract agreeing to let a company, called the **Approved Vendor (AV)**, sell the renewable energy credits (RECs) produced by the project through the Illinois Shines program for 15 years. RECs represent the renewable nature of energy generated by your solar project. To allow the system's continued participation in Illinois Shines:

- You may be asked to sign a contract to continue letting the AV sell the RECs through Illinois Shines. You may also be asked to work with the AV to ensure that they retain access to the device that monitors the solar project's electricity generation.
- Speak with the AV for more details on their home sales process. *Ask the home seller for the AV's contact information.*



Illinois Shines projects often come with certain **warranties**. Call the solar company to understand if the warranties will transfer to you.



If the homeowner had a loan, the loan holder may have filed a notice with the county— usually called a UCC-1 financing statement. This notice may have to be "lifted" during the sale process so that your mortgage goes through. The loan holder should work with your mortgage lender to take care of this process but reach out to the seller or your mortgage lender if you have questions.



The AV may have collected **collateral** from the seller when the project was installed. Collateral is used as compensation if the project does not deliver as much renewable energy as expected. After you move in, you may be responsible for paying additional collateral. Reach out to the AV if you have questions.

For additional questions about Illinois Shines, please visit www.illinoisshines.com or contact the Program Administrator at admin@illinoisshines.com or 877-783-1820.



Buying a Home That Has an Illinois Shines Solar Project (Lease or PPA)

If you're buying a home that has an Illinois Shines solar project that the homeowner financed with either a **lease** or **Power Purchase Agreement (PPA)**, there are a few things to understand and think about.



Learn about the solar project

Before placing an offer on the home, ask the home seller for:

- The **solar installation contract** that the home seller signed with the solar company—this will help you understand the financing structure, payment terms and expected energy savings for the project.
- **Recent utility bills**, which will give you insight into the home's actual monthly energy costs and how much the solar project is expected to reduce your usage of electricity from the grid.

For home inspection, hire an inspector who understands solar installations. Make sure the inspector looks at the roof (or ground mount, if applicable), the panels, the inverter, and the electrical panel.

Solar projects often come with certain **warranties**. Call the solar company to understand if the warranties will transfer to you.



Understand the lease agreement or PPA

- Ask the home seller if they plan to buy out their lease or PPA or if they plan to transfer the lease or PPA to you.
 - If they plan to buy out the lease/PPA, please refer to Homeowner Handout: [Buying a Home with a Purchased Project](#).
- If the home seller has a lease or PPA, and hasn't bought out the project, they don't own the solar panels – the solar company does. The home seller agreed to make monthly payments to their solar company for a set period of years.
- If you and the home seller decide that you will take over the lease or PPA, you may need to sign a transfer agreement provided by the solar company, who may also ask you to authorize a credit check before the transfer is approved. Talk to the solar company if you have questions.
- If the lease or PPA is transferred to you, you will be responsible for making payments according to the original contract terms. **Make sure you understand the contract terms before you agree to the transfer.**
- Work with the solar company to ensure that they have access to the device that monitors the solar project's electricity generation. This lets the solar project stay in the Illinois Shines program and continue helping Illinois reach its renewable and clean energy goals.

The solar company may have filed a notice with the county, usually called a UCC-1 financing statement, that shows that they own the solar project. This notice may have to be "lifted" during the sale process so that your mortgage can be approved. It may be re-filed after you buy the home. The solar company handles this process. Contact the seller or your mortgage lender if you have questions.



For additional questions about Illinois Shines, please visit www.illinoisshines.com or contact the Program Administrator at admin@illinoisshines.com or 877-783-1820.