



SOLAR LEASE AGREEMENTS

What you need to know for a smooth closing...

While residential solar panel installations have increased more than 50% each year since 2012 nationwide, disputes over solar panel leases have simultaneously increased during the transfer of properties. Ensure your successful closing by considering these helpful tips and considerations for transactions involving solar panel lease agreements:

Be proactive:

Preopen your escrow with Chicago Title and use the time early in the listing or prelisting period to be sure you completely understand the terms of the agreement as it applies to the transfer of the lease. It is better to be prepared and informed ahead of time before going into contract with a potential buyer.

Know your options:

Address possible scenarios for handling the lease transfer well before the close of escrow (or before the official listing) to further help ensure a smooth process of the sale.

Keep your solar panel leaseholder involved:

Many companies have designated specialists available and assigned to assisting buyers and sellers through the lease transfer process.

Check the Records:

Ensure that any solar easements have been officially recorded in public records so that it is available to be noted during the title search process. Such an omission can potentially create issues for future buyers.

Communication is key:

Ensure that your escrow officer is informed. The more information you can offer, the better is to a smooth transaction. Make sure you alert your escrow team to your current lease agreement, status of the agreement and requirements from the leaseholder.

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