

SOLAR PV BASICS FOR RESIDENTIAL APPRAISERS

REAA 2 HOUR CONTINUING EDUCATION COURSE

This 2-hour continuing education course is designed to provide the residential appraiser an introduction to the valuation of the owned solar photovoltaic asset.

The course is a starting point for a residential appraiser to understand the fundamentals of solar PV. We will discuss ownership models, system components, design basics and the information essential to the calculation of a reasonably supported estimate of contributory value. The effect of variables in the discounted cash flow analysis will be discussed. Finally, the considerations of the available information, data quality and appraisal judgement will be presented for a decision framework to assist the appraiser in the valuation decision.

Solar and the real estate market – Issues and opportunities

USPAP note

The Appraisal Foundation guidance on high performance buildings

Solar Photovoltaic– vocabulary, components, and installations

Ownership – Owned systems, Third Party Ownership, Power Purchase Agreements

Data collection – what to look for, what to ask for, where to research

Income versus Cost – valuation theory and market support

Decision framework:

- What if my subject has solar pv and the comps do not?
- What if the comps have solar pv and my subject does not?

Valuation Resources for the appraiser

- Introduction to the Solar Advantage Value Estimator
- Introduction to PV Value

Resource recap and Summary