

Home Values

A common question about solar panels is how they affect home values. Several sources detail how solar energy systems increase home values.

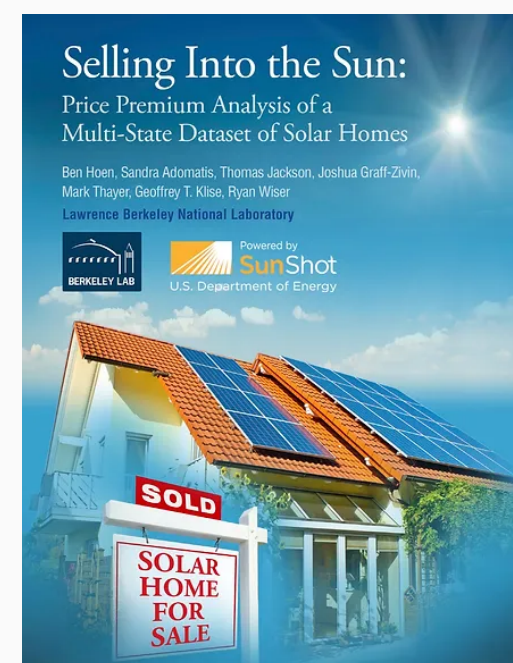
The US Department of Energy offers a [Spotlight on Solar and Real Estate](#).

The DOE states, "Just like a renovated kitchen or a finished basement increases a home's value, solar has been shown to boost home valuation and shorten a home's time on the market...The real estate market is embracing solar, making it vital that real estate agents, appraisers, and homeowners increase their solar knowledge and leverage the premium-boosting power of a solar system to sell or refinance their homes."

Under its Featured Resources, see "[Solar boosts home values](#)." There the DOE lists guides to buying, appraising, marketing, selling, determining value, and more.



[Selling Into the Sun: Price Premium Analysis of a Multi-State Dataset](#), a study led by U.S. Department of Energy's Lawrence Berkeley National Laboratory, concludes, "Home buyers consistently have been willing to pay more for homes with host-owned solar photovoltaic (PV) energy systems —averaging about \$4 per watt of PV installed—across various states, housing and PV markets, and home types. This equates to a premium of about \$15,000 for a typical PV system."



The Solar Energy Industries Association (SEIA) released [How Owning a Solar System Impacts My Home Value: A Guide to Valuing Residential Solar Energy Systems](#). They describe three methodologies that should be considered when seeking the value of a residential solar system—income, cost, and comparable sales—and recommend the Income approach as the most appropriate. The SEIA writes, "Realtors and appraisers may also struggle to fully value solar installations as many have not been trained yet on solar. In those cases, the homeowner may need to advocate for consideration of the solar system's value among real estate professionals as well."



[Solar United Neighbors of Indiana](#) suggests homeowners typically get out of the home sale the money that they put into solar panels. From a selling standpoint, they write, solar panels make the home more attractive to buyers, regardless of whether the panels affect the price.



Note: A [statement from Zillow](#) suggests solar panels increase home values. A local real estate agent disputed the national value, but offered no alternative percentage or evidence that panels decrease home values. The Zillow statement, based on its own research of unknown rigor, was omitted in the [Solar Report](#) through Nov. 15, but is reinstated here for readers to discern its value.



As future buyers seek energy independence and other benefits of solar energy, it is plausible that prohibitions on renewable energy will have a detrimental impact on home values or will outright discourage home purchases.