



**JAMES G. DIBBINI  
& ASSOCIATES, P.C.**  
*Attorneys At Law*  
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## **Considering Solar Panels? Know the Legal and Financial Risks Before you Sign**

With the rise in energy costs and the increasing emphasis on sustainability, many homeowners are considering the installation of solar panels to reduce utility bills and their environmental footprint. While solar technology can offer long-term benefits, it also comes with significant legal, financial, and practical considerations that are often overlooked—especially when signing a contract.

At James G. Dibbini & Associates, P.C., we've seen a growing number of clients facing challenges with solar panel agreements, particularly when trying to sell or refinance their homes. Before you make a long-term commitment, it's important to understand the full picture.

### **Pros of Installing Solar Panels**

- **Lower Electricity Bills:** Solar systems can reduce monthly energy costs, depending on usage and system size.
- **Environmental Benefits:** Solar energy reduces your reliance on fossil fuels and decreases your carbon footprint.
- **Tax Incentives:** Federal and state programs may offer tax credits or rebates to offset installation costs.

### **Important Legal and Financial Considerations**

#### **1. High Upfront Costs or Long-Term Commitments**

- Purchasing a solar system outright can cost \$15,000–\$30,000 or more.
- Most homeowners lease or finance the system through third-party providers.
- Leasing contracts often lock you in for 20–25 years and come with strict terms and conditions.

#### **2. Difficulty Cancelling Contracts**

- Most solar contracts contain no early termination clause or impose substantial penalties for cancellation.
- Once signed, these agreements are legally binding and can't be canceled simply because you change your mind or sell your home.

#### **3. What Happens When You Sell Your Home?**

- Solar agreements typically run with the property, meaning a new buyer must assume the contract.
- This can complicate or delay the sale of your home if the buyer does not want to take on the lease or financing obligation.
- Some lenders and buyers are hesitant to move forward with homes encumbered by solar panel contracts, especially if the terms are unclear

or unfavorable.

## 4. Impact on Resale Value

- Contrary to popular belief, solar panels do not always increase resale value.
- In some cases, they can deter buyers who are unwilling to assume the long-term contract.
- Roof repairs can become more complicated and expensive due to the presence of panels, which must often be removed and reinstalled.

## 5. System Performance

- Solar energy savings depend on many variables, including roof orientation, shading, local weather, and utility rates.
- Providers often use projected estimates that may not reflect actual savings.
- Maintenance and underperformance are typically your responsibility, especially with leased systems.

## Before You Sign, Consult an Attorney

We strongly recommend that homeowners have all solar panel contracts reviewed by an attorney prior to signing. Key areas to review include:

- Cancellation and transfer provisions
- Performance guarantees and responsibilities
- Lien or UCC filings against your home
- Terms related to roof access and maintenance

## We're Here to Protect Your Investment

At James G. Dibbini & Associates, P.C., we help homeowners understand the fine print and potential consequences of solar contracts before they make a long-term commitment. Whether you're considering solar installation or planning to sell a home with existing panels, we can guide you through the legal and financial implications to protect your investment.

Call us at (914) 240-8270 or email [jdibbini@dibbinilaw.com](mailto:jdibbini@dibbinilaw.com) to schedule a consultation.

The attorneys at James G. Dibbini & Associates, P.C. collectively have over 70 years of experience providing legal services in the areas of:

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**James G. Dibbini & Associates, P.C.**  
**570 Yonkers Avenue**  
**Yonkers, NY 10704**  
**(914) 240-8270**

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James G. Dibbini & Associates, P.C. | 570 Yonkers Avenue | Yonkers, NY 10704 US

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