

the Seller. This change may result in increased rates and the loss of net metering billing status.

Q10 *What are the Buyer's rights should the Seller turn off the electric utilities or change the rate plan between the date of Contract Acceptance and Close of Escrow?*

A10 If this change results in increased rates or a billing plan that is less favorable than the rate plan previously utilized by the Seller, it shall be deemed a change in the Premises under Section 4f of the Contract. Under Section 4f, this change in the condition of the Premises may entitle the Buyer to provide notice of disapproval to the Seller and cancel the Contract.

Q11 *What steps should the Buyer take to protect their interests in the event the electric utilities are not on at the time of Contract Acceptance or anytime thereafter?*

A11 If the utilities are not on at the time of Contract Acceptance or anytime thereafter, the Buyer may be unable to remain on the same rate plan previously utilized by the Seller. In this event, the Buyer should investigate whether the Solar System rate plan will change as a result of the utilities being turned off.

Q12 *The Buyer has very little knowledge of solar systems, solar leases, or solar power in general. However, I as the Buyer's agent am very familiar with these subjects. Is it appropriate for me to conduct the due diligence identified on lines 73-80?*

A12 No. Due diligence should be performed by the Buyer, not their agent, although the agent can direct the Buyer to resources through which the Buyer can obtain information and answers to their questions.

Q13 *I requested that the new Solar Addendum act as a disclosure in which the Seller provides very specific information to the Buyer about the Solar System. Why did the workgroup decline this request?*

A13 Several members asked that the new Solar Addendum disclose to the Buyer specific information about the Solar System such as the System size in watts, the angle of orientation of the solar panels, the material from which the solar panels are constructed (i.e. – monocrystalline, polycrystalline, or thin film amorphous silicon), the type of inverter installed, the maximum allowable dead and live load ratings of the roof, etc. However, both the workgroup and the Risk Management Committee are opposed to asking questions for which the average Seller does not know the answer. In such instances, the Seller may guess and provide incorrect or incomplete information resulting in increased potential liability. Rather than ask such questions, the more prudent course of action is to have the Seller convey to the Buyer all documents in the Seller's possession pertaining to the Solar System. The Buyer can then review these materials or contact the solar company and/or Lessor to obtain answers to any questions they may have about the Solar System and/or terms of the lease/loan.

Q14 *In my transaction, the Seller has agreed to pay off the Solar Lease/Loan in full prior to Close of Escrow. Should that be documented on the Solar Addendum?*

A14 Any such agreement can be identified in detail in Section 8a of the Contract, but agents should discuss with their broker how best to document this term. 📄

[1] In addition to Chair Jon Kichen, the Workgroup was comprised of the following individuals: Ali Al-Asady, Paul Bruce, Melisa Camp, Bobbie Cooper, Sharon Ellsworth, Wednesday Enriquez, Holly Eslinger, Danielle Foley, Tara Rutkowski, Rob Madden, Jacki Tait, and Arizona REALTORS® staff members Jamilla Brandt, Scott Drucker, Nikki Salgat, and Jan Steward.



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The goal of Arizona REALTORS® is to give every buyer and seller the opportunity to voluntarily donate \$25 (or more) to the Arizona Housing Fund at close of escrow to combat homelessness.

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