

# Leased Photovoltaic Panels

**Properties with leased photovoltaic panels can be a burden to new owners.**  
**Local Chartered Building Surveyor, Geoff Hunt explains what checks should be made.**



A “Rent a roof” scheme is a 25 year contract giving the home owner free electricity (usually worth £100- £150 pa) and the owner of the PV units gets the feed in tariff (Usually worth around £1500 pa)

Definitions:

**Photovoltaics (PV)** usually refers to solar panels that produce electricity

**Solar power** usually refers to water heated by the sun

## **PROBLEMS ARISING.**

If an agreement from a lender is not sought then they may refuse remortgages and other companies may not offer buyers mortgages. The contract for the panels has to be passed on. This will mean the vendor may have to drop the price for the new owner to purchase the units outright if they do not want the lease arrangement. (some exit fees are around £15,000).The terms of contracts vary and can be very onerous on maintenance and insurance.

## **Key points:**

- Building regulations approval will be required.
- Planning consent is usually not required but limitations apply.
- The mortgage lender must give consent
- Home insurers must be notified.
- Liabilities for repairs to the property on removal not always covered.
- The units are heavy (around 15kg (33pds)/ sq m)
- The property must be in or above band D energy efficiency (most period properties are not)
- Systems should be fitted by companies in the Microgeneration Certification scheme (MCS)

## **Information to obtain for Conveyancing.**

- The terms of the contract especially the buy out costs.
- Lenders approval letter.
- Building regulations approval for the roof and part P electrical certificate.
- The name of the installer to check registration.
- The energy efficiency rating of the house.
- A copy of the insurance for the house.

## **Useful links**

Council for Mortgage lenders guidance <http://www.cml.org.uk/cml/policy/issues/6229>

Centre for sustainable energy <http://www.cse.org.uk/news/view/1471>