BILL'S HOME TECH

Home & Small Business Tech Solutions

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Buy, Loan, Lease, or PPA — The Four Ways to Pay for Solar

Four genuinely different deals, not just payment plans — who owns what, and what it really costs

Plain-English solar help from:

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Tech Made Simple. Service Made Personal.

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SUMMARY

The 60-Second Version

There are four ways to pay for solar, and the big divide is ownership. Cash means you own the system outright at the lowest lifetime cost. A loan also means you own it, spread over time — but watch the interest and any hidden "dealer fee" that marks up the cash price.

A lease means a company owns the panels and you pay a monthly fee, usually with a yearly "escalator" that raises it. A PPA is similar but charges you per kilowatt-hour produced. Leases and PPAs need little down but give up the ownership that makes solar pay off, and can complicate selling your home.

With the homeowner tax credit gone, leases are pushed harder because a business credit helps the company, not you. Ask who owns the panels at the end, get the full-term total, and let Bill compare the options with no stake in your choice.

1 The Short Version

There are four main ways to pay for solar, and they are not just different payment plans — they are genuinely different deals, with different owners, different risks, and very different long-term costs. Choosing the right one matters as much as choosing the panels. This guide explains all four in plain English so a salesperson cannot steer you to whichever earns them the most.

The four are: paying cash, taking a loan, signing a lease, or signing a power purchase agreement (PPA). The first two mean you own the system. The last two mean a company owns it and you pay to use it. Bill does not sell solar and earns nothing from your choice, so here is the straight comparison.

- Cash: you own it outright, lowest lifetime cost, but a big sum up front.
- Loan: you own it, spread the cost — watch the interest rate and hidden "dealer fees."

- Lease: a company owns it; you pay a monthly fee, often with a rising "escalator."
- PPA: a company owns it; you pay per kilowatt-hour it produces, also often escalating.

> **TIP**
>
> The simplest question to cut through the pitch: "At the end of this, do I own the panels or does your company?" Ownership versus not is the fork in the road, and it changes everything else.

2 The Big Divide: Do You Own It or Not?

Before the four options, understand the single most important split. With cash or a loan, you own the system — it is your property, like a new furnace, and the savings are yours. With a lease or a PPA, a third-party company owns the panels on your roof, and you are essentially renting the power or the equipment.

Ownership is where the long-term value lives, especially now. It also affects selling your home, claiming any incentives, and who is responsible for the equipment. Renting can mean little or no money down, which is appealing, but you give up the ownership that makes solar pay off over decades.

> **GOOD TO KNOW**
>
> Since the 30 percent homeowner tax credit ended for buyers at the end of 2025, leasing companies are pushing harder, partly because a business credit may still help them, not you. That makes understanding the ownership divide more important than ever in 2026.

3 Option 1: Paying Cash

Paying cash is the simplest and, over the life of the system, almost always the cheapest way to go solar. You buy the system outright, you own it, and every dollar it saves on your electric bill is yours with no interest or fees skimmed off. There is no monthly payment to anyone.

- Lowest total lifetime cost — no interest, no dealer fees, no leasing company's cut.
- You own the system and all its savings outright.
- Simplest paperwork and the cleanest home sale later.
- The catch: it ties up a large sum of money up front.

> **TIP**
>
> If you can comfortably pay cash without draining your safety cushion, it usually wins on pure dollars. The question is whether that money is better used elsewhere — a fair thing to weigh with a financial professional, not a salesperson.

4 Option 2: Taking a Loan

A solar loan lets you own the system while spreading the cost over time, which makes ownership possible without a huge up-front sum. Done with a fair, transparent loan, it keeps most of the long-term benefit of owning. The danger is entirely in the terms — this is where some of the costliest surprises in all of solar hide.

- You still own the system and its savings — the key advantage over leasing.
- Watch the interest rate and the length; a low payment over 25 years can mean enormous total interest.
- Watch for a hidden "dealer fee" that marks up the cash price to fund a low advertised rate.
- A home-equity or credit-union loan is sometimes cheaper than the installer's own financing.

WATCH OUT

The biggest loan trap is the dealer fee. A "$25,000" system financed might really cost $30,000, with the extra buried to pay for the attractive rate. Always ask: "What is the cash price versus the financed price?" A large gap is money you are paying for the financing.

5 Option 3: The Lease

With a lease, a company installs and owns the panels on your roof, and you pay them a fixed monthly fee to have the system and use its power. You usually put little or nothing down, which is the appeal. But you do not own the system, you do not get the long-term ownership value, and the contract runs a long time — often 20 to 25 years.

- Little or no money down, and the company handles maintenance.
- You do NOT own the panels, so the biggest long-term savings are not yours.
- Most leases include an "escalator" — your payment rises a set percent every year.
- The contract is long and can complicate selling your home.

WATCH OUT

The escalator is the lease's quiet sting. A payment that looks low today can climb substantially over 25 years of guaranteed increases. Always do the math across the entire contract, not just the first month — and read our cancel-rights guide before signing anything.

Rather not do this yourself? I'll come to your home and set it up for you — a flat $99 first visit across Portage County, Ohio and nearby communities. Outside the area? I also help remotely by phone or screen-share. Book at billshometech.com/book or call (330) 200-8042.

6 Option 4: The Power Purchase Agreement (PPA)

A PPA is a close cousin of the lease. Again a company owns the panels on your roof, but instead of a fixed monthly fee, you pay them for each kilowatt-hour of power the system produces, usually at a rate a bit below your utility's. You save a little versus the grid, but the company keeps the system and most of the benefit.

- Little or no money down; you pay per kilowatt-hour the panels make.
- The per-kWh rate often rises each year — another escalator to check.
- You do not own the system and do not capture the long-term value.
- Like a lease, it is a long contract that a future home buyer must agree to assume.

> **GOOD TO KNOW**
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> A lease charges you for the equipment; a PPA charges you for the power. In both, a company owns the panels and you are renting the benefit. Neither is automatically a scam, but both trade away the ownership that makes solar a good long-term investment.

7 Why Leases and PPAs Are Pushed Harder Now

It is worth understanding why you may hear leases and PPAs promoted so energetically in 2026. When the homeowner tax credit ended, buying became less attractive on paper, while a separate business credit can still help the companies that own leased systems. That credit improves their economics, so they have extra reason to keep you from buying.

None of this makes a lease wrong for everyone. For someone who cannot pay cash, cannot get a good loan, and simply wants a somewhat lower, hands-off bill, a fair lease can be reasonable. But go in knowing that the tax advantage in that deal flows to the company, and that you are giving up ownership to get a low up-front cost.

WATCH OUT

If a salesperson is steering hard toward a lease or PPA and waving away your questions about buying, that is a moment to slow down. I am glad to compare a lease or PPA offer against what buying would cost you, so you can see the real trade clearly.

8 How Each Option Affects Selling Your Home

Solar and home sales interact in ways people rarely think about until it is time to move, and the four options behave very differently. This can matter a lot if you might sell within the system's lifetime.

- Owned (cash or loan, paid off): generally a clean sale, and an owned system can add to home value.
- Owned with a loan still owed: you typically pay off or transfer the loan at sale — plan for it.
- Leased or PPA: the buyer usually must agree to assume the long contract, which can complicate or slow a sale.
- A buyer who does not want the lease can become a sticking point at the closing table.

WATCH OUT

A long lease or PPA tied to your roof is one of the more common solar headaches at resale, because the new buyer has to accept the contract. If a move is at all likely in your future, weigh this heavily before signing a lease or PPA.

9 A Side-by-Side Comparison

Here is the whole picture on one page. Weigh it against your own finances and how long you plan to stay — and remember that for a 2026 buyer there is no 30 percent federal credit to factor in.

	Cash	Loan	Lease	PPA
You own it?	Yes	Yes	No	No
Money down	High	Low–some	Little/none	Little/none
Lifetime cost	Lowest	Low–medium	Higher	Higher
Rising payment?	No	No (fixed loan)	Often (escalator)	Often (escalator)
Home-sale ease	Easiest	Easy–medium	Can complicate	Can complicate

No single row decides it. But notice that owning (cash or loan) keeps lifetime cost lower and home sales simpler, while leasing and PPAs trade those away for a low up-front cost. That trade is the heart of the decision.

10 Which Fits Which Person

There is no single right answer — the best choice depends on your money, your plans, and your comfort. Here is a rough guide to who each option tends to suit, offered as a starting point, not a prescription.

- Cash suits someone with the savings to spare who wants the lowest lifetime cost and the simplest deal.
- A loan suits someone who wants to own but prefers to spread the cost — with a careful eye on the terms.
- A lease or PPA may suit someone who cannot pay cash or qualify for a fair loan and just wants a hands-off, somewhat lower bill.
- If you may move within several years, leaning toward owning (or skipping solar) usually avoids resale headaches.

GOOD TO KNOW

For questions about whether to tie up cash, take a loan, or how a solar purchase fits your broader finances, a financial professional is the right advisor. Bill's role is to make sure you understand the solar deal itself clearly before you bring it to them.

11 Questions to Ask Before You Sign Any of Them

Whichever option you lean toward, a short list of questions flushes out the fine print. Ask them plainly and insist on written answers; an honest company will give them without flinching.

1. "At the end of this, who owns the panels — me or your company?"
2. "What is the cash price versus the financed price?" (loan dealer-fee check)
3. "Is there an escalator — does my payment rise every year, and by how much over the full term?"
4. "What is the total I will pay over the entire contract, not just the monthly figure?"
5. "What happens if I sell my home before this ends?"
6. "Does this quote assume any tax credit — and am I actually eligible as a 2026 buyer?"

TIP

Write these six questions on a card and keep it with you during any sales visit. If a salesperson dodges any of them or pressures you to skip ahead, that in itself is your answer about how they do business.

Rather not do this yourself? I'll come to your home and set it up for you — a flat $99 first visit across Portage County, Ohio and nearby communities. Outside the area? I also help remotely by phone or screen-share. Book at billshometech.com/book or call (330) 200-8042.

12 A 20-Year Cost Comparison, Side by Side

The four ways to pay for solar feel similar on a sales sheet but play out very differently over twenty years. The table below uses round numbers for one eight-kilowatt system to show the shape of each path. Your real figures will differ, but the pattern holds.

	Cash	Loan	Lease	PPA
Who owns the panels	You	You	The company	The company
Up-front cost	About $25,000	Often $0 down	$0 down	$0 down
What you pay over time	Nothing more	Loan plus interest, often $35,000-plus	Monthly rent that usually rises each year	Pay per kWh the panels make, rate often rises
Lowest lifetime cost?	Usually yes	Higher, due to interest and dealer fees	Often highest over 20 years	Varies, often high over 20 years
Easiest to sell the home?	Yes	Yes, once loan is paid or transferred	Hardest — buyer must assume it	Hard — buyer must assume it

The headline is simple: owning (cash, or a clean loan) almost always costs less over the life of the system than renting (lease or PPA), because with a lease or PPA a company is taking a profit for owning the panels on your roof. The no-money-down options feel easier precisely because they cost more in the long run.

> **GOOD TO KNOW**
>
> None of this means a lease is always wrong — for someone who cannot use a tax situation and wants no maintenance worry, it can fit. It only means you should go in knowing you are usually paying more for that convenience, not less.

13 The Hidden Points in a Solar Loan

Solar loans advertise strikingly low interest rates, and there is a catch most buyers never see: to fund that low rate, the lender charges the installer a large fee, and the installer quietly adds it to your price. It is often called a dealer fee, and it can run into the thousands.

1. Ask for the system's plain cash price, with no financing attached.
2. Ask for the financed price for the same system.
3. Subtract one from the other — the gap is roughly the dealer fee you are paying for that "low" rate.
4. Decide whether the low monthly rate is worth that hidden lump, or whether a plain bank or credit-union loan would cost less overall.

> **WATCH OUT**
> A 2.99 percent solar loan with a $7,000 dealer fee baked in can cost you more than a 7 percent loan from your own bank with no fee. The advertised rate is only half the story; the fee is the other half, and it is easy to miss because it never appears as its own line.

14 What an Escalator Really Adds Up To

Leases and PPAs often include an escalator — a clause that raises your payment a set percentage every year, commonly around two to three percent. It sounds tiny, but compounding over a long contract makes the later years far more expensive than the first, and your panels are making a little less power by then, not more.

Year	Monthly payment at a 2.9% yearly escalator
Year 1	$100
Year 5	About $112

Year 10	About $129
Year 15	About $149
Year 20	About $172

That first-year $100 has climbed over 70 percent by year twenty, while the panels have slowly lost output. The salesperson quotes you year one; the contract binds you to all twenty. Always ask what the final-year payment would be, not just the first.

> **GOOD TO KNOW**
> A flat lease with no escalator is far easier to judge than one that climbs. If a contract has an escalator, ask to see the full payment schedule for every year in writing before you sign, and do the final-year math yourself.

15 Words You'll Hear

The money terms that come up when choosing how to pay, translated plainly.

Term	What it really means
Loan / financing	You borrow to buy and own the system, repaying with interest over years.
Lease	You rent the system; a company owns it and you pay a monthly fee to use it.
PPA	Power purchase agreement — you pay per kilowatt-hour the panels make, not a flat rent.
Dealer fee	A hidden markup added to fund a low-interest loan; can be thousands of dollars.
Escalator	A clause raising a lease or PPA payment a set percent each year.

Buyout	The amount to end a lease or PPA early, or to buy the system outright.
Assumption	When a home buyer takes over your lease or PPA at sale.

> **GOOD TO KNOW**
>
> The clearest question to cut through all of it: "Do I own the panels or rent them?" Owning is cash or a loan; renting is a lease or PPA. Everything else follows from that one answer.

16 Questions People Ask Us

The payment questions Bill hears most, answered honestly.

Is zero-down really free?

No. Zero down means you pay over time, usually more in total. The money has to come from somewhere, and with a lease or PPA it comes with a company's profit built in.

Will a lease hurt me when I sell the house?

It can. The buyer must agree to take over the lease or PPA, and some walk away rather than inherit it. An owned, paid-off system is far simpler at sale.

Can I pay cash and avoid all of this?

If you can, cash usually gives the lowest lifetime cost and the simplest ownership. The trade-off is tying up a large sum up front, so weigh that against your other needs.

What if the installer goes out of business?

With a loan you still own the panels and the manufacturer warranties stand, but service gets harder. With a lease or PPA, find out who would own and service the system if the company folds.

GOOD TO KNOW

Choosing how to pay is often a bigger decision than choosing the panels. If the options blur together, a neutral walk-through before you sign can save you far more than it costs.

17 When to Call Bill

The way you pay for solar can cost or save you many thousands of dollars over the years, and the pitches are designed to make the option that is best for the seller sound best for you. You do not have to untangle it alone. Bill has no stake in your choice, so his comparison is purely in your interest.

- You have a quote and cannot tell whether it is a purchase, a loan, a lease, or a PPA.
- You suspect a hidden dealer fee or cannot get the cash-versus-financed price.
- There is a yearly escalator and you want the full-term math.
- You are being pushed toward a lease or PPA and want to see what buying would cost instead.
- You might move someday and want to understand the resale impact first.

Call Bill at (330) 200-8042. He will lay the options side by side, pull out the real total costs, and help you choose the one that fits your life — then point you to a financial professional for any money questions beyond the solar itself.

CHEAT SHEET

Everyday Cheat Sheet

Keep this handy. The fork in the road is ownership: do you own the panels, or does a company?

I want to...	Do this...
Cut through the pitch	Ask: "At the end, do I own the panels or does your company?"
Pick the lowest lifetime cost	Cash usually wins; a fair loan is next — both mean you own it
Catch a loan trap	Ask the cash price vs financed price — a big gap is a hidden dealer fee
Catch a lease/PPA trap	Look for a yearly "escalator" and do the math over the FULL contract
Protect a future home sale	Owning sells cleanly; a lease/PPA the buyer must assume can complicate it
See the real total	Ask for total paid over the whole term, not just the monthly payment
Get help	Call Bill: (330) 200-8042

BEFORE YOU GO

A Note From Bill

A quick note from Bill. I write these guides to make home tech a little less frustrating, and I do my best to keep every step accurate and up to date. Still, every home, device, and setup is a bit different, so I can't promise a guide will match yours exactly or fix your particular problem. These guides are for general information only — they're not professional, legal, or financial advice, and they don't replace your device's own manual or the manufacturer's instructions. Please go slow, use your own good judgment, and use everything here at your own risk. If a step involves electrical wiring, a gas appliance, a water heater, plumbing, or climbing a ladder — or if anything just doesn't feel safe — please stop and call a licensed professional (or give me a call at 330-200-8042). Bill's Home Tech and Bill Davis can't be responsible for any damage, data loss, or injury that results.

HOW I CAN HELP

Your Visit — and My Promise

You don't have to remember all of it — just that a friendly, patient person is one call away, whenever you'd rather have a hand.

KEY SPECS

In your home — $99 flat for the first visit, no contracts and no surprises, with a 30-day come-back-free follow-up. In-home visits cover Portage County, Ohio and nearby communities.
Outside the area? Remotely — $49 for a screen-share session (free for Support Plan members, $39/mo), refundable if I can't fix it — and credited toward a visit if you'd rather have me in person. Book either at billshometech.com/book.

GOOD TO KNOW

My promise — If you're not 100% satisfied with your visit, I'll come back at no charge, or refund the full $99. No questions, no awkwardness. That's how I'd want to be treated.

Whenever you're ready, I'll come to your home anywhere in Portage County, Ohio and nearby communities, at your pace. Too far for a house call? I also help remotely. Book at billshometech.com/book or call (330) 200-8042. — Bill

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