Can Adding Solar Panels To Your Home Increase Its Value?

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If you have been thinking about how to make your abode more eco-friendly and want to take on a few upgrades that are sustainable, then you might have been wondering if adding solar panels to your home is an option that you should consider. While your concern for the environment is surely reason enough to start making a plan to invest in and install your very own solar panels, you might also be curious about how they may affect your bank account and the value of your home.

First, it's important to know that solar panels aren't necessarily cheap and the exact cost will depend on various factors, including what kind of panels you opt for, according to Forbes. However, it could be in the range of $3,500 if you go for something on the cheaper side, or up to $35,000 if you're looking for a fancier, bigger, and more complicated setup. The average price is in the area of $16,000.

On the other hand, once solar panels are installed and start producing energy, they can start saving you money. Due to the high need for energy in most homes, having solar panels can save you around $19,000 over a span of about three decades, per CNBC. Because of both the energy requirements and cost-saving results, many builders and homeowners are now seeing

solar panels as a worthwhile and perhaps even necessary investment. Beyond that, solar panels can have a major impact on the value of your home.

Solar panels have been around for quite a while now and in that time, they've helped to increase the value of plenty of homes. For instance, back in 2013, a sizable study from Berkeley Lab found that people who were looking to buy a new home were ready to add $15,000 to their offers if a residence had a solar panel setup that was on the average side.

"These results will benefit appraisers, real estate agents, and mortgage lenders who increasingly encounter PV [photovoltaics or solar-powered] homes and need to understand the factors that contribute to, and detract from, market value," explained Ben Hoen, the co-author of the study and researcher in the Energy Technologies Area of Berkeley Lab. On top of that, the results surely made homeowners happy.

Nowadays, residents can still expect solar panels to increase the value of their abodes. In April 2019, Zillow reported that houses with solar panel setups were selling for around 4.1% or in the range of $9,274 more when compared to similar homes without solar panels. Specifically, the number was around 2.7% in Riverside, California, and 4% in San Franciso and Los Angeles as well as Orlando, Florida, while it went up to 5.4% in New York. Although that might be good news for anyone who has or wants solar panels, there is actually a way to get an idea of how much they might actually add to the value of your home.