FHA’s Solar and Wind Technologies Program

Interested in adding a solar energy system to power your home?

The Federal Housing Administration (FHA) has made it easier than ever for families to finance a new solar energy system for their home. The full cost of a new solar photovoltaic (PV) array can be added to a regular FHA-insured mortgage at the time of the home purchase or refinance. Installation of the PV system takes place after closing. It is that simple.

Benefits?

- Solar panels can reduce how much electricity you buy from your utility
- The price of electricity purchased from local utilities will likely increase
- Interest on the full mortgage (with PV cost) may be deductible on your tax return filing.
- Payment on the energy system is spread out over the mortgage term – normally 30 years.

Program Limits?

- The new PV system must be owned by borrower, not leased.
- The amount financed for a new system must not exceed 20 percent of the property’s appraised value.
- The energy system must be new, not existing.
- The borrower must qualify for the total loan amount with the solar system.
- The full mortgage amount (with the PV system cost) must be scored through FHA’s TOTAL Scorecard. FHA-approved lenders must submit the loan to TOTAL using private automated underwriting systems.

Ask your FHA-lender about financing a new solar energy system with your Mortgage.
FHA’s Solar and Wind Technologies Program

Tips?

Before adding a PV energy system to your home, consider the home’s efficiency.

A home that leaks too much air will cost more for heating and cooling, and ultimately require a costlier solar system. To save the most money, you will want to be sure your home is sealed and insulated. Check out our Page on Home Energy Assessments.

Questions about financing solar using FHA’s programs?

Visit the FHA Resource Center to search the FAQs, ask a question or send an email.