



NEW JERSEY REALTORS®
ADDENDUM REGARDING SOLAR PANEL SYSTEMS

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1 This Addendum is attached to and made a part of the New Jersey REALTORS® Standard Form of Real Estate Sales
2 Contract, Form 118 (the "Contract"). If this Addendum conflicts with the Contract, then this Addendum shall control.
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4 (A) The following definitions shall apply in this Addendum:

- 5 1. "PPA" shall mean a Power Purchase Agreement, or other financing arrangement, between the Seller and a Solar Panel System
6 provider which obligates the Seller to make periodic payments to the Solar Panel System provider in order to acquire ownership
7 of the Solar Panel System.
- 8 2. "Solar Panel" shall mean a panel designed to absorb the sunlight as a source of energy for generating electricity or heating.
- 9 3. "Solar Panel System" shall mean the Solar Panels, any and all inverters, net meter, wiring, roof supports and any other
10 equipment necessary to operate the Solar Panels now installed at the Property.
- 11 4. "SREC", or solar renewable energy certificate, shall mean a certificate issued by the Board of Public Utilities or its designee,
12 which represents one megawatt-hour (MWh) of solar energy that is generated by a facility connected to the distribution system
13 in New Jersey, and has value based upon, and driven by, the energy market, and as further described in *N.J.A.C. 14:8-2.1, et seq.*

15 (B) Seller represents to Buyer that the Property is serviced by a Solar Panel System (as hereinafter defined) that was installed on _____.
16 Seller further represents that SRECs are available, or are not available and, to the extent available, will expire on _____.
17 Seller and Buyer recognize, acknowledge and agree that Brokers are not qualified to provide advice on solar panel systems, including but
18 not limited to cost, insurability, operation, value or transferability. Seller and Buyer are instructed to consult with independent legal counsel
19 and other qualified licensed professionals to assist with regard to such issues.

21 (C) Seller represents that Seller owns the Solar Panel System and:

- 22 1. The Solar Panel System is included in the sale and will remain on the Property, subject to the provisions of Subsection G
below.
- 23 2. The Solar Panel System is not included in the sale and will be removed by Seller at Seller's sole cost and expense prior to
24 Closing, subject to the provisions of Subsection H below.

27 (D) Seller represents that (i) the Solar Panel System is the subject of a PPA, (ii) the current periodic payments under the PPA are
28 \$_____ per month or quarter, and (iii) the PPA ends on _____ ("PPA End Date"). If checked, Seller further
29 represents that there is a balloon payment that will become due on or before the PPA End Date in the amount of \$_____. The
30 parties agree that (choose one):

- 31 1. At Closing, Buyer shall assume the Seller's obligations under the PPA including any and all periodic payments not due
32 and payable as of the Closing. Seller represents that Seller is not in default of the PPA and has complied with all of Seller's
33 obligations thereunder. Buyer agrees to apply for approval from the Solar Panel System provider for Buyer to assume all of the
34 Seller's obligations under the PPA and to release Seller from any and all obligations under the PPA. Buyer understands and
35 acknowledges that the Solar Panel System provider may check Buyer's credit and may require that Buyer have a credit score
36 commensurate with what the Solar Panel System provider deems acceptable. If Buyer is granted permission to assume the
37 PPA, then (i) at Closing, Seller will assign to Buyer, and Buyer will assume, all of Seller's rights and obligations under the PPA,
38 (ii) Buyer will be solely responsible for all payments due under the PPA from and after Closing, and (iii) Seller will be solely
39 responsible for all payments due prior to Closing. Any payments due under the PPA for the month in which the Closing takes
40 place shall be adjusted at Closing. If (i) Buyer is denied permission to assume the PPA from the Solar Panel System provider, or
41 (ii) the Solar Panel System provider does not agree to release Seller, or (iii) the Contract is contingent upon Buyer obtaining a
42 mortgage and Buyer's mortgage lender does not consent to Buyer's assumption of the PPA, or (iv) Buyer rejects the terms of the
43 PPA or other documentation provided by Seller in accordance with Paragraph F below within five (5) days of Buyer's receipt
44 of such documents, then Seller or Buyer may terminate this Contract, unless Seller and Buyer agree to proceed under either
45 subsection 2 or 3 below. This provision shall survive the Closing.
- 46 2. Seller agrees to (i) pay off or otherwise obtain cancellation of the PPA as of the Closing, and (ii) to include the Solar Panel
47 System in the sale of the Property, subject to the provisions of Subsection G below.
- 48 3. Seller agrees to (i) pay off or otherwise obtain cancellation of the PPA as of the Closing, and (ii) remove the Solar Panel
49 System from the Property at Seller's sole cost and expense prior to Closing, subject to the provisions of Subsection H below.



58 (E) Seller represents that (i) the Solar Panel System is the subject of a lease agreement, (ii) the current periodic lease payments are
59 \$ _____ per month or quarter, and (iii) the lease ends on _____. The Parties agree that (choose one):

60 1. At Closing, Buyer shall assume all of Seller's rights and obligations under the lease, including any and all lease payments
61 not due and payable as of the Closing. Seller represents that Seller is not in default of the lease and has complied with all of
62 Seller's obligations under the lease. Buyer agrees to apply for approval from the lessor to assume the lease. Buyer will apply at
63 Buyer's expense to lessor and furnish lessor with any and all information requested, for permission to assume the lease and to
64 release Seller from any and all obligations under the lease. Buyer understands and acknowledges that lessor may check Buyer's
65 credit and may require that Buyer have a credit score commensurate with what the lessor deems acceptable. If Buyer is granted
66 permission by lessor to assume the lease, then (i) at Closing, Seller will assign to Buyer, and Buyer will assume, all of Seller's
67 rights and obligations under the lease, including any rights or obligations with respect to SRECs under the Lease, (ii) Buyer
68 will be solely responsible for all payments due under the lease from and after Closing, and (iii) Seller will be solely responsible
69 for all payments due prior to Closing. Any payments due under the lease for the month in which the Closing takes place shall
70 be adjusted at Closing. If (i) Buyer is denied permission from the lessor to assume the lease, or (ii) the lessor does not agree
71 to release Seller, or (iii) the Contract is contingent upon Buyer obtaining a mortgage and Buyer's mortgage lender does not
72 consent to Buyer's assumption of the lease, or (iv) Buyer rejects the terms of the lease or other documentation provided by
73 Seller in accordance with Paragraph F below within five (5) days of Buyer's receipt of such documents, then Seller or Buyer
74 may terminate this Contract, unless Seller and Buyer agree to proceed under subsection 2 below. This provision shall survive
75 the Closing.

76 2. Seller shall (i) obtain an early termination of the lease prior to Closing at Seller's sole cost and expense, and (ii) remove the
77 Solar Panel System at Seller's sole cost and expense prior to Closing, subject to the provisions of Subsection H below.

78 (F) Within five (5) days of the execution of the Contract, Seller agrees to provide Buyer with any and all documents relating to the Solar
79 Panel System in Seller's possession or control including, but not limited to, any PPA or lease. Buyer shall have the right to review such
80 documents.

81 (G) If the Solar Panel System is included in the sale and will remain on the Property pursuant to this Addendum, then the following
82 provisions shall apply:

83 1. Unless Buyer assumes payment of any lien or encumbrance on the Property that relates to the Solar Panel System, Seller
84 shall cause any such lien or encumbrance to be satisfied and discharged of record at Seller's sole cost and expense at or before
85 Closing. At Closing, Seller may use a portion of the Purchase Price for this purpose.

86 2. Seller shall transfer to Buyer all of Seller's right, title and interest in and to the Solar Panel System at Closing, including but
87 not limited to all SRECs that accrue from and after the Closing whether or not the electricity from the Solar Panel System is
88 generated before or after Closing. Seller may sell any SRECs that have accrued in full prior to Closing. If Seller has not sold any
89 SRECs to which Seller is entitled as of the Closing, however, then all such SRECs shall be the sole property of Buyer following
90 Closing.

91 3. Seller shall transfer any and all warranties in and to the Solar Panel System to Buyer at Closing.

92 4. Seller shall provide Buyer with copies of any and all manuals in Seller's possession regarding the Solar Panel System.

93 5. Buyer shall be permitted to have the Solar Panel System inspected in accordance with the provisions contained in Paragraph
94 16 of the Contract.

95 (H) If the Solar Panel System is not included in the sale and is to be removed by Seller prior to Closing at Seller's sole cost and expense
96 pursuant to this Addendum, then Seller shall repair any damage to the Property caused by the Solar Panel System and/or the removal
97 of the Solar Panel System. Prior to Closing, Buyer shall have the right to inspect the Property after the Solar Panel System is removed.

(signature page to follow)

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119 WITNESS:
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