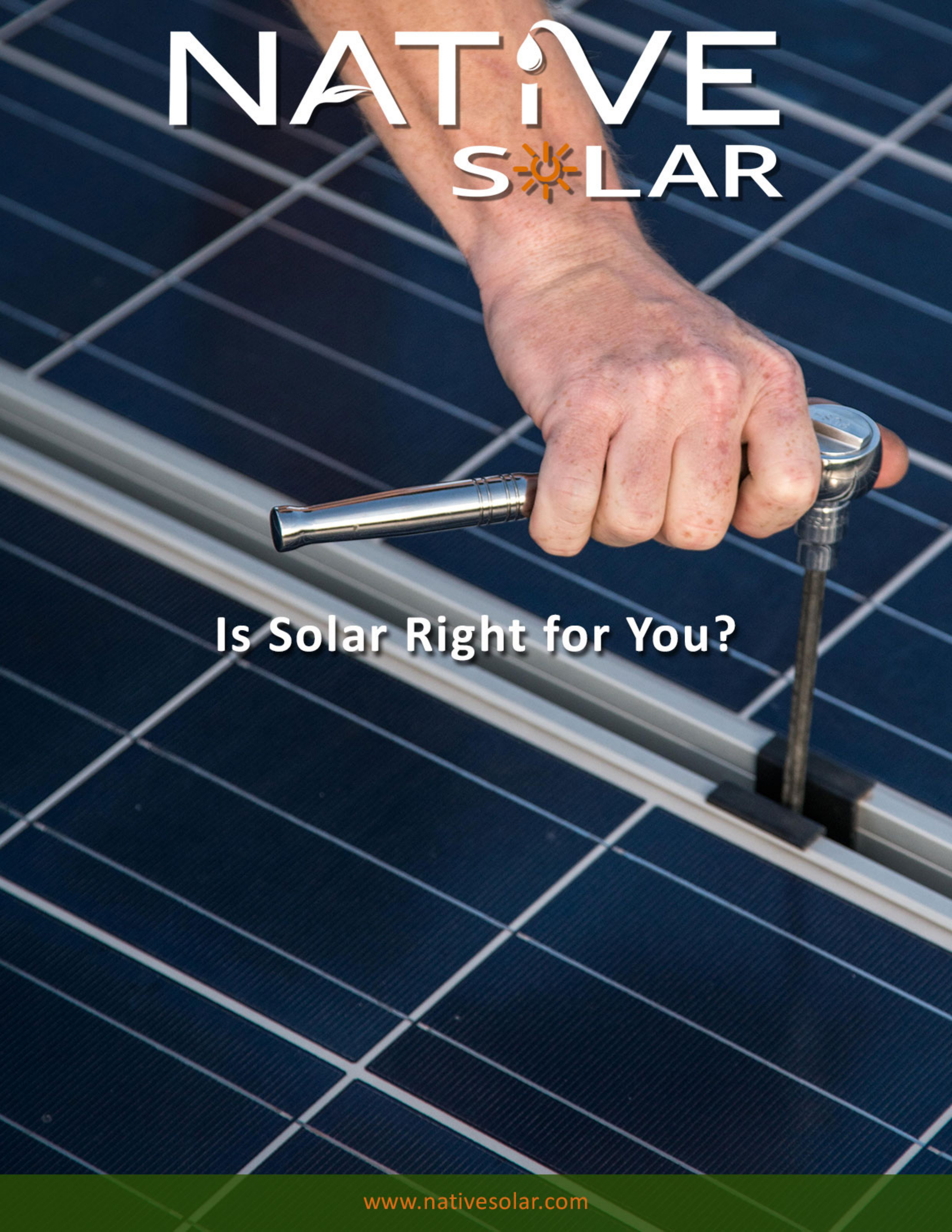


A close-up photograph of a person's hand operating a power drill on a solar panel. The hand is positioned in the upper right, gripping the handle of the drill. The drill is a silver and black cordless model, with its bit inserted into a pre-drilled hole in the panel's metal frame. The solar panel itself is dark blue with a grid of silver lines. The background is a blurred view of more solar panels, suggesting a large-scale installation.

NATIVE SOLAR

Is Solar Right for You?

www.nativesolar.com

What if you discovered oil or gas beneath your home? Would you tap into it and live power bill free?

In Texas, the energy capital of the country, we have an unlimited and completely free power plant right over our heads. With more than 220 sunny days every year statewide, Texans have the opportunity to turn this abundant natural resource into clean and affordable energy.

While providing a steady and predictable financial return, having solar allows you to:

- Hedge against rising energy costs
- Increase your home's value and marketability
- Reduce your carbon footprint and be part of a cleaner tomorrow.

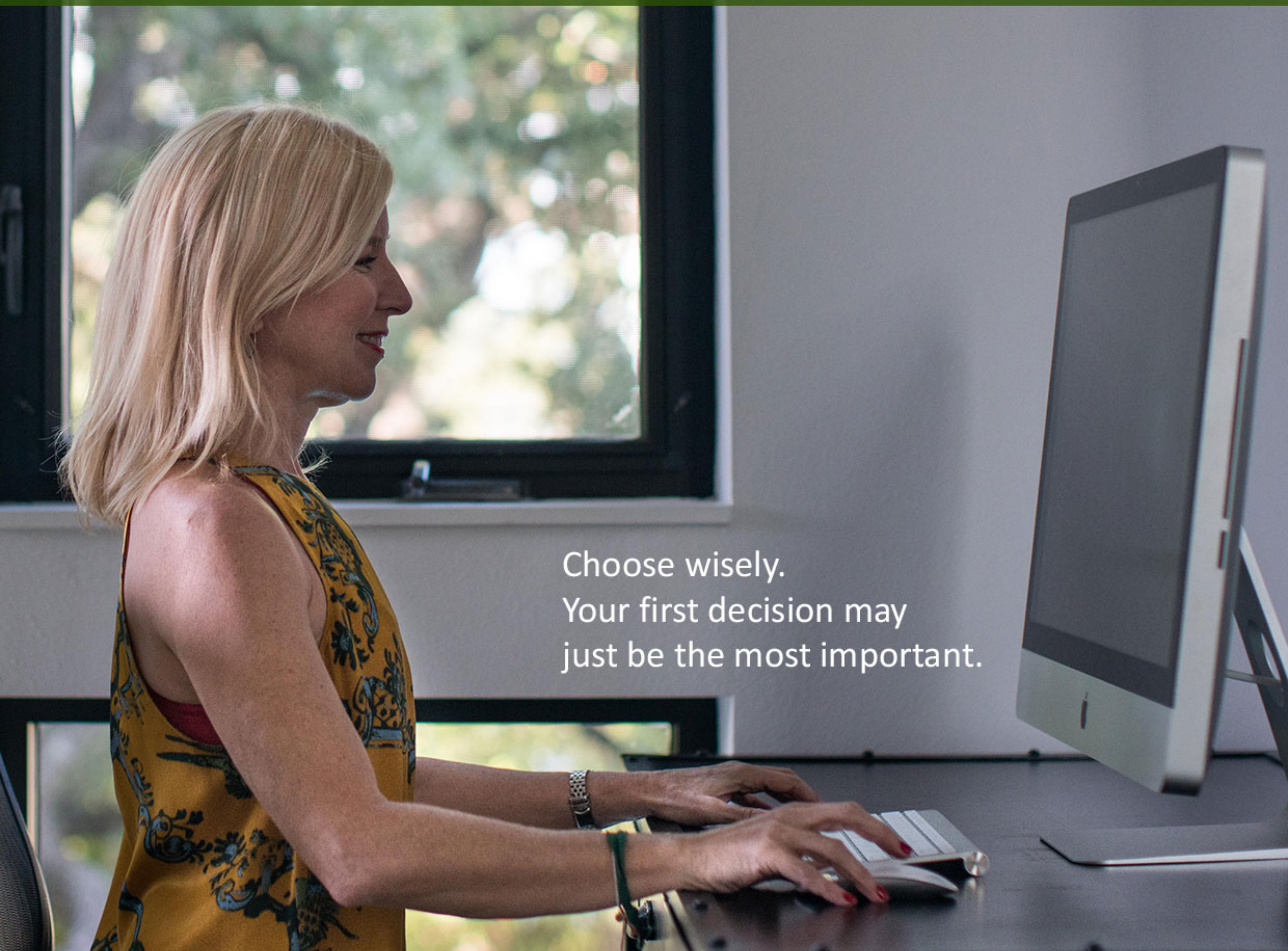
The sun shines a lot, and those of us who choose to call the Lone Star State our home have a unique opportunity to cash in on this abundant natural resource. Think of those sun rays as dollars bills falling on your roof. Read on if you want to learn how to join your fellow Texans in catching those rays while making money doing it.

This paper is a guide to help you better understand the many factors that make up a solar purchase decision. After all, no two homes are the same, and no two families utilize electricity in exactly the same way. It's important, therefore, to carefully explore all the criteria in order to optimize system design and deliver the best return on your solar investment. So please read on. You too can harness the sun to realize energy independence and live sustainably.

Choosing Wisely

There are many common and powerful motivations for those who choose to go solar. Long gone are the days of pure altruism. Fifteen years ago, buying solar was like buying a high performance sports car - only a few could afford it and it did not work as an effective investment for most homeowners.

Today there are strong financial arguments for investing in your own electricity plant. But investors need to understand that there's much more to being satisfied with your final choice than simply finding the lowest price. Whether financing or purchasing, it's critical to choose a trusted partner who will guide you through the whole process, while ensuring that you're well supported for the entire life of your solar energy system. After all, when designed and installed properly, a solar investment will serve you well for decades. Your complete solar experience begins when you select a reputable partner who will be there at every step - from exploring purchase options to system design, installation, and ongoing support.

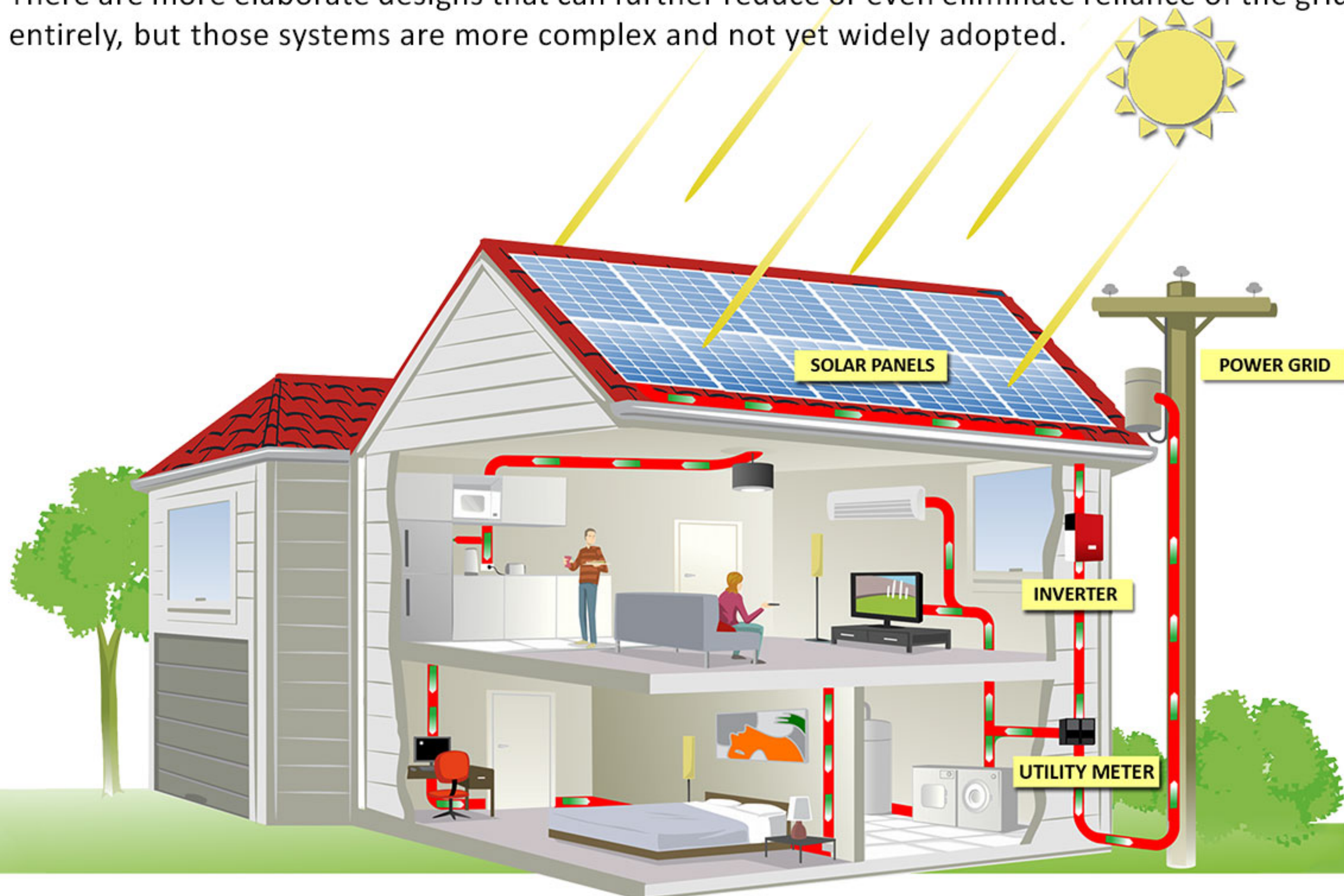


Choose wisely.
Your first decision may
just be the most important.

How Solar Works

To best understand the many variables that make up a solar purchase decision, it's helpful to understand how the technology actually works. And while there are many different types of solar systems, the illustration below represents a typical design that you will find on the vast majority of solar powered homes today.

It's important to note that in most cases, solar works in partnership with the electric utility grid, which is essential to ensure that the home is never without electricity—even at night. There are more elaborate designs that can further reduce or even eliminate reliance of the grid entirely, but those systems are more complex and not yet widely adopted.



1. Solar panels convert sunlight into direct current (DC) electricity
2. An inverter converts the DC electricity to alternating current (AC) electricity for your home
3. Free solar energy is sent to your home
4. Your meter monitors energy consumed and energy sent back to the grid
 - a. Excess energy is sent back to the grid
 - b. The grid powers your home when the sun's not shining

Excess energy that you produce goes back to the grid and is used nearby, usually at your neighbor's house. How you are credited for that excess energy depends on the policy of your local utility. We work with most of them and can model this for you.

Find Your Motivation

Not only is each homeowner unique in their personal and lifestyle goals, practically every home and neighborhood is different in ways particular to construction and geographical location. We know that there are common priorities and choices, as well as limitations that impact a homeowner's decision to go solar. While it is not possible to cover what may be important to everyone, it is reasonable to highlight some popular motivators.

- Saving money
- Increasing home value
- Providing a stable investment
- Having predictable, future utility bills
- Increasing monthly cash flow
- Diversifying investment portfolio
- Reducing carbon footprint
- Providing a legacy for the next generation

The image shows a hand holding an AGL electricity bill. The bill is for a supply address at 1 Denison Street, Sydney, NSW 1500, for the period 1 Apr 2014 to 30 May 2014. It details energy usage with a peak of 953kWh and a supply charge of \$232.53. The total due is \$295.17, due on 26 Jun 2014. Payment options include Direct Debit, Card, Mail, Post Billpay, Centrepay, and PayPal.

Category	Item	Units	Price	Amount
Usage and supply charges	Peak	953kWh	\$0.244	\$232.53
	Supply charge	87 days	\$0.629	\$54.72
Other charges	Payment processing fee			\$4.84
	Total charges			\$291.10
Credits	10% Guaranteed Discount			\$29.11
	Total credits			\$29.11
Total new charges and credits				\$261.99
Total GST				\$33.18
Total due (includes GST)				\$295.17

While people often make purchases for comfort and a sense of well-being, certain expenditures are more likely viewed as investments. Investments need to deliver value, and often that value is measured in monetary terms. This is especially true when investing in any home improvement. A solar PV system is a uniquely rewarding type of home improvement. And the economic value is measured differently from other home investments.

When contemplating going solar, consider this:

From the first day you are connected and running, you see an immediate reduction in the amount of energy that you need to purchase from your local utility. You can design a system to offset part of your typical usage, all of it, or even generate more power than you need. The bottom line: solar saves you money from day one.

To get an idea of your savings, simply look at your bill. We will review one year's worth of bills to better understand how and when your family uses electricity. From there, a solar consultant can tailor a system specific to your needs and usage patterns. In Texas, it's possible in many cases to reduce or even eliminate your bill entirely with a fully optimized system.

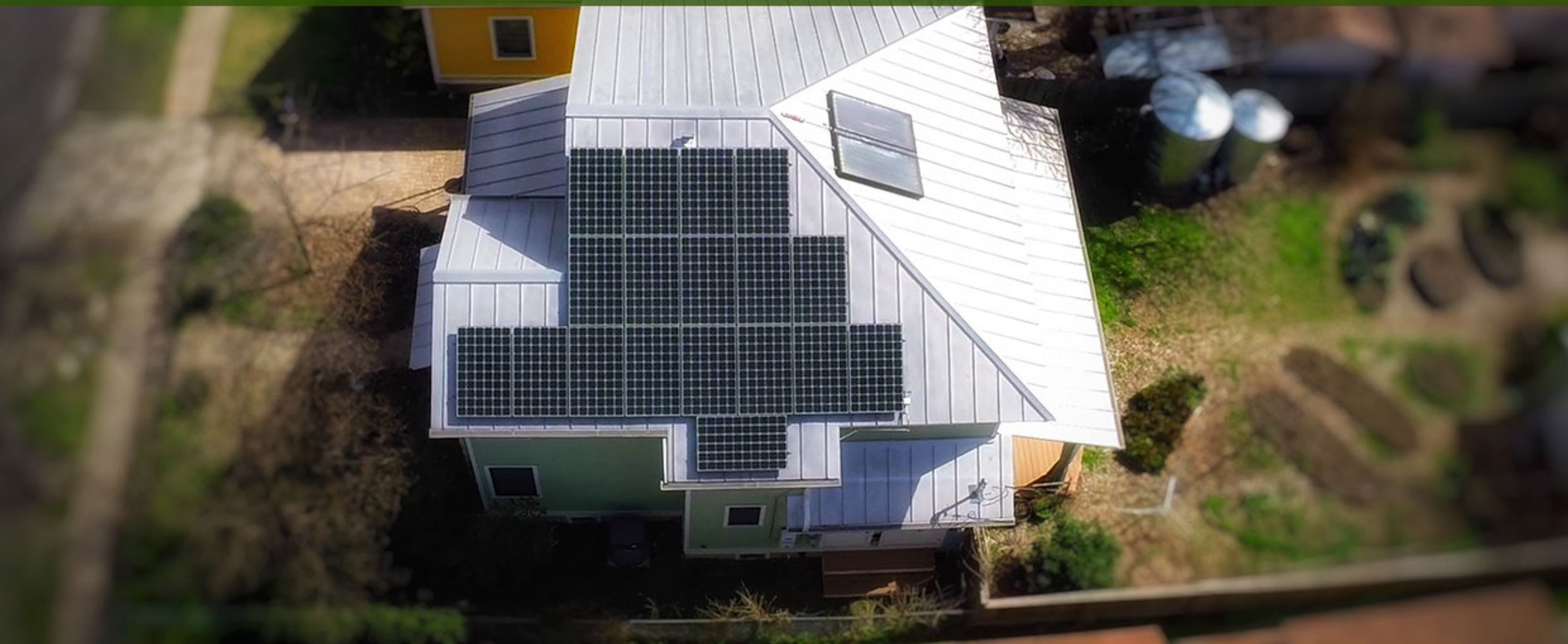
Financial incentives give the homeowner a greater chance to find early savings. From a 30% federal tax credit to potential utility incentives, there are a few ways to sweeten the solar investment returns. The options change frequently, so we invite you to contact us for up to date information about current programs available in your area.

Sending electricity back to the grid is like putting money in the bank. Having solar means that energy travels in both directions through your utility meter. The meter records energy flowing into the home from the grid, and excess solar energy flowing from the home back to the grid. Most customers in Texas are eligible to receive credit for excess electricity generated by their solar installation. Utilities that credit you for your excess electricity typically account for it on a monthly basis, and if the solar system has generated more than the homeowner used, the homeowner shows a bill credit from the utility. In essence you are paid for being your own small utility! A well-designed system and a conscientious homeowner can keep the bills near zero for many months of the year. [See an example electric bill here](#)

Some NATiVE customers see an annual savings as high as 100%! Obviously, achieving 100% offset requires a larger investment and a more elaborate system. During initial discussions your solar consultant will help you explore all options and price points. In the end you will set your own goals and have a clear picture of the costs and ROI that best suits your own unique objectives.

Solar adds resale value to your home. More and more, prospective home buyers understand the obvious value that solar adds to a home. While hard data in Texas is still hard to come by, anecdotal evidence, and data from more mature solar markets prove that adding solar significantly increases your home's market value. And in Texas, unlike a home addition, this extra value is not subject to property tax once you file an exemption!

Efficiency measures yield additional savings



The most effective way to reduce your energy bill is to use less energy. That sounds obvious, but there are several ways to do this without disrupting your lifestyle. Savings through efficiency measures can be significant. Keep in mind that reducing your energy use also reduces the amount of solar that you need.

There are often many opportunities to make your home more efficient. Here are just a few.

Lighting Changing out to LED bulbs is the quickest, easiest way to make an immediate impact on your electric bill, especially if you are still using any incandescent light bulbs.

Thermal efficiency Your air conditioner is typically the biggest user of electricity. Weatherization, fixing leaking ductwork, and adding insulation are just three ways to improve the thermal efficiency of your home and quickly cut cooling costs.

Large demand appliances Upgrade to Energy Star rated appliances to reduce energy usage.

Pool pumps Replace that single speed pool pump with a variable speed pump.

Beer fridge Don't get rid of the beer, upgrade the fridge! Refrigerators have gotten much more efficient just in the last five years.

Awareness of where and how you use energy We highly recommend installing energy monitoring in your home. Being aware of your energy usage profile will uncover multiple opportunities to control your usage.

Return on Investment....or positive cash flow

When determining how to pay for a solar system, there are alternatives to a full cash purchase. While paying cash ensures the most favorable return, simplifies ownership, and maximizes federal and local incentives, buying decisions are not made in a vacuum and there are attractive loan options available that may make more sense for you from a cash flow perspective.

Your budget & spending priorities will determine whether you pay for a system outright or finance it. NATiVE works with each homeowner individually to define options and evaluate returns. We will explain in simple terms the best way to make solar work for you. Every contract with NATiVE includes a detailed financial analysis based on your final selections.



Cash and Financed Systems

Cash Purchase

For systems that are bought outright, most owners want to know the return on investment (ROI) of the system. In other words, when will I recoup the money that I spent? The good news is that unlike a new countertop or jacuzzi tub, solar does pay you back. Every day. The exact payback is a function of many factors: your system orientation and configuration, your ability to use tax incentives, your utility buyback policy, the rate of energy inflation, etc. With common assumptions, it is common to realize a 7 to 12 year payback. Keep in mind that solar is a 25-30 year asset. Once you recoup the initial cost of your system, the electricity generated is essentially free.

Financed Systems

Because a solar system is generating energy and offsetting a current utility payment, many clients finance their system. That allows them to trade a variable, inflation affected utility payment for a known and fixed loan payment. In some cases the loan payment today is lower than the utility payment. This allows a homeowner to immediately realize a monthly savings. This is also referred to as positive cash flow. In most cases, the monthly loan payment is less than the monthly utility payment for the same amount of electricity. It's also important to keep in mind that your utility bill is subject to market pricing volatility and inflation while your loan payment is not. Having long term bill predictability is very important to many homeowners.

There are a variety of secured and unsecured loan options available with terms from 5 to 30 years and this recent availability of residential solar financing is responsible for much of the growth of the solar market. Besides traditional home equity lines of credit (HELOC) and home equity loans, there are many new lenders that specialize in solar home loans. NATiVE recommends financing only the necessary portion of the net cost after incentives in order to get the best payback.

Good Citizenship: A Drive for Sustainability

Outside of financial concerns, there are other factors that homeowners often value as to why they choose to install solar

- Be a positive example to their children, neighborhood, and community
- Fight climate change at a local level
- Reduce the impact of national energy policies and global “fuel politics”
- Eliminate your utility’s need to expand power generation

At NATiVE, we are We are committed to providing a sustainable lifestyle to the communities we serve. We offer products and services that meet your sustainability goals. More than just a solar company, we are energy consultants dedicated to protecting our environmental future. Our clients want to live a more viable lifestyle by reducing their overall utilities usage. Our services and solutions address the best ways that this can be achieved. We work with all Texas utilities and lending institutions to secure incentives, provide financing options, and support your sustainability goals.

Who We Are Award-winning solar provider and custom green builder that is leading the way to a sustainable future by offering a comprehensive range of solutions to help Texans save and create energy.

Committed Born and bred in Texas, we have been serving our communities since 2008. We look to partner with our clients by supporting them before, during and well after their choice to be sustainable. We have dedicated support teams for service and warranty and we're constantly advocating for local and state sustainable policies that will benefit you.

Why NATiVE? We're your advocate. We strive to understand how you interact with energy and then we work to develop a customized solution that considers a variety of products and financing options that target your goals. We're your partner, now and long term, to live sustainably!



Evaluating Your Suitability

Once a homeowner has considered the range of potential savings and their position on investment value, they should investigate the best path to set and achieve their financial goals. There are choices and unavoidable limitations that impact the options.

The Home

The architecture of a home has a significant impact on how and where solar panels might be located. While the weight of solar panels is rather low, the structure must be sound and able to support your system. Additionally, panels have an optimum orientation in order to be most effective at capturing maximum sunlight. Roof configurations, whether flat or gabled, have a predictable effect on the system design choices.

Here are some general rules of thumb:

- For every 100 sq. ft. of surface that can readily accept panels, approximately 1 kW of capacity can be placed. So, for the typical 5 kW installation, approximately 500 suitable square feet of space is needed.
- Generally panels are most effective when facing south, however east and west can be good too, depending on the home, the customer's energy goals, and the utility's rate structure.
- Any feature that creates shading must be considered. Adjacent trees, chimneys, roof knee-walls, and plumbing vents are all potential obstructions that can impact the path between the sun and the panels as the sun moves throughout the day.
- The roof surface should be fresh or suitable for a long time. While the solar system can extend the life of the surface by shading it, they also affect repair and replacement effort.

More Than Panels And Power

Saving on energy costs and deriving some personal satisfaction are usually the primary goals for homeowners in going solar. There are additional benefits that NATiVE believes a homeowner should recognize in order to boost those motivations.

Panels can provide shading to the home

Roofing surfaces are given partial relief and possible minor life-extensions. But depending on the system size relative to the total roof area, it is possible cooling demands can be measurably reduced. While it is difficult to predict up front, it can be witnessed at the meter over time.

System monitoring helps in many ways

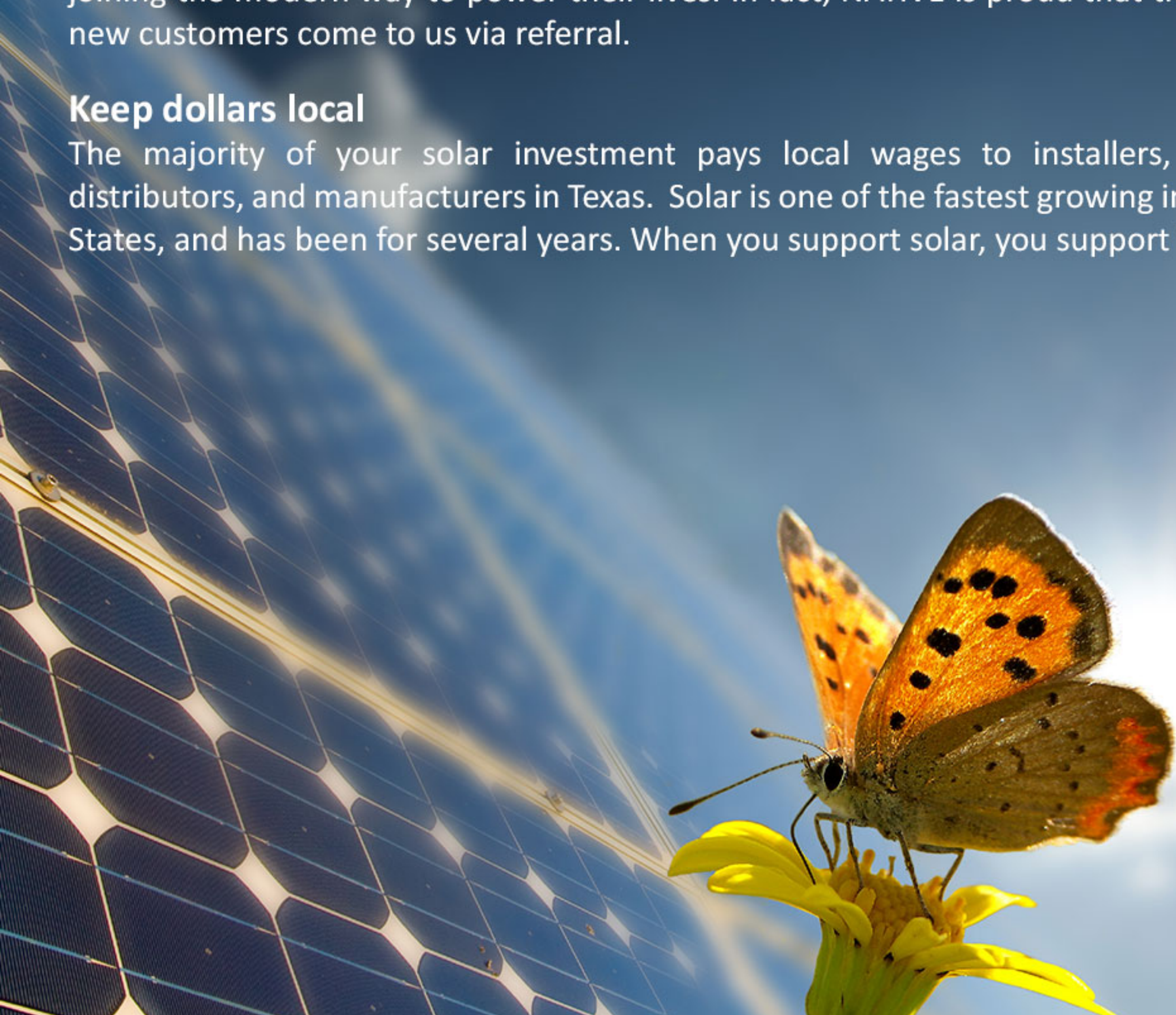
Hardware can be installed that adds real time monitoring of system output. Monitoring gives homeowner and installation service partners a lot of tools to ensure that the system is working at maximum efficiency. In addition, owners will be much more aware of how they use energy and can alter their behavior to be more efficient.

Community leadership and pride is important to many

Beyond the measurable increase in property value that a solar system provides, homeowners find that being a positive example in their community helps to stimulate others into going solar and joining the modern way to power their lives. In fact, NATiVE is proud that the vast majority of our new customers come to us via referral.

Keep dollars local

The majority of your solar investment pays local wages to installers, office staff, product distributors, and manufacturers in Texas. Solar is one of the fastest growing industries in the United States, and has been for several years. When you support solar, you support Texas jobs.



No Better Time Than Now

Making your own electricity is the best way to hedge against rising energy costs. And we have an unlimited, clean and totally free energy source right over our heads. As a result there has been an explosive increase in residential solar installations as Texan homeowners seek to free themselves from the grip of public utilities. This growth has spurred aggressive competition among solar manufacturers and system installers, and that competition provides great benefits for the buyer.

The last eight years have seen module and overall system costs plummet. Combine this with the the high amount of solar competition and the result is that solar costs in Texas have been and will continue to be among the lowest in the country! This has led to solar energy costs being equal or less expensive than fossil fuel generating costs.

Silicon based solar technology is mature and has plateaued. Both material development and manufacturing improvements have reached a point where only incremental advances are expected. We are not predicting any fundamental solar capture technology that would be worth waiting for.

Every month, your electric bill has to be paid. It's similar to paying rent in that there is no financial return or building of equity. The sooner that you install solar, the sooner that you pay yourself back by investing in a revenue generating asset.

Go solar.



NATIVE SOLAR

No two homes are exactly alike and no two buyers have the same goals. The company you choose to design and install your solar energy system should be a partner for the life of that system. From the first contact, you should feel empowered by the interest shown in making sure that you are sufficiently informed long before you are ready to sign. We take each customer's success seriously and are only satisfied when the customer is happy with the process and the results.

Anything that impacts savings needs to be explained to the level of detail that satisfies the individual. Not everyone is an accountant, but every homeowner has a right to understand all the options and factors influencing their potential costs and savings.

Features of the building structure determine things such as maximum size, racking, wiring layout, roof penetrations, and more. The goal is to orient your panels as efficiently as possible to minimize costs and maximize performance throughout the year.

Any physical obstacles need to be recognized and addressed prior to installation.

In certain cases, a precise review of power quality and grid connection requirements may be needed as well.

Beyond these preliminary steps, optimum performance is achieved only when top tier hardware manufacturers are selected and best practices are used in design and installation.

For every home, NATiVE conducts a thorough survey to make sure every factor that may impact design and performance is known. Although there are many common practices and systems may be similar from one home to another, there are too many pitfalls in a pre-packaged approach that many of our competitors use. The best solar energy system for you is the one designed specifically to your home and lifestyle. We take the time to explore the details and make sure that you understand the options, and that's one of the reasons most all of our new business comes via referral.