

**“Finance is tough in commercial solar”**—it’s a common adage in the industry. But why is commercial solar finance perceived as difficult? How is it different than residential solar finance?

The main reason—**customer credit review**.

In residential solar finance, lenders and developers can rely on personal credit scores or FICO scores (the terms “credit score” and “FICO score” are often used interchangeably) as a means to review the credit profile of the individual “going solar”.

For businesses, non-profits, and municipalities, there is not an equivalent widely accepted metric to review credit, unless they have paid for an expensive public credit rating.

Here are some of the key core documents and information Open Energy lending partners need for a credit review, but we encourage you to check out our portal for a complete list.

#### Direct Financing **Documents | Information Required**

##### **From Developer:**

- Project address & total cost
- Equipment list
- Project proposal

##### **From Energy User:**

- Energy User legal name
- Previous 2 years’ tax returns or audited financials
- Year-to-date financial statements
- Debt schedule
- Current 12 months of utility bills

Developers and installers frequently ask us to provide **quotes**. In the commercial space, we’ve seen this become more problematic than helpful.

With a FICO score, terms, rates and most importantly potential approval are more predictable for an early stage residential project. In the commercial space, more information is required for a reliable offer.

While a quote can be helpful for an eventual credit-worthy commercial client, we’ve seen these quotes lead to tough situations for installers down the road when working with less credit-worthy customers.

That’s why at Open Energy, we have created a streamlined application on our portal.

This information allows our lending partners to form a clear understanding of the business or non-profit and make formal financing offers that are **ready to proceed swiftly**.

This enables our developer clients to focus their efforts on deals that require financing with customers that are financeable.

To get started securing financing for your customer’s solar or energy efficiency project, register and begin an application on **Open Energy Group’s application portal** or give us a call at **917-410-7282**.

Have a topic you’d love for OEG to cover in Direct Finance 101? Tell us about it by emailing [info@openenergygroup.com](mailto:info@openenergygroup.com).