

BALCONY | ADVANTAGE

Solar Asset Tax Strategy



Benefits of Buying Solar Assets

Purchase Solar Assets



Investment Tax Credits



Depreciation



A Straightforward Asset Sale

X NOT a fund

X NOT a security

X NOT a tax deferral program

Clients do not repay tax savings
down the road

✓ **THIS IS** an asset sale

Clients purchase residential solar projects

No Debt

No LPs

No Flips

No Leverage

No K-1s

No Commingling



Starting a Solar Asset Management Business



Purchase
Energy Assets



Hold
Assets



Claim
Benefits



Exit
Options

Equity Contribution: **\$100,000**

Immediate Tax Benefits: **~\$130,000**

Solar Investment Tax Credit

1977

IRC 48 introduced into the IRS tax code

2025

One Big Beautiful Bill extends the Investment Tax Credit (ITC) until 2032

NOW

ITC under 48E+ bonus depreciation amplifies year-one benefits

Despite the headlines, the **ITC remains a durable tax strategy with amplified first-year benefits.**

Goldman Sachs

Morgan Stanley

AMERICAN EXPRESS

Walmart

amazon

TESLA

Risk and Mitigations



Material Participation

Owner will significantly engage in business for more than 100 hours every tax year



Payment Risk

100% power paid upfront



Construction Risk

Capital not deployed until after construction is complete



Warranty

10+ year contractor + equipment warranties included



Insurance

\$1MM general liability + property loss insurance provided
**Billed Annually*



Monitoring

Best-in-class technology with real-time monitoring

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