

SolarCity turns to retail investors for cash

January 15 2014, by Jonathan Fahey

The solar panel installer SolarCity is turning to retail investors for cash. The company says it plans to sell securities directly to individuals and others interested in investing in its rooftop solar systems.

The move is a novel way for the San Mateo, Calif., [company](#) to finance the enormous cost of installing panels on thousands of roofs—a typical residential system costs \$25,000—while appealing directly to [retail investors](#) who are on the hunt for better rates of return than they can find in savings accounts and government bonds.

The securities, likely similar to bonds or certificates of deposit, would be backed by hundreds or thousands of contracts with rooftop solar customers. Wall Street has long created these types of bundled products.

CEO Lyndon Rive says he expects to eventually raise "billions" of dollars this way.

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