US Investors' Discovery of German Solar Power May Be Bright Idea



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By Nadja Atwal | Thursday, 17 May 2018 02:33 PM

With the fear of a potentially brutal bear market looming, cautious investors have been looking for a safer path to putting their money to work.

The heady days of generous annual returns in the US stock market are clearly in jeopardy which has triggered a desire to look elsewhere for more attractive investment strategies.

Lately the search for a reliable high return has lead Americans to look across the Atlantic.

And they discovered that thanks to a unique energy-related regulation enforced by the German government, sunny opportunities seem to lie ahead there.

In Germany, the EEG (Renewable Energy Act) has been in force since April 1, 2000, and tightly regulates feed-in tariffs for the clean energy industry for a period of 20 years.

For the investor, this Act guarantees a steady return on investment, independent of inevitable price fluctuations in the energy market over the course of two decades.

But how exactly does it work?

After confirming the intriguing rules and regulations the German government put in place for that matter, I was fueled with enthusiasm and delved into one of the leading German companies, Lightcore Energy, that builds industrial-scale turnkey solar power plants.

Their management, with many years of experience in power plant construction and European energy markets, offers private individuals the opportunity to invest 100,000 euros (\$118,000) in solar power plants.

In return, the investors are guaranteed at least 7% annual growth for 20 years!

Companies like Lightcore Energy manage to lock in long-term leases for 25-40 years with owners of industrial and agricultural roofs of varying size.

The roofs are expertly refurbished and installed with solar photovoltaic systems, allowing the investors to generate cheap solar-powered electricity for another 20 years after expiration of the first 20 years of guaranteed income.

Needless to say, the demand for this remarkable type of investment has been high within the domestic and european market over the recent years.

That is largely due to the current situation of the electricity market which clearly indicates that rising prices will continue to be the norm for many years to come.

Nascent global markets, such as electronic vehicles, power-hungry smart devices, smart homes, and even cryptocurrency mining, all contribute to the growing energy consumption demand.

Obviously this means new power plants are needed and therefor investing in solar power seems like one of the most plausible investment paths available on the market today.

Recently this idea has become very popular beyond the German and European market.

Andreas Becker, head of trading at Lightcore Energy, reports: "Since last year, we have been increasingly receiving inquiries from American investors. They see the profitable energy market and want to use the state guarantees of the largest European economy here in Germany. With our concept, we make it very easy and transparent for private investors to become a solar power plant owner with sizable, predictable returns. At the same time, the investors find the idea appealing that they are part of an environmentally friendly production that benefits not just them but our future generations."

While refraining from simply hyping this new investment sector, we must however acknowledge this: There are very few things in life that are for certain.

But one of them is: The sun always rises.

<u>Nadja Atwal</u> was born in West Germany and studied political science and psychology before she decided to become a journalist and publicist. Her passion for America lead her to becoming both a top writer and publicist with global reach.

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