

December 17, 2018



## Hannon Armstrong Announces Closing of New Senior Secured Revolving Credit Facilities

ANNAPOLIS, Md., Dec. 17, 2018 /PRNewswire/ -- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong," "we", "our", or the "Company") (NYSE: HASI) announced today the closing of two new senior secured revolving credit facilities among certain of its subsidiaries, as borrowers, Bank of America, N.A., as administrative agent, and various lenders party thereto on December 13, 2018. The two credit facilities combined provide for \$450 million in new borrowing capacity. Certain of the Company's subsidiaries repaid in full \$253 million of borrowings under the existing credit facilities using the proceeds from the new facility. All commitments under the existing credit facilities were cancelled and the existing credit facilities and related agreements and documents were terminated.



"As part of our long-term financing strategy, these new credit facilities lower the cost and increase the flexibility of our main credit facility while extending the maturity until 2023," said Brendan Herron, Chief Financial Officer. "We believe the combination of the market activity described on our Q3 earnings call along with these credit facilities and the recently completed equity raise positions us well for 2019."

On December 13, 2018, the Company through certain of its subsidiaries entered into two new senior secured revolving credit facilities with Bank of America, N.A. as administrative agent, and the various lenders party thereto. The credit facilities are comprised of two loan agreements, a representation-based loan agreement (the "Rep-Based Loan Agreement") and an approval-based loan agreement (the "Approval-Based Loan Agreement," and, together with the Rep-Based Loan Agreement, the "Loan Agreements"). The Loan Agreements provide (a) in the case of the Rep-Based Loan Agreement, for a senior secured revolving limited-recourse credit facility in the principal amount of \$250 million and (b) in the

case of the Approval-Based Loan Agreement, for a senior secured revolving recourse credit facility in the principal amount of \$200 million. The maturity of each of the Loan Agreements is July 19, 2023. Loans under the Rep-Based Loan Agreement bear interest at a rate equal to one-month LIBOR plus 1.40% or 1.85% (depending on the type of collateral) or, in certain circumstances, the Federal Funds Rate plus 0.40% or 0.85% (depending on the type of collateral) and loans under the Approval-Based Loan Agreement bear interest at a rate equal to one-month LIBOR plus 1.50% or 2.00% (depending on the type of collateral) or, under certain circumstances, the Federal Funds Rate plus 0.50% or 1.00% (depending on the type of collateral). The Company, together with its subsidiary, Hannon Armstrong Capital, LLC, guaranteed the obligations of the borrowers under each of the Loan Agreements pursuant to (i) a Limited Guaranty (Rep-Based) and (ii) a Guaranty (Approval-Based) (together, the "Guaranty Agreements").

Inclusion of any financings of the Company in the borrowing base as collateral under the Rep-Based Loan Agreement will be subject to the Company making certain agreed upon representations and warranties, the accuracy of such which will be guaranteed under the Limited Guaranty (Rep-Based). Payment by the borrowers of certain amounts relating to any such financing included in the borrowing base of the Rep-Based Loan Agreement, which amounts are guaranteed under the Limited Guaranty (Rep-Based), is the exclusive remedy with respect to any breach of such representations and warranties under the Rep-Based Loan Agreement. Inclusion of any financings of the Company in the borrowing base as collateral under the Approval-Based Loan Agreement will be subject to the approval of a super majority of the lenders. The amount eligible to be drawn under the facilities is based on a discount to the value of each included investment based upon the type of collateral or an applicable valuation percentage. The sum of included financings after taking into account the applicable valuation percentages and any changes in the valuation of the financings in accordance with the Loan Agreements determines the borrowing capacity, subject to the overall facility limits described above. For further details on the new credit facilities, please refer to our Current Report on Form 8-K, filed with the SEC on December 17, 2018.

### *About Hannon Armstrong*

With over 30 years of experience, Hannon Armstrong (NYSE: HASI) is a capital provider focused on reducing the impact of, or increasing resiliency to, climate change. Our portfolio includes efficiency, renewable energy and resiliency assets with a focus on long-term, recurring and largely predictable cash flows or cost savings from proven technologies. With scientific consensus that climate warming trends are linked to human activities, we believe our firm is well positioned to generate better risk-adjusted returns by investing in the assets that reduce carbon emissions. We are based in Annapolis, MD.

### *Forward-Looking Statements*

*Some of the information in this press release contains forward-looking statements and within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this press release, words such as "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," "target," or similar expressions, are intended to identify such forward-looking statements. Forward-looking statements are subject to significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that*


*could cause actual results to differ materially from those described in the forward-looking statements include those discussed under the caption "Risk Factors" included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which was filed with the SEC, as well as in other reports that the Company files with the SEC.*

*Forward-looking statements are based on beliefs, assumptions and expectations as of the date of this press release. The Company disclaims any obligation to publicly release the results of any revisions to these forward-looking statements reflecting new estimates, events or circumstances after the date of this press release.*

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