UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____ to _____

Commission file number 001-35877

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.

(Exact name of registrant as specified in its charter)

Maryland	**46-1347456**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1906 Towne Centre Blvd, Suite 370 Annapolis, Maryland	**21401**
(Address of principal executive offices)	**(Zip code)**

(410) 571-9860
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: 38,269,566 shares of common stock, par value $0.01 per share, outstanding as of November 4, 2015 (which includes 1,297,584 shares of unvested restricted common stock).

FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this Quarterly Report on Form 10-Q ("Form 10-Q") within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are subject to risks and uncertainties. For these statements, we claim the protections of the safe harbor for forward-looking statements contained in such Sections. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions, we intend to identify 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 are contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (our "2014 Form 10-K") that was filed with the U.S. Securities and Exchange Commission (the "SEC"), and include risks discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operation of this Form 10-Q and in other periodic reports that we file with the SEC. Statements regarding the following subjects, among others, may be forward-looking:

- our equity method investments in wind projects (as defined below);
- our acquisition and integration of American Wind Capital Company, LLC ("AWCC") as well as subsequent real estate acquisitions;
- our expectations related to payments under our $13 million senior secured debt securities in an operating wind project;
- the state of government legislation, regulation and policies that support energy efficiency, renewable energy and sustainable infrastructure projects and that enhance the economic feasibility of energy efficiency, renewable energy and sustainable infrastructure projects and the general market demands for such projects;
- market trends in our industry, energy markets, commodity prices, interest rates, the debt and lending markets or the general economy;
- our business and investment strategy;
- our ability to complete potential new financing opportunities in our pipeline;
- our relationships with originators, investors, market intermediaries and professional advisers;
- competition from other providers of financing;
- our or any other companies' projected operating results;
- actions and initiatives of the U.S. federal, state and local governments and changes to U.S. federal, state and local government policies and the execution and impact of these actions, initiatives and policies;

- the state of the U.S. economy generally or in specific geographic regions, states or municipalities; economic trends and economic recoveries;
- our ability to obtain and maintain financing arrangements on favorable terms, including securitizations;
- general volatility of the securities markets in which we participate;
- changes in the value of our assets, our portfolio of assets and our investment and underwriting process;
- interest rate and maturity mismatches between our assets and any borrowings used to fund such assets;
- changes in interest rates and the market value of our assets;
- changes in commodity prices;
- effects of hedging instruments on our assets;
- rates of default or decreased recovery rates on our assets;
- the degree to which our hedging strategies may or may not protect us from interest rate volatility;
- impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters;
- our ability to maintain our qualification, as a REIT for U.S. federal income tax purposes;
- our ability to maintain our exception from registration under the Investment Company Act of 1940, as amended (the "1940 Act");
- availability of opportunities to originate energy efficiency, renewable energy and sustainable infrastructure projects;
- availability of qualified personnel;
- estimates relating to our ability to make distributions to our stockholders in the future; and
- our understanding of our competition.

Forward-looking statements are based on beliefs, assumptions and expectations as of the date of this Form 10-Q. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements after the date of this Form 10-Q, whether as a result of new information, future events or otherwise.

The risks included here are not exhaustive. Other sections of this Form 10-Q or our 2014 Form 10-K may include additional factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

The following discussion is a supplement to and should be read in conjunction with our 2014 Form 10-K.

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PART 1 FINANCIAL INFORMATION

Item 1. Financial Statements

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2015 and DECEMBER 31, 2014
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	September 30, 2015	December 31, 2014
Assets		
Financing receivables	$ 736,250	$ 552,706
Financing receivables held-for-sale	41,206	62,275
Investments available-for-sale	28,186	27,273
Real estate	129,344	90,907
Real estate related intangible assets	25,840	23,058
Equity method investments in affiliates	165,280	143,903
Cash and cash equivalents	30,680	58,199
Restricted cash and cash equivalents	14,371	11,943
Other assets	36,408	39,993
Total Assets	**$ 1,207,565**	**$ 1,010,257**
Liabilities and Equity		
Liabilities:		
Accounts payable, accrued expenses and other	$ 16,592	$ 11,408
Deferred funding obligations	78,436	88,288
Credit facility	378,096	315,748
Asset-backed nonrecourse debt (secured by assets of $360 million and $248 million, respectively)	288,300	208,246
Other nonrecourse debt (secured by financing receivables of $101 million and $108 million, respectively)	104,761	112,525
Total Liabilities	866,185	736,215
Equity:		
Preferred stock, par value $0.01 per share, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, par value $0.01 per share, 450,000,000 shares authorized, 31,221,982 and 26,377,111 shares issued and outstanding, respectively	312	264
Additional paid in capital	381,424	293,635
Retained deficit	(43,467)	(25,006)
Accumulated other comprehensive (loss) income	(862)	406
Non-controlling interest	3,973	4,743
Total Equity	341,380	274,042
Total Liabilities and Equity	**$ 1,207,565**	**$ 1,010,257**

See accompanying notes.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
Net Investment Revenue:				
Interest Income, Financing receivables	$ 10,064	$ 6,234	$ 26,609	$ 16,081
Interest Income, Investments	364	822	1,118	3,254
Rental Income	1,988	1,187	6,641	1,597
Investment Revenue	**12,416**	**8,243**	**34,368**	**20,932**
Investment interest expense	(6,689)	(3,974)	(18,940)	(11,188)
Net Investment Revenue	5,727	4,269	15,428	9,744
Provision for credit losses	—	—	—	—
Net Investment Revenue, net of provision for credit losses	**5,727**	**4,269**	**15,428**	**9,744**
Other Investment Revenue:				
Gain on sale of receivables and investments	2,529	3,361	6,956	9,608
Fee income	98	183	1,160	1,732
Other Investment Revenue	**2,627**	**3,544**	**8,116**	**11,340**
Total Revenue, net of investment interest expense and provision	**8,354**	**7,813**	**23,544**	**21,084**
Compensation and benefits	(4,341)	(3,111)	(12,171)	(7,648)
General and administrative	(1,706)	(1,433)	(4,772)	(4,031)
Acquisition costs	—	—	—	(1,104)
Other, net	(328)	(60)	(588)	(174)
Gain (loss) from equity method investments in affiliates	187	—	(162)	—
Other Expenses, net	(6,188)	(4,604)	(17,693)	(12,957)
Net income before income taxes	2,166	3,209	5,851	8,127
Income tax (expense) benefit	(24)	(607)	(77)	163
Net Income	**$ 2,142**	**$ 2,602**	**$ 5,774**	**$ 8,290**
Net income attributable to non-controlling interest holders	23	38	62	145
Net Income Attributable to Controlling Shareholders	**$ 2,119**	**$ 2,564**	**$ 5,712**	**$ 8,145**
Basic earnings per common share	$ 0.06	$ 0.11	$ 0.16	$ 0.40
Diluted earnings per common share	$ 0.06	$ 0.11	$ 0.16	$ 0.40
Weighted average common shares outstanding—basic	31,221,982	21,774,411	29,046,742	19,235,121
Weighted average common shares outstanding—diluted	31,221,982	21,774,411	29,046,742	19,235,121

See accompanying notes.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(DOLLARS IN THOUSANDS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net Income	$ 2,142	$ 2,602	$ 5,774	$ 8,290
Unrealized (loss)/gain on available-for-sale securities, net of taxes benefit/(provision) of $0.0 million and $0.2 million in 2015 and $1.0 million and $(0.5) million in 2014, for the three and nine month periods respectively	(788)	(1,548)	(1,281)	690
Comprehensive income	$ 1,354	$ 1,054	$ 4,493	$ 8,980
Less: Comprehensive income attributable to non-controlling interests holders	16	8	49	157
Comprehensive Income Attributable to Controlling Shareholders	**$ 1,338**	**$ 1,046**	**$ 4,444**	**$ 8,823**

See accompanying notes.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS)
(UNAUDITED)

	Nine Months Ended September 30,	
	2015	2014
Cash flows from operating activities		
Net income	$ 5,774	$ 8,290
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,716	1,814
Equity-based compensation	7,728	3,627
Loss from equity method investment in affiliates	162	—
Gain on sale of financing receivables and investments	(5,069)	(3,755)
Changes in financing receivables held-for-sale	15,019	16,756
Changes in accounts payable and accrued expenses	119	(2,956)
Other	(4,652)	(198)
Net cash provided by operating activities	21,797	23,578
Cash flows from investing activities		
Purchases of financing receivables	(222,823)	(123,794)
Principal collections from financing receivables	59,188	44,997
Proceeds from sales of financing receivables	57,995	22,428
Purchases of investments	(21,190)	(7,753)
Principal collections from investments	8,792	1,489
Proceeds from sales of investments	10,794	59,154
Acquisition of businesses, net of cash	—	(106,572)
Purchases of real estate	(42,007)	(14,475)
Investments in equity method affiliate, net	(42,633)	—
Distributions received from equity method affiliates	21,095	—
Change in restricted cash	(2,427)	42,601
Other	(692)	21
Net cash used in investing activities	(173,908)	(81,904)
Cash flows from financing activities		
Proceeds from credit facility	236,786	158,000
Principal payments on credit facility	(174,555)	(22,481)
Proceeds from nonrecourse debt	112,126	—
Principal payments on nonrecourse debt	(38,419)	(48,050)
Payments on deferred funding obligations	(65,869)	(57,553)
Net proceeds of common stock issuances	81,546	70,370
Payments of dividends and distributions	(23,062)	(8,786)
Other	(3,961)	(4,107)
Net cash provided by financing activities	124,592	87,393
(Decrease) increase in cash and cash equivalents	(27,519)	29,067
Cash and cash equivalents at beginning of period	58,199	31,846
Cash and cash equivalents at end of period	$ 30,680	$ 60,913
Interest paid	$ 18,545	$ 10,058

See accompanying notes.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

September 30, 2015

1. The Company

Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("the Company") provides debt and equity to the energy efficiency and renewable energy markets. The Company and its subsidiaries are hereafter referred to as "we," "us," or "our." We refer to the financings that we hold on our balance sheet as our "Portfolio." Our Portfolio may include:

- Financing Receivables, such as project loans, receivables and direct financing leases,
- Investments, such as debt and equity securities,
- Real Estate, such as land or other physical assets and related intangible assets used in renewable energy projects, and
- Equity Investments in unconsolidated affiliates, such as projects where we hold a non-consolidated equity interest in a project.

We finance our business through cash on hand, borrowings under our credit facility, and various asset-backed securitization transactions and equity issuances. We also generate fee income through asset-backed securitizations, by providing broker/dealer services and by servicing assets owned by third parties. Some of our subsidiaries are special purpose entities that are formed for specific operations associated with financing sustainable infrastructure receivables for specific long term contracts.

In April 2013, we completed our initial public offering ("IPO"). Concurrently with the IPO, we completed a series of transactions, which are referred to as the formation transactions that resulted in Hannon Armstrong Capital, LLC (the "Predecessor"), the entity that operated the historical business prior to the consummation of the IPO, becoming our subsidiary. Our common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "HASI." See Note 11 for a summary of our public offerings of common stock.

We elected and qualified as a REIT for U.S. federal income tax purposes commencing with our taxable year ended December 31, 2013. We generally will not be subject to U.S. federal income taxes on our taxable income to the extent that we annually distribute all of our taxable income to stockholders and maintain our qualification as a REIT. We operate our business through, and serve as the sole general partner of, our operating partnership subsidiary, Hannon Armstrong Sustainable Infrastructure, L.P, (the "Operating Partnership"), which was formed to acquire and directly or indirectly own the Company's assets. We also intend to operate our business in a manner that will continue to permit us to maintain our exception from registration as an investment company under the 1940 Act.

Real Estate Acquisitions

In May 2014, we entered into a Unit Purchase Agreement (the "Purchase Agreement") to acquire all of the outstanding member interests in AWCC from Northwharf Nominees Limited, DBD AWCC LLC, NGP Energy Technology Partners II, L.P. and C.C. Hinckley Company, LLC in exchange for approximately $107 million (the "Purchase Price"), which we funded with our cash on hand and availability under our credit facilities.

Since the AWCC acquisition that was accounted for as a business combination, we have completed several smaller transactions that were also accounted for as business combinations for additional consideration of approximately $19 million, which we funded with our cash on hand and availability under our existing credit facilities.

We incurred approximately $2.5 million of acquisition related costs in connection with these transactions, which we have previously expensed as acquisition costs in our 2014 consolidated statement of operations We recorded the acquired assets (including real estate related intangibles) at fair value. We did not assume any indebtedness in connection with these transactions. We used a qualified appraiser to assist us with the determination of the fair value estimates for the majority of these assets.

The purchase price allocation for these business combinations, which reflects our estimates of the fair value of the assets acquired, is as follows (dollars in millions, unaudited):

Financing receivables	$ 37
Real estate	67
Real estate related intangibles	20
Goodwill	2
Purchase Price	**$126**

The unaudited pro forma summary below presents the consolidated results of operations, as if the acquisition was completed on January 1, 2013. The pro forma information is not necessarily indicative of what our actual results of operations would have been for the period, nor does it purport to represent our estimate of future results of operations.

	For the nine months ended September 30, 2014
	(dollars in millions, unaudited)
Pro forma net investment revenue	$ 24
Pro forma net income	$ 10

Investments in Equity Method Affiliates

We have made several investments in wind projects through limited liability entities with an affiliate of JPMorgan Chase & Co (“JPMorgan”) and with Bluestem Creston Ridge, LLC (“Bluestem”) to purchase and hold minority interests in various wind projects operated by various wind energy companies. Through these arrangements, we indirectly own minority interests in five limited liability holding companies that own ten operating wind projects and one wind project that is under construction, which is expected to reach commercial operations in the fourth quarter of 2015. The following table sets forth certain information related to our equity method investments.

Date	Transaction	Investment (dollars in millions)	Partner
October 2014	Strong Upwind Holdings I, LLC	$ 141	JPMorgan
April 2015	Strong Upwind Holdings II, LLC	$ 36	JPMorgan
August 2015	Creston Ridge Management, LLC	$ 10	Bluestem

In June 2015, JPMorgan and one of the holding companies entered into an agreement regarding the treatment of certain tax matters that had the impact of reducing our expected future cash flows from that holding company. To offset this reduction in our future cash flows, in June 2015, JPMorgan paid us approximately $3 million, which effectively reduced our original investment from $144 million to $141 million in Strong Upwind Holdings I, LLC.

See Note 2 for our accounting treatment of these investments and Note 13 for the financial position and results of operations of the holding companies.

2. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements reflect all normal and recurring adjustments that, in the opinion of management, are necessary for a fair presentation of the financial position, results of operations,

comprehensive income and cash flows for the periods presented. The preparation of financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the entire year. Certain information and footnote disclosures normally included in our annual consolidated financial statements have been condensed or omitted. Certain amounts in the prior year have been reclassified to conform to the current year presentation.

The condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries, including the Operating Partnership. All significant intercompany transactions and balances have been eliminated in consolidation.

Following the guidance for non-controlling interests in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 810, *Consolidation*, references in this report to our earnings per share and our net income and shareholders' equity attributable to common shareholders do not include amounts attributable to non-controlling interests.

Financing Receivables

Financing receivables include financing energy efficiency and renewable energy project loans, receivables and direct financing leases.

Unless otherwise noted, we generally have the ability and intent to hold our financing receivables for the foreseeable future and thus they are classified as held for investment. Our ability and intent to hold certain financing receivables may change from time to time depending on a number of factors, including economic, liquidity and capital conditions. The carrying value of financing receivables held for investment represents the present value of the note, lease or other payments, net of any unearned fee income, which is recognized as income over the term of the note or lease using the effective interest method. Financing receivables that are held for investment are carried, unless deemed impaired, at cost, net of any unamortized acquisition premiums or discounts and include origination and acquisition costs, as applicable. Financing receivables that we intend to sell in the short-term are classified as held-for-sale and are carried at the lower of amortized cost or fair value on our balance sheet. The net purchases and proceeds from these sales of our held-for-sale financing receivables are recorded as an operating activity in our statement of cash flows based on our intent at the time of purchase. We may secure nonrecourse debt with the proceeds from our financing receivables.

We evaluate our financing receivables for potential delinquency or impairment on at least a quarterly basis and more frequently when economic or other conditions warrant such an evaluation. When a financing receivable becomes 90 days or more past due, and if we otherwise do not expect the debtor to be able to service all of its debt or other obligations, we will generally consider the financing receivable delinquent or impaired and place the financing receivable on non-accrual status and cease recognizing income from that financing receivable until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a financing receivable's status significantly improves regarding the debtor's ability to service the debt or other obligations, we will remove it from non-accrual status.

A financing receivable is also considered impaired as of the date when, based on current information and events, it is determined that it is probable that we will be unable to collect all amounts due in accordance with the original contracted terms. Many of our financing receivables are secured by energy efficiency and renewable energy infrastructure projects. Accordingly, we regularly evaluate the extent and impact of any credit deterioration associated with the performance and value of the underlying project, as well as the financial and operating capability of the borrower, its sponsors or the obligor as well as any guarantors. We consider a number of qualitative and quantitative factors in our assessment, including, as appropriate, a project's operating results, loan-to-value ratios and any cash reserves, the ability of expected cash from operations to cover the cash flow requirements currently and into the future, key terms of the transaction, the ability of the borrower to refinance the transaction, other credit support from the sponsor or guarantor and the project's collateral value. In addition, we consider the overall economic environment, the sustainable infrastructure sector, the effect of local, industry, and broader economic factors, the impact of any variation in weather and the historical and anticipated trends in interest rates, defaults and loss severities for similar transactions.

If a financing receivable is considered to be impaired, we record an allowance to reduce the carrying value of the financing receivable to the present value of expected future cash flows discounted at the financing receivable's contractual effective rate or the amount realizable from other contractual terms such as the currently estimated fair market value of the collateral less estimated selling costs, if repayment is expected solely from the collateral. We charge off financing receivables against the allowance when we determine the unpaid principal balance is uncollectible, net of recovered amounts.

Investments

Investments include debt securities that meet the criteria of ASC 320,*Investments—Debt and Equity Securities*. As a result of the sale of certain debt securities previously designated as held-to-maturity in 2014, we have designated our debt securities as available-for-sale and will carry these securities at fair value on our balance sheet from that date. Unrealized gains and losses, to the extent not considered other than temporary impairment ("OTTI"), on available-for-sale debt securities are recorded as a component of accumulated other comprehensive income ("OCI") in equity on our balance sheet.

We evaluate our investments for OTTI on at least a quarterly basis, and more frequently when economic or market conditions warrant such an evaluation. Our OTTI assessment is a subjective process requiring the use of judgments and assumptions. Accordingly, we regularly evaluate the extent and impact of any credit deterioration associated with the financial and operating performance and value of the underlying project. We consider a number of qualitative and quantitative factors in our assessment. We first consider the current fair value of the security and the duration of any unrealized loss. Other factors considered include changes in the credit rating, performance of the underlying project, key terms of the transaction and support provided by the sponsor or guarantor.

To the extent that we have identified an OTTI for a security and intend to hold the investment to maturity and we do not expect that we will be required to sell the security prior to recovery of the amortized cost basis, we recognize only the credit component of OTTI in earnings. We determine the credit component using the difference between the securities' amortized cost basis and the present value of its expected future cash flows, discounted using the effective interest method or its estimated collateral value. Any remaining unrealized loss due to factors other than credit, or the non-credit component, is recorded in accumulated OCI.

To the extent we hold investments with an OTTI and if we have made the decision to sell the security or it is more likely than not that we will be required to sell the security prior to recovery of its amortized cost basis, we recognize the entire portion of the impairment in earnings.

Premiums or discounts on investment securities are amortized or accreted into investment interest income using the effective interest method.

Real Estate

Real estate reflects land or other real estate held on our balance sheet. Real estate intangibles reflect the value of associated lease intangibles, net of any amortization. In accordance with ASC 805, *Business Combinations*, the fair value of the real estate acquired in a business combination with in-place leases is allocated to (i) the acquired tangible assets, consisting of land or other real property such as buildings, and (ii) the identified intangible assets and liabilities, consisting of the value of above-market and below-market leases and the value of other acquired intangible assets, based in each case on their fair values.

The fair value of the tangible assets of an acquired leased property is determined by valuing the property as if it were vacant, and the "as-if-vacant" value is then allocated to land, building and tenant improvements, if any, based on the determination of the fair values of these assets. The as-if-vacant fair value of a property is determined by management based on an appraisal of the property by a qualified appraiser.

In allocating the fair value of the identified intangible assets and liabilities of an acquired property, above-market and below-market in-place lease values are recorded as intangible assets based on the present value (using an interest rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases, and (ii) management's estimate of fair market lease rates for the corresponding in-place leases, measured over a period equal to the remaining term of the lease, including renewal

periods likely of being exercised by the lessee. The capitalized above-market lease values are amortized as a reduction of rental income and the capitalized below-market lease values are amortized as an increase to rental income. We also record, as appropriate, an intangible asset for in-place leases. The value of the leases in place at the time of the transaction is equal to the potential revenue (rent and expenses) lost if the leases were not in place (during downtime) and that would be incurred to obtain the lease. The amortization is calculated over the initial term unless management believes that it is likely that the tenant would exercise the renewal option, whereby we would amortize the value attributable to the renewal over the renewal period. If a lease were to be terminated, all unamortized amounts relating to that lease would be written off.

We record the purchases of real estate, other than in a business combination (i.e. real estate with no in-places leases), as asset acquisitions that are recorded at cost, including acquisition and closing costs.

Our real estate is generally leased to tenants on a net lease basis, whereby the tenant is responsible for all operating expenses relating to the property, generally including property taxes, insurance, maintenance, repairs and capital expenditures. Scheduled rental revenue typically varies during the lease term and thus rental income is recognized on a straight-line basis, unless there is considerable risk as to collectability, so as to produce a constant periodic rent over the term of the lease. Accrued rental income is the aggregate difference between the scheduled rents which vary during the lease term and the income recognized on a straight-line basis and is recorded in other assets. Rental expenses (if any) are charged to operations as incurred.

Securitization of Receivables

We have established various special purpose entities or securitization trusts for the purpose of securitizing certain financing receivables or other debt investments. We determined that the trusts used in securitizations are variable interest entities, as defined in ASC 810, *Consolidation*. We typically serve as primary or master servicer of these trusts; however, as the servicer, we do not have the power to make significant decisions impacting the performance of the trusts. Based on an analysis of the structure of the trusts, under U.S. GAAP, we have concluded that we are not the primary beneficiary of the trusts as we do not have power over the trusts' significant activities. Therefore, we do not consolidate these trusts in our condensed consolidated financial statements.

We account for transfers of financing receivables to these securitization trusts as sales pursuant to ASC 860 *Transfers and Servicing*, as the transferred receivables have been isolated from the transferor (i.e., put presumptively beyond the reach of the transferor and its creditors, even in bankruptcy or other receivership) and we have surrendered control over the transferred receivables. When we sell receivables in securitizations, we generally retain minor interests in the form of servicing rights and residual assets, which we refer to as securitization assets.

Gain or loss on the sale of receivables is calculated based on the excess of the proceeds received from the securitization (less any transaction costs) plus any retained interests obtained over the cost basis of the receivables sold. For retained interests, we generally estimate fair value based on the present value of future expected cash flows using our best estimates of the key assumptions of anticipated losses, prepayment rates, and current market discount rates commensurate with the risks involved.

We initially account for all separately recognized servicing assets and servicing liabilities at fair value and subsequently measure such servicing assets and liabilities using the amortization method. Servicing assets and liabilities are amortized in proportion to, and over the period of, estimated net servicing income with servicing income recognized as earned. We assess servicing assets for impairment at each reporting date. If the amortized cost of servicing assets is greater than the estimated fair value, we will recognize an impairment in net income.

Our other retained interest in securitized assets, the residual assets, are classified as available-for-sale securities and carried at fair value on the condensed consolidated balance sheets in Other Assets. We generally do not sell our residual assets. Our residual assets are evaluated for impairment in a similar manner as described under "Investments" above.

Interest income related to the residual assets is recognized using the effective interest rate method. If there is a change in expected cash flows related to the residual assets, we calculate a new yield based on the current amortized cost of the residual assets and the revised expected cash flows. This yield is used prospectively to recognize interest income.

Modifications to Debt

We evaluate any modifications to our debt in accordance with the applicable guidance in ASC 470-50*Debt-Modifications and Extinguishments*. If the debt instruments are substantially modified, the modification is accounted for in the same manner as a debt extinguishment (i.e., a major modification) and the fees paid are recognized as expense at the time of the modification. Otherwise, such fees are deferred and amortized as an adjustment of interest expense over the remaining term of the modified debt instrument using the interest method.

Cash and Cash Equivalents

Cash and cash equivalents include short-term government securities, certificates of deposit and money market funds, all of which had an original maturity of three months or less at the date of purchase. These securities are carried at their purchase price, which approximates fair value.

Restricted Cash

Restricted cash includes cash and cash equivalents set aside with certain lenders primarily to support deferred funding and other obligations outstanding at the balance sheet dates.

Variable Interest Entities and Equity Method Investment in Affiliates

We account for our investment in entities that are considered voting or variable interest entities under ASC 810. We perform an ongoing assessment to determine the primary beneficiary of each entity as required by ASC 810. See *Securitization of Receivables* above.

Substantially all of the activities of the special purpose entities that are formed for the purpose of holding our financing receivables and investments on our balance sheet are closely associated with our activities. Based on our assessment, we determined that we have power over and receive the benefits of these special purpose entities; hence, we are the primary beneficiary and should consolidate these entities under the provisions of ASC 810.

As described in Note 1, we made equity investments in various wind projects. We share in the cash flows and tax attributes according to a negotiated schedule. Our ownership interests in the transactions are structured in a typical wind partnership flip structure where we, along with other large institutional investors, if any, receive a stated preferred return consisting of a priority distribution of the project cash flows along with tax attributes. Once this preferred return is achieved, the partnership “flips” and the wind energy company which operates the project, receives the majority of the cash flows through its interest in the holding company and we, along with the other institutional investors, will have an on-going residual interest.

The limited liability entities with JPMorgan (which own the interest in the holding companies that own the wind projects) are jointly controlled with each member owning 50% of the voting stock. Based on our assessment, we have determined that these entities are voting interest entities and we have the ability to exercise influence over their operating and financial policies and as such we therefore account for such investments using the equity method.

We own directly, or indirectly as partners with JPMorgan, interests in various limited liability holding companies that own wind projects. Each of the holding companies is partially owned and operated by a wind energy company. Based on our assessment, we have determined that each of the holding companies (including the recently acquired ownership interest in the Creston Ridge Management, LLC) is a variable interest entity and that we have the ability to exercise influence over operating and financial policies of the holding companies, but we are not the primary beneficiary as we do not have the power to direct the most important decisions related to the most significant activities of the investment. Thus we do not consolidate the limited liability entities or the holding companies, but account for them using the equity method of accounting as described below. Our maximum exposure to loss associated with these entities is limited to our investment.

Under the equity method of accounting, the carrying value of our equity method investments is determined based on amounts we invested, adjusted for the equity in earnings or losses of investee allocated based on the limited liability entity agreement, less distributions received. Because the limited liability entity and holding company

agreements contain preferences with regard to cash flows from operations, capital events and liquidation, we reflect our share of profits and losses by determining the difference between our "claim on the investee's book value" at the end and the beginning of the period. This claim is calculated as the amount we would receive (or be obligated to pay) if the investee were to liquidate all of its assets at recorded amounts determined in accordance with U.S. GAAP and distribute the resulting cash to creditors and investors in accordance with their respective priorities. This method is commonly referred to as the hypothetical liquidation at book value method or ("HLBV"). Intra-company gains and losses are eliminated for an amount equal to our interest and are reflected in the share in loss from equity method investment in affiliate in the consolidated statements of operations. Cash distributions received from our equity method investments are classified as operating cash flows to the extent of cumulative HLBV earnings. Any additional cash flows are deemed to be returns of the investment and are classified as investing cash flows.

We evaluate the realization of our investment accounted for using the equity method if circumstances indicate that our investment is OTTI. OTTI impairment occurs when the estimated fair value of an investment is below the carrying value and the difference is determined to not be recoverable. This evaluation requires significant judgment regarding, but not limited to, the severity and duration of the impairment; the ability and intent to hold the securities until recovery; financial condition, liquidity, and near-term prospects of the issuer; specific events; and other factors. Based on an evaluation of our equity method investments, we determined that no impairment had occurred during the three or nine months ended September 30, 2015.

Income Taxes

We elected and qualified to be taxed as a REIT for U.S. federal income tax purposes, commencing with our taxable year ended December 31, 2013. To qualify as a REIT, we must meet a number of organizational and operational requirements, including a requirement that we currently distribute at least 90% of our net taxable income, excluding capital gains, to our shareholders. We intend to continue to meet the requirements for qualification as a REIT. As a REIT, we are not subject to U.S. federal corporate income tax on that portion of net income that is currently distributed to our owners. However, our taxable REIT subsidiaries ("TRS") will generally be subject to U.S. federal, state, and local income taxes as well as taxes of foreign jurisdictions, if any.

We account for income taxes of our TRS using the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to the differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in earnings in the period when the new rate is enacted.

We apply accounting guidance with respect to how uncertain tax positions should be recognized, measured, presented, and disclosed in the financial statements. This guidance requires the accounting and disclosure of tax positions taken or expected to be taken in the course of preparing our tax returns to determine whether the tax positions are "more likely than not" to be sustained by the applicable tax authority. We are required to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, which includes U.S. federal and certain states. We have no examinations in progress, none are expected at this time, and years 2012 through 2014 are open. As of September 30, 2015 and December 31, 2014, we had no uncertain tax positions. Our policy is to recognize interest expense and penalties related to income tax matters as a component of other expense. There were no accrued interest and penalties as of September 30, 2015 and December 31, 2014, and no interest and penalties were recognized during the three or nine months ended September 30, 2015 and 2014.

Equity-Based Compensation

At the time of completion of our IPO, we adopted our 2013 Equity Incentive Plan (the "2013 Plan"), which provides for grants of stock options, stock appreciation rights, restricted stock units, shares of restricted common stock, phantom shares, dividend equivalent rights, long-term incentive-plan units ("LTIP units") and other restricted limited partnership units issued by our Operating Partnership and other equity-based awards. From time to time, we may award unvested restricted shares as compensation to members of our senior management team, our independent directors, employees, advisors, consultants and other personnel under our 2013 Plan.

We record compensation expense for stock awards in accordance with ASC 718,*Compensation—Stock Compensation*. We record compensation expense for unvested shares that vest solely based on service conditions on a straight-line basis over the vesting period based upon the fair market value of the shares on the date of grant, adjusted for forfeitures. For awards where the vesting is contingent upon achievement of certain performance targets, compensation expense is recorded over the requisite service period (which includes the performance period) based on our estimate of the achievement of the various performance targets, adjusted for forfeitures. Our share price at the date of grant and actual performance results at the end of the performance period determine the fair value and the number of shares that will ultimately be awarded. The award earned is generally between 0% and 150% of the initial target, depending on the extent to which the performance target are met. If minimum performance targets are not attained, no awards will be made.

Earnings Per Share

We compute earnings per share of common stock in accordance with ASC 260,*Earnings Per Share*. Basic earnings per share is calculated by dividing net income attributable to controlling stockholders (after consideration of the earnings allocated to unvested shares of restricted common stock or restricted stock units) by the weighted-average number of shares of common stock outstanding during the period excluding the weighted average number of unvested shares of restricted common stock or restricted stock units ("participating securities" as defined in Note 12). Diluted earnings per share is calculated by dividing net income attributable to controlling stockholders by the weighted-average number of shares of common stock outstanding during the period plus other potentially dilutive securities. No adjustment is made for shares that are anti-dilutive during a period.

Segment Reporting

We provide and arrange debt and equity financing for sustainable infrastructure projects and report all of our activities as one business segment.

Recently Issued Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09,*Revenue from Contracts with Customers*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either the retrospective or cumulative effect transition method. The FASB proposed delaying the effective date of the standard by one year and issued a proposal that is intended to clarify and simplify the guidance. The updated standard becomes effective for us on January 1, 2018 and we expect will be first presented in our March 31, 2018, Form 10-Q. We have not yet selected a transition method, and we are currently evaluating the effect that the updated standard will have on our consolidated financial statements and related disclosures.

Debt Issuance Costs

In April 2015, the FASB issued ASU No. 2015-03,*Interest – Imputation of Interest*, which simplifies the presentation of debt issuance costs. ASU 2015-03 requires debt issuance costs related to long-term debt to be presented in the balance sheet as a reduction to the carrying amount of the related debt liability, consistent with the presentation of discounts. ASU 2015-03 is effective for fiscal years beginning after December 15, 2015, and for interim periods within those fiscal years, and is eligible for early adoption. We do not have a material amount of unamortized debt issuance costs and thus we do not believe the adoption of the new standard will have a material impact on our consolidated financial statements and related disclosures.

3. Fair Value Measurements

Fair value is defined as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value accounting guidance provides a three-level hierarchy for classifying financial instruments. The levels of inputs used to determine the fair value of our financial assets and liabilities carried on the balance sheet at fair value and for those which only

disclosure of fair value is required are characterized in accordance with the fair value hierarchy established by ASC 820, *Fair Value Measurements.* Where inputs for a financial asset or liability fall in more than one level in the fair value hierarchy, the financial asset or liability is classified in its entirety based on the lowest level input that is significant to the fair value measurement of that financial asset or liability. We use our judgment and consider factors specific to the financial assets and liabilities in determining the significance of an input to the fair value measurements. As of September 30, 2015 and December 31, 2014, only our residual assets (described in Note 5), financing receivables held-for-sale and investments available-for-sale, if any, were carried at fair value on the condensed consolidated balance sheets on a recurring basis. The three levels of the fair value hierarchy are described below:

- Level 1—Quoted prices (unadjusted) in active markets that are accessible at the measurement date.
- Level 2—Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.
- Level 3—Unobservable inputs are used when little or no market data is available.

Unless otherwise discussed below, fair value is measured using a discounted cash flow model, contractual terms and Level 3 unobservable inputs which consist of base interest rates and spreads over base rates which are based upon market observation and recent comparable transactions. An increase in these unobservable inputs would result in a lower fair value and a decline would result in a higher fair value. The financing receivables held for sale are carried at cost, which approximates fair value.

	As of September 30, 2015		
	Fair Value	Carrying Value	Level
	(dollars in millions)		
Assets			
Financing receivables	$ 788	$ 736	Level 3
Financing receivables held-for-sale	41	41	Level 3
Investments available-for-sale(1)	28	28	Level 3
Liabilities			
Credit facility	$ 378	$ 378	Level 3
Asset-backed nonrecourse notes	292	288	Level 3
Other nonrecourse debt	119	105	Level 3

(1) The amortized cost of our investments available-for-sale as of September 30, 2015, was $29 million.

	As of December 31, 2014		
	Fair Value	Carrying Value	Level
	(dollars in millions)		
Assets			
Financing receivables (1)	$ 598	$ 553	Level 3
Financing receivables held-for-sale	62	62	Level 3
Investments available-for-sale(2)	27	27	Level 3
Liabilities			
Credit facility	$ 316	$ 316	Level 3
Asset-backed nonrecourse notes	208	208	Level 3
Other nonrecourse debt	127	113	Level 3

(1) An allowance for loan losses of $1.2 million was included in the carrying value of the financing receivables as of December 31, 2014. There was no allowance for loan losses outstanding as of September 30, 2015.
(2) The amortized cost of our investments available-for-sale as of December 31, 2014, was $27 million.

Investments

During 2014 as part of our portfolio management process, we sold an investment designated as held-to-maturity. As a result, we have transferred all of our remaining investments in debt securities to investments available-for-sale at fair value. The following table reconciles the beginning and ending balances for our Level 3 investments that are carried at fair value following the transfer of our investments to available-for-sale:

	For the three months ended September 30,		For the nine months ended September 30,	
	2015	2014	2015	2014
	(dollars in millions)			
Balance, beginning of period	**$ 28.5**	**$ 67.6**	**$ 27.3**	**$ —**
Transfers to / purchases of available-for-sale debt securities	0.7	—	21.2	83.5
Payments on available-for-sale debt securities	(0.2)	—	(8.8)	—
Sale of available-for-sale debt securities	—	(22.9)	(10.8)	(43.6)
Gains on debt securities transferred to available for sale	—	—	—	5.0
Gains on debt securities recorded in earnings	—	—	0.8	—
Losses on debt securities recorded in OCI	(0.8)	(1.3)	(1.5)	(1.5)
Balance, end of period	**$ 28.2**	**$ 43.4**	**$ 28.2**	**$ 43.4**

For investments held at fair value, we used a range of interest rate spreads of 3% to 5% based upon comparable transactions.

Non-recurring Fair Value Measurements

Our financial statements may include non-recurring fair value measurements related to acquisitions, if any. Assets acquired in a business combination are recorded at their fair value. We use third party valuation firms to assist us with developing our estimates of fair value. These valuations are prepared using Level 3 inputs.

Concentration of Credit Risk

Financing receivables, investments and leases consist of primarily U.S. federal government-backed receivables, investment grade state and local government receivables and receivables from various sustainable infrastructure projects and do not, in our view, represent a significant concentration of credit risk. See Note 6 for an analysis by type of obligor. We had cash deposits that are subject to credit risk as shown below:

	September 30, 2015	December 31, 2014
	(dollars in millions)	
Cash Deposits (including restricted cash)	$ 45	$ 70
Amount of Cash Deposits in excess of amounts federally insured	$ 42	$ 66

4. **Non-Controlling Interest**

Non-Controlling Interest in Consolidated Entities

Units of limited partnership interests in the Operating Partnership ("OP units") that are owned by limited partners other than the Company are included in non-controlling interest on our consolidated balance sheets. As of September 30, 2015, the following OP units were issued and outstanding:

	OP Units	% of total
Held by Limited Partners	284,992	1%
Held by the Company	32,519,566	99%

The outstanding OP units held by outside limited partners are redeemable for cash, or at our option, for a like number of shares of our common stock. We exchanged 46,290 OP units held by our non-controlling interest holders for the same number of shares of our common stock during the nine months ended September 30, 2015. No OP units were exchanged for shares of common stock during the three months ended September 30, 2015. The non-controlling interest holders are generally allocated their pro rata share of income, other comprehensive income and equity transactions.

5. **Securitization of Receivables**

The following summarizes certain transactions with our securitization trusts:

	For the Nine Months Ended September 30,	
	2015	2014
	(dollars in millions)	
Gains on securitizations	$ 6	$ 7
Purchase of receivables securitized	$ 219	$ 202
Proceeds from securitizations	$ 225	$ 209
Residual and servicing assets included in Other Assets	$ 9	$ 6
Cash received from residual and servicing assets	$ 1	$ 1

In connection with securitization transactions, we typically retain servicing responsibilities and residual assets. In certain instances, we receive annual servicing fees ranging from 0.05% to 0.20% of the outstanding balance. Included in other assets in our consolidated balance sheets are our servicing assets at amortized cost and our residual assets at fair value. Our residual assets are subordinate to investors' interests, and their values are subject to credit, prepayment and interest rate risks on the transferred financial assets. The investors and the securitization trusts have no recourse to our other assets for failure of debtors to pay when due. In computing gains and losses on securitizations, we use the same 8% discount rate we use for the fair value calculation of residual assets, which is determined based on a review of comparable market transactions.

As of September 30, 2015 and December 31, 2014, our managed assets totaled $2.9 billion and $2.5 billion respectively, of which $1.8 billion and $1.7 billion were securitized assets held in unconsolidated securitization trusts. There were no securitization credit losses during the three and nine months ended September 30, 2015 or 2014, and no material securitization delinquencies as of September 30, 2015 and December 31, 2014. Based on the nature of the receivables and experience-to-date, we do not currently expect to incur any credit losses on the receivables sold.

6. **Our Portfolio**

As of September 30, 2015, our Portfolio included approximately $1.1 billion of financing receivables, investments, real estate and equity method investments on our balance sheet. The financing receivables and investments are typically collateralized by contractually committed debt obligations of government entities or private high credit quality obligors and are often supported by additional forms of credit enhancement, including security interests and supplier guaranties. The real estate is typically land and related lease intangibles for long-term leases to wind and solar projects with high credit quality obligors. The equity method investments represent our minority equity investments in wind projects.

The following is an analysis of our Portfolio by type of obligor and credit quality as of September 30, 2015, with 99% of the debt and real estate portion of our Portfolio rated investment grade as shown below:

	Investment Grade					
	Government (1)	Commercial Investment Grade(2)	Commercial Non-Investment Grade (3)	Subtotal, Debt and Real Estate	Equity Method Investments(4)	Total
			(dollars in millions)			
Financing receivables	$ 328	$ 408	$ —	$ 736	$ —	$ 736
Financing receivables held-for-sale	41	—	—	41	—	41
Investments	—	15	13	28	—	28
Real estate(5)	—	155	—	155	—	155
Equity method investments	—	—	—	—	165	165
Total	**$ 369**	**$ 578**	**$ 13**	**$ 960**	**$ 165**	**$1,125**
% of Debt and Real Estate Portfolio	39%	60%	1%	100%	N/A	N/A
Average Remaining Balance(6)	$ 11	$ 10	$ 13	$ 10	$ 15	$ 11

(1) Transactions where the ultimate obligor is the U.S. federal government or state or local governments where the obligors are rated investment grade (either by an independent rating agency or based upon our internal credit analysis). This amount includes $269 million of U.S. federal government transactions and $100 million of transactions where the ultimate obligors are state or local governments. Transactions may have guaranties of energy savings from third party service providers, the majority of which are entities rated investment grade by an independent rating agency.

(2) Transactions where the projects or the ultimate obligors are commercial entities, including institutions such as hospitals or universities, that have been rated investment grade (either by an independent rating agency or based on our internal credit analysis). Of this total, $51 million of the transactions have been rated investment grade by an independent rating agency. Commercial investment grade financing receivables includes $164 million of internally rated residential solar loans where the cash flows which support our financing receivables are subordinated to the tax equity investors (whose return is largely derived from the renewable energy tax incentives) and for which we rely on certain tax related indemnities of the publicly traded residential solar provider.

(3) Transactions where the projects or the ultimate obligors are commercial entities, including institutions such as hospitals or universities, that have ratings below investment grade (either by an independent rating agency or using our internal credit analysis).

(4) Consists of minority ownership interest in operating wind projects in which we earn a preferred return.

(5) Includes the real estate and the lease intangible assets through which we receive scheduled lease payments, typically under long-term triple net lease agreements.

(6) Excludes 78 transactions each with outstanding balances that are less than $1 million and that in the aggregate total $25 million.

The components of financing receivables as of September 30, 2015 and December 31, 2014, were as follows:

	September 30, 2015	December 31, 2014
	(dollars in millions)	
Financing receivables		
Financing or minimum lease payments(1)	$ 938	$ 723
Unearned interest income	(199)	(166)
Allowance for credit losses	—	(1)
Unearned fee income, net of initial direct costs	(3)	(3)
Financing receivables(1)	**$ 736**	**$ 553**

(1) Excludes $41 million and $62 million in financing receivables held-for-sale as of September 30, 2015 and December 31, 2014, respectively.

In accordance with the terms of certain financing receivables purchase agreements, payments of the purchase price is scheduled to be made over time, generally within twelve months of entering into the transaction, and as a result, we have recorded deferred funding obligations of $78 million and $88 million as of September 30, 2015 and December 31, 2014, respectively. We had $3.0 million in restricted cash as of December 31, 2014 which was be used to pay these funding obligations. As of September 30, 2015, we did not have any cash restricted to pay deferred funding obligations.

The following table provides a summary of our anticipated maturity dates of our financing receivables and investments and the weighted average yield for each range of maturities as of September 30, 2015:

	Total	Less than 1 year	1-5 years	5-10 years	More than 10 years
			(dollars in millions)		
Financing Receivables (1)					
Payment due by period	$736	$ 0	$ 146	$ 39	$ 551
Weighted average yield by period	5.5%	— %	6.2%	5.3%	5.3%
Investments					
Payment due by period	$ 28	$ —	$ 13	$ 1	$ 14
Weighted average yield by period	4.9%	— %	5.7%	4.7%	4.4%

(1) Excludes financing receivables held-for-sale of $41 million.

Our real estate is leased to renewable energy projects, typically under long-term triple net leases with expiration dates that range between the years 2033 and 2045 under the initial terms and 2047 and 2061 if all extensions are exercised. The components of our real estate portfolio as of September 30, 2015 and December 31, 2014, were as follows:

	September 30, 2015	December 31, 2014
	(dollars in millions)	
Real Estate		
Land	$ 129	$ 91
Real estate related intangibles	27	23
Accumulated amortization of real estate intangibles	(1)	(0)
Real Estate	**$ 155**	**$ 114**

There are conservation easement agreements covering two of our properties that limit the use of the property upon expiration of the respective leases. The real estate related intangible assets are amortized on a straight-line basis over the lease term. As of September 30, 2015, the future amortization expense of these intangible assets is as follows:

Year Ending December 31,	*(dollars in millions)*
From October 1, 2015 to December 31, 2015	$ 0.2
2016	1.0
2017	1.0
2018	1.0
2019	1.0
2020	1.0
Thereafter	20.6
Total	**$ 25.8**

As of September 30, 2015, the future minimum rental income under our land lease agreements is as follows:

Year Ending December 31,	*(dollars in millions)*
From October 1, 2015 to December 31, 2015	$ 3
2016	11
2017	11
2018	11
2019	11
2020	11
Thereafter	234
Total	**$ 292**

During the nine months ended September 30, 2015, we collected the outstanding net balance of $0.8 million, on our previously disclosed estimated recovery amount carried in commercial non-investment grade financing receivables as a final recovery from the EnergySource LLC ("EnergySource") loan and therefore, we charged off the remaining loan balance of $1.2 million against the allowance of $1.2 million. There was no impact on the statement of operations for the charge off of this loan during the three and nine months ended September 30, 2015. Certain of our executive officers and directors own an indirect minority interest in EnergySource following the distribution of the Predecessor's ownership interest prior to our IPO.

We had no other financing receivables, investments or leases on nonaccrual status as of September 30, 2015 or December 31, 2014. There was no provision for credit losses for the three and nine months ended September 30, 2015 or 2014. We did not have any loan modifications that qualify as trouble debt restructurings for the three months ended September 30, 2015 or 2014.

7. Credit Facility

We have a senior secured revolving credit facility with total maximum advances of $1.5 billion following an amendment that was completed in July 2015. The terms of the credit facility are set forth in (i) the Loan Agreement (G&I), as amended (the "G&I Loan Agreement") that provides for borrowings in the principal amount of $150 million to be used to leverage certain qualifying government and institutional financings entered into by us, with maximum total advances (without giving effect to prepayments or repayments) of $450 million and (ii) the Loan Agreement (PF), as amended (the "PF Loan Agreement") that provides for borrowings in the principal amount of $350 million to be used to leverage certain qualifying project financings entered into by us, with maximum total advances (without giving effect to prepayments or repayments) of $1.05 billion. We repaid borrowings related to certain projects to enable the collateral to be used for our September 2015 asset-backed nonrecourse debt issuance, which reduced the available principal amount from $400 million to $350 million under the PF Loan Agreement. The G&I Loan Agreement and PF Loan Agreements together are referred to as the "Loan Agreements."

The scheduled termination date of each of the Loan Agreements is July 19, 2019. Loans under the G&I Loan Agreement bear interest at a rate equal to the London Interbank Offered Rate ("LIBOR") plus 1.5% or, under certain circumstances, 1.5% plus the highest of (i) the Federal Funds Rate plus 0.5%, (ii) the rate of interest publicly announced by Bank of America from time to time as its "prime rate," and (iii) LIBOR plus 1.0%. Loans under the PF Loan Agreement bear interest at a rate equal to LIBOR plus 2.5% or, under certain circumstances, 2.5% plus the highest of (i) the Federal Funds Rate plus 0.5%, (ii) the rate of interest publicly announced by Bank of America from time to time as its "prime rate," and (iii) LIBOR plus 1.0%. Under the PF Loan Agreement, we also have the option to borrow at a fixed rate of interest until the expiration of the credit facility in July 2019. The fixed rate is determined by agreement with the Administrative Agent and is based on the prevailing US SWAP rate of an equivalent term to the average-life of the fixed rate portion of the borrowing plus an agreed upon margin. The loans are made through wholly-owned special purpose subsidiaries (the "Borrowers") and we have guaranteed the obligations of the Borrowers under each of the Loan Agreements pursuant to (x) a Continuing Guaranty, dated July 19, 2013, and (y) a Limited Guaranty, dated July 19, 2013, both as amended and restated.

Any financing we propose to be included in the borrowing base as collateral under the Loan Agreements is subject to the approval of the administrative agent in its sole discretion and the payment of a placement fee. We may, with the consent of the administrative agent, borrow against new projects before such projects become Approved Financings (as defined in the PF Loan Agreement) but after they have been pledged as collateral. The amount eligible to be drawn under the Loan Agreements for purposes of financing such investments will be based on a discount to the value of each investment or an applicable valuation percentage. Under the G&I Loan Agreement, the applicable valuation percentage for non-delinquent investments is 85% in the case of a U.S. federal government obligor, 80% in the case of an institutional obligor or a state and local obligor, and with respect to other obligors or in certain circumstances, such other percentage as the administrative agent may prescribe. Under the PF Loan Agreement, the applicable valuation percentage is 67% or such other percentage as the administrative agent may prescribe. The sum of approved financings after taking into account the 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.

The following table provides additional detail on our credit facility as of September 30, 2015 and December 31, 2014:

	September 30, 2015	December 31, 2014
	(dollars in millions)	
Outstanding balance	$ 378	$ 316
Value of collateral pledged to credit facility	$ 533	$ 422
Weighted average short-term borrowing rate	2.3%	2.4%

We incurred approximately $12 million of costs associated with the Loan Agreements that have been capitalized (included in other assets on the condensed consolidated balance sheets) and will be amortized on a straight-line basis over the term of the Loan Agreements. On each monthly payment date, the Borrowers shall also pay to the administrative agent, for the benefit of the lenders, certain availability fees for each Loan Agreement equal to 0.50%, divided by 360, multiplied by the excess of the available borrowing capacity under each Loan Agreement over the actual amount borrowed under such Loan Agreement.

Each Loan Agreement contains terms, conditions, covenants, and representations and warranties that are customary and typical for a transaction of this nature. The Loan Agreements contain various affirmative and negative covenants, and limitations on the incurrence of liens and indebtedness, investments, fundamental organizational changes, dispositions, changes in the nature of business, transactions with affiliates, use of proceeds and stock repurchases.

Each Loan Agreement also includes customary events of default, including the existence of a default in more than 50% of underlying financings. The occurrence of an event of default may result in termination of the Loan Agreements, acceleration of amounts due under both Loan Agreements, and accrual of default interest at a rate of LIBOR plus 2.50% in the case of the G&I Loan Agreement and at a rate of LIBOR plus 5.00% in the case of the PF Loan Agreement.

We were in compliance with the required financial covenants described below at each quarterly reporting date that such covenants were applicable:

Covenant	Covenant Threshold
Minimum Liquidity (defined as available borrowings under the Loan Agreements plus unrestricted cash divided by actual borrowings) of greater than:	5%
12 month rolling Net Interest Margin of greater than:	zero
Maximum Debt to Equity Ratio of less than:(1)	4 to 1

(1) Debt is defined as Total Indebtedness excluding accounts payable and accrued expenses and nonrecourse debt.

8. Nonrecourse Debt

Asset-Backed Nonrecourse Debt

In September 2015, we closed a private placement securitization transaction, pursuant to which HASI SYB Trust 2015-1 (the "Issuer") issued (i) $101 million in aggregate principal amount of 4.28% HASI SYB 2015-1A, Class A Bonds (the "Class A Bonds") and (ii) $18 million in aggregate principal amount of 5.0% HASI SYB 2015-1B, Class B Bonds (the "Class B Bonds" and together with the Class A Bonds, the "Bonds"), both with an anticipated repayment date in October 2034. The Class A Bonds rank senior to the Class B Bonds in priority of payment. We retained the Class B Bonds.

The Bonds are payable from, and secured by, all assets of HASI SYB Trust 2015-1, which consist primarily of the membership interests in 22 special purpose subsidiaries owning a portfolio of real property arrangements relating to solar and wind projects. These membership interests were contributed and sold to the Issuer by one of our subsidiaries. We act as servicer for the bonds. We did not guarantee the bonds or the collectability of the cash flows of the contributed assets. We have guaranteed the performance of the representations and warranties and other obligations of certain of our subsidiaries under the transaction documents (other than the Issuer's payment obligations in respect of the Bonds) and provided an indemnify against certain losses from "bad acts" of such subsidiaries including fraud, failure to disclose a material fact, theft, misappropriation, voluntary bankruptcy or unauthorized transfers, in each case up to an aggregate amount not to exceed the outstanding balance of the Bonds plus accrued and unpaid interest with respect to the Bonds (which limitation shall not apply to environmental claims that are covered by the indemnity).

We have outstanding the following nonrecourse asset-backed debt (dollars in millions):

	Issue Date	Original Principal	Interest Rate	Maturity Date	Anticipated Balance at Maturity
HASI Sustainable Yield Bond 2013-1	December 2013	$ 100	2.79%	December 2019	$ 57
ABS Loan Agreement	October 2014	$ 115	5.74%	September 2021	$ 17
HASI Sustainable Yield Bond 2015-1	September 2015	$ 101	4.28%	October 2034	$ —

Outstanding amounts under the nonrecourse asset-backed debt agreement and the value of assets pledged as security for the loans are as follows (dollars in millions):

	Outstanding Balance as of		Value of Assets Pledged as of		
	September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014	Description of Assets Pledged
HASI Sustainable Yield Bond 2013-1	$ 84	$ 92	$ 100	$ 104	Financing receivables
ABS Loan Agreement	$ 103	$ 116	$ 121	$ 144	Equity interest in Strong Upwind Holdings I, LLC
HASI Sustainable Yield Bond 2015-1	$ 101	$ —	$ 140	$ —	Financing receivables, real estate and real estate intangibles

We have pledged the ownership interest in the relevant assets or the relevant assets themselves to bankruptcy remote entities as security for the nonrecourse debt. The assets and credit of these entities are not available to satisfy any of our other debts and obligations, except as set forth in the loan agreements. The debtors can only look to the cash flows of the pledged assets to satisfy the debt and we are not liable for nonpayment of such cash flows. The nonrecourse debt agreements contains terms, conditions, covenants, and representations and warranties that are customary and typical for a transaction of this nature, including limitations on the incurrence of liens and indebtedness, investments, fundamental organizational changes, dispositions, changes in the nature of business, transactions with affiliates, use of proceeds and stock repurchases. The agreements also include customary events of default, the occurrence of which may result in termination of the agreements, acceleration of amounts due, and accrual of default interest.

We incurred approximately $6 million of costs associated with our asset-backed nonrecourse debt that have been capitalized (included in other assets on the consolidated balance sheets) and are being amortized using the effective interest method over the respective term.

Other Nonrecourse Debt

We have other nonrecourse debt that was used to finance certain of our financing receivables for the term of the financing receivables. Amounts due under nonrecourse notes are secured by financing receivables with a carrying value of approximately $101 million and $108 million as of September 30, 2015 and December 31, 2014, respectively, and there is no recourse to our general assets. Debt service payment requirements, in a majority of cases, are equal to or less than the cash flows received from the underlying financing receivables.

Analyses of other nonrecourse debt by interest rate are as follows:

As of September 30, 2015	Balance	Maturity
	(dollars in millions)	
Fixed-rate promissory notes, interest rates from 2.26% to 5.00% per annum	$ 34	2017 to 2032
Fixed-rate promissory notes, interest rates from 5.01% to 6.50% per annum	49	2015 to 2031
Fixed-rate promissory notes, interest rates from 6.51% to 8.00% per annum	22	2015 to 2031
Other nonrecourse debt	**$ 105**	

As of December 31, 2014	Balance	Maturity
	(dollars in millions)	
Fixed-rate promissory notes, interest rates from 2.06% to 5.00% per annum	$ 32	2015 to 2032
Fixed-rate promissory notes, interest rates from 5.01% to 6.50% per annum	58	2015 to 2031
Fixed-rate promissory notes, interest rates from 6.51% to 8.00% per annum	23	2015 to 2031
Other nonrecourse debt	**$ 113**	

The stated minimum maturities of nonrecourse debt as of September 30, 2015, were as follows:

As of September 30,	Nonrecourse Debt: Asset Backed Nonrecourse Notes	Nonrecourse Debt: Other Nonrecourse Debt	Total
	(dollars in millions)		
2016	$ 22	$ 17	$ 39
2017	24	15	39
2018	25	9	34
2019	27	5	32
2020	83	4	87
Thereafter	107	55	162
	$ 288	**$ 105**	**$393**

9. Commitments and Contingencies

Litigation

The nature of our operations exposes us to the risk of claims and litigation in the normal course of our business. Other than non-material litigation arising out of the ordinary course of business, we are not currently subject to any legal proceedings that are probable of having a material adverse effect on our financial position, results of operations or cash flows.

10. Income Tax

We recorded a tax expense of less than $0.1 million for both the three and nine months ended September 30, 2015, respectively, related to the activities of our TRS. We recorded an income tax expense of $0.6 million and an income tax benefit of $0.2 million for the three and nine months ended September 30, 2014, respectively. Our income tax expenses and benefits recorded were determined using a federal rate of 35% and a combined state rate, net of federal benefit, of 5%.

11. Equity

Dividends and Distributions

Our board of directors declared the following dividends in 2014 and 2015:

Announced Date	Record Date	Pay Date	Amount per share
3/13/14	3/27/14	4/9/14	$ 0.22
6/17/14	6/27/14	7/10/14	$ 0.22
9/16/14	9/26/14	10/9/14	$ 0.22
12/8/14	12/19/14	1/9/15	$ 0.26
3/17/15	3/30/15	4/9/15	$ 0.26
6/16/15	6/30/15	7/9/15	$ 0.26
9/16/15	9/30/15	10/8/15	$ 0.26

We completed the following public offerings of common stock:

Closing Date	Shares Issued[1]	Price Per Share	Net Proceeds[2]
	(amounts in millions, except per share amounts)		
4/23/13	14.15	$ 12.50	$ 160
4/29/14	5.75	$ 13.00	$ 70
10/31/14	4.60	$ 13.60	$ 59
5/4/15	4.60	$ 18.50	$ 82
10/19/15	5.75	$ 18.00	$ 99

1 Includes shares issued in connection with the exercise of the underwriters' option to purchase additional shares.

2 Net proceeds from the offerings is shown after deducting underwriting discounts, commissions, other offering costs and, in the case of our initial public offering, formation transaction costs.

Awards of Shares of Restricted Common Stock under our 2013 Plan

We recognize equity-based compensation expense as described in Note 2 and have issued both awards with service conditions and awards with both service and performance conditions. During the nine months ended

September 30, 2015, our board of directors awarded employees and directors 196,517 shares of restricted common stock that vest in 2015 to 2019 and 390,131 shares of restricted common stock to certain employees that vest upon the achievement of certain performance targets. As of September 30, 2015, we have concluded that it is probable that the performance conditions will be met.

For the three and nine months ended September 30, 2015, we recorded $2.7 million and $7.7 million respectively, of equity-based compensation expense as compared to $1.7 million and $3.6 million, respectively, for the three and nine months ended September 30, 2014. The total unrecognized compensation expense related to awards of shares of restricted common stock was $11.8 million as of September 30, 2015, that is expected to be recognized over a weighted-average term of approximately two years. The calculation of the equity-based compensation expense assumes a forfeiture rate up to 5%.

A summary of the unvested shares of restricted common stock that have been issued is as follows:

	Restricted Shares of Common Stock	Weighted Average Share Price	Value (in millions)
Balance — December 31, 2013	**598,815**	**$ 12.50**	**$ 7.5**
Granted	529,100	14.18	7.5
Vested	(149,709)	12.50	(1.9)
Forfeited	(13,386)	12.99	(0.2)
Balance — December 31, 2014	**964,820**	**$ 13.41**	**$ 12.9**
Granted	586,648	17.29	10.2
Vested	(235,774)	13.16	(3.1)
Forfeited	(18,110)	15.54	(0.3)
Ending Balance — September 30, 2015	**1,297,584**	**$ 15.18**	**$ 19.7**

12. Earnings per Share of Common Stock

Both the net income or loss attributable to the non-controlling OP units and the non-controlling limited partners' outstanding OP units have been excluded from the net of income or loss and the diluted earnings per share calculation attributable to common stockholders.

Unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and are included in the computation of earnings per share pursuant to the two-class method. Any shares of common stock which, if included in the diluted earnings per share calculation, would have an anti-dilutive effect have been excluded from the diluted earnings per share calculation.

The computation of basic and diluted earnings per common share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Numerator:	**2015**	**2014**	**2015**	**2014**
	(in thousands, except share and per share data)			
Net income attributable to controlling shareholders and participating securities	$ 2,119	$ 2,564	$ 5,712	$ 8,145
Less: Dividends paid on participating securities	(321)	(203)	(1,012)	(534)
Undistributed earnings attributable to participating securities	—	—	—	—
Net income attributable to controlling shareholders	**$ 1,798**	**$ 2,361**	**$ 4,700**	**$ 7,611**
Denominator:				
Weighted-average number of common shares — basic	31,221,982	21,774,411	29,046,742	19,235,121
Weighted-average number of common shares — diluted	31,221,982	21,774,411	29,046,742	19,235,121
Basic earnings per common share	**$ 0.06**	**$ 0.11**	**$ 0.16**	**$ 0.40**
Diluted earnings per common share	**$ 0.06**	**$ 0.11**	**$ 0.16**	**$ 0.40**
Other Information:				
Weighted-average number of OP units	**284,992**	**332,852**	**298,218**	**346,479**
Unvested restricted common stock outstanding			**1,297,584**	**973,520**

13. Equity Method Investments in Affiliate

Strong Upwind

As described in Notes 1 and 2, we have noncontrolling equity investments in entities that own minority interests in wind projects. We account for our investments using the equity method of accounting and have elected to recognize earnings from these investments one quarter in arrears to allow for the receipt of financial information. During the three and nine months ended September 30, 2015, we recognized a gain of $0.2 million and a loss of $0.2 million, respectively, from our equity method investments.

The following is a summary of the consolidated financial position and results of operations of the significant holding companies, accounted for using the equity method:

	As of and for the six months ended June 30, 2015	As of and for the year ended December 31, 2014
	(dollars in millions, unaudited)	
Current Assets	$ 57	$ 62
Total Assets	$ 1,450	$ 1,501
Current Liabilities	$ 13	$ 18
Total Liabilities	$ 61	$ 66
Members' Equity	$ 1,389	$ 1,435
Revenue	$ 77	$ 154
Income from Continuing Operations	$ 21	$ 44
Net Income	$ 21	$ 44

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

In this Form 10-Q, unless specifically stated otherwise or the context otherwise indicates, references to "we," "our," "us," and "HASI" refer to Hannon Armstrong Sustainable Infrastructure Capital, Inc., a Maryland corporation, Hannon Armstrong Sustainable Infrastructure, L.P., and any of our other subsidiaries. Hannon Armstrong Sustainable Infrastructure, L.P. is a Delaware limited partnership of which we are the sole general partner and to which we refer in this Form 10-Q as our "Operating Partnership."

Hannon Armstrong Capital, LLC, a Maryland limited liability company, the entity that operated our historical business prior to the consummation of our IPO and which we refer to as the "Predecessor," became our subsidiary upon consummation of our IPO. The financial data for the Predecessor for such periods do not reflect the material changes to the business as a result of the capital raised in the IPO including the broadened types of projects undertaken, the enhanced financial structuring flexibility and the ability to retain a larger share of the economics from the origination activities. Accordingly, the financial data for the Predecessor is not necessarily indicative of our results of operations, cash flows or financial position following the completion of the IPO.

The following discussion is a supplement to and should be read in conjunction with the accompanying condensed consolidated financial statements and related notes and with our 2014 Form 10-K, that was filed with the SEC.

Our Business

We provide debt and equity financing to the energy efficiency and renewable energy markets. We focus on providing preferred or senior level capital to established sponsors and high credit quality obligors for assets that generate long-term, recurring and predictable cash flows.

Our management team has extensive industry knowledge and experience having completed its first renewable energy financing over 25 years ago and its first energy efficiency financing over 15 years ago. We have deep and long-standing relationships in the markets we target with leading energy service providers, manufacturers, project developers and owners. We originate many of our transactions through programmatic finance relationships with global energy service companies ("ESCOs"), such as Honeywell International, Ingersoll-Rand, Johnson Controls, Schneider Electric, Siemens and United Technologies. We also originate transactions with renewable energy manufacturers, developers and operators such as SunPower, a group of public companies who own and operate renewable energy projects, referred to as YieldCos and a number of U.S. utility companies. Additionally, we rely on relationships with a variety of key financial participants, including institutional investors, private equity funds, senior lenders, and investment and commercial banks, as well as leading intermediaries, to complement our origination and financing activities. We believe we are the leading provider of financing for energy efficiency projects for the U.S. federal government, the largest property owner and energy user in the United States.

We focus our investment activities primarily on:

- *Energy Efficiency Projects*: projects, typically undertaken by ESCOs, which reduce a building's or facility's energy usage or cost by improving or installing various building components, including heating, ventilation and air conditioning systems ("HVAC systems"), lighting, energy controls, roofs, windows, building shells, and/or combined heat and power systems; and
- *Renewable Energy Projects*: projects that deploy cleaner energy sources, such as solar and wind to generate power production.

We may also provide financing solutions for other projects, such as water or communications infrastructure, that improve water or energy efficiency, increase energy system resiliency, positively impact the environment or more efficiently use natural resources.

Our goal is to invest in assets that generate long-term, recurring and predictable cash flows or cost savings that will be more than adequate to deliver attractive risk-adjusted returns to our stockholders. The cash flows or cost savings are generally generated from proven technologies that minimize performance uncertainty, enabling us to

more accurately predict project cash flow over the term of the financing or investment. We provide capital through debt financings and a variety of preferred and common equity structures with a preference for structures in which we hold a senior or preferred position in the capital structure.

In April 2013, we completed our IPO, raising net proceeds of approximately $160 million. We have raised approximately $310 million in net proceeds in follow on public offerings, including $99 million in a follow on public offering completed in October 2015. Our strategy in undertaking the public offerings was to expand our proven ability to serve our rapidly growing markets by increasing our capital resources, enhancing our financial structuring flexibility, expanding the types of projects and end-customers we pursue, and selectively retaining a larger portion of the economics in the assets in which we invest. Prior to our IPO, we had traditionally financed our business by accessing the securitization market, primarily utilizing our relationships with institutional investors such as insurance companies and commercial banks. By utilizing the net proceeds from our offerings and our financing strategies, we hold a significantly larger portion of the assets we originate on our balance sheet, using our own capital in conjunction with both securitizations and other borrowings. For further information on our public equity offerings, see Note 11 to our financial statements in Item 1 of this Form 10-Q.

As a result of this strategy, we have seen, and expect to see, in comparison to historical periods, a larger portion of our total revenue derived from net investment revenue and other recurring and predictable revenue sources. While our investment interest expense has increased and we expect it to continue to increase, our net investment revenue, which represents the margin, or the difference between investment revenue and investment interest expense, has increased and we expect it to continue to increase as a result of our debt to equity mix, growth in the overall amount of our investments and the returns we achieve on individual assets.

We completed approximately $595 million of transactions during the nine months ended September 30, 2015, compared to approximately $503 million in the same period in 2014. We completed approximately $140 million of transactions during the quarter ended September 30, 2015, approximately 51% of which were added to our balance sheet and 49% were securitized or syndicated. We refer to the transactions that we hold on our balance sheet as our “Portfolio.” Our Portfolio, as of September 30, 2015, was approximately $1.1 billion and included:

- Financing Receivables, such as project loans, receivables and direct financing leases,
- Debt securities,
- Real Estate, such as land or other physical assets and related intangible assets used in sustainable infrastructure projects, and
- Equity Investments in unconsolidated affiliates, such as projects where we hold a non-controlling equity interest in a project.

In our securitization transactions, we transfer the transactions we originate to securitization trusts or other bankruptcy remote special purpose funding vehicles including to the Hannon Armstrong Multi-Asset Infrastructure Trust, or Hannie Mae. Large institutional investors, primarily insurance companies and commercial banks, historically provided the financing needed for a project by purchasing the notes issued by the trust or vehicle. The securitization market for the assets we finance remained active throughout the financial crisis due to investor demand for high credit quality, long-term investments. We typically arranged such securitizations of loans or other assets prior to originating the transaction and thus have avoided exposure to credit spread and interest rate risks that are normally associated with traditional capital markets conduit transactions. Additionally, we have typically avoided funding risks for these loans or other assets given that our securitization partners contractually agree to fund such assets before the origination transaction is completed.

In most cases, the transfer of loans or other assets to non-consolidated securitization trusts qualify as sales for accounting purposes. In these transactions, we record income as a gain on sale of receivables and investments. We also typically manage and service these assets in exchange for fees and other payments, which we record as fee income on our statement of operations. We may periodically provide other services, including arranging financings that are held on the balance sheet of other investors and advising various companies with respect to structuring investments.

We managed approximately $2.9 billion of assets, which consisted of our Portfolio less our financing receivables held-for-sale plus approximately $1.8 billion of assets held in non-consolidated securitization trusts. We refer to this $2.9 billion of assets collectively as our managed assets. For more information on the assets included in our Portfolio, see the "Our Portfolio" section of Financial Condition and Results of Operation discussed below.

We have a large and active pipeline of potential new opportunities that are in various stages of our underwriting process. We refer to potential opportunities as being part of our pipeline if we have determined that the project fits within our investment strategy and exhibits the appropriate risk/reward characteristics through an initial credit analysis, including a quantitative and qualitative assessment of the opportunity, as well as research on the market and sponsor. Our pipeline of transactions that could potentially close over the next year consists of opportunities in which we will be the lead originator, as well as projects in which we may participate with other institutional investors. As of September 30, 2015, our pipeline consisted of more than $2.5 billion in new debt and equity opportunities. There can, however, be no assurance that any or all of the transactions in our pipeline will be completed.

Factors Impacting our Operating Results

We expect that our results of operations will be affected by a number of factors and will primarily depend on the size of our Portfolio, including the mix of transactions which we hold in our Portfolio, the income we receive from securitizations, syndications and other services, our Portfolio's credit risk profile, changes in market interest rates, commodity prices, U.S. federal, state and/or municipal governmental policies, general market conditions in local, regional and national economies and our ability to qualify as a REIT and maintain our exception from registration as an investment company under the 1940 Act.

We have elected to qualify, and operate our business so as to qualify, to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") commencing with our taxable year ended December 31, 2013. We believe that we have been organized and operated, and we intend to continue to operate, in such a manner so as to qualify for taxation as a REIT under the Internal Revenue Code. Qualification and taxation as a REIT depends on our ability to satisfy, among other requirements, certain asset and income tests, some of which depend upon the classification of at least 75% of the "fair market value" of our assets as real estate assets under the Internal Revenue Code. In May 2014, the United States Department of the Treasury published proposed regulations which, if adopted in the form proposed, would revise the definition of "real property" for purposes of the REIT income and asset tests. The proposed regulations are not yet in effect, and, depending upon whether and in what form they are actually adopted and how if adopted they are interpreted, may affect the classification of certain of our assets under these tests, and thus could require us to alter our mix of assets, adjust our approach to qualifying as a REIT or adjust our business strategy. The proposed regulations are proposed to be effective for calendar quarters beginning after they are published in final form. The Treasury has not indicated whether or when the proposed regulations will be finalized.

In order for us to continue to qualify as a REIT under the Internal Revenue Code, shares of our stock must be owned by 100 or more persons during at least 335 days of a taxable year of 12 months. Also, not more than 50% of the value of the outstanding shares of our stock may be owned, directly or constructively, by five or fewer individuals (as defined in the Internal Revenue Code to include certain entities) during the last half of a taxable year. To assist us in preserving our REIT qualification, among other purposes, our charter generally prohibits any person from directly or indirectly owning more than 9.8% in value or in number of shares, whichever is more restrictive, of the aggregate outstanding shares of our capital stock, the outstanding shares of any class or series of our preferred stock or the outstanding shares of our common stock. Our board of directors has established an exception from these ownership limits in our charter which permits a certain institutional investor and its clients to collectively hold up to 15% of our common stock.

Critical Accounting Policies and Use of Estimates

Our financial statements are prepared in accordance with U.S. GAAP, which requires the use of estimates and assumptions that involve the exercise of judgment and use of assumptions as to future uncertainties. Understanding our accounting policies and the extent to which we use management judgment and estimates in applying these policies is integral to understanding our financial statements. We provide a summary of our significant accounting policies under Note 2 in our 2014 Form 10-K and under Note 2 in Item 1 of this Form 10-Q.

We have identified the following accounting policies as critical because they require significant judgments and assumptions about highly complex and inherently uncertain matters and the use of reasonably different estimates and assumptions could have a material impact on our reported results of operations or financial condition. These critical accounting policies govern:

- Financing receivables and the related accounting for allowance for credit losses and impairments
- Investments and the related accounting for impairments
- Real estate
- Securitization of receivables
- Valuation of financial instruments
- Variable interest entities and equity method investments in affiliates
- Revenue recognition
- Income taxes
- Equity-based compensation
- Earnings per share

We evaluate our critical accounting estimates and judgments on an ongoing basis and update them, as necessary, based on changing conditions.

We provide additional information on our critical accounting policies and use of estimates under "MD&A—Critical Accounting Policies and Use of Estimates" in our 2014 Form 10-K.

Financial Condition and Results of Operation

Our Portfolio

As of September 30, 2015, our Portfolio was approximately $1.1 billion. Approximately 65% of our Portfolio consisted of fixed rate loans, financing receivables, direct financing leases or debt securities, approximately 6% consisted of floating rate debt, approximately 14% was real estate investments with long-term leases and approximately 15% represented minority ownership of wind projects in eleven wind projects. We own more than 14,000 acres of land that are under long-term lease agreements with over 25 solar projects, which we have recorded in our financial statements as real estate and real estate intangibles, and the rights to payments from land leases for a diversified portfolio of over 50 wind projects, which we have recorded in our financial statements as financing receivables.

Excluding our equity investments, approximately 39% of our Portfolio consisted of U.S. federal government or state or local government obligors, approximately 60% consisted of investment grade commercial obligations and 1% consisted of non-investment grade rated commercial obligations, in all cases rated either by an independent third party rating service or our internal credit rating system. Our Portfolio, as of September 30, 2015, consists of over 100 transactions of greater than $1 million with an average transaction size of approximately $11 million and a weighted average remaining life (excluding match-funded transactions) of approximately 13 years. For further information on our Portfolio, see Notes 1 and 6 to our financial statements in Item 1 of this Form 10-Q.

The table below provides details on the interest rate and maturity of our financing receivables and investments as of September 30, 2015:

	Balance in Millions	Maturity
Financing receivables:		
Floating-rate financing receivables, interest rates of 5.78% per annum	$ 73	2020
Fixed-rate financing receivables, interest rates from 1.52% to 5.00% per annum	281	2017 to 2039
Fixed-rate financing receivables, interest rates from 5.01% to 6.50% per annum	169	2015 to 2038
Fixed-rate financing receivables, interest rates from 6.51% to 9.62% per annum	213	2015 to 2069
	736	
Allowance for credit losses	—	
Financing receivables, net of allowance	736	
Financing receivables held for sale, interest rate of 3.99% per annum	41	2031
Fixed-rate investment in debt securities, interest rates of 4.30% to 5.75% per annum	28	2017 to 2035
Total Financing Receivables and Investments	**$ 805**	

The table below presents, for each major category of our Portfolio (excluding our equity method investment) and our interest-bearing liabilities, the average outstanding balances, investment income earned or interest expense incurred, and average yield or cost. Our net investment margin represents the difference between the yield on our portfolio (including our rental income) and the cost of our interest-bearing liabilities, including the impact of non-interest bearing funding, primarily equity. This analysis excludes the debt related to the equity investment in the wind projects because our earnings on the equity investment in the wind projects are not included in investment revenue.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(dollars in millions)			
Interest Income, Financing receivables	$ 10.1	$ 6.2	$ 26.6	$ 16.1
Average monthly balance of financing receivables	$ 746	$ 460	$ 666	$ 405
Average interest rate from financing receivables	5.4%	5.4%	5.3%	5.3%
Interest Income, Investments	$ 0.4	$ 0.8	$ 1.1	$ 3.3
Average monthly balance of investments	$ 29	$ 61	$ 27	$ 78
Average interest rate of investments	5.0%	5.4%	5.4%	5.6%
Rental Income	$ 2.0	$ 1.2	$ 6.6	$ 1.6
Average monthly balance of real estate	$ 153	$ 81	$ 135	$ 36
Average yield on real estate	5.2%	5.8%	6.5%	6.0%
Average monthly balance of Portfolio	$ 928	$ 602	$ 829	$ 518
Average yield from Portfolio	5.4%	5.5%	5.5%	5.4%
Investment interest expense (1)	$ 5.1	$ 4.0	$ 13.9	$ 11.2
Average monthly balance of debt (1)	$ 625	$ 404	$ 556	$ 368
Average interest rate from debt	3.3%	3.9%	3.3%	4.1%
Average interest spread	2.1%	1.6%	2.2%	1.3%
Net investment margin	3.2%	2.8%	3.3%	2.5%

(1) Excludes the nonrecourse debt used to finance the equity investments in the wind projects because our earnings from the equity investments in the wind projects are not included in investment revenue.

The following table provides a summary of our anticipated principal repayments for our financing receivables and investments as of September 30, 2015:

	Payment due by Period				
	Total	Less than 1 year	1-5 years	5-10 years	More than 10 years
	(dollars in millions)				
Financing Receivables (1)	$736	$ 37	$ 213	$ 161	$ 325
Investments	$ 28	$ 1	$ 17	$ 3	$ 7

(1) Financing receivables does not include financing receivables held-for-sale of $41 million.

For the anticipated maturity dates of our financing receivables and investments and the weighted average yield for each range of maturities as of September 30, 2015, see Note 6 to our financial statements in Item 1 of this Form 10-Q.

For information on the term of our leases and a schedule of our future minimum rental income under our land lease agreements as of September 30, 2015, see Note 6 to our financial statements in Item 1 of this Form 10-Q.

For information on our residual assets relating to our securitization trusts, see Note 5 to our financial statements in Item 1 of this Form 10-Q. The residual assets do not have a contractual maturity date and the underlying securitized assets have contractual maturity dates ranging from 2015 to 2038.

Our non-investment grade rated commercial obligations as of September 30, 2015, include $13 million out of approximately $58 million in senior secured debt securities in an operating wind project with a long-term power purchase agreement with the remaining portion owned by a large financial institution. As previously discussed in our 2014 Form 10-K, Form 10-Q for the quarters ended March 31, 2015 and June 30, 2015 and Form 8-K dated October 13, 2015, although all interest and principal payments under these securities have been timely made, the trustee under the indenture for these securities determined that events of default arose under the indenture due to the termination of a tax credit agreement among project participants caused by a change of control in the parent company that owns the project and from the borrower's failure during separate intervals in 2015 to deliver sufficient funds to fund principal payments or to fund reserves allocated for future principal and interest payments under the indenture. As a result, approximately $1.1 million of the approximately $5.5 million debt service reserve for this project was used to fund the May 2015 principal payment and the borrower used an additional approximately $2.0 million out of this reserve to fund the payments made in early November 2015. On November 3, 2015, as a result of these defaults, the trustee, as directed by the majority holder of the debt securities, provided a notice of acceleration and proposal of foreclosure relating to the outstanding debt securities. Although there can be no assurance in this regard, we expect the holders of the debt securities will continue to negotiate with the project owners, which could result in an agreement that, among other outcomes, avoids the proposed foreclosure, or leads to a negotiated sale of the project in lieu of foreclosure. Based on our evaluation of our cash flow model for, and other aspects of, the project, we have concluded that the debt securities were not impaired as of September 30, 2015.

We had no other financing receivables, investments or leases on nonaccrual status as of September 30, 2015 or December 31, 2014. We evaluate any modifications to our financing receivables in accordance with the guidance in ASC 310, *Receivables*. We evaluate modifications of financing receivables to determine if the modification is more than minor, whereby any related fees, such as prepayment fees, would be recognized as income at the time of the modification. We did not have any loan modifications that qualify as trouble debt restructurings for the three and nine months ended September 30, 2015 or 2014.

Results of Operation

Comparison of the Three Months Ended September 30, 2015 vs. Three Months Ended September 30, 2014

	Three Months Ended September 30,			
	2015	2014	$ Change	% Change
	(dollars in millions)			
Net Investment Revenue:				
Interest Income, Financing receivables	$ 10.1	$ 6.2	$ 3.9	63%
Interest Income, Investments	0.3	0.8	(0.5)	(63%)
Rental Income	2.0	1.2	0.8	67%
Investment Revenue	12.4	8.2	4.2	51%
Investment interest expense	(6.7)	(3.9)	(2.8)	(72%)
Net Investment Revenue	5.7	4.3	1.4	33%
Provision for credit losses	—	—	—	—
Net Investment Revenue, net of provision	5.7	4.3	1.4	33%
Other Investment Revenue:				
Gain on sale of receivables and investments	2.5	3.4	(0.9)	(26%)
Fee income	0.1	0.1	—	—
Other Investment Revenue	2.6	3.5	(0.9)	(26%)
Total Revenue, net of investment interest expense and provision	8.3	7.8	0.5	6%
Compensation and benefits	(4.4)	(3.1)	(1.3)	(42%)
General and administrative	(1.7)	(1.4)	(0.3)	(21%)
Acquisition costs	—	—	—	—
Other, net	(0.3)	(0.1)	(0.2)	(200%)
Loss in equity method investments	0.2	—	0.2	NM
Other Expenses, net	(6.2)	(4.6)	(1.6)	(35%)
Net income before income tax	2.1	3.2	(1.1)	(34%)
Income tax (expense) benefit	0.0	(0.6)	0.6	100%
Net Income	$ 2.1	$ 2.6	$ (0.5)	(19%)

*NM – Percentage change is not meaningful.

Net Income

Net income decreased by $0.5 million to $2.1 million for the three months ended September 30, 2015, compared to $2.6 million for the same period in 2014. A $4.2 million increase in investment revenue for the three months ended September 30, 2015, was offset by a $0.9 million decline in other investment revenue and a $2.8 million increase in interest expense, in large part due to an increase in debt used to leverage our Portfolio and the $1.6 million of interest expense related to our investments in the wind projects. In addition, other expenses, net increased by $1.6 million during the three months ended September 30, 2015, compared to the same period in 2014 and there were income tax benefits of $0.6 million related to our TRS activities during the three months ended September 2014.

Our equity method investment in the wind projects had an impact on the changes in our operating results for the three months ended September 30, 2015, when compared to the same period in 2014. In addition to the $1.6 million increase in investment interest expense related to the financing of our investment in the wind projects, we recorded an equity method gain related to those investments of $0.2 million. These results do not include the Non-GAAP Core Earnings adjustment related to recognizing income based on the effective interest methodology in order to treat these investments in a manner similar to our other investments, which is discussed in the Non-GAAP Financial Measures section below.

Net Investment Revenue

Net investment revenue increased to $5.7 million in the three months ended September 30, 2015, from $4.3 million in the same period in 2014. The increase was driven primarily by a $4.2 million increase in investment revenue to $12.4 million during the three months ended September 30, 2015 as compared to $8.2 million during the same period in 2014 as a result of a larger portfolio. Interest expense grew to $6.7 million from $3.9 million as a result of an increase in debt used to leverage our Portfolio and the $1.6 million interest expense related to the wind projects, whose earnings are not included in net investment revenue.

The monthly average balance of our Portfolio increased to approximately $0.9 billion in the three months ended September 30, 2015, from approximately $0.6 billion in the same period in 2014. This increase in our Portfolio was driven largely by additional investments in financing receivables, leading to an increase in our average monthly portfolio of financing receivables of over $280 million in the three months ended September 30, 2015, compared with the same period in 2014, due to our strategy to hold more originated transactions on our balance sheet. In addition, our average monthly portfolio of investments and real estate increased by approximately $40 million. The yield on our Portfolio decreased slightly to 5.4% for the three months ended September 30, 2015, when compared to 5.5% for the three months ended September 30, 2014.

As we have increased our leverage, the monthly average debt balance, excluding the nonrecourse secured borrowings used to finance the equity investments in the wind projects, increased in the three months ended September 30, 2015, to approximately $625 million compared to approximately $404 million during the same period in 2014. Our average debt rate on these borrowings decreased to 3.3% during the three months ended September 30, 2015, from 3.9% for the same period ending September 30, 2014, due primarily to our higher utilization of the credit facility during the three months ended September 30, 2015, when compared to the same period in 2014. The higher average monthly debt balance increased our investment interest expense by $1.1 million. The remaining increase in our investment interest expense was related to the $115 million of nonrecourse secured borrowings used to finance one of our equity method investments in wind projects.

Other Investment Revenue

Other investment revenue decreased by $0.9 million to $2.6 million for the three months ended September 30, 2015, from $3.5 million in the same period last year as a result of a change in the mix of the transactions sold in the quarter as compared to the same quarter last year.

Total Revenue, Net of Investment Interest Expense and Provision

Total revenue, net of investment interest expense and provision increased by $0.5 million to $8.3 million for the three months ended September 30, 2015, compared to $7.8 million for the same period in 2014 as a result of the changes in net investment revenue and other revenue described above.

Other Expenses, Net

Other expenses, net increased by $1.6 million to $6.2 million in the three months ended September 30, 2015, compared to $4.6 million in the same period in 2014, primarily as a result of higher compensation and benefits costs of $1.3 million and higher general and administrative costs of $0.3 million. The increase in compensation and benefits during the three months ended September 30, 2015, when compared to the same period in 2014, was driven primarily by higher performance-based and service-based equity compensation expenses. Equity based compensation expense is calculated based upon actual and expected achievement of certain performance targets and/or service-based vesting periods that may consist of multi-year periods. The 2015 equity based compensation expense includes expenses for awards granted in 2013, 2014 and 2015 that have performance periods and service-based vesting terms in 2015 and beyond.

Comparison of the Nine Months Ended September 30, 2015 vs. Nine Months Ended September 30, 2014

	Nine Months Ended September 30,			
	2015	2014	$ Change	% Change
	(dollars in millions)			
Net Investment Revenue:				
Interest Income, Financing receivables	$ 26.6	$ 16.1	$ 10.5	65%
Interest Income, Investments	1.1	3.3	(2.2)	(67%)
Rental Income	6.6	1.6	5.0	313%
Investment Revenue	34.3	21.0	13.3	63%
Investment interest expense	(18.9)	(11.2)	(7.7)	(69%)
Net Investment Revenue	15.4	9.8	5.6	57%
Provision for credit losses	—	—	—	—
Net Investment Revenue, net of provision	15.4	9.8	5.6	57%
Other Investment Revenue:				
Gain on sale of receivables and investments	7.0	9.6	(2.6)	(27%)
Fee income	1.2	1.7	(0.5)	(29%)
Other Investment Revenue	8.2	11.3	(3.1)	(27%)
Total Revenue, net of investment interest expense and provision	23.6	21.1	2.5	12%
Compensation and benefits	(12.2)	(7.6)	(4.6)	(61%)
General and administrative	(4.8)	(4.1)	(0.7)	(17%)
Acquisition costs	—	(1.1)	1.1	100%
Other, net	(0.5)	(0.2)	(0.3)	(150%)
Loss in equity method investments	(0.2)	—	(0.2)	NM
Other Expenses, net	(17.7)	(13.0)	(4.7)	(36%)
Net income before income tax	5.9	8.1	(2.2)	(27%)
Income tax (expense) benefit	(0.1)	0.2	(0.3)	(150%)
Net Income	$ 5.8	$ 8.3	$ (2.5)	(30%)

*NM – Percentage change is not meaningful.

Net Income

Net income decreased by $2.5 million to $5.8 million for the nine months ended September 30, 2015, compared to $8.3 million for the same period in 2014. A $13.3 million increase in investment revenue for the nine months ended September 30, 2015, was partially offset by a $7.7 million increase in interest expense, in large part due to the $5.0 million of interest expense related to our investments in the wind projects and a $3.1 million decline in other investment revenue. In addition, other expenses, net increased by $4.7 million during the nine months ended September 30, 2015, compared to the same period in 2014 and there was an increase in income taxes of $0.3 million related to our TRS activities.

Our equity method investment in the wind projects had a significant impact on the changes in our operating results during the nine months ended September 30, 2015, when compared to the same period in 2014. For the nine months ended September 30, 2015, we recorded investment interest expense of $5.0 million related to the financing of our investment in the wind projects and recorded an equity method loss related to those investments of $0.2 million. These results do not include the Non-GAAP Core Earnings adjustment related to recognizing income based on the effective interest methodology in order to treat this investment in a manner similar to our other investments, which is discussed in the Non-GAAP Financial Measures section below.

Net Investment Revenue

Net investment revenue increased to $15.4 million during the nine months ended September 30, 2015, from $9.8 million in the same period in 2014. The increase was driven primarily by a $13.3 million increase in investment revenue to $34.3 million during the nine months ended September 30, 2015, as compared to $21.0 million during the same period in 2014 as a result of growth in our Portfolio. Interest expense grew to $18.9 million from $11.2 million as a result of an increase in debt used to leverage our Portfolio and the $5.0 million interest expense related to the wind projects, whose earnings are not included in net investment revenue.

The monthly average balance of our Portfolio increased to approximately $0.8 billion in the nine months ended September 30, 2015, from approximately $0.5 billion in the same period in 2014. This increase in our Portfolio was driven by the acquisition of our real estate investments beginning in May 2014, which contributed approximately $135 million to the average monthly balance of our Portfolio and $6.6 million in rental revenue in the nine months ended September 30, 2015 as compared to the $36 million average monthly balance of real estate and $1.6 million in rental revenue in the nine months ended September 30, 2014. In addition, our average monthly portfolio of financing receivables and investments increased by over $200 million in the nine months ended September 30, 2015, compared with the same period in 2014 due to our strategy to hold more originated transactions on our balance sheet. The yield on our Portfolio increased slightly to 5.5% for the nine months ended September 30, 2015, when compared to 5.4% for the nine months ended September 30, 2014.

As we have increased our leverage, the monthly average debt balance, excluding the nonrecourse secured borrowings used to finance the equity investments in the wind projects, increased in the nine months ended September 30, 2015, to approximately $556 million compared to approximately $368 million during the same period in 2014. Our average debt rate on these borrowings decreased to 3.3% during the nine months ended September 30, 2015, from 4.1% for the same period ending September 30, 2014, due primarily to our higher utilization of the credit facility during the nine months ended September 30, 2015, when compared to the same period in 2014. The higher average monthly debt balance increased our investment interest expense by $2.7 million. The remaining increase in our investment interest expense of $5.0 million related to the $115 million of nonrecourse secured borrowings used to finance one of our equity method investments in wind projects.

Other Investment Revenue

Other investment revenue decreased by $3.1 million to $8.2 million for the nine months ended September 30, 2015, when compared to $11.3 million for the same period in 2014. Gain on sale of receivables and investments decreased by $2.6 million for the nine months ended September 30, 2015, when compared to the same period ended September 30, 2014, as a result of retaining more of our originations on our balance sheet. Fee income also decreased by $0.5 million for the nine months ended September 30, 2015.

Total Revenue, Net of Investment Interest Expense and Provision

Total Revenue, net of investment interest expense and provision increased by $2.5 million to $23.6 million for the nine months ended September 30, 2015, compared to $21.1 million for the same period in 2014 as a result of the changes in net investment revenue and other revenue described above.

Other Expenses, Net

Other expenses, net increased by $4.7 million to $17.7 million during the nine months ended September 30, 2015, compared to $13.0 million in the same period in 2014. The increase is primarily a result of higher compensation and benefits costs of $4.6 million driven by higher equity based compensation expenses in 2015 of $4.1 million when compared to 2014. Equity based compensation expense is calculated based upon actual and expected achievement of certain performance targets and or service-based vesting periods that may consist of multi-year periods. The 2015 equity based compensation expense includes expenses for awards granted in 2013, 2014 and 2015 that have performance periods and service-based vesting terms in 2015 and beyond. In addition, higher general and administrative expenses and other of $1.0 million due to higher costs related to the growth of the business, and a $0.2 million loss in equity method investments were offset by no business combination related acquisition costs in 2015 compared to $1.1 million of costs incurred in 2014 related to the American Wind Capital Company, LLC (“AWCC”) acquisition.

Non-GAAP Financial Measures

We consider the following non-GAAP financial measures useful to investors as key supplemental measures of our performance: (1) core earnings, (2) managed assets and (3) investment income from managed assets. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income or loss as measures of our operating performance. These non-GAAP financial measures, as calculated by us, may not be comparable to similarly named financial measures as reported by other companies that do not define such terms exactly as we define such terms.

Core Earnings

We calculate Core Earnings as U.S. GAAP net income excluding non-cash equity compensation expense, non-cash provision for credit losses, amortization of intangibles, one time acquisition related costs, if any and any non-cash tax charges. We also make an adjustment to account for our equity method investment in the wind projects on an effective interest method as described below. In the future, Core Earnings may also exclude one-time events pursuant to changes in U.S. GAAP and certain other non-cash charges as approved by a majority of our independent directors.

Our equity method investments in the wind projects are structured using typical wind partnership “flip” structures where we, along with other institutional investors, if any, receive a pre-negotiated preferred return consisting of priority distributions from the project cash flows along with tax attributes. Once this preferred return is achieved, the partnership flips and the wind energy company, which operates the project, receives the majority of the cash flows through its equity interests with the institutional investors retaining an ongoing residual interest. Given this structure, we negotiated our purchase price of our wind investments based on our assessment of the expected cash flows from each investment discounted back to net present value based on a discount rate that represented an expected yield on the investment. This is similar to how we value the expected cash flows in financing receivables. Under U.S. GAAP, we are required to account for these investments utilizing the hypothetical liquidation at book value method (“HLBV”), in which we recognize income or loss based on the change in the amount each partner would receive if the assets were liquidated at book value, in this case, at the end of the immediately preceding quarter after adjusting for any distributions or contributions made during such quarter. As HLBV incorporates non-cash items, such as depreciation, and because we are entitled to receive a preferred return of cash flows on our investments independent of how profits and losses are allocated, the HLBV allocation does not, in our opinion, reflect the economics of our investments. As a result, and in an attempt to treat these investments in a manner similar to our other investments and our initial valuation, in calculating our Core Earnings for the above periods, we adjusted the income we receive from these investments as if we were recognizing income or loss based on an effective interest methodology. Generally, under this methodology income is recognized over the life of the asset using a constant effective yield. The initial constant effective yield we selected is equal to the discount rates

we used in making our investment decisions. On at least a quarterly basis, we will review and, if appropriate, adjust the discount rates and the income or loss we receive from these investments for purposes of calculating our Core Earnings in future periods, as necessary, to reflect changes in both actual cash flows received and our estimates of the future cash flows from the projects. Our allocation of profits and losses is projected to change in 2019, which is expected to result in an increase of the amount of HLBV profits or losses allocated to us. In June 2015, JPMorgan and one of the holding companies entered into an agreement regarding the treatment of certain tax matters that had the impact of reducing our expected future cash flows from that holding company. As a result of this agreement, JPMorgan paid us approximately $3 million, which effectively reduced our investment in that entity. In accordance with the methodology described above, we have calculated a new constant effective yield based upon the reduced investment amount and the reduction in expected future cash flows. We have used this new effective yield, which is not materially different from our initial constant effective yield, in the quarter ended September 30, 2015.

We borrowed $115 million on a nonrecourse basis using our equity method investment in Strong Upwind Holding I, LLC as collateral and used the $3 million payment from JPMorgan to repay a portion of this loan. Included in our U.S. GAAP investment interest expense for the nine months ended September 30, 2015, was approximately $5 million of interest expense related to this nonrecourse loan. For the nine months ended September 30, 2015, we collected cash distributions from all of our wind investments of approximately $21 million (in addition to the $3 million payment), of which $9.5 million represents our Core Earnings adjustment for these investments based upon the effective yield methodology discussed above.

We believe that Core Earnings provides an additional measure of our core operating performance by eliminating the impact of certain non-cash expenses and facilitating a comparison of our financial results to those of other comparable REITs with fewer or no non-cash charges and comparison of our own operating results from period to period. Our management uses Core Earnings in this way. We believe that our investors also use Core Earnings, or a comparable supplemental performance measure, to evaluate and compare our performance to that of our peers, and as such, we believe that the disclosure of Core Earnings is useful to (and expected by) our investors.

However, Core Earnings does not represent cash generated from operating activities in accordance with U.S. GAAP and should not be considered as an alternative to net income (determined in accordance with U.S. GAAP), or an indication of our cash flow from operating activities (determined in accordance with U.S. GAAP), a measure of our liquidity, or an indication of funds available to fund our cash needs, including our ability to make cash distributions. In addition, our methodology for calculating Core Earnings may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our reported Core Earnings may not be comparable to the core earnings reported by other REITs.

We have calculated our Core Earnings for the three and nine months ended September 30, 2015 and September 30, 2014. The table below provides a reconciliation of our U.S. GAAP net income to Core Earnings:

	Three Months Ended September 30,				Nine Months Ended September 30			
	2015		2014		2015		2014	
	$	Per Share	$	Per Share	$	Per Share	$	Per Share
	(dollars in thousands, except per share amounts)							
Net income attributable to controlling shareholders	$2,119	$ 0.06	$2,564	$ 0.11	$ 5,712	$ 0.16	$ 8,145	$ 0.40
Core Earnings Adjustments								
Equity method investment in Wind Projects	3,173		—		9,544		—	
Non-cash equity-based compensation charge	2,701		1,657		7,728		3,627	
Amortization of real estate intangibles	476		111		788		148	
Amortization of intangibles	51		51		151		152	
Acquisition costs			—		—		1,104	
Non-cash provision/ (benefit) for taxes	—		599		47		(170)	
Current year earnings attributable to minority interest	23		38		62		145	
Core Earnings(1)	**$8,543**	**$ 0.26**	**$5,020**	**$ 0.22**	**$24,032**	**$ 0.79**	**$13,151**	**$ 0.64**

(1) Core Earnings per share is based on 32,787,514 shares and 30,585,319 shares for the three and nine months ended September 30, 2015, respectively, and 23,079,912 shares and 20,418,079 shares for the three and nine months ended September 30, 2014, respectively, which represents the weighted average number of fully-diluted shares outstanding including participating securities and the minority interest in our Operating Partnership.

Managed Assets and Investment Income from Managed Assets

As we both consolidate assets on our balance sheet and securitize investments, certain of our financing receivables and other assets are not reflected on our balance sheet where we may have a residual interest in the performance of the investment. Thus, we also calculate both our investments and our investment revenue on a non-GAAP "managed" basis, which assumes that securitized financing receivables are not sold, with the effect that the income from securitized financing receivables are included in our revenue in the same manner as the income from financing receivables that we consolidated on our balance sheet. We believe that our managed asset and revenue information is useful to investors because it portrays the results of both on- and off-balance sheet financing receivables that we manage, which enables investors to understand and evaluate the credit performance associated with the portfolio of financing receivables and investments reported on our consolidated balance sheet and our retained interests in securitized financing receivables. Our non-GAAP managed assets and revenue measures may not be comparable to similarly titled measures used by other companies.

The following is a reconciliation of our U.S. GAAP on-balance sheet Portfolio to our managed assets as of September 30, 2015 and December 31, 2014 and our U.S. GAAP investment revenue to our investment revenue from managed assets for the nine months ended September 30, 2015:

	As of	
	September 30, 2015	**December 31, 2014**
	(dollars in millions)	
Financing receivables (1)	$ 736	$ 553
Investments	28	27
Real Estate	155	114
Equity method investment in affiliate	165	144
Assets held in securitization trusts	1,798	1,709
Managed Assets	**$ 2,882**	**$ 2,547**

(1) Balances excludes financing receivables held-for-sale of approximately $41 million and $62 million as of September 30, 2015 and. December 31, 2014, respectively.

	Nine Months ended September 30,	
	2015	**2014**
	(dollars in millions)	
Investment Revenue	$ 34	$ 21
Income from assets held in securitization trusts	73	68
Investment Revenue from Managed Assets (1)	**$ 107**	**$ 89**

(1) Does not include adjustments to Core Earnings discussed above.

Liquidity and Capital Resources

Liquidity is a measure of our ability to meet potentialshort-term (within one year) and long-term cash requirements, including ongoing commitments to repay borrowings, fund and maintain our current and future assets, make distributions to our stockholders and other general business needs. We will use significant cash to make debt and equity investments, repay principal and interest on our borrowings, make distributions to our stockholders and fund our operations.

We use borrowings as part of our financing strategy to increase potential returns to our stockholders and have available to us a broad range of financing sources. In July 2013, we entered into a $350 million senior secured revolving credit facility with maximum total advances of $700 million. Since that time, we have entered into a

number of amendments intended to increase the flexibility and borrowing capability under the credit facility and to extend the maturity date. The size of the facility is presently $500 million with maximum total advances of $1.5 billion and the facility was extended an additional year and matures in July 2019. In addition, through special purpose entity subsidiaries, we have issued asset-backed nonrecourse debt totaling approximately $316 million. For further information on our Credit Facility and Nonrecourse Debt, see Notes 7 and 8 to our financial statements in Item 1 of this Form 10-Q.

Prior to our IPO, we financed our business primarily through fixed rate nonrecourse debt where the debt was match-funded with corresponding fixed rate yielding assets and through the use of securitizations. In our securitization transactions, we transfer the loans or other assets we originate to securitization trusts or other bankruptcy remote special purpose funding vehicles. Large institutional investors, primarily insurance companies and commercial banks, have provided the financing needed for these assets by purchasing the notes issued by the funding vehicle.

We continue to use both of these funding sources and, as of September 30, 2015, we had outstanding approximately $105 million of this match funded debt, all of which was consolidated on to our balance sheet and is referred to as Other nonrecourse debt in our balance sheet. As of September 30, 2015, the outstanding principal balance of our assets financed through the use of securitizations that are not consolidated on our balance sheet was approximately $1.8 billion. For further information on our securitizations and other nonrecourse debt, see Note 5 and Note 8 to our financial statements in Item 1 of this Form 10-Q.

We plan to use other fixed and floating rate borrowings in the form of additional bank credit facilities (including term loans and revolving facilities), warehouse facilities, repurchase agreements and public and private equity and debt issuances, including match funded arrangements, as a means of financing our business. We also expect to use both on-balance sheet and non-consolidated securitizations and also believe we will be able to customize securitized tranches to meet investment preferences of different investors.

The decision on how we finance specific assets or groups of assets is largely driven by capital allocations and portfolio management considerations, as well as the overall interest rate environment, prevailing credit spreads and the terms of available financing and market conditions. Over time, as market conditions change, we may use other forms of leverage in addition to these financing arrangements.

We may raise funds through capital market transactions by issuing capital stock. In April 2013, we completed our IPO, raising net proceeds of approximately $160 million. We have raised approximately $310 million in net proceeds in follow on public offerings, including $99 million in a follow on public offering completed in October 2015. See Note 11 to our financial statements in Item 1 of this Form 10-Q for a summary of our public offerings of common stock.

In August 2014, we filed a registration statement with the SEC registering the possible offering and sale of up to $500 million of any combination of our common stock, preferred stock, depositary shares and warrants and rights (collectively referred to as the “securities.”) We may offer the securities directly, through agents, or to or through underwriters. Sales of the securities may be made by means of ordinary brokers’ transactions on the NYSE or otherwise at market prices prevailing at the time of sale or at negotiated prices. The specific terms of the securities offering and the names of any underwriters involved in the sale of the securities will be set forth in the applicable prospectus supplement.

Although we are not restricted by any regulatory requirements to maintain our leverage ratio at or below any particular level, the amount of leverage we may deploy for particular assets will depend upon the availability of particular types of financing and our assessment of the credit, liquidity, price volatility and other risks of those assets, the interest rate environment and the credit quality of our financing counterparties. Prior to our IPO, we primarily financed our transactions with U.S. federal government obligors with more than 95% fixed rate debt. In March 2015, we increased our leverage target to 2.5 to 1 from less than 2.0 to 1. Our debt to equity ratio was approximately 2.0 to 1 as of September 30, 2015. We also have increased the percentage of fixed rate debt from zero at the IPO to approximately 43% as of September 30, 2015, and in the long-term we expect to target a fixed rate debt percentage range of approximately 50% to 70%. We calculate both of these ratios exclusive of securitizations that are not consolidated on our balance sheet (where the collateral is typically borrowings with U.S. government obligors) and our on balance sheet match funded other nonrecourse debt.

We intend to use leverage for the primary purpose of financing our portfolio and business activities and not for the purpose of speculating on changes in interest rates. While we may temporarily exceed the leverage target, if our board of directors approves a material change to our leverage target, we anticipate advising our stockholders of this change through disclosure in our periodic reports and other filings under the Exchange Act.

While we generally intend to hold our target assets that we do not securitize upon acquisition as long-term investments, certain of our investments may be sold in order to manage our interest rate risk and liquidity needs, to meet other operating objectives and to adapt to market conditions. The timing and impact of future sales of financings, if any, cannot be predicted with any certainty. Since we expect that our assets will generally be financed, we expect that a significant portion of the proceeds from sales of our assets (if any), prepayments and scheduled amortization will be used to repay balances under our financing sources.

We believe these identified sources of liquidity will be adequate for purposes of meeting our short-term and long-term liquidity needs, which include funding future investments, operating costs and distributions to our stockholders. To qualify as a REIT, we must distribute annually at least 90% of our REIT's taxable income without regard to the deduction for dividends paid and excluding net capital gains. These dividend requirements limit our ability to retain earnings and thereby replenish or increase capital for growth and our operations.

Sources and Uses of Cash

We had approximately $31 million and $58 million of unrestricted cash and cash equivalents as of September 30, 2015 and December 31, 2014, respectively.

Cash Flows Relating to Operating Activities

Net cash provided by operating activities was $21.8 million for the nine months ended September 30, 2015, driven by net income of $5.8 million, net cash provided from the sale of financing receivables (including financing receivables held-for-sale) and investments of $10.0 million, and adjustments for noncash items of $10.6 million, consisting primarily of equity based compensation and depreciation and amortization, offset by changes in accounts payable and various accruals of $4.5 million.

Net cash provided by operating activities was $23.6 million for the nine months ended September 30, 2014, driven primarily by net income of $8.3 million, net cash provided from the sale of financing receivables (including financing receivables held-for-sale) and investments of $13.0 million, and non-cash charges of $5.4 million, consisting primarily of equity-based compensation and depreciation and amortization, partially offset by cash used to pay accounts payable and accrued expenses and other of $3.1 million.

Cash Flows Relating to Investing Activities

Net cash used in investing activities was $173.9 million for the nine months ended September 30, 2015. We used $244.0 million to purchase financing receivables and investments, $42.0 million to purchase real estate and a net of $42.6 million for additional wind equity investments. We collected cash from principal payments on our financing receivables and investments of $68.0 million. In addition, we received $68.8 million from the sale of financing receivables and investments and cash distributions from our investment in our wind projects of $21.1 million. In addition, there was a $3.2 million change in restricted cash and other.

Net cash used in investing activities was $81.9 million for the nine months ended September 30, 2014. We added to our Portfolio of investments $121.1 million in real estate assets, including the AWCC acquisition in May 2014 and subsequent purchases of real estate through September 30, 2014. In addition, we invested $131.5 million in the purchase of financing receivables and investments. These investments in our Portfolio were partially offset by sales of financing receivables and investments and principal collections of $81.6 million and $46.5 million, respectively. In addition, we released $42.6 million of restricted cash during the nine months ended September 30, 2014.

Cash Flows Relating to Financing Activities

Net cash provided by financing activities was $124.6 million for the nine months ended September 30, 2015. This includes credit facility and nonrecourse debt borrowings of $348.9 million and net proceeds of $81.5 million from the sale of our common stock. These cash inflows were partially offset by payments to reduce our borrowings under the credit facility, deferred funding obligations and nonrecourse debts totaling $278.8 million, the payment of dividends and distributions to our stockholders and OP unit holders of $23.1 million, and other cash outflows of $3.9 million.

Net cash provided by financing activities was $87.4 million for the nine months ended September 30, 2014. This includes cash of $158.0 million provided from borrowings under our credit facility and $70.4 million of net proceeds from the sale of our common stock. These cash receipts were partially offset by payments of our deferred funding obligations of $57.6 million, payments on our credit facility and nonrecourse debt of $22.4 million and $48.1 million, respectively. For the nine months ended September 30, 2014, we made dividend distributions of $8.8 million to our shareholders and non-controlling interest holders and had other cash outflows of $4.1 million.

General and Administrative Expenses

Our general and administrative expenses include salaries, rent, professional fees, acquisition related costs and other corporate level expenses, as well as the costs associated with operating as a public company. As of September 30, 2015, we employed 31 people. We intend to hire additional business professionals as needed to assist in the execution of our business. We also expect to incur additional professional fees to meet the reporting requirements of the Exchange Act and comply with the Sarbanes-Oxley Act. The timing and level of these costs and our ability to pay these costs with cash flow from our operations depends on our execution of our business plan, the number of financings we originate or acquire and our ability to attract qualified individuals to fill these new positions.

Off-Balance Sheet Arrangements

We have relationships with non-consolidated entities or financial partnerships, such as entities often referred to as structured investment vehicles, or special purpose or variable interest entities, established to facilitate the sale of securitized assets. Other than our securitization assets of approximately $9 million as of September 30, 2015, that may be at risk in the event of defaults in our securitization trusts, we have not guaranteed any obligations of nonconsolidated entities or entered into any commitment or intent to provide additional funding to any such entities. A more detailed description of our relations with non-consolidated entities can be found in Note 2 included in the notes to the condensed consolidated financial statements included in this Form 10-Q and as described under "*MD&A—Critical Accounting Policies and Use of Estimates*," in our 2014 Form 10-K, filed with the SEC.

Dividends

U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates to the extent that it annually distributes less than 100% of its taxable income. Our current policy is to pay quarterly distributions, which on an annual basis will equal or exceed substantially all of our REIT taxable income. Any distributions we make will be at the discretion of our board of directors and will depend upon, among other things, our actual results of operations. These results and our ability to pay distributions will be affected by various factors, including the net interest and other income from our portfolio, our operating expenses and any other expenditures. In the event that our board of directors determines to make distributions in excess of the income or cash flow generated from our assets, we may make such distributions from the proceeds of future

offerings of equity or debt securities or other forms of debt financing or the sale of assets. To the extent that in respect of any calendar year, cash available for distribution is less than our taxable income, we could be required to sell assets or borrow funds to make cash distributions or make a portion of the required distribution in the form of a taxable stock distribution or distribution of debt securities. We will generally not be required to make distributions with respect to activities conducted through our domestic TRS.

We anticipate that our distributions generally will be taxable as ordinary income to our stockholders, although a portion of the distributions may be designated by us as qualified dividend income or capital gain or may constitute a return of capital. In addition, a portion of such distributions may be taxable stock dividends payable in our shares. We will furnish annually to each of our stockholders a statement setting forth distributions paid during the preceding year and their characterization as ordinary income, return of capital, qualified dividend income or capital gain.

The dividends declared in 2014 and 2015 are described under Note 11 to our financial statements in Item 1 of thisForm 10-Q.

Book Value Considerations

As of September 30, 2015, we carried only our investments available-for-sale and retained assets in securitized receivables at fair value on our balance sheet. As a result, in reviewing our book value, there are a number of important factors and limitations to consider. Other than the approximately $28 million in investments available-for-sale and the $8 million in residual assets relating to our retained interests in securitized receivables that are on our balance sheet at fair value as of September 30, 2015, the carrying value of our remaining assets and liabilities are calculated as of a particular point in time, which is largely determined at the time such assets and liabilities were added to our balance sheet using a cost basis in accordance with U.S. GAAP. As such, our remaining assets and liabilities do not incorporate other factors that may have a significant impact on their value, most notably any impact of business activities, changes in estimates, or changes in general economic conditions or interest rates since the dates the assets or liabilities were initially recorded. Accordingly, our book value does not necessarily represent an estimate of our net realizable value, liquidation value or our market value as a whole.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and Qualitative Disclosures About Market Risk

We anticipate that our primary market risks will be related to the credit quality of our counterparties and project companies, market interest rates, the liquidity of our assets and commodity prices. We will seek to manage these risks while, at the same time, seeking to provide an opportunity to stockholders to realize attractive returns through ownership of our common stock.

Credit Risks

While we do not anticipate facing significant credit risk in our transactions related to U.S. federal government energy efficiency projects, we are subject to varying degrees of credit risk in these projects in relation to guarantees provided by ESCOs where payments under energy savings performance contracts are contingent upon energy savings. We are also exposed to credit risk in other projects including those projects we have under long-term lease arrangements that do not depend on funding from the U.S. federal government. We expect to increasingly target such projects as part of our strategy. In the case of various other projects, we are exposed to the credit risk of the obligor of the project's power purchase agreement or other long-term contractual revenue commitments as well as to the performance of the project. We may also encounter enhanced credit risk as we execute our strategy to increasingly include mezzanine debt or equity investments. We seek to manage credit risk using thorough due diligence and underwriting processes, strong structural protections in our agreements with customers and continual, active asset management and portfolio monitoring.

Interest Rate and Borrowing Risks

Interest rate risk is highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations and other factors beyond our control.

We are subject to interest rate risk in connection with new asset originations and our credit facility, and in the future, will be subject to interest rate risk for any new floating or inverse floating rate assets and credit facilities. Because short-term borrowings are generally short-term commitments of capital, lenders may respond to market conditions, making it more difficult for us to secure continued financing. If we are not able to renew our then existing facilities or arrange for new financing on terms acceptable to us, or if we default on our covenants or are otherwise unable to access funds under any of these facilities, we may have to curtail entering into new transactions and/or dispose of assets. We face particular risk in this regard given that we expect many of our borrowings will have a shorter duration than the assets they finance. Increasing interest rates may reduce the demand for our investments while declining interest rates may increase the demand. Both our current and future credit facilities may be of limited duration and are periodically refinanced at then current market rates. We expect to attempt to reduce interest rate risks and to minimize exposure to interest rate fluctuations through the use of match funded or fixed rate financing structures, when appropriate, whereby we may seek (1) to match the maturities of our debt obligations with the maturities of our assets, (2) to borrow at fixed rates for a period of time, like in our asset backed securitizations, or (3) to match the interest rates on our assets with like-kind debt (i.e., we may finance floating rate assets with floating rate debt and fixed-rate assets with fixed-rate debt), directly or through the use of interest rate swap agreements, interest rate cap agreements or other financial instruments, or through a combination of these strategies. We expect these instruments will allow us to minimize, but not eliminate, the risk that we have to refinance our liabilities before the maturities of our assets and to reduce the impact of changing interest rates on our earnings. In addition to the use of traditional derivative instruments, we also seek to mitigate interest rate risk by using securitizations, syndications and other techniques to construct a portfolio with a staggered maturity profile. We monitor the impact of interest rate changes on the market for new originations and often have the flexibility to increase the term of the project to offset interest rate increases.

All of our nonrecourse debt is at fixed rates and changes in market rates on our fixed debt impact the fair value of the debt but have no impact on our consolidated financial statements. If interest rates rise, and our fixed debt balance remains constant, we expect the fair value of our debt to decrease. As of September 30, 2015 and December 31, 2014, the estimated fair value of our fixed rate nonrecourse debt was approximately $411 million and $335 million, respectively, which is based on having the same debt service requirements that could have been borrowed at the date presented, at prevailing current market interest rates.

Our credit facility is a variable rate loan with approximately $378 million outstanding as of September 30, 2015. Significant increases in interest rates would result in higher interest expense while decreases in interest rates would result in lower interest expense. As described above, we may use various financing techniques including interest rate swap agreements, interest rate cap agreements or other financial instruments, or a combination of these strategies to mitigate the variable interest nature of this facility. A 50 basis point increase in LIBOR would increase the quarterly interest expense related to the $378 million in variable rate debt by $0.5 million. Such hypothetical impact of interest rates on our credit facility does not consider the effect of any change in overall economic activity that could occur in a rising interest rate environment. Further, in the event of such a change in interest rates, we may take actions to further mitigate our exposure to such a change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, the analysis assumes no changes in our financial structure.

We record our investments available-for-sale and retained assets at fair value in our financial statements and any changes in the discount rate would impact the value of these assets. See Note 3 to our financial statements in Item 1 of this Form 10-Q.

Liquidity and Concentration Risk

The assets that comprise our asset portfolio are not and will not be publicly traded. A portion of these assets may be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly-traded securities. The illiquidity of our assets may make it difficult for us to sell such assets if the need or desire arises, including in response to changes in economic and other conditions. As of September 30, 2015, a significant portion of our assets financings were held in securitization trusts where we retained only residual economic stakes or were held on our balance sheet and secured by nonrecourse debt. Part of our strategy in undertaking our IPO was to selectively retain a larger portion of the economics in the financings we originate. As a consequence, we are subject to concentration risk and could incur significant losses if any of these projects perform poorly or if we are required to write down the value of any these projects. See also “—Credit Risks” above.

Commodity Price Risk

Investments in projects that act as a substitute for an underlying commodity will expose us to volatility in prices of that commodity. As we typically target projects with long-term contracted revenues, often with price escalators based on inflation or other factors, commodity price risk has potentially more of an impact on new originations than on existing projects. However, we may also encounter commodity price risk for any portion of our existing projects that do not have long-term contracted revenues or sell on a spot-market basis. We monitor the market demand for various types of projects based upon a variety of factors including the outlook for the price of the underlying commodity. We also focus on a blend of technologies and projects to limit our exposure to price adjustments of any one commodity. For example, we believe the current low prices in natural gas will increase demand for some types of our projects, such as combined heat and power, but may reduce the demand for other projects like renewable energy that may be a substitute for natural gas. In addition, certain of our projects reduce the use of the commodity so the impact of a reduction in cost of the underlying commodity can often be offset by increasing the term of the financing. Volatility in energy prices may cause building owners and other parties to be reluctant to commit to projects for which repayment is based upon a fixed monetary value for energy savings that would not decline if the price of energy declines so we often blend technologies together that may result in savings of several different commodities.

Risk Management

Our ongoing active asset management and portfolio monitoring processes provide investment oversight and valuable insight into our origination, underwriting and structuring processes. These processes create value through active monitoring of the state of our markets, enforcement of existing contracts and real-time receivables management. Subject to maintaining our qualification as a REIT, and as described above, we engage in a variety of interest rate management techniques that seek to mitigate the economic effect of interest rate changes on the values of, and returns on, some of our assets. While there have been only two incidents of credit loss, amounting to approximately $18 million (net of recoveries) on the more than $5 billion of transactions we originated since 2000, which represents an aggregate loss of approximately 0.4% on cumulative transactions originated over this time period, there can be no assurance that we will continue to be as successful, particularly as we invest in more credit sensitive assets or more equity positions and engage in increasing numbers of transactions with obligors other than U.S. federal government agencies.

We seek to manage credit risk using thorough due diligence and underwriting processes, strong structural protections in our loan agreements with customers and continual, active asset management and portfolio monitoring.

Item 4. Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer, based on their evaluation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) required by paragraph (b) of Rule 13a-15 or Rule 15d-15, have concluded that as of September 30, 2015, the Company's disclosure controls and procedures were effective to give reasonable assurances to the timely collection, evaluation and disclosure of information relating to the Company that would potentially be subject to disclosure under the Exchange Act and the rules and regulations promulgated thereunder.

Notwithstanding the foregoing, a control system, no matter how well designed and operated, can provide only reasonable, not absolute assurance that it will detect or uncover failures within the Company to disclose material information otherwise required to be set forth in our periodic reports.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the three month period ended September 30, 2015, that have materially affected, or was reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The nature of our operations exposes us to the risk of claims and litigation in the normal course of our business. Other than non-material litigation arising out of the ordinary course of business, we are not currently subject to any legal proceedings that are probable of having a material adverse effect on our financial position, results of operations or cash flows.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the information in Item 1A. “Risk Factors” of our 2014 Form 10-K, filed with the SEC, which is accessible on the SEC’s website at www.sec.gov.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities

During the nine months ended September 30, 2015, we issued 46,290 shares of our common stock upon redemption of an equal number of OP units. We did not redeem any OP units for shares of common stock during the three months ended September 30, 2015. Because these shares of common stock were issued to accredited investors in transactions not involving a public offering, the transactions were exempt from registration under the Securities Act in accordance with Section 4(a)(2).

During the nine months ended September 30, 2015, certain of our employees surrendered common stock owned by them to satisfy their statutory minimum federal and state tax obligations associated with the vesting of their restricted stock awards.

The table below summarizes all of our repurchases of common stock during 2015: There were no repurchases of common stock during the three months ended September 30, 2015.

Period	Total number of shares purchased	Average price per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs
February 2015	2,769	$ 15.88	N/A	N/A
April 2015	17,535	$ 19.02	N/A	N/A
June 2015	16,889	$ 20.30	N/A	N/A

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

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Item 6. Exhibits

Exhibit number	Exhibit description
3.1	Articles of Amendment and Restatement of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2013 (No. 001-35877), filed on August 9, 2013)
3.2	Bylaws of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Form 10-Q for the quarter ended June 30, 2013 (No. 001-35877), filed on August 9, 2013)
3.3	Amended and Restated Agreement of Limited Partnership of Hannon Armstrong Sustainable Infrastructure, L.P. (incorporated by reference to Exhibit 3.3 to the Registrant's Form 10-Q for the quarter ended June 30, 2013 (No. 001-35877), filed on August 9, 2013)
4.1	Specimen Common Stock Certificate of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (incorporated by reference to Exhibit 4.1 to the Registrant's Form S-11 (No. 333-186711), filed on April 12, 2013)
10.1	Amendment No. 4 to Amended and Restated Loan Agreement (G&I) and Amendment No. 3 to Amended & Restated Intercreditor Agreement, dated July 16, 2015 (incorporated by reference to Exhibit 1.1 to the Registrant's Form 8-K (No. 001-35877), filed on July 16, 2015)
10.2	Amendment No. 4 to Amended and Restated Loan Agreement (PF), dated July 16, 2015 (incorporated by reference to Exhibit 1.2 to the Registrant's Form 8-K (No. 001-35877), filed on July 16, 2015)
10.3	Reaffirmation of Guaranty (G&I), dated July 16, 2015 (incorporated by reference to Exhibit 1.2 to the Registrant's Form 8-K (No. 001-35877), filed on July 16, 2015)
10.4*	Indenture, dated as of September 30, 2015, among HASI SYB Trust 2015-1, the Bank of New York Mellon and Hannon Armstrong Capital, LLC
10.5*	Bond Purchase Agreement (Class A), dated as of September 30, 2015, among HASI SYB Trust 2015-1, HA Land Lease Holdings, LLC and the purchasers named therein
10.6*	Contribution and Sale Agreement, dated as of September 30, 2015, among HASI SYB Trust 2015-1, and HA Land Lease Holdings, LLC
10.7*	Indemnity Agreement, dated as of September 30, 2015, by Hannon Armstrong Sustainable Infrastructure Capital, Inc. in favor of the Bank of New York Mellon
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer pursuant to section 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes—Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to section 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes—Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema

101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101 PRE	XBRL Taxonomy Extension Presentation Linkbase

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
(Registrant)

Date: November 4, 2015

/s/ Jeffrey W. Eckel
Jeffrey W. Eckel
Chairman, Chief Executive Officer and President

Date: November 4, 2015

/s/ J. Brendan Herron
J. Brendan Herron
Chief Financial Officer and Executive Vice President
(Duly Authorized Officer and Chief Accounting Officer)

Exhibit 10.4

Execution Copy

HASI SYB TRUST 2015-1

INDENTURE

By and Among

HASI SYB TRUST 2015-1,
as Issuer,

THE BANK OF NEW YORK MELLON,
as Indenture Trustee and as Backup Servicer,

and

HANNON ARMSTRONG CAPITAL, LLC,
as Servicer

Dated as of September 30, 2015

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Schedules & Exhibits

This INDENTURE, dated as of September 30, 2015 (as amended, restated, supplemented or otherwise modified from time to time, this "Indenture"), is entered into by and among HASI SYB TRUST 2015-1, a Delaware statutory trust (the "Issuer"), THE BANK OF NEW YORK MELLON, a New York banking corporation, as indenture trustee (in such capacity, the "Indenture Trustee") and as backup servicer (in such capacity, the "Backup Servicer"), and HANNON ARMSTRONG CAPITAL, LLC, a Maryland limited liability company, as servicer (in such capacity, the "Servicer").

PRELIMINARY STATEMENTS

A The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance of $100,500,000.00 aggregate principal amount of its 4.283% Hannon Armstrong Sustainable Yield Bonds 2015-1A Class A Bonds (the "Class A Bonds") and $18,112,000.00 aggregate principal amount of its 5.00% Hannon Armstrong Sustainable Yield Bonds 2015-1B Class B Bonds (the "Class B Bonds" and, together with the Class A Bonds, the "Bonds").

B. The Bonds are secured by, among other property and rights, the Land Lease Assets (defined below).

C. The Servicer desires to service the Land Lease Assets and the Backup Servicer desires to act as backup servicer with respect to the Land Lease Assets, in each case on the terms and conditions set forth in this Indenture.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows for the benefit of each other and for the equal and ratable benefit of the holders of the Bonds.

GRANTING CLAUSE

The Issuer hereby Grants as of the date hereof to the Indenture Trustee for the benefit of the holders of the Bonds, to secure the performance of the obligations of the Issuer hereunder and under the other Transaction Documents to which the Issuer is a party and the Issuer's compliance with the covenants hereof and thereof, the Issuer's right, title and interest in, to and under the Trust Estate (hereinafter defined), whether now existing or hereafter arising or acquired. The foregoing Grant is made in trust (i) to secure the payment of principal of and interest on, and any other amounts owing in respect of, the Bonds, equally and ratably without prejudice, priority or distinction, except as hereinafter described, and (ii) to secure compliance with this Indenture and such other Transaction Documents.

The Indenture Trustee, on behalf of the holders of the Bonds, acknowledges such Grant and accepts the trusts under this Indenture in accordance with this Indenture and agrees to perform its duties required in this Indenture to the best of its ability to the end that the interests of the holders of the Bonds under this Indenture may be adequately and effectively protected.

ARTICLE I
DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. Definitions. For all purposes of this Indenture, the following terms shall have the meanings set forth below:

"25% Limitation" has the meaning specified in Section 3.04(g).

"Account" means the Collection Account, the Class A Liquidity Reserve Account, the Voluntary Prepayment Account and the Defeasance Account.

"Account Control Agreement" means the Blocked Account Agreement, dated as of September 30, 2015, by and among, the Servicer, the Indenture Trustee and Citizens Bank relating to the Servicer Account.

"Accounting Firm" means Ernst & Young LLP or any other firm of Independent certified public accountants of national reputation in the United States of America appointed by the Issuer with the approval of the Required Bondholders.

"Action" means, collectively and individually, any action, suit or proceeding, at law or in equity, before or by any court, government agency, public board or body, or Governmental Authority.

"Administration Agreement" means the Administration Agreement, dated as of September 30, 2015, among the Issuer, the Administrator and the Indenture Trustee, as such agreement may be amended, supplemented, restated or otherwise modified from time to time.

"Administrator" means HA Capital, in its capacity as administrator under the Administration Agreement, and its successors and permitted assigns in such capacity.

"Affected Bank" means a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that is neither (i) a U.S. person nor (ii) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by Obligors resident in the United States to such bank are reduced to 0% nor (iii) a corporation all of whose income on its Bonds is treated as effectively connected with a United States trade or business within the meaning of Section 864 of the Code.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms controlling and "controlled" have meanings correlative to the foregoing.

"Aggregate Outstanding Bond Balance" means the sum of the Outstanding Bond Balances of all Classes of Bonds.

"Anticipated Repayment Date" means the October 2034 Payment Date.

"Asset Level Expenses" means (i) with respect to any Land Lease Asset, all real property taxes, ground rents and royalties required to be paid by the related Land Lease Entity pursuant to the applicable Land Lease Asset Documents, (ii) all expenses required to be paid by the applicable Land Lease Entity in order to preserve its legal existence and to maintain its qualification to do business in any jurisdiction where such qualification is required by applicable law, and (iii) servicing fees and expenses and LLE Servicer Advances pursuant to the LLE Servicing Agreement as in effect on the date hereof.

"Asset Value" means, for any Land Lease Asset as of any date of determination, the sum of the present values of all remaining Scheduled Lease Payments for such Land Lease Asset, discounted monthly at an annual rate of 6.00%, assuming that (i) such Scheduled Lease Payments are paid through the earlier of the Lease Expiration Date or the Rated Final Maturity Date (with no renewals and net of any related Asset Level Expenses) and (ii) any Variable Lease Payments are variable or generation-based payments, based on p50 output production expectations for the applicable wind project.

"Authentication Order" means the order in the form set forth asExhibit B and delivered by the Issuer to the Indenture Trustee on the Closing Date.

"Authorized Denomination" means, with respect to any Class of Bonds, $250,000 and integral multiples of $1,000 in excess thereof;provided, however, that one Bond of each Class of Bonds may be issued in an amount equal to $250,000 plus any remaining portion of the Initial Outstanding Bond Balance of such Class of Bonds.

"Authorized Officer" means, with respect to any Person, any Person who is authorized to act for and on behalf of such Person in matters relating to this Indenture and whose action is binding upon such Person, including (i) with respect to the Issuer, any officer of the Owner Trustee who is identified on the list of Authorized Officers delivered on the Closing Date (as such list may be modified or supplemented from time to time thereafter) and, for so long as the Administration Agreement is in effect, any officer of the Administrator who is authorized to act for the Administrator in matters relating to the Issuer (to the extent that such matters are to be acted upon by the Administrator pursuant to the Administration Agreement) and who is identified on the list of Authorized Officers delivered on the Closing Date (as such list may be modified or supplemented from time to time thereafter), (ii) with respect to the Indenture Trustee, any officer of the Indenture Trustee who is identified on the list of Authorized Officers delivered on the Closing Date (as such list may be modified or supplemented from time to time thereafter) and (iii) with respect to the Servicer, any officer of the Servicer who is identified on the list of Authorized Officers delivered on the Closing Date (as such list may be modified or supplemented from time to time thereafter).

"Available Funds" means, with respect to any Payment Date, (i) all amounts received with respect to the Land Lease Assets during the related Collection Period, including all Scheduled Lease Payments and all Unscheduled Bond Principal Payments (including all Unscheduled Project Payments, the principal portion of all Repurchase Payments and all Indemnity Payments), (ii) all amounts withdrawn from the Defeasance Account and deposited into the Collection Account with respect to such Payment Date pursuant to Section 5.05, (iii) all amounts withdrawn from the Class A Liquidity Reserve Account and deposited into the

Collection Account with respect to such Payment Date pursuant to Section 5.04, and (iv) all interest and other income (net of losses and investment expenses) on amounts on deposit in the Collection Account. For the avoidance of doubt, the Available Funds for the initial Payment Date shall include the Initial Collection Account Deposit Amount.

"AWCC Capital" means AWCC Capital, LLC, a Delaware limited liability company.

"Backup Servicer" means The Bank of New York Mellon, a New York banking corporation, in its capacity as Backup Servicer under this Indenture, and its successors and permitted assigns in such capacity.

"Backup Servicer Fee" means, for any Payment Date, the fee payable to the Backup Servicer for performing its obligations under the Transaction Documents during the related Collection Period, as set forth in a separate written agreement delivered to the Indenture Trustee on the Closing Date.

"Bankruptcy Code" means the Federal Bankruptcy Code, as amended from time to time (codified as Title 11 of the United States Code).

"Beneficiary" has the meaning specified in the Trust Agreement.

"Benefit Plan Investors" means (i) any "employee benefit plan" (as defined in Section 3(3) of ERISA), subject to Title I of ERISA, (ii) any "plan" described in Section 4975(e)(1) of the Code to which Section 4975 of the Code applies, or (iii) any entity whose underlying assets could be deemed to include "plan assets" by reason of an employee benefit plan's or a plan's investment in the entity within the meaning of the Plan Asset Regulation or otherwise. Such an entity is considered to hold plan assets only to the extent of the percentage of its equity interests held by Benefit Plan Investors.

"Bond" means a Class A Bond or a Class B Bond, as applicable.

"Bond Purchase Agreement" means each of (i) the Bond Purchase Agreement, dated as of September 30, 2015, among the Issuer, the Depositor and the Purchasers identified therein relating to the Class A Bonds, as such agreement may be amended, supplemented, restated or otherwise modified from time to time and (ii) the Bond Purchase Agreement, dated as of September 30, 2015, among the Issuer, the Depositor and the Purchasers identified therein relating to the Class B Bonds, as such agreement may be amended, supplemented, restated or otherwise modified from time to time.

"Bond Rate" means the Class A Bond Rate or the Class B Bond Rate, as the context may require.

"Bond Register" has the meaning specified in Section 3.04(a).

"Bond Registrar" has the meaning specified in Section 3.04(a).

"Bondholder" or "Holder" means the Person in whose name a Bond is registered in the Bond Register, to the extent described in Section 3.06.

"Business Day" means any day that is not (i) a Saturday or Sunday or (ii) a day on which commercial banking institutions in New York, New York, the city in which the principal corporate trust office of the Indenture Trustee is located (which, as of the Closing Date, is New York, New York) or the city in which the principal place of business of the Servicer is located (which, as of the Closing Date, is Annapolis, Maryland) are authorized or obligated by law or executive order to be closed.

"Citizens Bank" means Citizens Bank, N.A., a national banking association, and its successors and assigns.

"Class" means a class of Bonds, which may be the Class A Bonds or the Class B Bonds, as the context may require.

"Class A Bond Interest" means, for any Payment Date, an amount equal to the sum of (i) interest accrued during the related Interest Accrual Period at the Class A Bond Rate on the Outstanding Bond Balance of the Class A Bonds immediately prior to such Payment Date and (ii) the amount of unpaid Class A Bond Interest from prior Payment Dates. For the avoidance of doubt, Class A Bond Interest does not include Post-ARD Additional Bond Interest.

"Class A Bond Rate" means 4.283% per annum (computed on the basis of a 360-day year consisting of twelve 30-day months).

"Class A Bondholders" means, as of any date, the Holders of the Class A Bonds as of such date.

"Class A Bonds" has the meaning specified in the preliminary statements to this Indenture.

"Class A Liquidity Reserve Account" has the meaning specified in Section 5.02.

"Class A Liquidity Reserve Account Release Date" means the earliest of (i) the Rated Final Maturity Date, (ii) the date on which the Bonds are accelerated following an Event of Default, and (iii) the Payment Date on which (A) the sum of the Available Funds for such Payment Date and the amount on deposit in the Class A Liquidity Reserve Account immediately prior to such Payment Date is equal to or greater than (B) the sum of the amount necessary to make the applications described for such Payment Date in clauses (b)(i) through (b)(v) of Section 3.07 and the Aggregate Outstanding Bond Balance immediately prior to such Payment Date.

"Class A Liquidity Reserve Account Required Balance" means (i) for the Closing Date, $4,176,440, and (ii) for any Payment Date, the amount necessary to pay the Class A Bond Interest and the Scheduled Bond Principal Payments for the Class A Bonds projected to be due on the two Payment Dates immediately following such Payment Date; provided, however, that the Class A Liquidity Reserve Account Required Balance on and after the Class A Liquidity Reserve Account Release Date shall be zero.

"Class A Target Balance Supplemental Principal Payment" means, for any Payment Date, the amount set forth for such Payment Date on Schedule 5.

"Class B Bond Interest" means (i) for any Payment Date occurring during a Non-Class B Interest Deferral Period, an amount equal to the sum of (A) interest accrued during the related Interest Accrual Period at the Class B Bond Rate on the Outstanding Bond Balance of the Class B Bonds immediately prior to such Payment Date and (B) the amount of unpaid Class B Bond Interest from prior Payment Dates, and (ii) for any Payment Date occurring during a Class B Interest Deferral Period, an amount equal to zero. For the avoidance of doubt, Class B Bond Interest does not include Class B Deferred Interest or Post-ARD Additional Bond Interest.

"Class B Bond Rate" means 5.00% per annum (computed on the basis of a 360-day year consisting of twelve 30-day months).

"Class B Bondholders" means, as of any date, the Holders of the Class B Bonds as of such date.

"Class B Bonds" has the meaning specified in the preliminary statements to this Indenture.

"Class B Deferred Interest" means, for any Payment Date, an amount equal to the sum of (i) if such Payment Date occurs during a Class B Interest Deferral Period, interest accrued during the related Interest Accrual Period at the related Bond Rate on the Outstanding Bond Balance of the Class B Bonds immediately prior to such Payment Date and (ii) the amount of unpaid Class B Deferred Interest from prior Payment Dates. For the avoidance of doubt, Class B Deferred Interest will not bear interest.

"Class B Interest Deferral Period" means each period:

(i) commencing on (A) any Determination Date on which an Event of Default has occurred and is continuing, (B) the Anticipated Repayment Date (but only if the Outstanding Bond Balance of the Class A Bonds has not been reduced to zero on or before the Anticipated Repayment Date), (C) the date on which a Partial Early Amortization Period or an Early Amortization Period commences, or (D) any Reporting Date on which it is determined that the amount on deposit in the Collection Account on such Reporting Date (after giving effect to all deposits to be made into the Collection Account on such Reporting Date, including any amount to be withdrawn from the Defeasance Account on such Reporting Date) and available to be applied on the following Payment Date is less than or equal to the amount necessary to make the payments described for such following Payment Date in clauses (b)(i) through (b)(v) of Section 3.07. For the avoidance of doubt, the calculation of the amount on deposit in the Collection Account on any Reporting Date pursuant to clause (D) above shall not include any amount withdrawn from the Class A Liquidity Reserve Account and deposited into the Collection Account with respect to such Reporting Date pursuant to Section 5.04(b).

(ii) ending on (A) in the case of a Class B Interest Deferral Period caused by an event described in clause (i)(A) above, the date on which all Events of Default shall have been cured or waived in accordance with this Indenture, (B) in the case of a Class B Interest Deferral Period caused by an event described in clause (i)(B) above, the date on which the Outstanding

Bond Balance of the Class A Bonds has been reduced to zero, (C) in the case of a Class B Interest Deferral Period caused by an event described in clause (i)(C) above, the date on which the related Partial Early Amortization Period or Early Amortization Period ends in accordance with this Indenture, and (D) in the case of a Class B Interest Deferral Period caused by an event described in clause (i)(D) above, the day immediately preceding the following Reporting Date.

"Class of Bonds" means a Class of Bonds, which may be the Class A Bonds or the Class B Bonds as the context may require.

"Closing Date" means September 30, 2015.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor statute.

"Collection Account" has the meaning specified in Section 5.02.

"Collection Period" means (i) with respect to any Payment Date, the calendar quarter immediately preceding the calendar month in which such Payment Date occurs (or, in the case of the first Payment Date, the period from and including July 1, 2015 to and including September 30, 2015) and (ii) with respect to any Determination Date, the calendar quarter in which such Determination Date occurs (or, in the case of the first Determination Date, the period from and including July 1, 2015 to and including September 30, 2015).

"Consolidated Net Worth" means, as of any date, the Total Equity of HASI as reported in the most recent condensed balance sheet of HASI and its consolidated subsidiaries filed with the Securities and Exchange Commission on Form 10-Q or Form 10-K.

"Control" has the meaning specified in Section 8-106 of the UCC.

"Controlling Class" means (i) until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero, the Class A Bonds, and (ii) after the Outstanding Bond Balance of the Class A Bonds has been reduced to zero, the Class B Bonds.

"Controlling Entity" means any Person other than the Issuer (i) which beneficially owns, directly or indirectly, 10% or more of the outstanding Beneficial Interests (as defined in the Trust Agreement) of the Issuer, (ii) of which 10% or more of the outstanding voting securities are beneficially owned, directly or indirectly, by any Person described in clause (i) above, or (iii) which otherwise controls or otherwise is controlled by or otherwise is under common control with any Person described in clause (i) above; provided, however, for purposes of this definition, the terms "control," "controlled by" and "under common control with" shall have the meanings assigned to them in Rule 405 under the Securities Act.

"Controlling Persons" has the meaning specified in Section 3.04(g).

"Custodial Property" has the meaning specified in Section 4.03(b).

"Debtor Relief Laws" means the Bankruptcy Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency,

reorganization, suspension of payments, readjustment of debt, marshalling of assets or similar debtor relief laws of the United States or any state from time to time in effect, affecting the rights of creditors generally.

"Defeasance Account" has the meaning set forth in Section 5.02.

"Defeasance Amount" means, with respect to any Partial Defeasance, the sum of (i) the amount referred to in Section 8.05(iv)(A) with respect to such Partial Defeasance and (ii) any costs and expenses incurred or to be incurred in connection with the purchase of the U.S. Obligations described in Section 8.05(iv)(A) with respect to such Partial Defeasance (including any fees and expenses incurred in connection therewith by accountants, attorneys and any Rating Agency then providing a rating for any Bond).

"Defeasance Date" means, with respect to any Partial Defeasance, the Business Date designated by the Servicer as the date on which such Partial Defeasance shall occur.

"Defeasance Event" means any of the following events: (i) the Depositor is obligated to repurchase a Membership Interest pursuant to the Sale Agreement and has elected to satisfy such repurchase obligation by defeasing such Membership Interest, (ii) any Lessee has notified the related Land Lease Entity in writing that such Lessee desires to prepay the remaining Scheduled Lease Payments with respect to the related Land Lease Asset and terminate the related Land Lease Asset Documents, or (iii) any Lessee has defaulted (or the Servicer has determined in its good faith business judgment that any Lessee will default) in the payment of one or more Scheduled Lease Payments with respect to the related Land Lease Asset.

"Defeasance Notice" means a notice executed and delivered by an Authorized Officer of the Servicer (i) certifying with respect to any Land Lease Asset that (A) the Depositor is obligated to repurchase the related Membership Interest pursuant to the Sale Agreement and has elected to satisfy such repurchase obligation by defeasing such Membership Interest, (B) the related Lessee has notified the related Land Lease Entity in writing that such Lessee desires to prepay the remaining Scheduled Lease Payments with respect to such Land Lease Asset and terminate the related Land Lease Asset Documents, or (C) the related Lessee has defaulted (or the Servicer has determined in its good faith business judgment that such Lessee will default) in the payment of one or more Scheduled Lease Payments with respect to such Land Lease Asset, (ii) specifying the Defeasance Date, and (iii) directing the Issuer to defease the related Membership Interest (or the related equity interest in any new special purpose company formed pursuant to Section 8.06) and transfer the related Membership Interest (or such equity interest) to the Depositor pursuant to Section 8.06 on the Defeasance Date specified in such notice.

"Deferred Post-ARD Additional Bond Interest" means, for any Class of Bonds as of any Payment Date following the Anticipated Repayment Date, the amount of Post-ARD Additional Bond Interest for such Class of Bonds accrued but not paid on prior Payment Dates. For the avoidance of doubt, Deferred Post-ARD Additional Bond Interest will not bear interest.

"Delinquent" means, with respect to any Scheduled Lease Payment for any Land Lease Asset, that such Scheduled Lease Payment is not made on or prior to the date such payment is first due and owing. A Scheduled Lease Payment is "sixty (60) days Delinquent" if

such payment has not been received on or prior to the date that is sixty (60) days next following the date such payment is first due and owing. For the avoidance of doubt, the failure of a Variable Lease Payment to equal or exceed the amount of such payment set forth in the Model (as defined in the Sale Agreement) shall not constitute a breach hereunder.

"Depositor" means HA Land Lease Holdings LLC, a Delaware limited liability company, and its successors and permitted assigns.

"Determination Date" means (i) the last Business Day of each calendar quarter and (ii) with respect to any Payment Date, the last Business Day of the calendar quarter immediately preceding the calendar month in which such Payment Date occurs.

"Direction Letters" means the letters and/or notices sent to each Lessee by the Depositor pursuant to Section 4.02 of the Sale Agreement.

"DSCR" means, for any Determination Date, an amount equal to:

(i) all Scheduled Lease Payments, in each case collected and deposited into the Collection Account during the related Collection Period, less all Trustee Fees, Backup Servicer Fees and Servicer Fees scheduled to be paid on the Payment Date following such Determination Date, divided by;

(ii) the Total Debt Service for the Payment Date following such Determination Date;

provided, however, that any Scheduled Lease Payment collected and so deposited within ten days after a Determination Date shall, for purposes of calculating the DSCR on such Determination Date, be deemed to have been collected during the related Collection Period (and not during any other Collection Period) if such payment or amount was due during such Collection Period and any Scheduled Lease Payment collected and so deposited within ten days prior to a Determination Date shall, for purposes of calculating the DSCR on such Determination Date, be deemed to have been collected during the next Collection Period (and not during any other Collection Period) if such payment or amount was due during the next Collection Period (i.e. an early payment).

"Early Amortization Period" means each period:

(i) commencing on any Determination Date on which (A) the DSCR is less than or equal to 1.15 (but only if the DSCR was also less than or equal to 1.15 on the immediately preceding Determination Date), (B) the aggregate Asset Value of the Non-Performing Land Lease Assets exceeds 10% of the Total Asset Value, (C) an Insolvency Event shall have occurred and be continuing with respect to the Servicer, (D) an Event of Default shall have occurred and be continuing, or (E) if such Determination Date is on or after the Anticipated Repayment Date, the Outstanding Bond Balance of the Class A Bonds has not been reduced to zero or (F) the Consolidated Net Worth of HASI as of the end of any fiscal quarter shall be less than $100,000,000 plus 65% of the increase in the Consolidated Net Worth of HASI since the Closing Date, as reflected in the most recent financial statements required to be delivered pursuant Section 3.15 of the HASI Indemnity Agreement;; and

(ii) ending on the Determination Date on which no event described in clause (i) exists (but only if no such event existed on any of the three immediately preceding Determination Dates).

"Eligible Account" means either (i) a segregated deposit account or securities account over which the Indenture Trustee has sole signature authority, maintained with an Eligible Institution meeting the requirements of clause (i) of the definition of the term "Eligible Institution" or (ii) a segregated trust account maintained with the trust department of an Eligible Institution meeting the requirements of clause (ii) of the definition of the term "Eligible Institution", in each case bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Bondholders.

"Eligible Institution" means (i) the corporate trust department of the Indenture Trustee or the Owner Trustee or (ii) the corporate trust department of any other depository institution organized under the laws of the United States or any State or incorporated under the laws of a foreign jurisdiction with a branch or agency located in the United States or any State qualified to take deposits and subject to supervision and examination by federal or state banking authorities (A) which at all times has either (1) a long-term unsecured debt rating of at least "BBB+" from Standard & Poor's or (2) a long-term unsecured debt rating, a short-term unsecured debt rating or a certificate of deposit rating otherwise acceptable to each Rating Agency other than Standard & Poor's and (B) whose deposits are insured by the Federal Deposit Insurance Corporation.

"Eligible Investments" means, at any time, any one or more of the following obligations, instruments, investments and securities:

(i) direct obligations of, and obligations fully guaranteed by, the United States or any agency or instrumentality thereof the obligations of which are backed by the full faith and credit of the United States; and

(ii) investments in money market funds having a rating from Standard & Poor's of at least "AAA-m" or "AAAm-G" or from Moody's of at least "Aaa-mf" (including funds for which the Indenture Trustee is investment manager or advisor);

and, provided further, that each of the foregoing investments shall mature no later than the Reporting Date immediately following the calendar quarter in which such investment was made, and shall be required to be held to such maturity. Each of the Eligible Investments may be purchased by the Indenture Trustee or through an Affiliate of the Indenture Trustee.

Notwithstanding anything to the contrary contained in this definition, no Eligible Investment may be purchased at a premium, and no obligation or security shall be an "Eligible Investment" unless (x) the Indenture Trustee has Control over such obligation or security and (y) at the time the Indenture Trustee first obtained Control or the Indenture Trustee first became the Entitlement Holder with respect to such obligation or security, the Indenture Trustee did not have notice of any adverse claim with respect thereto within the meaning of Section 8-102 of the UCC.

For purposes of this definition, any reference to the "highest available" credit rating of an obligation means the highest available credit rating for such type of obligation.

"Eligible Servicer" means (i) the Backup Servicer and (ii) any other Person which is legally qualified and has the capacity to service the Land Lease Assets at the time of its appointment as Servicer and is approved, in writing, by the Required Bondholders.

"Entitlement Holder" has the meaning specified in Section 8-102 of the UCC.

"Entitlement Order" has the meaning specified in Section 8-102 of the UCC.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Event of Default" has the meaning specified in Section 7.01.

"FATCA" means Section 1471 through 1474 of the Code and any regulations or official interpretations thereof (including any revenue ruling, revenue procedure, notice or similar guidance issued by the U.S. Internal Revenue Service thereunder as a precondition to relief or exemption from taxes under such Sections, regulations and interpretations), any agreements entered into pursuant to Section 1471(b)(1) of the Code, and including any amendments made to FATCA after the date of this Indenture.

"GAAP" means generally accepted accounting principles in the United States of America in effect from time to time, consistently applied.

"GAAS" means generally accepted auditing standards in the United States of America in effect from time to time, consistently applied.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Grant" means to mortgage, pledge, assign, create and grant a Lien upon and a security interest in and right of set-off against, deposit, set over and confirm pursuant to this Indenture, and other forms of the verb "to Grant" shall have correlative meanings. A Grant of the Trust Estate or of any other agreement or instrument shall include all rights, powers and options (but none of the obligations) of the Granting party thereunder, including the immediate and continuing right to claim for, collect, receive and give receipt for payments in respect of the Trust Estate and all other moneys payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the Granting party or otherwise and generally to do and receive anything that the Granting party is or may be entitled to do or receive thereunder or with respect thereto.

"HA Capital" means Hannon Armstrong Capital, LLC, a Maryland limited liability company, and its successors and permitted assigns.

"HASI" means Hannon Armstrong Sustainable Infrastructure Capital, Inc., a Maryland corporation, and its successors and permitted assigns.

"HASI Indemnity Agreement" means the Indemnity Agreement, dated as of September 30, 2015, made by HASI in favor of the Indenture Trustee for the benefit of the Bondholders, as such agreement may be amended, supplemented, restated or otherwise modified from time to time with the prior written consent of the Required Bondholders.

"Hybrid Lease Transaction" means a transaction where a Land Lease Entity does not own fee title to the Project Property upon which a Project has been developed or is being developed (except, in most cases, a nominal tenancy-in-common in such Project Property), but instead holds a leasehold, easement, royalty or other interest in a Project Property, and the correlative payment rights deriving directly or indirectly from the related Operator, which transactions are identified on Schedule 3.

"Indebtedness" means, with respect to any Person at any date, without duplication, (i) all indebtedness of such Person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (ii) any other indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument, (iii) all obligations of such Person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such Person and (iv) all liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof.

"Indemnity Payment" means any payment made by HASI pursuant to the HASI Indemnity Agreement.

"Indenture" means this Indenture, as it may be amended, supplemented, restated or otherwise modified from time to time, and including the Exhibits and Schedules hereto.

"Indenture Trustee" means The Bank of New York Mellon, a New York banking corporation, and its successors in trust permitted hereunder.

"Independent" means, with respect to any Person, that such Person (i) is in fact independent of each Land Lease Entity, the Depositor, the Administrator, the Servicer and any of their respective Affiliates, (ii) does not have any direct financial interest in or any material indirect financial interest in any Land Lease Entity, the Depositor, the Administrator, the Servicer or any of their respective Affiliates, and (iii) is not connected with any Land Lease Entity, the Depositor, the Administrator, the Servicer or any of their respective Affiliates as an officer, employee, promoter, underwriter, trustee, partner, director or Person performing similar functions; provided, however, that a Person shall not fail to be Independent of any Land Lease Entity, the Depositor, the Administrator, the Servicer or any of their respective Affiliates solely because such Person is the beneficial owner of 1.00% or less of any class of securities issued by any such Person.

"Initial Collection Account Deposit Amount" means $1,637,304.55.

"Initial Outstanding Bond Balance" means (i) with respect to the Class A Bonds, $100,500,000.00, and (ii) with respect to the Class B Bonds, $18,112,000.00.

"Insolvency Event" means, with respect to any Person, that (i) such Person shall fail generally to, or admit in writing its inability to, pay its debts as they become due; or (ii) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of such Person in an involuntary case under any Debtor Relief Law, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person or for any substantial part of its property, or for the winding-up or liquidation of its affairs and, if instituted against such Person, any such proceeding shall continue undismissed or unstayed and in effect, for a period of ninety (90) consecutive days, or any of the actions sought in such proceeding shall occur; or (iii) such Person shall commence a voluntary case under any Debtor Relief Law, or such Person shall consent to the entry of an order for relief in an involuntary case under any Debtor Relief Law or to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person or for any substantial part of its property, or to any general assignment for the benefit of creditors; or (iv) such Person shall take any corporate action in furtherance of any of the actions set forth in the preceding clause (i), (ii) or (iii).

"Institutional Accredited Investor" has the meaning specified in Section 3.04(e).

"Interest Accrual Period" means, for any Payment Date, the period from but excluding the second Determination Date next preceding such Payment Date to and including the first Determination Date next preceding such Payment Date and, in each case, will be deemed to be a period of ninety (90) days; provided, however, that the Interest Accrual Period for the initial Payment Date shall be the actual number of days from and including the Closing Date to and including the first Determination Date next preceding such Payment Date.

"Investment Company Act" means the Investment Company Act of 1940, as amended from time to time.

"Issuer" means HASI SYB Trust 2015-1, a statutory trust organized under the laws of the State of Delaware.

"KBRA" means Kroll Bond Rating Agency, Inc.

"Land Lease Asset" means any fee, easement, leasehold or other real property interest and all related Land Lease Asset Documents and all rents, revenues, royalties and proceeds derived therefrom, owned or held by a Land Lease Entity.

"Land Lease Asset Documents" means, with respect to any Land Lease Asset, (i) with respect to any Standard Lease Transaction, the ground lease entered into between the related Lessee and the related Land Lease Entity that is the Lessor thereunder in connection with such transaction and (ii) with respect to any Hybrid Lease Transaction, the royalty agreement, lease assignment agreement or other related agreements entered into between the related Lessee and the related Land Lease Entity that is the Lessor thereunder in connection with such transaction.

"Land Lease Entity" means each Person identified on Schedule 1.

"Lease Expiration Date" means, with respect to any Land Lease Asset, the expiration date for the related Standard Lease Transaction or the related Hybrid Lease Transaction as set forth on Schedule 2 or Schedule 3, as applicable.

"Lessee" means, with respect to any Land Lease Asset, the lessee, the grantee or, in certain limited cases, the Operator under the applicable Land Lease Asset Documents.

"Lessor" means, with respect to any Land Lease Asset, the lessor, the grantor or, in certain limited cases, the royalty assignee or other payee under the applicable Land Lease Asset Documents, each of which is a Land Lease Entity.

"Lien" means any security interest, lien, charge, pledge, equity or encumbrance of any kind.

"LLE Collateral Assignment" means the Collateral Assignment of Rights, dated as of September 30, 2015, made by each Land Lease Entity identified on Schedule 1 as a collateral assignor in favor of the Indenture Trustee, as such assignment may be amended, supplemented, restated or otherwise modified from time to time with the prior written consent of the Required Bondholders.

"LLE Operating Agreement" means the Amended and Restated Limited Liability Company Agreement of a Land Lease Entity, dated as of the Closing Date.

"LLE Servicer" means HA Capital, in its capacity as servicer under the LLE Servicing Agreement.

"LLE Servicer Advance" has the meaning set forth in the LLE Servicing Agreement.

"LLE Servicing Agreement" means the Servicing Agreement, dated as of September 30, 2015, by and among the Land Lease Entities, HA Capital, as LLE Servicer, and HA Capital, as Servicer.

"Losses" has the meaning specified in Section 6.06.

"Make Whole Amount" means, with respect to any Bond, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Bond over the amount of such Called Principal; provided, however, that the Make Whole Amount may in no event be less than zero. For the purposes of determining the Make Whole Amount, the following terms have the following meanings:

"Called Principal" means, with respect to any Bond, the principal of such Bond that is to be prepaid pursuant to Section 8.01 or such Bond's pro-rata share of any Repurchase Payment, as the context requires.

"Discounted Value" means, with respect to the Called Principal of any Bond, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Bonds is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Reinvestment Yield" means, with respect to the Called Principal of any Bond, fifty basis points over the yield to maturity implied by the yield(s) reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities ("Reported") having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between the yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Remaining Average Life and (2) closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Bond.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then "Reinvestment Yield" means, with respect to the Called Principal of any Bond, fifty basis points over the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (1) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (2) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Bond.

"Remaining Average Life" means, with respect to any Called Principal, the number of years obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Called Principal of any Bond, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date; provided, however, that if such Settlement Date is not a date on which interest payments are due to be made under the Bonds, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to Section 8.01.

"Settlement Date" means, with respect to the Called Principal of any Bond, the date on which such Called Principal is to be prepaid pursuant to Section 8.01 or the date on which a Make Whole Amount is to be paid with respect to such Called Principal pursuant to Section 8.07, as applicable.

"Make Whole Determination Date" means the May 2034 Payment Date.

"Material Modification" means (i) a material change in any Land Lease Asset Document or (ii) a sale, transfer or assignment of, or creation of a Lien on, any Land Lease Asset, except, in each case, as may be required or expressly permitted (such as, without limitation, Permitted Liens) pursuant to the terms of the applicable Land Lease Asset Document.

"Membership Interests" means 100% of the outstanding membership interests of each Land Lease Entity, which membership interests are described on Schedule 6, and includes (i) all present and future rights of the owner of such Membership Interests to receive any payment of money or other distribution or payment arising out of or in connection with the Membership Interest in any Land Lease Entity and its rights under the related LLE Operating Agreement; (ii) all of such owner's capital or ownership interest or other interest in each Land Lease Entity, including capital accounts derived from the Membership Interests; (iii) all of such owner's voting rights in or rights to control or direct the affairs of each Land Lease Entity derived from the Membership Interests; (iv) all other rights, title and interest in or to each Land Lease Entity derived from the Membership Interests; (v) any other claim that such owner now has or may in the future acquire in its capacity as a member of any Land Lease Entity against such Land Lease Entity and its property; (vi) all securities, certificates and other instruments representing or evidencing any of the foregoing rights and interests or the ownership thereof and all warrants, rights or options issued thereon or with respect thereto; and (vii) to the extent not otherwise included in clauses (i) through (vi) above, all Proceeds, products, accessions, dividends, distributions, interest and return of capital of any and all of the foregoing, including whatever is received upon any collection, exchange, sale or other disposition of any of the Membership Interests, and any property into which any of the Membership Interests is converted, whether cash or noncash proceeds, and any and all other amounts paid or payable under or in connection with any of the Membership Interests.

"Moody's" means Moody's Investors Service, Inc.

"Non-Class B Interest Deferral Period" means any period in which a Class B Interest Deferral Period is not in effect.

"Non-Performing Land Lease Asset" means, as of any Determination Date, a Land Lease Asset as to which (i) an Insolvency Event has occurred and is continuing as of such Determination Date with respect to the related Lessee, (ii) a Material Modification has occurred on or before such Determination Date and such Material Modification has not been approved by the Required Bondholders, or (iii) any related Scheduled Lease Payment is Delinquent in excess of sixty (60) days as of such Determination Date.

"Non-Permitted Holder" has the meaning specified in Section 3.09(b).

"Non-Permitted ERISA Holder" has the meaning specified in Section 3.09(b).

"Officer's Certificate" means, with respect to any Person, a certificate signed by any Authorized Officer of such Person.

"Operator" means the owner/operator of a Project related to a Hybrid Lease Transaction.

"Opinion of Counsel" means one or more written opinions of counsel (who may, except as otherwise expressly provided in the Transaction Documents, be Independent counsel to the Servicer or its Affiliates), which counsel and opinion shall be satisfactory to the Required Bondholders, and which opinion(s), if provided pursuant to this Indenture, shall be addressed to the Indenture Trustee as Indenture Trustee and the Bondholders, shall comply with any applicable requirements of this Indenture and shall be in form and substance satisfactory to the Indenture Trustee and the Required Bondholders.

"Outstanding" means, with respect to all Bonds as of any date of determination, all such Bonds theretofore executed and delivered hereunder except:

(i) Bonds theretofore canceled by the Indenture Trustee or delivered to the Indenture Trustee for cancellation;

(ii) Bonds or portions thereof for which full and final payment of money in the necessary amount has been theretofore deposited with the Indenture Trustee in trust for the Holders of such Bonds as provided for in ARTICLE IX;

(iii) Bonds in exchange for or in lieu of which other Bonds have been executed and delivered pursuant to this Indenture, unless proof satisfactory to the Indenture Trustee is presented that any such Bonds are held by a bona fide purchaser; and

(iv) Bonds alleged to have been destroyed, lost or stolen for which replacement Bonds have been issued as provided for in Section 3.05;

provided, however, that for the purpose of determining whether or not the requisite percentage of Bondholders shall have cast their vote with respect to any matters arising hereunder, Bonds known by a Responsible Officer to be held by the Servicer or any of its Affiliates shall be deemed not Outstanding.

"Outstanding Bond Balance" means, for any Class of Bonds as of any date of determination, the Initial Outstanding Bond Balance of such Class of Bonds less the sum of all scheduled and unscheduled Bond principal payments actually distributed to the Holders of such Class of Bonds on or before such date.

"Owner Trustee" means BNY Mellon Trust of Delaware, a Delaware banking corporation, as Owner Trustee with respect to the Issuer, and its successors in trust permitted hereunder.

"Partial Defeasance" means any defeasance of any Membership Interest pursuant to Section 8.04.

"Partial Early Amortization Period" means each period:

(i) commencing on any Determination Date on which the DSCR is less than or equal to 1.25 (but only if the DSCR was also less than or equal to 1.25 on the immediately preceding Determination Date); and

(ii) ending on the earlier of (A) the Determination Date on which the DSCR is greater than 1.25 (but only if the DSCR was also greater than 1.25 on each of the three immediately preceding Determination Dates) and (B) the commencement of an Early Amortization Period;

provided, however, that a Partial Early Amortization Period shall not commence on any Determination Date if an Early Amortization Period is in effect on such Determination Date.

"Payment Date" means the 20th day of each January, April, July and October (or, if such day is not a Business Day, the next succeeding Business Day), commencing on October 20, 2015.

"Permitted Lien" has the meaning set forth in the Sale Agreement.

"Person" means any individual, corporation, partnership, limited liability company, limited liability partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Plan Asset Regulation" means U.S. Department of Labor regulation, 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA).

"Post-ARD Additional Bond Interest" means, for any Class of Bonds as of any Payment Date following the Anticipated Repayment Date, an amount equal to the interest accrued during the related Interest Accrual Period at the related Post-ARD Additional Interest Rate on the Outstanding Bond Balance of such Class of Bonds immediately prior to such Payment Date.

"Post-ARD Additional Interest Rate" means, for any Class of Bonds, an annual rate equal to the greater of (i)5.00% and (ii) the amount, if any, by which the sum of the following exceeds the related Bond Rate: (A) the yield to maturity (adjusted to a "mortgage equivalent basis" pursuant to the standards and practices of the Securities Industry and Financial Markets Association) on the Anticipated Repayment Date of the U.S. Treasury security having a term closest to ten years, (B) 5.00% and (C) the related Post-ARD Spread.

"Post-ARD Spread" means (i) for the Class A Bonds, 2.00%, and (ii) for the Class B Bonds, 2.72%.

"Private Placement Memorandum" means the Private Placement Memorandum, dated September 30, 2015, relating to the Bonds, including the Appendices thereto.

"Pro Rata Interest" means, with respect to any Bond of any Class as of any date, a fraction, expressed as a percentage, the numerator of which is the unpaid principal balance of such Bond and the denominator of which is the aggregate unpaid principal balance of the Bonds of such Class.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"Proceeds" has the meaning specified under the UCC.

"Professional Services Agreement" means the Professional Services Agreement, dated as of May 28, 2014, between HA Capital and AWCC Capital, relating to the servicing of certain of the Land Lease Assets.

"Project" means a solar or wind energy generation facility.

"Project Property" means the real property upon which a Project has been or is being constructed and is or will be operated pursuant to the terms of the applicable Land Lease Asset Documents.

"PSA Collateral Assignment" means a collateral assignment, in form and substance reasonably satisfactory to the Required Bondholders, between HA Capital, as assignor, and the Indenture Trustee, as secured party, pursuant to which the Servicer collaterally assigns to the Indenture Trustee, as security for the performance of its obligations under this Indenture, all of its rights related to servicing under the Professional Services Agreement.

"Qualified Purchaser" has the meaning specified in Section 3.04(e).

"Quarterly Servicer Report" has the meaning specified in Section 6.11.

"Rated Final Maturity Date" means the October 2045 Payment Date.

"Rating Agency" means each of KBRA, Moody's and Standard & Poor's; provided, however, that if any such Rating Agency ceases to exist, Rating Agency shall mean any nationally recognized statistical rating organization or other comparable Person designated by the Issuer to replace such Rating Agency, written notice of which designation shall have been given to the Issuer, the Servicer and the Indenture Trustee.

"Rating Agency Condition" means, with respect to any action, that each Rating Agency then providing a rating for any Bond shall have been given ten days' (or such shorter period as is acceptable to such Rating Agency) prior notice thereof and that such Rating Agency shall have notified the Issuer, the Servicer and the Indenture Trustee in writing that such action will not result in a qualification, reduction or withdrawal of any of its then-current ratings assigned to any Class of Bonds.

"Record Date" means, with respect to any Payment Date or Voluntary Prepayment Date, the last Business Day of the calendar month immediately preceding the calendar month in which such Payment Date or Voluntary Prepayment Date occurs.

"Regular Amortization Period" means any period in which none of a Partial Early Amortization Period, an Early Amortization Period or a Class B Interest Deferral Period is in effect.

"Reporting Date" means (i) each date that is three (3) Business Days prior to a Payment Date, commencing on October 17, 2015, and (ii) with respect to any Payment Date, the Reporting Date (as defined in clause (i) of this definition) immediately preceding such Payment Date.

"Repurchase Payment" means any payment made by the Depositor (or by HASI on behalf of the Depositor pursuant to the HASI Indemnity Agreement) to the Issuer in connection with the repurchase of any Membership Interest pursuant to the Sale Agreement.

"Required Bondholders" means (i) until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero, any two or more Holders of Class A Bonds representing more than 50% of the then Outstanding Bond Balance of the Class A Bonds, and (ii) after the Outstanding Bond Balance of the Class A Bonds has been reduced to zero, the Holder(s) of Class B Bonds representing more than 50% of the then Outstanding Bond Balance of the Class B Bonds.

"Responsible Officer" means any officer within the corporate trust department of the Indenture Trustee, including any vice president, assistant vice president, secretary, assistant secretary, treasurer, assistant treasurer, trust officer or any other officer of the Indenture Trustee who customarily performs functions similar to those performed by the Persons (i) who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of the familiarity with the particular subject and (ii) who shall have direct responsibility for the administration of this Indenture.

"Sale Agreement" means the Contribution and Sale Agreement, dated as of September 30, 2015, between the Depositor and the Issuer, as such agreement may be amended, supplemented, restated or otherwise modified from time to time with the prior written consent of the Required Bondholders.

"Scheduled Bond Principal Payment" means, for any Class of Bonds as of any Payment Date, an amount equal to the sum of:

(i) any accrued but unpaid portion of the Scheduled Bond Principal Payment for such Class of Bonds for the prior Payment Date, and

(ii) the product of:

(a) (1) the Scheduled Outstanding Bond Balance of such Class of Bonds for the prior Payment Date less (2) the Scheduled Outstanding Bond Balance of such Class of Bonds for such Payment Date; and

(b) a fraction (1) the numerator of which is equal to the Outstanding Bond Balance of such Class of Bonds immediately prior to such Payment Date minus any unpaid portion of the Scheduled Bond Principal Payment for such Class of Bonds for the prior Payment Date and (2) the denominator of which is the Scheduled Outstanding Bond Balance of such Class of Bonds for the prior Payment Date.

"Scheduled Lease Payments" means, on any date of determination for any Land Lease Asset, the fixed payments of rents and royalties and Variable Lease Payments to be paid by the related Lessee or any other Person to the related Land Lease Entity under the terms of the related Land Lease Asset Documents.

"Scheduled Outstanding Bond Balance" means, for any Class of Bonds as of any Payment Date, the "Scheduled Outstanding Bond Balance" set forth for such Class of Bonds as of such Payment Date on Schedule 4.

"Securities Act" means the Securities Act of 1933, as amended.

"Servicer" means HA Capital, and any other Person (including the Backup Servicer) which shall become the Servicer hereunder in accordance with the terms hereof.

"Servicer Account" means that certain deposit account # maintained by HA Capital, for the benefit of the Issuer and the Indenture Trustee, with Citizens Bank, and all replacements or substitutions for such account, including any account resulting from a renumbering or other administrative re-identification of such account.

"Servicer Advances" has the meaning specified in Section 6.12(c).

"Servicer Default" means any event which, due to the passage of time or giving of notice or both, would become a Servicer Event of Default if not cured.

"Servicer Event of Default" has the meaning specified in Section 6.13(a).

"Servicer Fee" means, with respect to any Payment Date, an amount equal to (x) (i) the product of (i) 1/4, (ii) 0.25% and (iii) the Aggregate Outstanding Bond Balance as of the first day of the related Collection Period minus (y) $500.00.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

"Standard Lease Transaction" means a transaction in which a Land Lease Entity owns fee title to the real property on which a project has been developed or is being developed and leases the project property to a tenant pursuant to a long-term ground lease, which transactions are identified on Schedule 2.

"Substitute Collateral" has the meaning specified in Section 8.05(iv)(A).

"Total Asset Value" means, as of any date of determination, the aggregate Asset Value of the Land Lease Assets as of such date.

"Total Debt Service" means, for any Payment Date, the sum of (i) the Class A Bond Interest and the Class B Bond Interest for such Payment Date (in all cases, assuming a Non-Class B Interest Deferral Period for such Payment Date) and (ii) the Scheduled Bond Principal Payment for such Payment Date.

"Transaction Documents" means the Trust Agreement, the Sale Agreement, the HASI Indemnity Agreement, the PSA Collateral Assignment (if obtained), the LLE Collateral Assignment, the Administration Agreement, this Indenture, each Bond Purchase Agreement, each Direction Letter, the LLE Servicing Agreement, the Account Control Agreement, the Class A Bonds and the Class B Bonds.

"Transaction Parties" means the Indenture Trustee, the Depositor, the Administrator, the Issuer, the Land Lease Entities, HASI and HA Capital, collectively.

"Transfer" means any direct or indirect sale, transfer, assignment, participation, pledge or other disposition, including any issuance of Bonds by the Issuer.

"Treasury Regulations" means the regulations promulgated by the U.S. Department of the Treasury under the Code.

"Trust Agreement" means the Amended and Restated Trust Agreement, dated as of September 30, 2015, between HA Land Lease Holdings LLC, as depositor and as initial beneficiary, BNY Mellon Trust of Delaware, as owner trustee, and HA Capital, as sole member of the depositor and as servicer, with respect to the Issuer.

"Trust Estate" means collectively and without duplication, the property of the Issuer, which shall consist of the Issuer's entire right, title, interest and estate, whether now owned or hereafter acquired, in and to all accounts, contract rights, general intangibles, payment intangibles, chattel paper, instruments, documents, money, certificates of deposit, goods, letters of credit, advices of credit, certificated securities and uncertificated securities consisting of, arising from, or relating to:

(i) the Membership Interests;

(ii) all Scheduled Lease Payments or Unscheduled Project Payments received or held by the Issuer or the LLE Servicer (other than any amounts withdrawn from the Servicer Account pursuant to Section 3.07(a));

(iii) all Substitute Collateral and all related payments of the Defeasance Amount;

(iv) each Account and all monies, securities, instruments and other property (together with all earnings, dividends, distributions, income, issues, and profits relating thereto) from time to time held in or credited to any Account;

(v) the HASI Indemnity Agreement, including all payments made or received pursuant to the HASI Indemnity Agreement;

(vi) the LLE Collateral Assignment;

(vii) the PSA Collateral Assignment (if obtained);

(viii) all Unscheduled Bond Principal Payments; (ix) all rights and remedies of the Issuer under the Transaction Documents to which it is a party; and

(x) all income, revenues, issues, products, revisions, substitutions, replacements, profit and proceeds of and from all of the foregoing.

"Trustee Expenses" means any and all reasonable expenses, disbursements or advances incurred or made by the Owner Trustee or the Indenture Trustee in accordance with the Transaction Documents, in each case to the extent not previously paid to the Owner Trustee or the Indenture Trustee.

"Trustee Fees" means, for any Payment Date, the fees, expenses and indemnification amounts payable to each of the Owner Trustee and the Indenture Trustee for performing their respective obligations under the Transaction Documents during the related Collection Period, in each case as set forth in a separate written agreement.

"UCC" means the Uniform Commercial Code (or any comparable law) in effect in any relevant jurisdiction the laws of which govern the perfection of security interests rendered hereunder.

"Unscheduled Bond Principal Payment" means, for any Payment Date, an amount equal to the sum of:

(i) the principal portion of all Unscheduled Project Payments received during the related Collection Period;

(ii) the net proceeds received during the related Collection Period from the sale of any Land Lease Asset to a third party;

(iii) the principal portion of all Repurchase Payments received during the related Collection Period;

(iv) the principal portion of all Voluntary Prepayments deposited into the Collection Account on the related Reporting Date;

(v) the principal portion of all Indemnity Payments received during the related Collection Period; and

(vi) any unpaid portion of Unscheduled Bond Principal Payments from prior Payment Dates received or held during the related Collection Period.

"Unscheduled Project Payments" means all payments, including insurance proceeds, condemnation awards, and any other non-recurring payments with respect to any Land Lease Asset, made by or on behalf of the related Lessee to the related Land Lease Entity under the terms of the applicable Land Lease Asset Documents, other than Scheduled Lease Payments,

"Variable Lease Payments" means, on any date of determination for any Land Lease Asset, the aggregate remaining variable or generation-based payments based upon P50 output production expectations to be paid by the related Lessee to the related Land Lease Entity under the terms of the related Land Lease Asset Documents.

"Voluntary Prepayment" has the meaning specified in Section 8.01(a).

"Voluntary Prepayment Account" has the meaning specified in Section 5.02.

"Voluntary Prepayment Amount" means, with respect to any Voluntary Prepayment, the sum of (i) the Outstanding Bond Balance of the Bonds to be prepaid immediately prior to the related Voluntary Prepayment Date, (ii) all accrued but unpaid interest thereon as of such Voluntary Prepayment Date, (iii) if such Voluntary Prepayment Date occurs prior to the Make Whole Determination Date, the Make Whole Amount due in connection with such Voluntary Prepayment and (iv) all amounts owed to the Owner Trustee, the Indenture Trustee, the Backup Servicer or the Servicer on the related Voluntary Prepayment Date.

"Voluntary Prepayment Date" has the meaning specified in Section 8.01(a).

Section 1.02. Other Definitional Provisions.

(a) All terms defined in this Indenture shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(b) As used in this Indenture and in any certificate or other document made or delivered pursuant hereto, accounting terms not defined in this Indenture or in any such certificate or other document, and accounting terms partly defined in this Indenture or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Indenture or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Indenture or in any such certificate or other document shall control.

(c) The words "hereof," "herein," "hereunder," and words of similar import when used in this Indenture shall refer to this Indenture as a whole and not to any particular provision of this Indenture; Article, Section, subsection, Exhibit and Schedule references contained in this Indenture are references to Articles, Sections, subsections, Exhibits and Schedules in or to this Indenture unless otherwise specified; the term "including" means "including without limitation;" and the term "or" is not exclusive.

(d) The definitions contained in this Indenture are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

Section 1.03. Captions; Table of Contents. The captions or headings in this Indenture and the Table of Contents are for convenience only and in no way define, limit or describe the scope and intent of any provisions of this Indenture.

ARTICLE II
ISSUANCE AND SALE OF BONDS

Section 2.01. General; Authentication Order. Subject to the provisions of this ARTICLE II, on the Closing Date, upon the Indenture Trustee's receipt from the Issuer of an executed Authentication Order, the Indenture Trustee shall execute, authenticate and deliver the Class A Bonds and the Class B Bonds on behalf of the Issuer in accordance with the directions set forth in such Authentication Order.

Section 2.02. Issuance and Sale of Bonds. Subject to the satisfaction, or waiver by the Required Bondholders, of all conditions precedent to the contribution and sale of the Membership Interests to the Issuer pursuant to the Sale Agreement and the sale of the Class A Bonds and the Class B Bonds on the Closing Date, including the conditions set forth in the Sale Agreement and each Bond Purchase Agreement, on the Closing Date, the Depositor will contribute and sell the Membership Interests to the Issuer, and the Issuer will, in accordance with the terms and provisions of each Bond Purchase Agreement, deliver or cause to be delivered the Class A Bonds to the Class A Bondholders and the Class B Bonds to the Class B Bondholders, in each case registered on the Bond Register in the name of the related Holder, against payment of the purchase price therefor by wire transfer of immediately available funds to the Indenture Trustee for deposit in HASI SYB Tr 2015-1 Collection Account for application as described in this Section 2.02. Upon its receipt of the proceeds of the sale of the Class A Bonds and the Class B Bonds, the Indenture Trustee shall, from such proceeds and in the following order: (a) deposit an amount equal to the Initial Collection Account Deposit Amount into the Collection Account, (b) deposit an amount equal to the Class A Liquidity Reserve Account Required Balance for the Closing Date into the Class A Liquidity Reserve Account, (c) pay the fees and expenses required to be paid as of such time by the Issuer under each Bond Purchase Agreement, (d) pay any other fees and expenses identified by the Issuer, if any, and (e) pay the balance to or at the direction of the Depositor pursuant to the Sale Agreement.

ARTICLE III
BONDS AND TRANSFER OF INTERESTS

Section 3.01. Terms.

(a) The Bonds are limited recourse obligations of the Issuer subject to the Grant of the Lien on the Trust Estate contained herein. Each Bond entitles the Holder thereof to receive on each Payment Date, in the order of priority specified in Section 3.07, a specified portion of certain payments made with respect to the Trust Estate, in each case pro rata in accordance with such Bondholder's Pro Rata Interest.

(b) No Bondholder shall be required to surrender any Bond in order to receive any distribution (except as provided in Section 3.07 for the final distribution) thereon. Any Bond as to which the Indenture Trustee has made the final distribution thereon shall be deemed canceled and shall no longer be Outstanding for any purpose of this Indenture.

Section 3.02. Forms. The Bonds shall be substantially in the forms attached as Exhibit A, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture to comply, or facilitate compliance, with applicable laws, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any applicable securities laws or as may, consistently herewith, be determined by the Authorized Officer of the Issuer executing such Bonds, as evidenced by his execution thereof.

Section 3.03. Execution, Authentication and Delivery.

(a) Each Bond shall be executed on behalf of the Issuer, by the manual signature of one of the Issuer's Authorized Officers and shall be authenticated by the manual signature of one of the Indenture Trustee's Authorized Officers.

(b) Bonds bearing the manual signature of individuals who were at any time Authorized Officers of the Issuer shall, upon proper authentication by the Indenture Trustee, bind the Issuer, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the delivery of such Bonds or did not hold such offices at the date of authentication of such Bonds.

(c) The Bonds shall be dated as of the Closing Date and delivered on the Closing Date to the parties specified in Section 2.02.

(d) No Bond shall be valid until executed and authenticated as set forth above.

Section 3.04. Registration and Transfer; Exchange; Negotiability.

(a) Each Bond shall be transferable only upon a register (the "Bond Register"), which shall be kept for that purpose at the office of the Person acting as registrar (the "Bond Registrar"). The Indenture Trustee is hereby designated as the initial Bond Registrar. Subject to the provisions of this Section 3.04, the Transfer of any Bond shall be effected on the Bond Register by the Bondholder thereof in person or by its attorney duly authorized in writing,

upon surrender thereof together with a written instrument of transfer substantially in the form attached as Exhibit G duly executed by the Bondholder or its duly authorized attorney. Any purported Transfer of a Bond except as expressly permitted pursuant to, and in compliance with, the provisions of this Section 3.04 shall not be registered by the Bond Registrar on the Bond Register and in any event shall be deemed void for all purposes of this Indenture. Upon the Transfer of any such Bond, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, in the name of the transferee a new Bond or Bonds in the same aggregate principal amount as the surrendered Bond or Bonds.

(b) At the option of the Bondholder, Bonds may be exchanged for other Bonds of any Authorized Denomination, and of a like aggregate principal amount, upon surrender of the Bonds to be exchanged at such office or agency of the Indenture Trustee designated for such purpose. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, the Bonds which the Bondholder making the exchange is entitled to receive.

(c) All Bonds issued upon any registration of Transfer or exchange of Bonds shall represent valid obligations of the Issuer, to the same extent as the Bonds surrendered upon such registration of Transfer or exchange.

(d) The Indenture Trustee shall ensure that no register of Transfer of any Bond (including by the initial sale of such Bond upon the issuance thereof) to any Person shall be effected unless such Person delivers to the Indenture Trustee (i) completed certificates substantially in the forms attached as Exhibit C-1 and Exhibit C-2 and (ii) a completed certificate substantially in the form attached as Exhibit D, if applicable, with a completed Internal Revenue Service Form W-9 (or successor form) or, ifExhibit D is not applicable, a completed Internal Revenue Service Form W-8BEN, W-8BEN-E, W-8ECI, or W-8IMY, as applicable (or successor forms), and such additional information as may be requested by the Indenture Trustee for purposes of determining withholding status as to such Person; provided that (and for the avoidance of doubt) purchasers of Bonds on the Closing Date will only be required to make the representations and agreements set forth in the applicable Bond Purchase Agreement (and will not be required to deliver completed certificates in the Forms of Exhibit C-1 and Exhibit C-2).

(e) No Bond may be Transferred (including by pledge or hypothecation) unless such Transfer is exempt from the registration requirements of the Securities Act and all applicable state securities laws and will not cause the Issuer to become subject to the requirement that it register as an investment company under the Investment Company Act. None of the Issuer, the Indenture Trustee, the Servicer or the Bond Registrar is obligated to register the Bonds under the Securities Act or any other securities law. The Bonds purchased on the Closing Date were offered in a transaction not involving a public offering in reliance on Section 4(a)(2) of the Securities Act, Rule 506(b) promulgated under the Securities Act and/or Rule 506(c) promulgated under the Securities Act, to "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act ("Institutional Accredited Investor") that are also "qualified purchasers" as defined in Section 2(a)(51) of the Investment Company Act of 1940 ("Qualified Purchaser"). Each transferee purchaser (including subsequent transferees) of Bonds will be required to make the representations and agreements in the Transfer Certificate and ERISA Certificate attached as Exhibit C-1 and Exhibit C-2.

(f) In all cases in which the right to exchange or transfer Bonds is exercised, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, Bonds in accordance with the provisions of this Indenture. For every such exchange or registration of transfer of Bonds, the Bondholder shall be responsible for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but the Indenture Trustee will not charge any fee.

(g) No transfer of any Bond shall be effective if it would result in 25% or more of the value of any Class of Bonds being held by Benefit Plan Investors (the "25% Limitation"). For purposes of this determination, the value of equity interests held by a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or any "affiliate" of such a person (as defined in the Plan Asset Regulation)) is disregarded (any such person with respect to the Issuer (a "Controlling Person"), HA Capital and its affiliates shall be disregarded and not treated as being Outstanding). In addition, if any Holder of Bonds (i) informs the Indenture Trustee that as a result of a proposed transfer of interests in, or securities issued by, such Holder, all or a specified portion of the Bonds owned by such Holder would be deemed to be held by a Benefit Plan Investor and (ii) requests the Indenture Trustee to determine and notify such Holder whether the 25% Limitation would be exceeded after giving effect to such transfer, then the Indenture Trustee shall make such determination, subject to the last sentence of this Section 3.04(g), and notify such Holder accordingly. Each Holder of Bonds shall be required to covenant that it will inform the Indenture Trustee of any such transfer, will not permit any such transfer that would cause the 25% Limitation to be exceeded to become effective, and will notify the Indenture Trustee of the effectiveness of any transfer that is not prohibited by this paragraph. After it is notified of the effectiveness of any transfer pursuant to the foregoing sentence, the Indenture Trustee shall regard the Bonds held by such Holder (or specified portion thereof) as being held by a Benefit Plan Investor in future calculations of the 25% Limitation made pursuant to this Indenture unless subsequently notified by such Holder that such Bonds (or specified portion thereof) would no longer be deemed to be held by Benefit Plan Investors. The Indenture Trustee shall be entitled to rely exclusively upon the information set forth in the face of the Transfer Certificates received pursuant to the terms of this Section 3.04 and only Bonds that a trust officer of the Indenture Trustee actually knows to be so held shall be so disregarded.

(h) The Indenture Trustee shall not be responsible for ascertaining whether any transfer complies with, or for otherwise monitoring or determining compliance with, the requirements or terms of the Securities Act, applicable state securities laws, ERISA, the Code or the Investment Company Act; except that if a certificate is specifically required by the terms of this Section 3.04 to be provided to the Indenture Trustee by a prospective transferor or transferee, the Indenture Trustee shall be under a duty to receive and examine the same to determine whether it conforms substantially on its face to the applicable requirements of this Section 3.04; provided, however, that the Indenture Trustee shall not be required to obtain any certificate specifically required by the terms of this Section 3.04 if the Indenture Trustee is not notified of or in a position to know of any transfer requiring such a certificate to be presented by the proposed transferor or transferee.

(i) So long as a Bond remains Outstanding, transfers and exchanges of a Bond, in whole or in part, shall only be made in accordance with Section 3.02, Section 3.03, and this Section 3.04(i).

(i) Transfer of Bonds. If a Holder of an interest in a Bond wishes at any time to transfer its interest in such Bond to a Person who wishes to take delivery thereof in the form of one or more Bonds of the same Class, such Holder may transfer or cause the transfer of such interest for an equivalent interest in one or more such Bonds of the same Class as provided below. Upon receipt by the Issuer and the Bond Registrar of:

(A) such Holder's Bond properly endorsed for assignment to the transferee, and

(B) a Transfer Certificate given by the transferee of such beneficial interest, then

the Bond Registrar shall cancel such Bond in accordance with Section 3.08, record the transfer in the Bond Register in accordance with this Section 3.04 and shall notify the Issuer, who shall execute one or more Bonds and the Indenture Trustee shall authenticate and deliver Bonds bearing the same designation as the Bond of the appropriate Class endorsed for transfer, registered in the names specified in the Transfer Certificate, in principal amounts designated by the transferee (the Class and the aggregate of such amounts being the same as the interest in the Bond surrendered by the transferor), and in an authorized denomination. Any purported transfer in violation of the foregoing requirements shall be null and void ab initio and of no force and effect.

(ii) Exchange of Bonds. If a Holder of an interest in one or more Bonds wishes at any time to exchange such Bonds for one or more such Bonds in the same Class, such Holder may exchange or cause the exchange of such interest for an equivalent interest in the Bonds of the same Class bearing the same designation as the Bonds endorsed for exchange as provided below. Upon receipt by the Bond Registrar of:

(A) such Holder's Bonds properly endorsed for such exchange and

(B) written instructions from such Holder designating the number and principal amounts of the applicable Bonds to be issued (the Class and the aggregate principal amounts of such Bonds to be issued being the same as the Bonds surrendered for exchange), then

the Bond Registrar shall cancel such Bonds in accordance with Section 3.08, record the exchange in the Bond Register in accordance with this Section 3.04 and shall notify the Issuer, who shall execute the Bonds and the Indenture Trustee shall authenticate and deliver one or more Bonds of the same Class bearing the same designation as the Bonds endorsed for exchange, registered in the same names as the Bonds surrendered by such Holder or such different names as are specified in the endorsement described in clause (A) above, in different principal amounts designated by such Holder (the Class and the aggregate principal amounts of such Bonds to be issued being the same as the Bonds surrendered for exchange), and in an authorized denomination.

(j) If Bonds are issued upon the transfer, exchange or replacement of Bonds bearing the applicable legends set forth in the applicable part of Exhibit A, and if a request is made to remove such applicable legend on such Bonds, the Bonds so issued shall bear such applicable legend, or such applicable legend shall not be removed, as the case may be, unless there is delivered to the Indenture Trustee and the Issuer such satisfactory evidence, which may include an Opinion of Counsel acceptable to them, as may be reasonably required by the Issuer (and which shall by its terms permit reliance by the Indenture Trustee), to the effect that neither such applicable legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of the Securities Act, the Investment Company Act, ERISA and the Code. Upon provision of such satisfactory evidence, the Indenture Trustee, at the written direction of the Issuer shall, after due execution by the Issuer authenticate and deliver Bonds that do not bear such applicable legend.

(k) To the fullest extent permitted by applicable law, the Bonds (or any interest therein) may not be Transferred to any Person provided, however, that a Transfer of a Bond shall be permitted if (i) such Transfer is a transfer of record ownership that would be recorded in the Bond Register and, upon registration, there would be registered in the Bond Register and the Beneficial Interest Register (as defined in the Trust Agreement) not more than 95 Bondholders and Beneficiaries, (ii) the Indenture Trustee shall have received written certification from the transferee that it is the beneficial owner of the issued Bond for federal income tax purposes, and (iii) the Indenture Trustee shall have received (A) written certification from the transferee that it is and will remain a "domestic corporation" and not an S corporation for such purposes or, if the Servicer in its sole discretion consents and (B)(I) written certification from the transferee that, for purposes of U.S. Treasury Regulations Section 1.7704-1(h)(3), less than 50% of such transferee's assets, by value, will consist at the time of Transfer and at all times thereafter of the transferee's direct and indirect interest in Bonds and (II) a completed certificate substantially in the form attached as Exhibit D, if applicable, with a completed Internal Revenue Service Form W-9 (or successor form) or, if Exhibit D is not applicable, a completed Internal Revenue Service Form W-8BEN, W-8BEN-E, W-8ECI, or W-8IMY, as applicable (or successor forms), and such additional information as may be requested by the Indenture Trustee for purposes of determining withholding status as to such Person, and (III) if requested by the Servicer, an Opinion of Counsel, reasonably satisfactory to the Servicer, that states that, for purposes of U.S. Treasury Regulations Section 1.7704-1(h)(2), the Transfer would not have been required to be registered under the Securities Act if the transferor had been offered a Bond on the Closing Date within the United States; provided further that any Transfer except as expressly permitted pursuant to, and in compliance with, the provisions of this Section 3.04 shall be null and void.

Section 3.05. Mutilated, Destroyed, Lost or Stolen Bonds. If (a) any mutilated Bond is surrendered to the Indenture Trustee, or the Indenture Trustee receives evidence to its reasonable satisfaction of the destruction, loss or theft of any Bond, and (b) in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Indenture Trustee, and in the case of any destroyed, lost or stolen Bond, the Bondholder shall have first delivered to the Indenture Trustee and the Servicer such security or indemnity as may be reasonably required by it to hold

the Indenture Trustee and the Servicer harmless, then, in the absence of notice to the Indenture Trustee that such Bond has been acquired by a bona fide purchaser, the Indenture Trustee shall execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and aggregate principal amount, bearing a number not contemporaneously outstanding.

Upon the issuance of any new Bond under this Section 3.05, the Bondholder shall be responsible for any tax or other governmental charge that may be imposed in relation thereto, but the Indenture Trustee will not charge any fee.

Every new Bond issued pursuant to this Section 3.05 in exchange for or in lieu of any mutilated, destroyed, lost or stolen Bond shall constitute an original additional contractual obligation of the Issuer, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds of the same Class duly issued hereunder and such mutilated, destroyed, lost or stolen Bond shall not be valid for any purpose.

The provisions of this Section 3.05 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

Section 3.06. Persons Deemed Bondholders. The Indenture Trustee and any agent of the Indenture Trustee shall treat the Person in whose name any Bond is registered as the Holder of such Bond for the purpose of receiving distributions with respect to such Bond and for all other purposes whatsoever, and neither the Indenture Trustee nor any agent of the Indenture Trustee shall be affected by notice to the contrary.

Section 3.07. Payment of Interest and Principal.

(a) If no default by the LLE Servicer has occurred and is continuing under the LLE Servicing Agreement, the LLE Servicer may direct the Indenture Trustee in writing to withdraw from the Servicer Account on any Business Day, in each case before depositing (or causing to be deposited) Scheduled Lease Payments and Unscheduled Project Payments received with respect to any Land Lease Asset into the Collection Account pursuant to Section 5.03(b), only those amounts necessary to (i) pay known or reasonably anticipated Asset Level Expenses as and when due or (ii) reimburse the LLE Servicer for its payment of Asset Level Expenses, including LLE Servicer Advances related to such Land Lease Asset, in each case without duplication. If the amount available to be withdrawn on any Business Day is insufficient to pay or reimburse such Asset Level Expenses or LLE Servicer Advances, the LLE Servicer may direct the Indenture Trustee to withdraw such shortfall on one or more subsequent Business Days. The Indenture Trustee shall, promptly after its receipt of any written direction pursuant to this Section 3.07(a), withdraw from the Servicer Account the amount specified in such written direction and pay such amount in accordance with such written direction. If a Servicer Event of Default or an Event of Default has occurred and is continuing or a default by the LLE Servicer under the LLE Servicing Agreement has occurred and is continuing, then, in each case, the LLE Servicer may deliver to the Indenture Trustee, in each case not fewer than two and not more than five Business Days before any Asset Level Expense is scheduled to become due and payable or any Asset Level Expense is eligible to be reimbursed, a notice executed and delivered by an

Authorized Officer of the LLE Servicer (i) specifying the date on which such Asset Level Expense will become due and payable or such Asset Level Expense was incurred, (ii) describing the nature of such Asset Level Expense, (iii) identifying the Land Lease Entity to which such Asset Level Expense relates, and (iv) specifying the amount of such Asset Level Expense. The Indenture Trustee shall, promptly after its receipt of any such notice, withdraw from the Servicer Account the amount specified in such notice and pay such amount at the direction of the LLE Servicer. The LLE Servicer may not amend, supplement or otherwise modify the LLE Servicing Agreement without the prior written consent of the Required Bondholders. If the Servicer makes a Servicer Advance pursuant to Section 6.12, the Servicer may direct or instruct the Indenture Trustee to withdraw funds from the Servicer Account with respect to such Servicer Advance in accordance with this Section 3.07(a) as if such advance had been made by the LLE Servicer.

(b) On each Payment Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, apply the related Available Funds on deposit in the Collection Account to make the following payments and deposits in the following order of priority:

(i) pro rata (A) to the Owner Trustee and the Indenture Trustee, the Trustee Fees for such Payment Date plus any accrued but unpaid Trustee Fees with respect to prior Payment Dates plus any extraordinary out-of-pocket expenses of the Owner Trustee or the Indenture Trustee incurred and not reimbursed and indemnity amounts owed to the Owner Trustee or the Indenture Trustee, in each case in connection with their respective obligations and duties under the Trust Agreement and this Indenture, respectively; provided, however, that the aggregate amount payable to the Owner Trustee and the Indenture Trustee on such Payment Date as reimbursement for such expenses shall be limited to $450,000 per calendar year unless an Event of Default has occurred, the Bonds have been accelerated, or the Trust Estate has been sold pursuant to this Indenture; and (B) to the Backup Servicer, the Backup Servicer Fee for such Payment Date plus any accrued but unpaid Backup Servicer Fees with respect to prior Payment Dates;

(ii) to the Servicer, the Servicer Fee for such Payment Date;

(iii) to the Servicer, any accrued but unpaid Servicer Fees with respect to prior Payment Dates plus, to the extent not otherwise reimbursed, any other costs and expenses of the Servicer relating to mistaken deposits, postings or checks returned for insufficient funds; provided, however, that the aggregate amount payable to the Servicer as reimbursement for such other reimbursable costs and expenses incurred by the Servicer in the performance of its duties, to the extent unanticipated, will be limited to $1,500 per calendar year;

(iv) to the Class A Bondholders, the Class A Bond Interest for such Payment Date;

(v) except during any Class B Interest Deferral Period, to the Class B Bondholders, the Class B Bond Interest for such Payment Date;

(vi) to the Class A Liquidity Reserve Account, an amount equal to (A) the Class A Liquidity Reserve Account Required Balance for such Payment Date minus (B) the amount on deposit in the Class A Liquidity Reserve Account immediately prior to such Payment Date;

(vii) during any Partial Early Amortization Period or any Regular Amortization Period, to the Class A Bondholders in the following order of priority: (A) the Scheduled Bond Principal Payment for the Class A Bonds for such Payment Date; (B) the Unscheduled Bond Principal Payment for such Payment Date (or such lesser amount as will reduce the Outstanding Bond Balance of the Class A Bonds to zero); and (C) the Class A Target Balance Supplemental Principal Payment for such Payment Date;

(viii) during any Early Amortization Period, in the following order of priority: (A) to the Class A Bondholders until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero; and (B) to the Class B Bondholders in the following order of priority: (1) to reduce the Outstanding Bond Balance of the Class B Bonds to zero and (2) to pay any unpaid Class B Deferred Interest for such Payment Date;

(ix) during any Partial Early Amortization Period to the extent of 50% of any remaining Available Funds on deposit in the Collection Account, to the Class A Bondholders until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero;

(x) during any Partial Early Amortization Period, to the Class B Bondholders in the following order of priority: (A) to pay any unpaid Class B Deferred Interest for such Payment Date; (B) to pay any unpaid Class B Bond Interest for such Payment Date; and (C) to reduce the Outstanding Bond Balance of the Class B Bonds to zero;

(xi) during any Regular Amortization Period, to the Class B Bondholders in the following order of priority: (A) the Scheduled Bond Principal Payment for the Class B Bonds for such Payment Date; (B) the Unscheduled Bond Principal Payment for such Payment Date remaining after payment to the Class A Bondholders (or such lesser amount as will reduce the Outstanding Bond Balance of the Class B Bonds to zero); and (C) any unpaid Class B Deferred Interest;

(xii) to the Owner Trustee and the Indenture Trustee, any extraordinary out-of-pocket expenses of the Owner Trustee or the Indenture Trustee not paid pursuant to clause (i) above because of the expense amount limitation described in such clause;

(xiii) to the Class A Bondholders and the Class B Bondholders, in that order of priority, their respective Post-ARD Additional Bond Interest and Deferred Post-ARD Additional Bond Interest, if any, for such Payment Date; and

(xiv) to or at the direction of the Issuer, any remaining Available Funds on deposit in the Collection Account, free and clear of the Lien of this Indenture.

(c) Each Class of Bonds shall accrue interest during each Interest Accrual Period at the related Bond Rate, and such interest shall be due and payable on each Payment Date. Interest on each Class of Bonds shall be calculated on the basis of a 360 day year consisting of twelve 30-day months. Notwithstanding any other provision hereof, no Bond Rate may exceed the maximum rate permitted by law.

(d) Subject to Section 3.01, any installment of interest or principal, if any, payable on any Bond that is punctually paid or duly provided for on the applicable Payment Date shall be paid to the Person in whose name such Bond is registered at the close of business on the related Record Date by wire transfer or by check mailed first-class postage prepaid to such Person's address as it appears on the Bond Register at the close of business on such Record Date. The funds represented by any such checks returned undelivered shall be held in accordance with Section 4.02.

(e) All principal and interest payments on a Class of Bonds shall be made pro rata to the Bondholders of such Class entitled thereto. Except as otherwise provided herein, the Indenture Trustee shall, before the Payment Date on which the Issuer expects to pay the final installment of principal of and interest on any Bond, notify the Holder of such Bond as of the close of business on the related Record Date of such final installment. Such notice shall be delivered prior to such final Payment Date and shall specify that such final installment shall be payable only upon presentation and surrender of such Bond and shall specify the place where such Bond may be presented and surrendered for payment of such installment. Notices in connection with any Voluntary Prepayment shall be delivered to Bondholders as provided in Section 8.02.

(f) Notwithstanding the foregoing, the unpaid principal amount of the Bonds shall be due and payable, to the extent not previously paid, on the date on which an Event of Default shall have occurred and be continuing, if the Indenture Trustee, acting at the direction of the Required Bondholders (or immediately upon the occurrence of an Event of Default described in Section 7.01(c)) have declared the Bonds to be immediately due and payable in the manner provided inSection 7.02.

Section 3.08. Cancellation. All Bonds surrendered for registration of transfer or exchange shall, if surrendered to any Person other than the Indenture Trustee, be delivered to the Indenture Trustee and shall be promptly canceled by it in accordance with its customary procedures. No Bond shall be authenticated in lieu of or in exchange for any Bond canceled as provided in this Section 3.08, except as expressly permitted by this Indenture.

Section 3.09. Bonds Beneficially Owned by Persons Not Institutional Accredited Investors/Qualified Purchasers or in Violation of ERISA Representations

(a) Notwithstanding anything to the contrary elsewhere in this Indenture, any transfer of an interest in any Bond to a person that is not an Institutional Accredited Investor/Qualified Purchaser and that is not made pursuant to an applicable exemption under the Securities Act and the Investment Company Act shall be null and void and any such purported transfer of which the Issuer or the Indenture Trustee shall have notice may be disregarded by the Issuer and the Indenture Trustee for all purposes.

(b) If any Person that is not an Institutional Accredited Investor/Qualified Purchaser shall become the owner of an interest in any Bond (any such person a "Non-Permitted Holder"), the Issuer shall send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest in the Bonds held by such person to a Person that is not a Non-Permitted Holder within 30 days of the date of such notice. If such Non-Permitted Holder

fails to so transfer such Bonds, as applicable, the Issuer (or the Administrator acting on behalf of the Issuer) shall have the right, without further notice to the Non-Permitted Holder, to sell such Bonds, as applicable, or interest in such Bonds at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any commissions, expenses and taxes incurred by the Issuer in connection with such sale) to the holder as payment in full for such Bonds. The terms and conditions of any sale under this clause (b) shall be determined in the sole discretion of the Issuer (or the Administrator acting on behalf of the Issuer), and neither the Issuer nor the Administrator shall be liable to any Person having an interest in the Bonds sold as a result of any such sale or the exercise of such discretion.

(c) Notwithstanding anything to the contrary elsewhere in this Indenture, any transfer of an interest in any Bond to a Person who has made or is deemed to have made an ERISA-related representation required by Section 3.04 that is subsequently shown to be false or misleading shall be null and void and any such purported transfer of which the Issuer or the Indenture Trustee shall have notice may be disregarded by the Issuer and the Indenture Trustee for all purposes.

(d) If any Person shall become the owner of an interest in any Bond who has made or is deemed to have made an ERISA-related representation required by Section 3.04 that is subsequently shown to be false or misleading or whose ownership otherwise causes a violation of the 25% Limitation (any such person a "Non-Permitted ERISA Holder"), the Issuer shall, promptly after discovery by the Issuer that such person is a Non-Permitted ERISA Holder (or upon notice by the Indenture Trustee to the Issuer if it makes the discovery), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer all or any portion of the Bonds held by such Person to a Person that is not a Non-Permitted ERISA Holder within 14 days of the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer its Bonds the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell such Bonds or interest in such Bonds to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Bonds and selling such Bonds to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. The Holder of each Bond, the Non-Permitted ERISA Holder and each other Person in the chain of title from the Holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Bonds agrees to cooperate with the Issuer and the Indenture Trustee to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted ERISA Holder. The terms and conditions of any sale under this clause (d) shall be determined in the sole discretion of the Issuer, and neither the Issuer nor the Administrator shall be liable to any Person having an interest in the Bonds sold as a result of any such sale or the exercise of such discretion.

ARTICLE IV
COVENANTS

Section 4.01. Distributions. The Indenture Trustee will duly and punctually pay, from Available Funds on deposit in the Collection Account, distributions with respect to the Bonds in

accordance with the terms of the Bonds and this Indenture. Such distributions shall be made by wire transfer to an account within the United States designated no later than five Business Days prior to the related Record Date, in each case to each Bondholder of record as of the close of business on such Record Date.

Section 4.02. Money for Distributions to be Held in Trust; Withholding; FATCA Matters

(a) All payments of amounts due and payable with respect to the Bonds that are to be made from amounts withdrawn from the Collection Account pursuant to Section 3.07 shall be made by and on behalf of the Indenture Trustee.

(b) (i) The Indenture Trustee, on behalf of the Issuer, shall comply with all requirements of the Code, Treasury Regulations and applicable state and local law with respect to the withholding from any distributions made by it to any Bondholder of any applicable withholding taxes imposed thereon and with respect to any applicable reporting requirements in connection therewith. If the Issuer is characterized as a partnership for income tax purposes, the Indenture Trustee shall withhold from amounts otherwise distributable to such Bondholder at the highest potentially applicable rate if such Bondholder fails to provide a duly executed Certificate of Non-Foreign Status substantially in the form attached as Exhibit D, which withholding shall be computed on the basis of such Bondholder's allocable net income from the Issuer or, if it produces a larger withholding amount, its gross income from the Issuer, and such withheld amounts shall be deemed paid to the affected Bondholder for all purposes of this Indenture.

(ii) Each of the Issuer and each Holder of any Bonds, by the purchase of such Bonds or its acceptance of a beneficial interest therein, acknowledges that interest on the Bonds will be treated as United States source interest, and, as such, United States withholding tax may apply. Each of the Issuer and each such Bondholder further agrees, upon request, to provide any certifications that may be required under applicable law, regulations or procedures to evidence such status and understands that if it ceases to satisfy the foregoing requirements or provide requested documentation, payments to it under the Bonds or any Transaction Document may be subject to United States withholding tax (without any corresponding gross-up). Without limiting the foregoing, if a payment made with respect to the Bonds or any Transaction Document would be subject to United States federal withholding tax imposed by FATCA if the recipient of such payment were to fail to comply with FATCA (including the requirements of Sections 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such recipient shall deliver to the Issuer and the Indenture Trustee, at the time or times prescribed by the Code and at such time or times reasonably requested by the Issuer or the Indenture Trustee, such documentation prescribed by the Code (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Issuer or the Indenture Trustee to comply with their respective obligations under FATCA, to determine that such recipient has complied with such recipient's obligations under FATCA, or to determine the amount to deduct and withhold from such payment.

Section 4.03. Protection of Trust Estate.

(a) The Indenture Trustee will hold the Trust Estate in trust for the benefit of the Bondholders. The Issuer, the Indenture Trustee and the Servicer, from time to time, will execute and deliver all such supplements and amendments hereto pursuant to ARTICLE XII and all instruments of further assurance and other instruments, and the Issuer and the Servicer will take such other action as the Servicer deems reasonably necessary or advisable, to:

(i) more effectively hold in trust all or any portion of the Trust Estate;

(ii) perfect, publish notice of, or protect the validity of any Grant made or to be made by this Indenture;

(iii) enforce the Indenture Trustee's rights with respect to the Trust Estate; or

(iv) preserve and defend title to the Trust Estate and the rights of the Indenture Trustee, and the interests of the Bondholders represented thereby, in the Trust Estate against the claims of all Persons and parties.

(b) The Issuer hereby appoints the Indenture Trustee with effect from the date of this Indenture to act as custodian of the certificates representing the Membership Interests (the "Custodial Property") pursuant to the terms and conditions of this Indenture, and the Indenture Trustee hereby accepts such appointment. The Issuer will, on the Closing Date, deliver the Custodial Property to The Bank of New York Mellon Corporate Trust - Asset-Backed Securities, 101 Barclay St – 7E, New York, NY 10286, Attn: Michael Commisso, or such other location as the Indenture Trustee may designate in writing to the Issuer, and the Indenture Trustee will hold the Custodial Property in its physical possession in a secure location. The Indenture Trustee shall exercise reasonable care and diligence, consistent with customary standards for such custody, in the possession, retention and protection of the Custodial Property. The Issuer acknowledges and agrees that the Indenture Trustee has no obligation to review the Custodial Property.

(c) The Indenture Trustee shall have the power to enforce, and may enforce, the obligations of the other parties to this Indenture, by action, suit or proceeding at law or equity, and shall also have the power to enjoin, by action or suit in equity, any acts or occurrences which may be unlawful or in violation of the rights of the Bondholders; provided, however, that nothing in this Section 4.03(c) shall require any action by the Indenture Trustee unless the Indenture Trustee shall first have been furnished with such indemnity as is satisfactory to it.

(d) The Servicer is hereby authorized and empowered by the Issuer to, and it shall on behalf of the Issuer, execute and deliver or cause to be executed and delivered on behalf of the Issuer, (i) any and all financing statements, continuation statements and other documents or instruments necessary to perfect or maintain the Indenture Trustee's Lien on the Trust Estate and (ii) any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and any other comparable instrument, with respect to the Trust Estate if, in the Servicer's reasonable judgment, such action is in the best interest of the Bondholders and in accordance with this Indenture.

Section 4.04. Performance of Obligations. Neither the Issuer, the Indenture Trustee, nor the Servicer will take any action, nor will any of them permit any Affiliate to take any action, that would release the Issuer, the Depositor, or any Land Lease Entity from any of its covenants or obligations under any instrument or document relating to the Trust Estate or the Bonds or which would result in the amendment, hypothecation, subordination, termination or discharge of, or impair the validity or effectiveness of, any such instrument or document, except as expressly provided in this Indenture, such other instrument or document, or any other Transaction Document.

The Indenture Trustee may contract with other Persons to assist it in performing its duties hereunder. Subject to ARTICLE IX, the Indenture Trustee shall remain primarily liable for the performance of its duties hereunder.

Section 4.05. Negative Covenants. The Issuer will not take any of the following actions:

(a) sell, transfer, exchange or otherwise dispose of any of the Trust Estate except as expressly permitted by this Indenture;

(b) claim any credit on or make any deduction from the distributions payable in respect of, the Bonds;

(c) incur, assume or guaranty on behalf of the Issuer any Indebtedness of any Person except pursuant to this Indenture;

(d) dissolve or liquidate the Trust Estate in whole or in part, except pursuant to ARTICLE VIII and ARTICLE IX;

(e) amend, modify or restate its charter documents without the prior written consent of the Required Bondholders;

(f) impair the validity or effectiveness of this Indenture, or release any Person from any covenants or obligations with respect to the Issuer or the Bonds under this Indenture, except as may be expressly permitted hereby; or

(g) create or extend any Lien to or upon the Trust Estate or any part thereof or any interest therein or the proceeds thereof, except for Permitted Liens.

Section 4.06. Issuer May Consolidate, etc., Only on Certain Terms. Notwithstanding any other provision of the Trust Agreement and any provision of law that otherwise so empowers the Issuer, the Issuer shall not consolidate with or merge into any other Person or, except as specifically contemplated by the Transaction Documents, sell, convey or transfer all or substantially all of its properties and assets to any other Person unless:

(a) the Person (if other than the Issuer) formed by or surviving such consolidation or merger or the Person that acquires the properties and assets of the Issuer by such sale, conveyance or transfer, as applicable, (i) shall be organized and existing under the laws of the United States or any state, (ii) shall expressly assume, by an indenture supplemental to this

Indenture, executed and delivered to the Indenture Trustee, in form satisfactory to the Beneficiaries and the Indenture Trustee, the due and punctual payment of the principal of and interest on all Bonds and the performance or observance of every agreement and covenant of this Indenture to be performed or observed by the Issuer, (iii) in the case of any such sale, conveyance or transfer, shall expressly agree by means of such supplemental indenture that all right, title and interest so sold, conveyed or transferred shall be subject and subordinate to the rights of Bondholders and (iv) in the case of any such sale, conveyance or transfer, shall, unless otherwise provided in such supplemental indenture, expressly agree to indemnify, defend and hold harmless the Issuer against and from any loss, liability or expense arising under or related to such supplemental indenture and the Bonds;

(b) prior to and immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(c) the Rating Agency Condition shall have been satisfied with respect to such transaction;

(d) each of the Issuer and the Indenture Trustee shall have received an Opinion of Counsel to the effect that such transaction will not have any material adverse federal income tax consequence to the Issuer, any Beneficiary, or any Bondholder;

(e) each of the Issuer and the Indenture Trustee shall have received an Opinion of Counsel to the effect that any action necessary to maintain the Lien created by this Indenture has been taken; and

(f) each of the Issuer and the Indenture Trustee shall have received an Officer's Certificate and an Opinion of Counsel each stating that such consolidation or merger or such sale, conveyance or transfer, as applicable, and such supplemental indenture comply with this Section 4.06 and that all conditions precedent herein provided for relating to such transaction have been complied with.

Section 4.07. No Other Powers. The Issuer shall not engage in any business activity or transaction other than those activities permitted by the Trust Agreement.

Section 4.08. Unconditional Rights of Bondholders to Receive Distributions. Notwithstanding any other provision of this Indenture, each Bondholder shall have the right, which is absolute and unconditional, to receive distributions to the extent and in the manner provided herein and in such Bond or to institute suit for the enforcement of any such distribution, and such right shall not be impaired without the consent of such Bondholder.

Section 4.09. Control by Bondholders. The Required Bondholders may direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee with respect to the Bonds or exercising any trust or power conferred on the Indenture Trustee with respect to the Bonds or the Trust Estate; provided, however, that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture;

(b) the Indenture Trustee shall have been provided with indemnity satisfactory to it; and

(c) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee, which is not inconsistent with such direction;provided, however, that the Indenture Trustee need not take any action which it determines might involve it in liability or may be unjustly prejudicial to the Bondholders not so directing.

Section 4.10. Sole Member Covenants. As the sole member of each Land Lease Entity, unless prohibited by applicable law, the Issuer covenants that it shall direct and cause each Land Lease Entity: (i) to observe and perform all the material obligations imposed upon the each Land Lease Entity under every such Land Lease Asset Document to which it is a party and not to do or to knowingly permit to be done anything to impair the security thereof; (ii) not to execute any other assignment of such Land Lease Entity's interest in the Land Lease Asset Documents to which it is a party or assignment of rents arising or accruing from such Land Lease Asset Documents or from the Project Property; (iii) not to materially alter, modify or change the terms of the Land Lease Asset Documents to which it is a party, or cancel or terminate the same, or accept a surrender thereof without the prior written consent of Indenture Trustee in each instance (except where the applicable Land Lease Asset Document allows the counterparty thereunder to terminate such Land Lease Asset Document without the applicable Land Lease Entity's consent or approval); (iv) not to subordinate any Land Lease Asset Document or any Project Property to any mortgage or other encumbrance, or permit, consent or agree to such subordination, without Indenture Trustee's prior written consent in each instance (which limitation, for the avoidance of doubt, shall not restrict or limit a Land Lease Entity from agreeing to subordinate any mortgage or other encumbrance of the applicable Land Lease Entity's rights in and to its Project Property to the Land Lease Asset Document itself or to any mortgage or other encumbrance of any party providing financing to the Lessee or Operator of the Project being operated on such Project Property and secured by the Lessee's or Operator's interest under the Land Lease Asset Document); (v) not to convey or transfer or to knowingly suffer or permit a conveyance or transfer of the premises demised by any Land Lease Asset Document or of any interest therein so as to affect directly or indirectly a merger of the estates and rights, or a termination or diminution of the obligations, of any Lessee thereunder (except where the applicable Land Lease Asset Document allows the counterparty thereunder to transfer or convey its interests in such Land Lease Asset Document without the applicable Land Lease Entity's consent or approval); (vi) not to materially alter, modify or change the terms of any guaranty of any Land Lease Asset Document, or any security for any Land Lease Asset Document, or cancel or terminate any such guaranty, or release or reduce any such security, without the prior written consent of Indenture Trustee in each instance; (vii) not to consent to any assignment of or subleasing under any such Land Lease Asset Document, unless in accordance with its terms, without the prior written consent of Indenture Trustee in each instance; (viii) not to enter into any future Land Lease Asset Documents of all or any part of the Project Property without Indenture Trustee's prior written consent in each instance; (ix) at Indenture Trustee's request, furnish to Indenture Trustee true and complete copies of all Land Lease Asset Documents and amendments thereto; and (x) to direct, or have the Servicer or any sub-servicer direct, all Lessees to deposit all amounts owed with respect to the Land Lease Asset Documents, including, but not limited to lease payments, royalty payments, condemnation proceeds, insurance proceeds, termination payments and prepayments, into the Servicer's Account; provided if the Land Lease Entity receives any such

amounts with respect to the Land Lease Asset Documents it shall immediately deposit, or cause to be deposited, such amounts into the Servicer Account. Notwithstanding anything to the contrary contained in this Section 4.10, whenever the prior written consent of Indenture Trustee is required in respect of any Land Lease Entity action, Indenture Trustee hereby agrees that such consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE V
ACCOUNTS, DISBURSEMENTS AND RELEASES

Section 5.01. Collection of Money. Except as otherwise expressly provided in this Indenture, the Indenture Trustee may demand payment or delivery of all money and other property payable to or receivable by the Indenture Trustee pursuant to this Indenture, including all Scheduled Lease Payments with respect to any Land Lease Asset due in accordance with the respective terms and conditions of the related Land Lease Asset Documents. The Indenture Trustee shall hold all such money and property received by it, other than pursuant to or as contemplated by Section 4.02(a), as part of the Trust Estate and shall apply it as provided in this Indenture. Except as otherwise expressly provided in this Indenture, if any default occurs in the making of any payment or performance under any agreement or instrument that is part of the Trust Estate, the Indenture Trustee may take such action as may be appropriate to enforce such payment or performance, including the institution and prosecution of appropriate Proceedings. Any such action shall be without prejudice to any right to claim a Default or Event of Default under this Indenture and any right to proceed thereafter as provided in ARTICLE VII.

Section 5.02. Establishment of Accounts. The Issuer shall cause to be established, and the Indenture Trustee shall maintain, at the corporate trust office of the Indenture Trustee, (a) a collection account entitled "The Bank of New York Mellon, in trust for the benefit of the Holders of the HASI SYB Trust 2015-1 Bonds – Collection Account" (the "Collection Account"), (b) a reserve account entitled "The Bank of New York Mellon, in trust for the benefit of the Holders of the HASI SYB Trust 2015-1 Class A Bonds – Liquidity Reserve Account" (the "Class A Liquidity Reserve Account"), (c) a defeasance account entitled "The Bank of New York Mellon, in trust for the benefit of the Holders of the HASI SYB Trust 2015-1 Bonds –Defeasance Account (the "Defeasance Account") and (d) a voluntary prepayment account entitled "The Bank of New York Mellon, in trust for the benefit of the Holders of the HASI SYB Trust 2015-1 Bonds – Voluntary Prepayment Account" (the "Voluntary Prepayment Account"). Each of the Accounts shall be an Eligible Account, and funds held in each Account shall not be commingled with those of any other Person. The Voluntary Prepayment Account shall be a deposit account and the Collection Account, the Class A Liquidity Reserve Account and the Defeasance Account shall each be a securities account. Funds from each Account may only be withdrawn by the Indenture Trustee in accordance with this Indenture. The funds in the Voluntary Prepayment Account shall not be invested.

Section 5.03. Collection Account.

(a) On the Closing Date, the Indenture Trustee shall, pursuant to Section 2.02, deposit into the Collection Account an amount equal to the Initial Collection Account Deposit Amount.

(b) The LLE Servicer shall deposit (or cause to be deposited) from the Servicer Account into the Collection Account no less frequently than once per week all Scheduled Lease Payments and Unscheduled Project Payments received with respect to the Land Lease Assets and not otherwise deposited into the Collection Account net of any amounts withdrawn from the Servicer Account during the related Collection Period pursuant to Section 3.07(a).

(c) The LLE Servicer shall deposit (or cause to be deposited) into the Collection Account promptly following receipt all Unscheduled Bond Principal Payments, including all Unscheduled Project Payments, all Repurchase Payments and all Indemnity Payments; provided, however, that the Servicer shall deposit (or cause to be deposited) into the Voluntary Prepayment Account the portion of all Repurchase Payments allocable to the related Make Whole Amounts. The Servicer shall instruct the Indenture Trustee to deposit into the Collection Account all amounts withdrawn from the Defeasance Account pursuant to Section 5.05 and all amounts withdrawn from the Class A Liquidity Reserve Account pursuant to Section 5.04.

(d) On each Payment Date, the Indenture Trustee shall apply or cause to be applied all related Available Funds then on deposit in the Collection Account in accordance with Section 3.07(b).

Section 5.04. Class A Liquidity Reserve Account.

(a) On the Closing Date, the Indenture Trustee shall, pursuant to Section 2.02, deposit into the Class A Liquidity Reserve Account an amount equal to the Class A Liquidity Reserve Account Required Balance for the Closing Date.

(b) If the amount on deposit in the Collection Account on any Reporting Date (after giving effect to all other deposits to be made into the Collection Account on such Reporting Date, including any amount to be withdrawn from the Defeasance Account on such Reporting Date) is less than the amount necessary to make the payments described for the following Payment Date in clauses (b)(i) through (b)(iv) of Section 3.07, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw from the Class A Liquidity Reserve Account, to the extent available, and deposit into the Collection Account, before such Payment Date, the amount of such deficiency.

(c) If the Class A Bonds, together with all accrued but unpaid interest thereon, have not been paid in full on either of (i) the date on which an Event of Default occurs or (ii) the Anticipated Repayment Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw from the Class A Liquidity Reserve Account, to the extent available, and pay to the Class A Bondholders on either such date the amount of such deficiency.

(d) If the amount on deposit in the Class A Liquidity Reserve Account on any Reporting Date (after giving effect to any withdrawal to be made from the Class A Liquidity Reserve Account before the following Payment Date pursuant to clause (b) or (c) of Section 5.04 exceeds the Class A Liquidity Reserve Account Required Balance for such following Payment Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw from the Class A Liquidity Reserve Account and deposit into the Collection Account, before such Payment Date, the amount of such excess.

(e) On the Class A Liquidity Reserve Account Release Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw from the Class A Liquidity Reserve Account and deposit into the Collection Account all amounts then on deposit in the Class A Liquidity Reserve Account.

Section 5.05. Defeasance Account.

(a) On each Reporting Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw all cash on deposit in the Defeasance Account and deposit such cash into the Collection Account.

(b) On the Payment Date on which all of the Class B Bonds are paid in full, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw any balance of cash or securities remaining on deposit in the Defeasance Account after any withdrawal necessary to pay the Class B Bonds and pay or distribute such cash or securities to the Issuer.

Section 5.06. Investment of Accounts.

(a) All of the funds in the Accounts held by the Indenture Trustee shall be invested and reinvested by the Indenture Trustee in the name of the Issuer for the benefit of the Bondholders, as directed in writing by the Servicer, in one or more Eligible Investments bearing interest or sold at a discount. No investment in any Account, other than the Defeasance Account, shall mature later than the next Reporting Date or such earlier date as shall be necessary to permit the Indenture Trustee to make the deposits required by Section 5.03 and Section 5.04. The Indenture Trustee shall act as a securities intermediary and shall: (i) hold each Permitted Investment that constitutes investment property and shall further (I) agree that such investment property shall at all times be credited to a securities account of which the Indenture Trustee is the "entitlement holder" as defined in Section 8-102(a)(7) of the UCC, (II) comply with "entitlement orders" as defined in Section 8-102(a)(8) of the UCC originated solely by the Indenture Trustee without the further consent of any other Person, (III) agree that all property credited to such securities account shall be treated as a "financial asset" as such term is defined in Section 8-102(a)(9) of the UCC, (IV) waive any Lien on any property credited to such securities account, and (V) agree that its jurisdiction for purposes of Section 8-110 and Section 9-305(a)(3) of the UCC shall be Delaware, and that such agreement shall be governed by the laws of the State of Delaware; and (ii) maintain for the benefit of the Bondholders, possession or control of each other Eligible Investment (including any negotiable instruments, if any, evidencing such Eligible Investments). Terms used in clause (i) above that are defined in the Delaware UCC and not otherwise defined herein shall have the meaning set forth in the Delaware UCC.

(b) Subject to Section 9.01, the Indenture Trustee shall not in any way be held liable by reason of any insufficiency in any Account held by the Indenture Trustee resulting from any loss on any Eligible Investment included therein. The Servicer shall promptly reimburse each Account suffering a loss (but only to the extent the Servicer directed which Eligible

Investments would be made in such Account) in an amount equal to such loss. The Servicer shall deposit the amount of such loss no later than the Business Day prior to the next Payment Date.

(c) All funds in the Accounts held by the Indenture Trustee shall be invested in the Morgan Stanley Institutional Liquidity Fund – Treasury Portfolio (Institutional Share Class) if the Servicer shall have failed to give investment directions to the Indenture Trustee within ten days after receipt of a written request for such directions from the Indenture Trustee. The Indenture Trustee shall have no liability for interest on uninvested funds or for the performance of investments relating to funds in the Accounts.

Section 5.07. Reports by Indenture Trustee. The Indenture Trustee shall report to the Servicer and the Bondholders in the form of an account statement with respect to the amount then held in each Account (including investment earnings accrued or scheduled to accrue) held by the Indenture Trustee and the identity of the investments included therein, as the Servicer or the Bondholders may from time to time reasonably request.

Section 5.08. Correction of Deposit Errors. On any day, based on an Officer's Certificate of the Servicer, the Indenture Trustee shall withdraw amounts specified therein (showing in reasonable detail the calculation thereof) and certified by the Servicer (i) to have been deposited into an Account in error, or (ii) to be no longer required to be maintained in such Account as provided herein, and remit the same to the Person or Account identified by the Servicer as being entitled thereto.

Section 5.09. Release of Trust Estate. Subject to the payment of its fees and expenses pursuant to Section 10.07, the Indenture Trustee, when required by the provisions of this Indenture, shall execute instruments to release property from the Lien of this Indenture, or convey the Indenture Trustee's interest in the same, in a manner and under circumstances that are not inconsistent with the provisions of this Indenture, including in connection with any mandatory repurchase of Membership Interests pursuant to the Sale Agreement, any Voluntary Prepayment of the Bonds in whole pursuant to Section 8.01, and any Partial Defeasance pursuant to Section 8.04. No party relying upon an instrument executed by the Indenture Trustee as provided in this Section 5.09 shall be bound to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(a) The Issuer shall, in connection with any request to take action pursuant to Section 5.09 and at least five Business Days before the date of such action, deliver to the Indenture Trustee, in addition to all other certificates, opinions or other documents specifically required by this Indenture, an Opinion of Counsel stating the legal effect of such action, outlining the steps required to complete such action, and concluding that all conditions precedent to the taking of such action have been complied with and that such action will not materially and adversely affect the security for the Bonds or the rights of the Bondholders in contravention of the provisions of this Indenture. Counsel rendering any such opinion may rely, without independent investigation, on the accuracy and validity of any certificate or other instrument delivered to the Indenture Trustee in connection with any such action.

(b) The Indenture Trustee shall, at such time as there are no Bonds Outstanding and all sums due to the Indenture Trustee pursuant to Section 10.07 have been paid in full, release any remaining portion of the Trust Estate that secured the Bonds from the Lien of this Indenture and release to the Issuer or any other Person entitled thereto any funds then on deposit in the Accounts.

ARTICLE VI
SERVICING AND ADMINISTRATION OF TRUST ESTATE

Section 6.01. Servicer to Act as Servicer.

(a) The Servicer, as an independent contract servicer, is hereby appointed by the Issuer to act as servicer hereunder for its benefit and the benefit of the Bondholders, and the Servicer agrees to so act. The Servicer shall service and administer the Trust Estate in accordance with the terms of this Indenture. The Servicer agrees that it will, unless the Required Bondholders consent otherwise in writing:

(i) comply in all material respects with all applicable laws, rules, regulations and orders binding on it, its business and assets, the Land Lease Assets and all related Land Lease Asset Documents;

(ii) timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Transaction Documents relating to the Land Lease Assets;

(iii) devote to the performance of its obligations under this Indenture and the other Transaction Documents at least the same amount of time and attention, and exercise at least the same level of skill, care and diligence, in the performance of those obligations which a prudent firm engaged in a similar business would exercise, and the Servicer shall exercise reasonable care and due diligence in the performance of its duties hereunder. In particular, the Servicer shall perform its functions in a manner which complies with the terms of the Transaction Documents, the terms of the Land Lease Asset Documents and, to the extent consistent with the foregoing, in accordance with the customary standard of prudent servicers of assets similar to the Land Lease Assets, but in no event lower than the standards employed by it when servicing assets of a kind similar to the Land Lease Assets for its own account, but, in any case, without regard for (A) any relationship that it or any of its Affiliates may have with the related Lessee, and (B) its right to receive compensation for its services hereunder or with respect to any particular transaction;

(iv) promptly (but in any event within three (3) Business Days) after becoming aware thereof, notify the Indenture Trustee and the Bondholders in writing of any condition, event, act, matter or thing which is a breach of any of the representations, warranties, covenants or undertakings of it under this Indenture;

(v) deliver to the Indenture Trustee on the Closing Date (A) copies (which may be electronic copies) of the Land Lease Asset Documents relating to the Land Lease Assets and (B) an Officer's Certificate of the Servicer certifying that all such documents have been delivered;

(vi) upon reasonable request and upon prior notice, grant the Required Bondholders access to its premises during normal office hours and allow the Required Bondholders to examine and make and take away copies of all records relating to the Land Lease Assets and to discuss matters relating to the Land Lease Assets with any of its officers or employees who can be expected to have knowledge of such matters;

(vii) not amend any Land Lease Asset Document without the written consent of the Required Bondholders (other than amendments executed in the ordinary course of business in connection with routine easements);

(viii) not allow any Liens on any of the Trust Estate or any Land Lease Asset except Liens Granted hereunder, Permitted Liens and such other Liens existing on the Closing Date and disclosed in writing to the Indenture Trustee and the Bondholders; and

(ix) keep in force all licenses (including its collection or servicing license (if required)), approvals, authorizations and consents which may be necessary in connection with the performance of its obligations under this Indenture and the other Transaction Documents and perform its obligations under this Indenture in such a way which is not prejudicial to the continuation of any such license, approval, authorization or consent.

(b) The Servicer shall take such actions as may be necessary to ensure that the security interest granted by the Issuer hereunder shall continue to be a perfected security interest of first priority under applicable law and shall be maintained as such throughout the term of this Indenture. Without limiting the generality of the foregoing, the Servicer shall prepare and file all filings necessary to maintain the effectiveness of any original filings under the UCC as in effect in any jurisdiction to perfect the Indenture Trustee's Lien on the Trust Estate, including (i) continuation statements, and (ii) such other required statements as may be occasioned by (A) any change of name of the Indenture Trustee (such preparation and filing to be at the expense of the Indenture Trustee if occasioned by a change in the Indenture Trustee's name other than in connection with the appointment of a successor Indenture Trustee) or (B) any change in the of location of the place of business or the chief executive office of the Indenture Trustee (such preparation and filing to be at the expense of the Indenture Trustee).

Section 6.02. Servicer Duties. In addition to any other customary services which the Servicer may perform, the Servicer shall perform or cause to be performed the following servicing and collection activities:

(a) perform standard accounting services and general record keeping services with respect to the Land Lease Assets and the Land Lease Asset Documents;

(b) promptly respond to any inquiries from the Land Lease Entities concerning the Land Lease Assets and the Land Lease Asset Documents;

(c) at all times keep the Lessees informed that the Servicer Account is the proper place and method for making Scheduled Lease Payments and cause the applicable Land Lease Entity to enforce any rights against any Lessee that makes a Scheduled Lease Payment other than to the proper place and in the proper manner;

(d) promptly respond to any inquiries from Bondholders and the Indenture Trustee;

(e) collect the Scheduled Lease Payments to be made by the Lessees with respect to the Land Lease Assets, hold any such payments, in trust, for the benefit of the Issuer and the Bondholders, and promptly deposit such payments (or cause such payments to be deposited) into the Collection Account in accordance with Section 5.03(a);

(f) if an Insolvency Event occurs with respect to a Lessee or any other event or circumstance occurs or exists which would reasonably be expected to adversely affect the Issuer's ability to pay scheduled payments of principal and interest on the Bonds, give prompt notice to the Indenture Trustee thereof and take such actions as are necessary or appropriate to protect the interests of the Issuer, the Indenture Trustee and the Bondholders under the related Land Lease Asset Documents;

(g) if a condemnation proceeding is commenced with respect to any Land Lease Asset, take (or cause to be taken) such reasonable actions as may necessary or appropriate to maximize the amount of any related condemnation proceeds;

(h) calculate the Post-ARD Additional Interest Rates, Class B Deferred Interest, Post-ARD Additional Bond Interest and the Make Whole Amount, if any, due in connection with any Voluntary Prepayment or in connection with any Repurchase Payment; and

(i) take such other action as may be reasonably necessary or appropriate to carry out the duties and obligations imposed upon the Servicer pursuant to the terms of this Section 6.02.

Section 6.03. Records.

(a) The Servicer shall retain all relevant data (including computerized records) relating to or maintained in connection with the servicing of the Land Lease Assets for the benefit of and on behalf of the Bondholders at the address of the Servicer set forth in Section 13.14 or, upon ten Business Days prior written notice to the Indenture Trustee, at such other place where the servicing offices of the Servicer are located, and, if a Servicer Event of Default shall have occurred and be continuing, the Servicer shall, at its expense and upon demand of the Indenture Trustee, deliver to the Indenture Trustee or any designee thereof copies of all files (including computerized records) related to or necessary for the servicing of the Land Lease Assets. If the rights of the Servicer shall have been terminated in accordance with Section 6.16, the Servicer shall, at its expense and upon demand of the Indenture Trustee or the Bondholders, deliver to the Indenture Trustee or any designee thereof all files (including computerized records) related to or necessary for the servicing of the Land Lease Assets. In addition to delivering such data, the terminated Servicer shall, at its expense, use its best efforts to effect the orderly and efficient transfer of the servicing of the Land Lease Assets to the Backup Servicer or another successor Servicer, as applicable, including directing Lessees to send any relevant information and/or communications in respect of the Land Lease Assets to a party and address as designated by the Indenture Trustee. The provisions of this Section 6.03 shall not require the Servicer to transfer any proprietary material or computer programs unrelated to the servicing of the Trust Estate.

(b) The Servicer shall hold all documents and information in respect of the Trust Estate received or held by it for and on behalf of the Issuer and the Indenture Trustee, and shall dispose of such data only as specifically provided for herein. The Servicer shall segregate and maintain continuous custody of all documents and information in respect of the Trust Estate received by it in a secure manner in accordance with customary standards for such custody, it being understood and agreed that the Servicer may maintain custody of such documents and information in electronic format.

Section 6.04. Servicer's Compensation. As compensation for the performance of its obligations under this Indenture, the Servicer shall be entitled to receive the Servicer Fee on each Payment Date in accordance with Section 3.07(b)(ii). The Servicer agrees to pay all fees and expenses payable or incurred by it hereunder. The Servicer further agrees to pay (i) the Trustee Fees to the Owner Trustee and the Indenture Trustee on each related Payment Date to the extent that such Trustee Fees are not paid on such Payment Date pursuant to Section 3.07(b)(i) and (ii) the Backup Servicer Fee to the Backup Servicer on each related Payment Date to the extent that such Backup Servicer Fee is not paid on such Payment Date pursuant to Section 3.07(b)(i). For the avoidance of doubt, any such payment shall not be deemed a Servicer Advance.

Section 6.05. Servicer Actions. The Servicer agrees to take all actions required to be taken hereunder or reasonably requested by the Indenture Trustee or the Required Bondholders to be taken in respect of the Trust Estate and the protection thereof. The Servicer agrees not to take any actions inconsistent with the rights and obligations of the Issuer, the Owner Trustee, the Indenture Trustee or the Bondholders. The Servicer shall not agree to any Material Modification without the consent of the Required Bondholders.

Section 6.06. Indemnification of Third Party Claims.

(a) The Servicer agrees to indemnify and hold the Issuer, the Indenture Trustee, the Backup Servicer and the Bondholders harmless against any and all claims, losses, penalties, fines, forfeitures, judgments, and other costs, fees and expenses (including reasonable and documented legal fees and expenses) (collectively, "Losses") that any of them may sustain because of the failure by the Servicer to service the Trust Estate in compliance with the terms of Section 6.02; provided, however, that the Servicer shall have no liability to indemnify any such indemnified party under this Indenture to the extent that any such Losses, (i) were caused by the gross negligence, willful misconduct or bad faith of such indemnified party, (ii) arose from, or related to, losses with respect to the Land Lease Assets resulting from defaults by Lessees (but only to the extent such losses did not occur as a result of a failure by the Servicer to perform its duties in accordance with the terms of this Indenture) or (iii) constitute special, indirect, exemplary, or consequential damages alleged to be incurred by such indemnified party. Each of the Issuer, the Indenture Trustee and each Bondholder shall notify the Servicer promptly (and in all cases within ten Business Days) if a claim is made against it by a third party with respect to any Land Lease Asset or this Indenture, and the Servicer may, if such claim alleges a failure of the Servicer to perform its duties in compliance with this Indenture, assume, with the consent of the Issuer, the Indenture Trustee or such Bondholder, as applicable, the defense of such claim

and pay all expenses in connection therewith, including counsel fees and expenses, and shall to the extent obligated under this Section 6.06, promptly pay, discharge and satisfy any judgment or decree which may be entered against it, the Issuer, the Indenture Trustee or such Bondholder in respect of such claim. If it is determined that the Servicer is liable for indemnification under this Section 6.06, satisfaction of such expenses, judgments or decrees shall be at the sole expense of the Servicer to the extent of such liability.

(b) HA Capital, in its capacity as Servicer, agrees to indemnify and hold the Issuer harmless against any Losses the Issuer may sustain resulting from the failure of the Depositor to comply with its obligation to repurchase Membership Interests pursuant to the Sale Agreement. HA Capital agrees that the Indenture Trustee is a third party beneficiary of this Section 6.06(b) and is entitled to enforce the provisions of this Section 6.06(b) on behalf of the Bondholders against HA Capital. For the avoidance of doubt, any such payment shall not be deemed a Servicer Advance.

Section 6.07. Accountant's Report. On or before March 31 of each year, beginning on March 31, 2016, the Servicer (other than the Backup Servicer) shall, at the Servicer's expense, cause an Accounting Firm to furnish a certificate or statement to the Issuer, the Indenture Trustee, the Backup Servicer and the Bondholders to the effect that such firm (a) has read the Transaction Documents, (b) has reviewed, in accordance with certain agreed upon procedures (which procedures are subject to the prior written approval of the Required Bondholders in their sole and absolute discretion) specified in such certificate or opinion, the records and calculations set forth in the Quarterly Servicer Reports delivered by the Servicer with respect to the preceding calendar year and any other specified documents and records relating to the servicing of the Trust Estate and (c) on the basis of such examination, certifies that:

(i) such firm has compared the information contained in such Quarterly Servicer Reports with information contained in the accounts and records for such calendar year in accordance with the standards established by the American Institute of Certified Public Accountants, and that the information set forth in such Quarterly Servicer Reports is correct except for such exceptions as such firm shall believe to be immaterial and such other exceptions as shall be set forth in such statement; and

(ii) the reporting requirements, including the Quarterly Servicer Report, have been completed in compliance with the Transaction Documents.

Section 6.08. Rights of Bondholders and Indenture Trustee in Respect of Servicer. The Servicer shall afford, at the Servicer's expense, the Indenture Trustee, the Backup Servicer and any Bondholder, upon reasonable notice, during normal business hours, reasonable access to all records maintained by the Servicer in respect of its rights and obligations hereunder and reasonable access to officers of the Servicer responsible for such obligations. Subject to Section 6.16, the Indenture Trustee may, but is not obligated to, enforce the obligations of the Servicer hereunder and may, but is not obligated to, perform, or cause a designee to perform, any defaulted obligation of the Servicer hereunder without hiring a replacement Servicer or exercise the rights of the Servicer hereunder; provided, however, that the Servicer shall not be relieved of any of its obligations hereunder by virtue of such performance by the Indenture Trustee or any designee. To the extent that the Indenture Trustee performs any such obligation, the Indenture

Trustee shall notify the Servicer of such performance and the cost of performing such obligation shall be deducted from any Servicer Fee and deemed and treated as an expense of the Indenture Trustee to be paid to the Indenture Trustee. The Indenture Trustee shall not have any responsibility or liability for any action or failure to act by the Servicer and is not obligated to supervise the performance of the Servicer under this Indenture or otherwise.

Section 6.09. Servicer Not to Resign. The Servicer shall not resign from the obligations and duties hereby imposed on it, except upon a determination that the performance of its duties under this Indenture is no longer permissible under applicable law. Any such determination permitting the resignation of the Servicer shall be evidenced in writing and accompanied by an Opinion of Counsel to such effect, each delivered to the Issuer, the Indenture Trustee and the Bondholders. Such Opinion of Counsel shall be an expense of the Servicer, and shall not be an expense of the Indenture Trustee or the Bondholders. No such resignation shall become effective until the Backup Servicer or another successor Servicer shall have assumed the Servicer's responsibilities and obligations in accordance with Section 6.16.

Section 6.10. Representations, Warranties and Covenants of the Servicer. The Servicer hereby represents, warrants and covenants to the Indenture Trustee, for the benefit of the Bondholders, that, as of the date of execution of this Indenture:

(a) the Servicer has been duly organized and is validly existing and in good standing under the laws of the State of Maryland, with the requisite limited liability company power and authority to own its properties as such properties are currently owned, to conduct its business as such business is now conducted by it and to execute, deliver and perform the Transaction Documents to which it is a party, and is duly qualified or licensed to do business in each jurisdiction in which the ownership or lease of property or the conduct of its business shall require such qualification, and has the requisite limited liability company power and authority to enter into and deliver the Transaction Documents to which it is a party, and the execution, delivery and performance of the Transaction Documents to which it is a party have been duly authorized by all necessary limited liability company action on the part of the Servicer;

(b) the execution, delivery and performance by the Servicer of the Transaction Documents to which Servicer is a party do not: (i) violate the organizational documents of the Servicer, or result in a default under any material indenture, agreement or other instrument to which the Servicer is a party or by which it is bound; or (ii) violate any existing law or any existing order, rule or regulation applicable to the Servicer of any federal or state court or regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Servicer or its properties;

(c) the Transaction Documents to which the Servicer is a party, when duly executed and delivered by the Servicer and the other parties thereto, will be the legal, valid and binding obligation of the Servicer, enforceable in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally and by general principles of equity;

(d) the Servicer is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or governmental agency, which default might reasonably be expected to materially and adversely affect its condition (financial or other) or operations or would reasonably be expected to materially and adversely affect its ability to perform its obligations under this Indenture or any other Transaction Document to which it is a party;

(e) there is no Action pending with respect to which the Servicer has been served with process or, to the knowledge of the Servicer, threatened, which Action (i) seeks to prohibit, restrain or enjoin any of the transactions contemplated by the Transaction Documents or (ii) could reasonably be expected to result in any material adverse change in the business, properties, other assets or financial condition of the Servicer; and as of the time of acceptance hereof, to the knowledge of the Servicer, there is no basis for any action, suit or proceeding of the nature described in (i) and (ii) of this clause (e);

(f) the Servicer is in compliance with the requirements of all applicable laws, rules, regulations, and orders of all Governmental Authorities, a breach of any of which, individually or in the aggregate, would reasonably be expected to have a material adverse effect on its condition (financial or other) or operations;

(g) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority required for the due execution, delivery or performance by the Servicer of any Transaction Document to which it is a party remains unobtained or unfiled or unrecorded. The Servicer is in compliance, in all material respects, with the requirements of all applicable laws, rules, regulations, and orders of all Governmental Authorities;

(h) since the formation of the Depositor, the Issuer and each Land Lease Entity, the Servicer has:

(i) held itself out as a separate entity from each of the Depositor, the Issuer and each Land Lease Entity;

(ii) not conducted any business in the name of any of the Depositor and each Land Lease Entity;

(iii) used stationary, invoices, checks and other business forms under its own name and not that of the Depositor, the Issuer or any Land Lease Entity;

(iv) not identified the Depositor, the Issuer or any Land Lease Entity as its division or department;

(v) maintained financial statements, books and records separate from the Depositor, the Issuer and each Land Lease Entity;

(vi) maintained its office and bank accounts separate from the Depositor, the Issuer and each Land Lease Entity;

(vii) not commingled its assets with those of the Depositor, the Issuer and each Land Lease Entity;

(viii) conducted its own business in its own name;

(ix) conducted business with the Depositor, the Issuer and each Land Lease Entity on an arm's-length basis;

(x) not acquired the obligations or debt securities of the Depositor, the Issuer or any Land Lease Entity;

(xi) paid its own liabilities and expenses only out of its own funds;

(xii) not had any of its obligations guaranteed by the Depositor, the Issuer or any Land Lease Entity;

(xiii) not guaranteed or pledged its assets to secure or become obligated for the debts of the Depositor, the Issuer or any Land Lease Entity;

(xiv) not held out its credit as being available to satisfy the obligation of the Depositor, the Issuer or any Land Lease Entity;

(xv) maintained adequate capital in light of its contemplated business operations;

(xvi) observed all organizational formalities necessary to maintain its separate existence and all procedures required under applicable law; and

(xvii) corrected any known misunderstanding regarding its separate identity;

(i) the Servicer and its subsidiaries have filed all tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon them or their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for returns and any resulting taxes and assessments (i) the amount of which, individually or in the aggregate, is not material, (ii) that have been extended or (iii) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which the Servicer or a subsidiary, as the case may be, has established adequate reserves in accordance with GAAP; the Servicer knows of no basis for any other tax or assessment that could, individually or in the aggregate, reasonably be expected to have a material adverse effect; the charges, accruals and reserves on the books of the Servicer and its subsidiaries in respect of U.S. federal, state or other taxes for all fiscal periods are adequate; and the U.S. federal income tax liabilities of the Servicer and its subsidiaries have been finally determined (whether by reason of completed audits or the statute of limitations having run) for all fiscal years up to and including the fiscal year ended December 31, 2010;

(j) the Servicer is not now, nor will it be as a result of the transactions contemplated by the Transaction Documents, insolvent; and

(k) the information set forth on Schedule 2 and Schedule 3 is true and correct in all material respects.

Section 6.11. Servicer Reports and Notices.

(a) On or before 2:00 p.m. (EST) on each Reporting Date, the Servicer shall transmit to the Issuer, the Indenture Trustee, the Backup Servicer and the Bondholders a certificate substantially in the form attached as Exhibit E (each, a "Quarterly Servicer Report") setting forth information with respect to the Land Lease Assets as of the end of the preceding Collection Period and setting forth the amounts withdrawn from the Servicer Account during such preceding Collection Period in accordance with Section 3.07 and information with respect to each related Asset Level Expense (or Servicer Advance) paid or reimbursed during such preceding Collection Period, the payments and deposits to be made on the related Payment Date in accordance with Section 3.07, the withdrawals and deposits, if any, to be made on or before the related Payment Date in accordance with Section 5.04 and Section 5.05, and the payments to be made on the related Payment Date pursuant to Section 8.07. Each Quarterly Servicer Report shall be accompanied by an Officer's Certificate of the Servicer that certifies that:

(i) a review of the activities of the Servicer during the preceding calendar quarter (or since the Closing Date in the case of the first such Officers' Certificate required to be delivered) has been made under the supervision of the officer executing such Officer's Certificate;

(ii) to such officer's knowledge after due inquiry, based on such review, the Servicer has fulfilled all of its obligations under this Indenture, including its obligations under Section 6.01 and Section 6.02, in all material respects throughout such calendar quarter;

(iii) to such officer's knowledge after due inquiry, based on such review, no default by the Servicer under this Indenture has occurred or, if such a default has occurred, specifying each such default known to such officer and the nature and status thereof;

(iv) to such officer's knowledge after due inquiry, based on such review, no material event has occurred during such calendar quarter with respect to the Trust Estate, including any Land Lease Asset, or with respect to any Land Lease Entity, or if such material event has occurred, specifying such material event known to such officer and the nature and status thereof; and

(v) the Consolidated Net Worth of HASI as of the end of the most recent fiscal quarter as reflected in the financial statements delivered pursuant Section 3.15 of the HASI Indemnity Agreement.

(b) The Servicer shall provide all other notices and reports it is required to provide under this Indenture in accordance with the terms hereof. The Servicer shall maintain copies of all reports and certificates prepared or received by it pursuant to the terms of this Indenture.

(c) The Servicer shall, from time to time at the reasonable request of the Issuer, the Indenture Trustee, the Backup Servicer or the Required Bondholders, include in any Quarterly Servicer Report such other information with respect to the Land Lease Assets included in the Trust Estate as may be provided without unreasonable expense.

(d) The Servicer shall cause the Indenture Trustee and any Bondholder, upon request, to have electronic access to the Servicer Account and provide copies of each monthly bank statement relating to the Servicer Account together with reconciliation thereof with each delivery of its Quarterly Servicer Report.

Section 6.12. Servicer Advances.

(a) The Servicer (other than the Backup Servicer) shall pay when due, from its own funds, an amount sufficient to pay all Asset Level Expenses (other than any Asset Level Expenses described in Section 6.12(b)) and not paid by or on behalf of the related Lessee and not paid by the LLE Servicer under the LLE Servicing Agreement; provided, however, that the Servicer may only pay such amounts from its own funds if and to the extent that, in its good faith business judgment, it reasonably believes that such amounts will ultimately be recovered from the related Lessee or the related Scheduled Lease Payments to the extent permitted by the related Land Lease Asset Documents.

(b) The Servicer (other than the Backup Servicer) shall pay all "out-of-pocket" costs and expenses incurred in the performance of its servicing obligations with respect to the Land Lease Assets, including the cost of any enforcement or judicial proceedings, and not paid by or on behalf of the related Lessee or by the LLE Servicer under the LLE Servicing Agreement; provided, however, that the Servicer may only pay such costs and expenses if and to the extent that, in its good faith business judgment, it reasonably believes such costs and expenses will increase the net proceeds received with respect to the Land Lease Assets and that such amounts will ultimately be recovered from the related Lessee or the related Scheduled Lease Payments to the extent permitted by the related Land Lease Asset Documents.

(c) The Servicer shall recover amounts paid pursuant toSection 6.12(a), Section 6.12(b) or Section 6.12(d) (each such amount, a "Servicer Advance") from the related Lessee or the related Scheduled Lease Payments to the extent permitted by the related Land Lease Asset Documents (or, in the case of amounts paid pursuant to Section 6.12(b), from net proceeds received with respect to the related Land Lease Assets) or from the Servicer Account pursuant to Section 3.07(a).

(d) During the pendency of any condemnation proceedings with respect to a Land Lease Asset, the Servicer shall, if the LLE Servicer fails to do so under the LLE Servicing Agreement, make a mandatory advance of any shortfall in the related Scheduled Lease Payments if the related Lessee fails to timely pay the same in full (each such payment, a "Condemnation Advance") under such Land Lease Asset Document as and when due as a result of the pendency of such proceedings; provided, however, that the Servicer shall only be so obligated if and to the

extent that, in its good faith business judgment, it reasonably believes that the amounts advanced will ultimately be recovered from the condemnation proceeds or from the Lessee. All such Condemnation Advances shall be recoverable by the Servicer out of the related condemnation proceeds deposited into the Servicer Account.

Section 6.13. Servicer Events of Default.

(a) Each of the following shall constitute a "Servicer Event of Default":

(i) any failure by the Servicer to pay or deposit as required by this Indenture any monies that it receives with respect to the Trust Estate, which failure continues unremedied beyond the earlier of two Business Days following the date such payment or deposit was required to be made or, in the case of a payment or deposit to be made no later than a Payment Date or a related Reporting Date, such Payment Date or Reporting Date, as applicable;

(ii) any failure by the Servicer to deliver the Quarterly Servicer Report to each party entitled to receive the same for any Payment Date when due, which failure continues unremedied beyond the second Business Day preceding the related Payment Date;

(iii) any failure by the Servicer duly to observe or perform in any material respect (A) any of its covenants or other agreements contained in this Indenture or (B) any of its covenants or other agreements contained in any other Transaction Document to which it is a party, in each case (in the event of a non-monetary default) which continues unremedied for a period of thirty (30) days after the earlier of the date on which the Servicer acquires knowledge (or should have acquired knowledge) of such failure or the Issuer, the Indenture Trustee or any Bondholder gives the Servicer written notice of such failure;

(iv) any representation or warranty made by the Servicer in (A) this Indenture or any other Transaction Document to which it is a party or (B) in any certificate, agreement, document or financial or other statement furnished by or on behalf of the Servicer or any Affiliate of the Servicer at any time under this Indenture or any other Transaction Document, shall prove to have been incorrect in any material respect on or as of the date made or deemed made;

(v) the occurrence of an Insolvency Event with respect to the Servicer;

(vi) the Servicer shall be dissolved, shall dispose of all or substantially all of its assets, shall otherwise cease business operations or fail to conduct its business as presently conducted, shall consolidate or merge with another entity such that the surviving entity does not meet the qualifications for a successor Servicer;

(vii) the Servicer shall resign or attempt to resign as Servicer without the prior written consent of the Required Bondholders and prior to the appointment of a successor Servicer acceptable to the Required Bondholders; or

(viii) if HA Capital is the Servicer, the Consolidated Net Worth of HASI as of the end of any fiscal quarter shall be less than $100,000,000 plus 65% of the increase in the Consolidated Net Worth of HASI since the Closing Date, as reflected in the most recent financial statements required to be delivered pursuant Section 3.15 of the HASI Indemnity Agreement;

then, and in each and every such case (other than pursuant to clause (v)), subject to applicable law, so long as each Servicer Event of Default shall not have been remedied, either the Indenture Trustee or the Required Bondholders, by notice in writing to the Servicer (and to the Indenture Trustee if given by the Required Bondholders) may terminate all or any of the rights and obligations of the Servicer under this Indenture. Upon the occurrence of a Servicer Event of Default of the kind specified in clause (v), all the rights and obligations of the Servicer under this Indenture shall automatically terminate without notice. Upon receipt by the Servicer of written notice of termination (in the case of Servicer Events of Default other than those specified in clause (v)) or upon the occurrence of a Servicer Event of Default (in the case of a Servicer Event of Default of the kind specified in clause (v)), all authority and power of the Servicer under this Indenture, whether with respect to the Land Lease Assets or otherwise, shall pass to and be vested in the Backup Servicer pursuant to and under this Section 6.13, subject to the provisions of Section 6.16; and the Indenture Trustee is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact, any and all documents and other instruments, and to do or accomplish all other acts or things necessary or appropriate to effect the purposes of such notice of termination. The Servicer agrees to cooperate with the Backup Servicer and the Indenture Trustee in effecting the termination of the Servicer's responsibilities and rights hereunder and shall promptly provide the Backup Servicer all documents and records reasonably requested by it to enable it to assume the Servicer's functions hereunder. In the event of the occurrence of a Servicer Event of Default, any termination of the Servicer shall become effective upon acceptance of an appointment of a successor Servicer as provided in Section 6.16. Notwithstanding any such termination, the terminated Servicer shall retain the right to recover unpaid Servicer Fees pursuant to Section 3.07(b); provided, however, that the Indenture Trustee may set-off any amounts owed by the Servicer against any amounts owed to the Servicer.

(b) Without limiting the generality of the foregoing or any other provision of this Indenture, upon the occurrence of a Servicer Event of Default with respect to the Servicer, the Indenture Trustee shall have all authority over all of the obligations of the Servicer hereunder as provided in Section 6.16.

(c) The Servicer agrees to notify promptly each of the Issuer, the Indenture Trustee and the Bondholders of the occurrence of a Servicer Default or a Servicer Event of Default.

Section 6.14. Other Remedies of Indenture Trustee. During the continuance of any Servicer Event of Default, so long as such Servicer Event of Default shall not have been remedied, the Indenture Trustee, upon receipt by a Responsible Officer of notice of any Servicer Event of Default, in addition to the rights specified in Section 6.16 and subject to Section 10.01, shall, after prompt notice to and pursuant to the direction of the Required Bondholders, take any actions now or hereafter existing at law, in equity or by statute to enforce its rights and remedies and to protect the interests, and enforce the rights and remedies, of the Bondholders (including the institution and prosecution of all judicial, administrative and other proceedings and the filing of proofs of claim and debt in connection therewith). Except as otherwise expressly provided in this Indenture, no remedy provided for by this Indenture shall be exclusive of any other remedy,

and each and every remedy shall be cumulative and in addition to any other remedy and no delay or omission to exercise any right or remedy shall impair any such right or remedy or shall be deemed to be a waiver of any Servicer Event of Default.

Section 6.15. Action upon Servicer Event of Default. In the event that a Responsible Officer shall have knowledge of any Servicer Event of Default, the Indenture Trustee shall promptly give notice thereof to the Issuer, the Bondholders and the Servicer. For all purposes of this Indenture, in the absence of actual knowledge by a Responsible Officer, the Indenture Trustee shall not be deemed to have knowledge of any Servicer Event of Default unless notified thereof in writing by the Servicer or by any Bondholder. The Indenture Trustee shall have no duty to inquire as to the existence of any Servicer Default or Servicer Event of Default.

Section 6.16. Backup Servicer to Act; Appointment of Successor.

(a) Subject to the terms and conditions herein, the Issuer hereby appoints The Bank of New York Mellon as the initial Backup Servicer hereunder. The Backup Servicer shall perform all of its duties hereunder in accordance with applicable law, the terms of this Indenture, the applicable portions of the Trust Estate and, to the extent consistent with the foregoing, in accordance with the customary and usual procedures employed by the Backup Servicer with respect to comparable assets that the Backup Servicer services for itself or other Persons. The Backup Servicer shall be compensated for its services hereunder by the Backup Servicer Fee.

(b) On or before 2:00 p.m. (EST) on each Reporting Date, the Servicer shall prepare and deliver to the Backup Servicer: (i) a copy of the Quarterly Servicer Report and all other reports and notices, if any, delivered to the Issuer and the Indenture Trustee (collectively, the "Quarterly Reports"); and (ii) a computer file or files (the "Tape(s)"). The Tape(s) shall contain (x) all information with respect to the Land Lease Assets as of the close of business on the last day of the Collection Period necessary to store the appropriate data in the Backup Servicer's system from which the Backup Servicer will be capable of preparing a trial balance relating to the data and (y) an initial trial balance showing balances due under the Land Lease Documents as of the last Business Day corresponding to the date of the Tape(s) (the "Initial Trial Balance"). The Backup Servicer shall have no obligations as to the Quarterly Reports other than to insure that they are able to be opened and read (which it shall determine promptly upon receipt). The Servicer shall give prompt written notice to the Indenture Trustee, the Backup Servicer and the Purchasers of any modifications in the Servicer's servicing systems.

(c) Other than the duties specifically set forth in this Indenture, the Backup Servicer shall have no obligation hereunder, including to supervise, verify, monitor or administer the performance of the Servicer. The Backup Servicer shall have no liability for any action taken or omitted to be taken by the Servicer.

(d) If the Servicer receives notice of termination of the Servicer pursuant to Section 6.13 or the Indenture Trustee receives the resignation of the Servicer accompanied by an Opinion of Counsel pursuant to Section 6.09, the Backup Servicer shall be the successor in all respects to the Servicer. If the Backup Servicer is unable to act as successor to the Servicer, the Indenture Trustee shall use commercially reasonable efforts to appoint an Eligible Servicer as successor to the Servicer in accordance with the instructions of the Required Bondholders, if any.

If no successor to the Servicer has otherwise been appointed and approved by the Required Bondholders within ninety (90) days after the date on which the Servicer is terminated or resigns, the Indenture Trustee shall petition a court of competent jurisdiction to appoint any Eligible Servicer as successor to the Servicer.

(e) Notwithstanding any other provision of this Indenture, the Backup Servicer shall be authorized to accept and rely on all reports and other information delivered or otherwise provided by the Servicer pursuant to this Indenture without any audit or other examination thereof. The Backup Servicer shall have no liability for any error or omission caused by or otherwise arising as a result of any incorrect or incomplete information provided by the Servicer or any non-standard practice or procedure followed by the Servicer; provided, however, that this provision shall not protect the Backup Servicer against any liability which would otherwise be imposed by reason of willful misconduct, bad faith or gross negligence in discovering or correcting any such error or omission or in the performance of its duties under this Indenture. If the Backup Servicer becomes aware of any incorrect or incomplete information provided by the Servicer or any related error or omission, the Backup Servicer shall promptly notify the Issuer and the Indenture Trustee thereof and the Indenture Trustee shall promptly notify the Bondholders thereof.

(f) The Servicer shall, at its own expense, perform such actions as are reasonably necessary to assist the Indenture Trustee and the successor Servicer in such transfer of the Servicer's duties and obligations pursuant to Section 6.16(d) hereof. The Servicer agrees that it shall promptly (and in any event no later than thirty (30) days subsequent to its receipt of a notice of termination pursuant to Section 6.13 hereof) provide the successor Servicer (with costs being borne by the Servicer) with all documents and records (including those in electronic form) reasonably requested by it to enable the successor Servicer to assume the Servicer's duties and obligations hereunder, and shall cooperate with the successor Servicer in effecting the assumption by the successor Servicer of the Servicer's obligations hereunder, including, the transfer within two Business Days to the successor Servicer for administration by it of all cash amounts which, at the time or thereafter, shall be received by it with respect to the Land Lease Asset (provided, however, that the Servicer shall continue to be entitled to receive all amounts accrued or owing to it under this Indenture on or prior to the Assumption Date (defined below)). If the Servicer fails to undertake such action as is reasonably necessary to effectuate such transfer of its duties and obligations, the Indenture Trustee, or the successor Servicer if so directed by the Indenture Trustee, is hereby authorized and empowered to execute and deliver, on behalf of and at the expense of the Servicer, as attorney-in-fact or otherwise, any and all documents and other instruments, and to do or accomplish all other acts or things reasonably necessary to effect the purposes of such notice of termination. Thirty (30) days after receipt by the successor Servicer of such documents and records, the successor Servicer will commence the performance of such servicing duties and obligations as successor Servicer in accordance with the terms and conditions of this Indenture (such date, the "Assumption Date"), and from and after the Assumption Date the successor Servicer shall receive the Servicer Fee and agrees to and shall be bound by all of the provisions of this ARTICLE VI and any other provisions of this Indenture relating to the duties and obligations of the Servicer, except as otherwise specifically provided herein. No Assumption Date shall occur prior to October 20, 2015.

(i) Notwithstanding anything contained in this Indenture to the contrary, the successor Servicer is authorized to accept and rely on all of the accounting, records (including computer records) and work of the Servicer relating to the Land Lease Assets (collectively, the "Predecessor Servicer Work Product") without any audit or other examination thereof, and the successor Servicer shall have no duty, responsibility, obligation or liability for the acts and omissions of the Servicer. If any error, inaccuracy, omission or incorrect or non-standard practice or procedure (collectively, "Errors") exist in any Predecessor Servicer Work Product and such Errors make it materially more difficult to service or should cause or materially contribute to the successor Servicer making or continuing any Errors (collectively, "Continued Errors"), the successor Servicer shall have no duty, responsibility, obligation or liability for such Continued Errors; provided, however, that the successor Servicer agrees to use its best efforts to prevent further Continued Errors. In the event that the successor Servicer becomes aware of Errors or Continued Errors, the successor Servicer, with the prior consent of the Indenture Trustee (with the consent or at the direction of Holders representing at least a majority of each Class of Bonds then Outstanding) shall use its best efforts to reconstruct and reconcile such data as is commercially reasonable to correct such Errors and Continued Errors and to prevent future Continued Errors and shall be entitled to recover its costs thereby.

(ii) The successor Servicer shall have: (A) no liability with respect to any obligation which was required to be performed by the terminated or resigned Servicer prior to the Assumption Date or any claim of a third party based on any alleged action or inaction of the terminated or resigned Servicer, (B) no obligation to perform any repurchase or advancing obligations, if any, of the Servicer, (C) no obligation to pay any taxes required to be paid by the Servicer, (D) no obligation to pay any of the fees and expenses of any other party involved in this transaction that were incurred by the prior Servicer and (E) no liability or obligation with respect to any Servicer indemnification obligations of any prior Servicer including the original Servicer.

(g) In the event that The Bank of New York Mellon as the initial Backup Servicer is terminated for any reason, or fails or is unable to act as Backup Servicer and/or as successor Servicer, the Indenture Trustee may enter into a backup servicing agreement with a Backup Servicer, and may appoint a successor servicer to act under this Indenture, in either event with the consent or at the direction of the Required Bondholders and on such terms and conditions as are provided herein as to the Backup Servicer or the successor Servicer, as applicable.

Section 6.17. Servicer Account. HA Capital hereby grants to the Indenture Trustee for the benefit of the holders of the Bonds, to secure the performance of the obligations of HA Capital hereunder and under the LLE Servicing Agreement, a security interest in HA Capital's right, title and interest in, to and under the Servicer Account and all funds now or at any time hereafter on deposit in the Servicer Account, including all interest and other investment earnings on such funds, and all proceeds thereof; provided, however, that the property subject to such security interest shall not include any funds withdrawn from the Servicer Account pursuant to Section 3.07(a) (and any security interest of the Indenture Trustee in such funds shall be automatically terminated and released upon any such withdrawal).

Section 6.18. PSA Collateral Assignment. HA Capital shall use commercially reasonable efforts to obtain from AWCC a consent to the execution and delivery by HA Capital of the PSA Collateral Assignment. If HA Capital obtains such consent, HA Capital shall promptly execute and deliver the PSA Collateral Assignment to the Indenture Trustee as collateral security for the performance by HA Capital of its obligations under this Indenture.

Section 6.19. LLE Collateral Assignment. To the extent that Land Lease Entities with Land Lease Assets collectively representing 70% or more of Total Asset Value (the "CA Consent Threshold") have, as of the Closing Date, not collaterally assigned Land Lease Asset Documents to the Indenture Trustee pursuant to the LLE Collateral Assignment, HA Capital shall use commercially reasonable efforts to obtain, within 180 days after the Closing Date, a consent from Lessees under the applicable Land Lease Asset Documents to collaterally assign the applicable Land Lease Entity's rights under such Land Lease Asset Documents pursuant to the LLE Collateral Assignment. The Indenture Trustee and the Required Bondholders shall cooperate with HA Capital and the applicable Land Lease Entity to obtain such consents, and will approve in their reasonable discretion and/or execute (if applicable) the forms of such consents, as well as any subordination and/or non-disturbance agreements with a Lessee or its mortgagee if the applicable Land Lease Entity is required by the applicable Land Lease Asset Documents to execute and deliver such an instrument in connection with its execution of the LLE Collateral Assignment. If HA Capital is unable to satisfy the CA Consent Threshold during such period, such failure shall not constitute an Event of Default or a Servicer Event of Default and HA Capital and the Required Bondholders shall negotiate in good faith to reasonably resolve any issues arising as a result of such failure.

ARTICLE VII
EVENTS OF DEFAULT; REMEDIES

Section 7.01. Events of Default. Each of the following shall constitute an "Event of Default" (whatever the reason and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) a default in the payment of any Class A Bond Interest or Class B Bond Interest (which, for the avoidance of doubt, does not include Class B Deferred Interest or Post-ARD Additional Bond Interest) when due;

(b) a default in the payment of the Aggregate Outstanding Bond Balance on the Rated Final Maturity Date;

(c) the occurrence of an Insolvency Event with respect to the Issuer;

(d) a default in the observance or performance of any covenant or agreement of the Issuer made in this Indenture (other than a covenant or agreement a default in the observance or performance of which is elsewhere in this Section 7.01 specifically dealt with) or in any other Transaction Document to which the Issuer is a party, and such default shall continue or not be cured for a period of thirty (30) days after the earlier of the date the Issuer shall have knowledge of such default or there shall have been given to the Issuer by the Indenture Trustee,

or to the Issuer and the Indenture Trustee by the Required Bondholders, a written notice specifying such default, requiring such default to be remedied and stating that such notice is a notice of default hereunder;

(e) any representation or warranty made by the Issuer (or made by the Depositor on behalf of the Issuer) in this Indenture, in any other Transaction Document to which the Issuer (or the Depositor, as applicable) is a party or in any certificate or other writing delivered pursuant hereto or in connection herewith proving to have been incorrect as of the time when the same shall have been made or deemed made, except where any such breach would not reasonably be expected to materially adversely affect the Issuer's ability to pay all Class A Bond Interest or Class B Bond Interest when due or to pay the Aggregate Outstanding Bond Balance on the Rated Final Maturity Date; provided, however, that any such breach by the Depositor that is cured through a Repurchase Payment or a Partial Defeasance in accordance with the Sale Agreement shall not constitute an Event of Default;

(f) the failure for any reason of the Indenture Trustee to have a first priority perfected Lien in the Trust Estate (subject to Permitted Liens);

(g) the Issuer becomes subject to registration as an "investment company" under the Investment Company Act of 1940, as amended;

(h) the Issuer becomes taxable as an association (or a publicly traded partnership) taxable as a corporation for U.S. federal or state income tax purposes; or

(i) the Servicer is terminated after a Servicer Event of Default and a successor Servicer reasonably acceptable to the Required Bondholders (which shall include the Backup Servicer, deemed to be acceptable as, and to have met all qualifications for, a successor Servicer) is not appointed as Servicer within ninety (90) days after such termination; provided, however, that no Event of Default shall occur if the Backup Servicer is exercising good faith efforts to find a successor Servicer and is acting in the capacity of Servicer past such 90-day period); or

(j) HASI fails to timely perform any of its obligations under the HASI Indemnity Agreement.

Section 7.02. Acceleration of Maturity, Rescission and Annulment. If an Event of Default of the kind specified in clause (c) of Section 7.01 occurs, the Bonds shall automatically become immediately due and payable at the Aggregate Outstanding Bond Balance, plus all accrued and unpaid interest thereon, without notice, presentment or demand of any kind. If an Event of Default (other than an Event of Default of the kind specified in clause (c) of Section 7.01) occurs and is continuing, then the Indenture Trustee or the Required Bondholders may declare the Bonds to be immediately due and payable, by a notice in writing to the Issuer (and to the Indenture Trustee if given by the Required Bondholders), and upon any such declaration the Aggregate Outstanding Bond Balance, together with accrued and unpaid interest thereon through the date of acceleration, shall become immediately due and payable.

At any time after such declaration of acceleration of maturity has been made and before a judgment or decree for payment of the money due has been obtained by the Indenture Trustee as provided in this ARTICLE VII, the Required Bondholders, by written notice to the Issuer and the Indenture Trustee, may rescind and annul such declaration and its consequences if:

(a) the Issuer has paid or deposited with the Indenture Trustee a sum sufficient to pay:

(i) all payments of principal of and interest on the Bonds and all other amounts that would then be due hereunder or upon the Bonds if the Event of Default giving rise to such acceleration had not occurred; and

(ii) all sums paid or advanced by the Indenture Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee and its agents and counsel; and

(b) all Events of Default, other than the nonpayment of the principal of the Bonds that has become due solely by such acceleration, have been cured or waived as provided in Section 7.12.

No such rescission shall affect any subsequent default or impair any right consequent thereto.

Section 7.03. Collection of Indebtedness and Suits for Enforcement by Indenture Trustee.

(a) If the Bonds have become immediately due and payable and the Issuer shall fail forthwith to pay the amounts due upon such acceleration, the Indenture Trustee, in its own name and as trustee of an express trust, may institute a Proceeding for the collection of the sums so due and unpaid, and may prosecute such Proceeding to judgment or final decree, and may enforce the same against the Issuer and collect in the manner provided by law out of the property of the Issuer, wherever situated, the moneys adjudged or decreed to be payable.

(b) If an Event of Default occurs and is continuing, the Indenture Trustee may proceed to protect and enforce its rights and the rights of the Bondholders, by such appropriate Proceedings as the Indenture Trustee shall deem most effective to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy or legal or equitable right vested in the Indenture Trustee by this Indenture or by law.

(c) If there shall be pending, relative to the Issuer or any Person having or claiming an ownership interest in the Trust Estate, Proceedings under the Bankruptcy Code or any other applicable Federal or State bankruptcy, insolvency or other similar law, or in case a receiver, assignee, trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Issuer or its property or such other obligor or Person, or in case of any other comparable judicial Proceedings relative to the Issuer, or to the creditors or property of the Issuer or such other obligor, the Indenture Trustee, irrespective of whether the principal of any Bonds shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand pursuant to this Section 7.03, shall be entitled and empowered, by intervention in such proceedings or otherwise:

(i) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of the Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee pursuant to Section 10.07 and of the Bondholders allowed in such Proceedings);

(ii) unless prohibited by applicable law or regulations, to vote on behalf of the Holders of the Bonds in any election of a trustee, a standby trustee or any Person performing similar functions in any such Proceedings;

(iii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute all amounts received with respect to the claims of the Bondholders and of the Indenture Trustee on their behalf; and

(iv) to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee or the Holders of the Bonds allowed in any judicial Proceedings relative to the Issuer, its creditors and its property;

and any trustee, receiver, liquidator, assignee, custodian, sequestrator or other similar official in any such Proceeding is hereby authorized by each of the Bondholders to make payments to the Indenture Trustee, and, in the event that the Indenture Trustee shall consent to the making of payments directly to the Bondholders, to pay to the Indenture Trustee such amounts as shall be sufficient to cover reasonable compensation to the Indenture Trustee, each predecessor Indenture Trustee and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee pursuant to Section 10.07.

(d) Nothing herein contained shall be deemed to authorize the Indenture Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Holder of the Bonds or to authorize the Indenture Trustee to vote in respect of the claim of any Bondholder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.

(e) All rights of action and of asserting claims under this Indenture, or under any of the Bonds, may be enforced by the Indenture Trustee without the possession of any of the Bonds or the production thereof in any trial or other Proceedings relative thereto, and any such action or Proceedings instituted by the Indenture Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Indenture Trustee, each predecessor Indenture Trustee and their respective agents and attorneys, shall be for the equal and ratable benefit of the Holders of the Bonds.

(f) In any Proceedings brought by the Indenture Trustee (and also any Proceedings involving the interpretation of any provision of this Indenture to which the Indenture Trustee shall be a party), the Indenture Trustee shall be held to represent all the Holders of the Bonds, and it shall not be necessary to make any Bondholder a party to any such Proceedings.

Section 7.04. Remedies, Priorities.

(a) If an Event of Default shall have occurred and be continuing, the Indenture Trustee may do one or more of the following (subject to Section 7.05):

(i) institute Proceedings in its own name and as trustee of an express trust for the collection of all amounts then payable on the Bonds or under this Indenture with respect thereto, whether by declaration or otherwise, enforce any judgment obtained and collect from the Issuer and any other obligor upon such Bonds moneys adjudged due;

(ii) institute Proceedings from time to time for the complete or partial foreclosure of this Indenture with respect to the Trust Estate;

(iii) exercise any remedies of a secured party under the UCC and take any other appropriate action to protect and enforce the rights and remedies of the Indenture Trustee and the Holders of the Bonds;

(iv) sell the Trust Estate, or any portion thereof or rights or interest therein, at one or more public or private sales called and conducted in any manner permitted by law;

(v) make demand upon the Servicer, by written notice, that the Servicer deliver to the Indenture Trustee all files maintained by the Servicer with respect to the Land Lease Assets; and

(vi) (A) (I) vote or exercise any or all of the Issuer's rights or powers under the LLE Operating Agreements, including any rights or powers to manage or control the Land Lease Entities and receive dividends and distributions therefrom (net of Asset Level Expenses); (II) demand, sue for, collect or receive any money or property at any time payable to or receivable by the Issuer on account of or in exchange for all or any part of the Membership Interests; (III) cause any action at law or suit in equity or other proceeding to be instituted and prosecuted to collect or enforce any obligations or rights related to ownership of the Membership Interests or the Issuer's interests in the Land Lease Asset Documents or foreclose or enforce the security interest in all or any part of the Membership Interests or to enforce any other legal or equitable right vested in it by this Indenture or by applicable law; (IV) sell or otherwise dispose of any or all of the Membership Interests or cause the Membership Interests to be sold or otherwise disposed of in one or more sales or transactions, at such prices as the Indenture Trustee may deem commercially reasonable, and for cash or on credit or for future delivery, without assumption of any credit risk at any broker's board or at public or private sale, without demand

of performance or notice of the time or place of sale (except such notice as is required by applicable law and cannot be waived, which notice shall be in accordance with the provisions hereof), it being agreed that the Indenture Trustee may be a purchaser on behalf of the Bondholders at any such sale and that the Indenture Trustee or any other Person who may be the purchaser of any or all of the Membership Interests so sold shall thereafter hold the same absolutely free from any claim or right of whatsoever kind, including any equity of redemption, of the Issuer, any such demand, notice or right and equity being hereby expressly waived and released to the extent permitted by applicable law; (V) perform any obligation of the Issuer hereunder or under any other Transaction Document, the LLE Operating Agreements and the Land Lease Asset Documents; or (VI) take any other action that the Indenture Trustee deems necessary or desirable to protect or realize upon its security interest in the Membership Interests or any part thereof. If, pursuant to applicable law, prior notice of any such action is required to be given to the Issuer, the Issuer hereby acknowledges and agree that the minimum time required by such laws, or if no minimum is specified, of ten (10) Business Days, shall be deemed a reasonable notice period;

(B) if the Indenture Trustee shall decide to exercise its right, subject to the terms hereof and the other Transaction Documents, to sell any or all of the Membership Interests, and if in the opinion of counsel for the Indenture Trustee it is necessary to have the Membership Interests registered under the provisions of the Securities Act or otherwise registered or qualified under any federal or state securities laws or regulations (collectively, the "Securities Laws"), the Issuer, as applicable, will execute and deliver all such instruments and documents that, in the opinion of the Indenture Trustee, are reasonably necessary to register or qualify the Membership Interests under the provisions of the Securities Laws, and will use commercially reasonable efforts to cause any registration statement relating thereto to become effective and to remain effective for a period of not less than six months from the date of the first public offering of the Membership Interests and to make all amendments thereto and/or to any related prospectus or similar document that, in the reasonable opinion of the Indenture Trustee, are necessary, all in conformity with the Securities Laws applicable thereto. Without limiting the generality of the foregoing, the Issuer agrees to use commercially reasonable efforts to comply with the provisions of the securities or "Blue Sky" laws of any jurisdiction or jurisdictions which the Indenture Trustee shall reasonably designate and to make available to their security holders, as soon as practicable, earnings statements which will satisfy the provisions of Section 11(a) of the Securities Act;

(C) the Issuer recognizes that, by reason of certain prohibitions contained in the Securities Laws, the Indenture Trustee may be compelled, with respect to any sale of all or any part of the Membership Interests constituting "securities", however defined in the Securities Laws, to limit purchasers to those who will agree, among other things, to acquire Membership Interests for their own account, for investment and not with a view to the distribution or resale thereof. The Indenture Trustee shall incur no liability as a result of the sale of the Membership Interests, or any part thereof, at any private sale pursuant to this Section 7.04(a)(vi) conducted in a commercially reasonable manner and in accordance with the requirement of applicable law. The Issuer hereby waives any claims against the Indenture Trustee arising by reason

of the fact that the price at which the Membership Interests may have been sold at such a private sale was less than the price that might have been obtained at a public sale or was less than the aggregate amount of the Aggregate Outstanding Bond Balance;

(D) the Issuer hereby agrees that in respect of any sale of any of the Membership Interests pursuant to the terms hereof, the Indenture Trustee is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is reasonably necessary in order to avoid any violation of Laws, or in order to obtain any required approval of the sale or of the purchase by any Governmental Authority or official, and the Issuer further agrees that such compliance shall not, in and of itself, result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Indenture Trustee be liable or accountable to the Issuer for any discount allowed by reason of the fact that the Membership Interests is sold in compliance with any such limitation or restriction;

provided, however, that the Indenture Trustee may not sell or otherwise liquidate the Trust Estate following an Event of Default, other than an Event of Default described in Section 7.01(a) or Section 7.01(b), unless the Indenture Trustee obtains the consent of the Required Bondholders.

(b) If the Indenture Trustee collects any money or property pursuant to this ARTICLE VII, it shall pay out such money or property in the order or priority set forth in Section 3.07.

The Indenture Trustee may fix a special record date and special payment date for any payment to Bondholders pursuant to this Section 7.04. At least fifteen (15) days before such special record date, the Issuer shall mail to each Bondholder and the Indenture Trustee a notice that states the special record date, the special payment date and the amount to be paid.

(c) The Issuer covenants and agrees that a sale of the entirety of the Trust Estate by public sale held not less than ten Business Days after notice thereof is commercially reasonable.

Section 7.05. Optional Preservation of the Land Lease Assets. If the Bonds have been declared to be due and payable under Section 7.02 following an Event of Default, and such declaration and its consequences have not been rescinded and annulled, subject to Section 7.04, the Indenture Trustee may, but need not, elect to maintain possession of the Trust Estate. It is the desire of the parties hereto and the Bondholders that there be at all times sufficient funds for the payment of principal of and interest on the Bonds, and the Indenture Trustee shall take such desire into account when determining whether or not to maintain possession of the Trust Estate. In determining whether to maintain possession of the Trust Estate, the Indenture Trustee may, but need not, obtain and rely upon an opinion of an Independent investment banking or accounting firm of national reputation as to the feasibility of such proposed action and as to the sufficiency of the Trust Estate for such purpose.

Section 7.06. Limitation of Suits. No Holder of any Bond shall have any right to institute any Proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default;

(b) the Required Bondholders have made written request to the Indenture Trustee to institute such Proceeding in respect of such Event of Default in its own name as Indenture Trustee hereunder;

(c) such Holder(s) have offered to the Indenture Trustee adequate indemnity as described in Section 10.01(g) against the costs, expenses and liabilities to be incurred in complying with such request;

(d) the Indenture Trustee for thirty (30) days after its receipt of such notice, request and offer of indemnity has failed to institute such Proceeding; and

(e) no direction inconsistent with such written request has been given to the Indenture Trustee during such thirty (30) day period by the Required Bondholders;

it being understood and intended that no one or more Holders of the Bonds of any Class shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holder of the Bonds or to obtain or to seek to obtain priority or preference over any other Holder of the Bonds of such Class or to enforce any right under this Indenture, except in the manner herein provided.

Section 7.07. Unconditional Rights of Bondholders to Receive Principal and Interest. The Holder of any Bond shall have the right, which is absolute and unconditional, to receive payment of the principal of and interest, if any, on such Bond on or after the respective due dates thereof expressed in such Bond or in this Indenture (or, in the case of a Voluntary Prepayment, to receive the related Voluntary Prepayment Amount on or after the related Voluntary Prepayment Date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

Section 7.08. Restoration of Rights and Remedies. If the Indenture Trustee or any Bondholder has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason or has been determined adversely to the Indenture Trustee or to such Bondholder, then and in every such case the Issuer, the Indenture Trustee and the Bondholders shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Indenture Trustee and the Bondholders shall continue as though no such Proceeding had been instituted.

Section 7.09. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Indenture Trustee or to the Bondholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.10. Delay or Omission Not a Waiver. No delay or omission of the Indenture Trustee or any Bondholder to exercise any right or remedy accruing upon any default or Event of Default shall impair any such right or remedy or constitute a waiver of any such default or Event of Default or acquiescence therein. Every right and remedy given by this Indenture or by law to the Indenture Trustee or to the Bondholders may be exercised from time to time, and as often as may be deemed expedient, by the Indenture Trustee or by the Bondholders, as the case may be.

Section 7.11. Control by Bondholders. The Required Bondholders shall have the right to direct the time, method and place of conducting any Proceeding for any remedy available to the Indenture Trustee with respect to the Bonds or exercising any trust or power conferred on the Indenture Trustee; provided, however, that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture; and

(b) any direction to the Indenture Trustee to sell or liquidate the Trust Estate shall be subject toSection 7.04; and

(c) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee that is not inconsistent with such direction;

provided, however, that the Indenture Trustee need not take any action that it determines might involve it in liability or might materially adversely affect the rights of any Bondholders not consenting to such action.

Section 7.12. Waiver of Past Defaults. Prior to the time a judgment or decree for payment of money due has been obtained as described inSection 7.03, and subject to Section 12.02, the Required Bondholders may waive any past default or Event of Default and its consequences except a default: (a) in payment of principal of or interest on any of the Bonds which remains unpaid; or (b) in respect of a covenant or provision hereof that cannot be modified or amended without the consent of each Bondholder. In the case of any such waiver, the Issuer, the Indenture Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereto.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured and not to have occurred, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereto.

Section 7.13. Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead or in any manner whatsoever, claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not hinder, delay or impede the execution of any power herein granted to the Indenture Trustee, but shall suffer and permit the execution of every such power as though no such law had been enacted.

Section 7.14. Action on Bonds. The Indenture Trustee's right to seek and recover judgment on the Bonds or under this Indenture shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Indenture. Neither the Lien created by this Indenture nor any rights or remedies of the Indenture Trustee or the Bondholders shall be impaired by the recovery of any judgment by the Indenture Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Trust Estate or upon any of the assets of the Issuer. Any money or property collected by the Indenture Trustee shall be applied in accordance with Section 7.04(b).

Section 7.15. Performance and Enforcement of Certain Obligations.

(a) Promptly following a request from the Indenture Trustee to do so, the Issuer shall (i) take all such lawful action as the Indenture Trustee may request to compel or secure the performance and observance by the Depositor of each of its obligations to the Issuer under or in connection with the Sale Agreement in accordance with the terms thereof, and (ii) exercise any and all rights, remedies, powers and privileges lawfully available to the Issuer under or in connection with the Sale Agreement to the extent and in the manner directed by the Indenture Trustee, including the transmission of notices of default on the part of the Land Lease Entities and the institution of legal or administrative actions or proceedings to compel or secure performance by the Depositor of each of its obligations under the Sale Agreement.

(b) If an Event of Default has occurred and is continuing, the Indenture Trustee may, and at the written direction of the Required Bondholders shall, exercise all rights, remedies, powers, privileges and claims of the Issuer against the Depositor under or in connection with the Sale Agreement, including the right or power to take any action to compel or secure performance or observance by the Depositor of each of its obligations to the Issuer thereunder and to give any consent, request, notice, direction, approval, extension or waiver under the Sale Agreement, and any right of the Issuer to take such action shall be suspended.

(c) If an Event of Default has occurred and is continuing, the Indenture Trustee may, and at the written direction of the Required Bondholders shall, in each case pursuant to and in accordance with the LLE Collateral Assignment, exercise all rights, remedies, powers, privileges and claims of any Land Lease Entity against the related Lessee under or in connection with the related Land Lease Asset Documents, including the right or power to take any action to compel or secure performance or observance by such Lessee of each of its obligations to such Land Lease Entity thereunder and to give any consent, request, notice, direction, approval, extension or waiver under such Land Lease Asset Documents.

ARTICLE VIII
VOLUNTARY PREPAYMENT; DEFEASANCE OF MEMBERSHIP INTERESTS; SPECIAL MAKE WHOLE PAYMENTS

Section 8.01. Voluntary Prepayment.

(a) The Issuer may voluntarily prepay the Bonds, in whole or in part, on any Business Day (each, a "Voluntary Prepayment"). If the Issuer intends to prepay all or any portion of the Bonds pursuant to this Section 8.01, it shall, or shall cause the Servicer to, mail

notice of such Voluntary Prepayment to the Indenture Trustee, the Bondholders and each Rating Agency then providing a rating for any of the Bonds, in each case at least fifteen (15) days (or such shorter period, but not less than two Business Days, as may be necessary to cure an Event of Default) before the date of such prepayment (each, a "Voluntary Prepayment Date"). For the avoidance of doubt, the Issuer may not voluntarily prepay any Class B Bonds until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero.

(b) The Issuer shall, or shall cause the Servicer to, irrevocably deposit into the Voluntary Prepayment Account, by 2:00 p.m., New York City time, on the Business Day prior to each Voluntary Prepayment Date, the related Voluntary Prepayment Amount. The Lien of the Indenture will not be terminated or released with respect to any Membership Interest or any Land Lease Assets in connection with any partial Voluntary Prepayment.

Section 8.02. Form of Voluntary Prepayment Notice. The Indenture Trustee shall provide notice of each Voluntary Prepayment to each Holder of Bonds to be prepaid as of the close of business on the Record Date preceding the related Voluntary Prepayment Date. Each notice of Voluntary Prepayment shall be given by first-class mail, postage prepaid, or by electronic transmission, in each case not later than the Business Day prior to the related Voluntary Prepayment Date, at such Bondholder's address or email address appearing in the Bond Register. Each notice of Voluntary Prepayment shall state:

(a) the Voluntary Prepayment Date;

(b) the Voluntary Prepayment Amount;

(c) the place where the Bonds to be prepaid are to be surrendered for payment of the Voluntary Prepayment Amount (which shall be the office or agency of the Issuer designated for that purpose); and

(d) that, on the Voluntary Prepayment Date, the Voluntary Prepayment Amount will become due and payable and that interest on the Bonds to be prepaid shall cease to accrue on the related prepaid amount from and after the receipt by the Indenture Trustee of the Voluntary Prepayment Amount.

Notice of prepayment of the Bonds shall be given by the Indenture Trustee in the name and at the expense of the Issuer. Failure to give notice of prepayment, or any defect therein, to any Bondholder shall not impair or affect the validity of the prepayment of any other Bond.

Section 8.03. Application of Voluntary Prepayment Amount. On each Voluntary Prepayment Date, the Indenture Trustee shall, to the extent directed by the Servicer, apply the amount then on deposit in the Voluntary Prepayment Account (other than any amount allocable to Make Whole Amounts with respect to Repurchase Payments) to make the following payments in the following order of priority:

(a) to pay all amounts owed to the Owner Trustee, the Indenture Trustee, the Backup Servicer or the Servicer on the related Voluntary Prepayment Date;

(b) to pay the Make Whole Amount, if any, due in connection with the related Voluntary Prepayment;

(c) to pay down the Class A Bonds until the Outstanding Bond Balance of the Class A Bonds has been reduced to zero; and

(d) to pay down the Class B Bonds until the Outstanding Bond Balance of the Class B Bonds has been reduced to zero.

Section 8.04. Defeasance of Membership Interests. If a Defeasance Event has occurred and is continuing, the Servicer may, not fewer than thirty (30) days (or such shorter period as may be consented to by the Indenture Trustee and the Required Bondholders) prior to any Defeasance Date, deliver a Defeasance Notice to the Issuer, the Indenture Trustee and each Rating Agency then providing a rating for any of the Bonds identifying the Membership Interest to be defeased and the related Land Lease Assets. If the Servicer delivers a Defeasance Notice to the Issuer with respect to any Membership Interest, the Issuer shall (a) direct the Indenture Trustee to terminate and release such Membership Interest and the interest, if any, of the Indenture Trustee in the related Land Lease Assets from the Lien of this Indenture and (b) transfer its entire (except as provided in Section 8.06) right, title, interest and estate in and to such Membership Interest to the Depositor on the related Defeasance Date, in each case pursuant to and on the terms and conditions set forth in this ARTICLE VIII; provided, however, that no such release and transfer shall be permitted if the sum of the Asset Value of such Land Lease Assets as of such Defeasance Date and the aggregate Asset Value of all other Land Lease Assets related to Membership Interests previously defeased pursuant to this ARTICLE VIII (in each case as determined in connection with the related release and transfer) would exceed 25% of the Total Asset Value as of the Closing Date.

Section 8.05. Release of Indenture Lien. The Indenture Trustee, at the direction and expense of the Issuer, shall, on the related Defeasance Date, execute proper instruments, without representation or warranty, acknowledging the termination and release of the Lien of this Indenture with respect to the Membership Interests to be defeased in connection with any Partial Defeasance and the interest, if any, of the Indenture Trustee in the related Land Lease Assets if:

(i) no Event of Default has occurred and is continuing after giving effect to such defeasance;

(ii) the Servicer has paid or caused to be paid to the Issuer an amount equal to the related Defeasance Amount;

(iii) all accrued and unpaid interest and all other sums due under the Bonds and under the other Transaction Documents up to the Defeasance Date, including all reasonable costs and expenses incurred by the Indenture Trustee or its agents in connection with such release (including the fees and expenses incurred by attorneys and accountants in connection with the review of the proposed Substitute Collateral and the preparation of the related documentation), have been paid in full; and

(iv) the Issuer has delivered to the Indenture Trustee on or prior to the related Defeasance Date:

(A) an amount (the "Defeasance Amount") equal to that which is sufficient to purchase U.S. Obligations (as defined below) that provide for payments (1) on or prior to, but as close as possible to, all successive scheduled Payment Dates after the related Defeasance Date through the Anticipated Repayment Date, and (2) in amounts equal to or greater than the remaining Scheduled Lease Payments required under the related Land Lease Asset Documents through the Anticipated Repayment Date (the "Substitute Collateral"), each of which U.S. Obligations shall be duly endorsed by the holder thereof as directed by the Indenture Trustee or accompanied by a written instrument of transfer in form and substance satisfactory to the Required Bondholders (including such instruments as may be required by the depository institution holding such U.S. Obligations to effectuate book-entry transfers and pledges through the book-entry facilities of such institution) in order to create a first priority security interest therein in favor of the Indenture Trustee in conformity with all applicable state and federal laws governing the granting of such security interests (for purposes hereof, the term "U.S. Obligations" means (i) direct obligations of (or guaranteed as to timely payment by) the United States of America (or any agency or instrumentality of the United States of America, to the extent then being generally accepted by the Rating Agencies then providing a rating for any of the Bonds) for the payment of which its full faith and credit is pledged and which are not subject to prepayment, call or early redemption, or (ii) other non-callable "government securities" as defined in Treasury Regulations Section 1.860G-2(a)(8)(i), as amended, which (a) are then outstanding and (b) are then being generally accepted by the Rating Agencies then providing a rating for any of the Bonds without any reduction, downgrade or withdrawal of such ratings;

(B) a certificate of the Issuer or the Servicer certifying that all of the requirements set forth in thisARTICLE VIII have been satisfied with respect to such Partial Defeasance;

(C) an opinion of counsel for the Issuer in form and substance and delivered by counsel satisfactory to the Required Bondholders stating, among other things, that the Indenture Trustee has a perfected first priority security interest in the Substitute Collateral;

(D) if required by the then current criteria of the Rating Agencies then providing a rating for any of the Bonds, evidence in writing from such Rating Agencies to the effect that the Rating Agency Condition will be satisfied in connection with such collateral substitution;

(E) a certificate from a firm of independent public accountants acceptable to the Indenture Trustee certifying that the Substitute Collateral is sufficient to satisfy the provisions of subparagraph (A) above; and

(F) such other certificates, documents or instruments as the Indenture Trustee may reasonably require.

In connection with the conditions set forth in this ARTICLE VIII, the Issuer hereby appoints the Indenture Trustee as its agent and attorney in fact for the purpose of using the amounts delivered pursuant to this Section 8.05 to purchase the Substitute Collateral.

Section 8.06. Transfer of Membership Interest. Upon satisfaction of the conditions set forth in Section 8.05 in connection with the defeasance of any Membership Interest, the Issuer shall transfer its entire right, title, interest and estate in and to such Membership Interest to the Depositor and shall direct the Indenture Trustee in writing to deliver the related Custodial Property to the Depositor in accordance with such direction; provided, however, that if such Membership Interest relates to other Land Lease Assets included in the Trust Estate not then related to the Defeasance Event then in effect, the Issuer, at the direction and expense of the Servicer, shall cause a special purpose company substantially similar to the related Land Lease Entity to be formed, shall cause the Land Lease Assets related to such defeasance to be transferred to such new company, and shall transfer its entire right, title, interest and estate in and to such new company to the Depositor and shall deliver the certificate, if any, representing the ownership interest in such new company to the Depositor and the related Membership Interest shall remain subject to the Lien of this Indenture. This Indenture shall cease to be of further effect with respect to any Membership Interest or other equity interest transferred pursuant to this Section 8.06 and with respect to all related Land Lease Assets.

Section 8.07. Special Make Whole Payments. On each Payment Date, the Indenture Trustee shall, to the extent directed in the related Quarterly Servicer Report, withdraw from the Voluntary Prepayment Account and pay to the Class A Bondholders on a pro-rata basis any amount then on deposit in the Voluntary Prepayment Account which is allocable to Make Whole Amounts with respect to Repurchase Payments received during the preceding Collection Period.

ARTICLE IX
SATISFACTION AND DISCHARGE

Section 9.01. Satisfaction and Discharge of Indenture. This Indenture shall cease to be of further effect with respect to the Bonds, except as to

(a) rights of registration of transfer and exchange,

(b) substitution of mutilated, destroyed, lost or stolen Bonds,

(c) rights of Bondholders to receive payments of principal thereof and interest thereon,

(d) Section 4.02, Section 4.03, Section 4.05, Section 4.06 and Section 4.07,

(e) the rights, obligations and immunities of the Indenture Trustee hereunder (including the rights of the Indenture Trustee under Section 10.07 and the obligations of the Indenture Trustee under Section 9.02), and

(f) the rights of Bondholders as beneficiaries hereof with respect to the property so deposited with the Indenture Trustee payable to all or any of them, and the Indenture Trustee, at the direction and expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture with respect to the Bonds, when:

(i) either

(A) all Bonds of all Classes theretofore authenticated and delivered (other than (1) Bonds that have been mutilated, destroyed, lost or stolen and that have been replaced or paid as provided in Section 3.05 and (2) Bonds for whose payment money has theretofore been irrevocably deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust, as provided in Section 4.02) have been delivered to the Indenture Trustee for cancellation; or

(B) all Bonds not theretofore delivered to the Indenture Trustee for cancellation have become due and payable and the Issuer has irrevocably deposited or caused to be irrevocably deposited with the Indenture Trustee, in trust, cash or direct obligations of or obligations guaranteed by the United States (which will mature prior to the date needed), in an amount sufficient to pay and discharge the entire indebtedness on such Bonds when due;

(ii) the Issuer has paid or caused to be paid all other sums payable by the Issuer hereunder and under the other Transaction Documents;

(iii) the Issuer has delivered to the Indenture Trustee an Officer's Certificate, an Opinion of Counsel and an Independent Certificate from a firm of certified public accountants, each meeting the applicable requirements of Section 12.01 and, subject to Section 12.02, each stating that all conditions precedent provided for in this Indenture relating to the satisfaction and discharge of this Indenture have been complied with; and

(iv) the Issuer has delivered to the Indenture Trustee an Opinion of Counsel to the effect that the satisfaction and discharge of this Indenture pursuant to this Section 9.01 will not cause any Bondholder to be treated as having sold or exchanged any of its Bonds for purposes of Section 1001 of the Code.

Section 9.02. Application of Trust Money. All monies deposited with the Indenture Trustee pursuant to Section 9.01 shall be held in trust and applied by the Indenture Trustee, in accordance with the provisions of the Bonds and this Indenture, to the payment to the Holders of the Bonds of all sums due and to become due thereon for principal and interest, but such monies need not be segregated from other funds except to the extent required herein or required by law.

ARTICLE X
THE INDENTURE TRUSTEE

Section 10.01. Certain Duties and Responsibilities.

(a) If an Event of Default has occurred and is continuing, the Indenture Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances.

(b) Except during the continuance of an Event of Default:

(i) the Indenture Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Indenture Trustee; and

(ii) in the absence of bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished pursuant to and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Indenture Trustee, shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(c) No provision of this Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this clause (c) shall not be construed to limit the effect of clause (b) of this Section 10.01;

(ii) the Indenture Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Indenture Trustee was negligent in ascertaining the pertinent facts;

(iii) the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Required Bondholders relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under this Indenture relating to the Bonds;

(iv) the Indenture Trustee shall not be required to take notice or be deemed to have notice or knowledge of any Servicer Event of Default or any Event of Default unless a Responsible Officer shall have received written notice thereof and the delivery of reports and information does not constitute actual or constructive knowledge or notice;

(v) subject to the other provisions of this Indenture and without limiting the generality of this Section 10.01, and unless the Indenture Trustee shall have undertaken to perform the duties of the Servicer hereunder, the Indenture Trustee shall have no duty (A) to see to any recording, filing, or depositing of this Indenture or any other agreement referred to herein or any financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording or filing or depositing or to any re-recording, refiling or redepositing of any thereof, (B) to see to any insurance, (C) to see to the payment or discharge of any tax, assessment, or other governmental charge or any Lien owing with respect to, assessed or levied against, any property of the Issuer or (D) except as provided in

Section 10.01(b), to confirm or verify the contents of any reports or certificates of the Servicer delivered to the Indenture Trustee pursuant to this Indenture believed in good faith by the Indenture Trustee to be genuine and to have been signed or presented by the proper party or parties; and

(vi) in no event shall the Indenture Trustee be liable for any:

(A) losses arising from the Indenture Trustee acting in accordance with instructions or any notice from the Servicer or any agent of the Servicer;

(B) losses that are loss of business, loss of profits or loss of opportunity or any indirect or consequential loss;

(C) losses incurred as a result of the receipt or acceptance of fraudulent, forged or invalid documents;

(D) losses due to forces beyond the control of the Indenture Trustee including strikes, work stoppages, acts of war, terrorism, acts of God, governmental actions, interruption, loss or malfunction of utilities, communications or computer (software or hardware) services;

(E) losses arising from the Indenture Trustee receiving or transmitting data or instructions to or from any party via any non-secure method of transmission or communication; or

(F) special, punitive or consequential damages.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Indenture Trustee shall be subject to the provisions of this Section 10.01.

(e) No provision of this Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder (including its duties as Backup Servicer), or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(f) The permissive right of the Indenture Trustee to take actions enumerated in this Indenture shall not be construed as a duty, and the Indenture Trustee shall not be answerable for other than its own negligence or willful misconduct.

(g) The Indenture Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements and against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct, in connection with any action so taken.

Section 10.02. Removal of Indenture Trustee. The Indenture Trustee may be removed with or without cause by vote of the Required Bondholders upon not fewer than thirty (30) days prior written notice. If the Indenture Trustee is removed pursuant to this Section 10.02, then and in every such case, the Issuer shall, whether or not the Indenture Trustee resigns pursuant to Section 10.09, promptly, concurrently with the giving of notice to the Indenture Trustee, appoint a successor Indenture Trustee approved, in writing, by the Required Bondholders pursuant to the terms of Section 10.09.

Section 10.03. Certain Rights of the Indenture Trustee. Except as otherwise provided in Section 10.01:

(a) the Indenture Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Servicer or any of the Bondholders mentioned herein shall be sufficiently evidenced in writing;

(c) whenever in the administration of this Indenture the Indenture Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Indenture Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith or negligence on its part, conclusively rely upon an Officer's Certificate;

(d) the Indenture Trustee may consult with counsel, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reasonable reliance thereon;

(e) the Indenture Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Bondholders pursuant to this Indenture, unless such Bondholders shall have offered to the Indenture Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Indenture Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document, but the Indenture Trustee in its discretion may make such further inquiry or investigation into such facts or matters as it may see fit;

(g) the Indenture Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Indenture Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) the Indenture Trustee shall not be liable for any action it takes or omits to take in good faith which it reasonably believes to be authorized by the Authorized Officer of any Person or within its rights or powers under this Indenture other than as to validity and sufficiency of its authentication of the Bonds; and

(i) the Indenture Trustee shall not be deemed to know of any default or other fact upon the occurrence of which it might be required to take action hereunder unless a Responsible Officer has actual knowledge thereof or has received written notice thereof.

Section 10.04. Not Responsible for Recitals or Issuance of Bonds. The recitals contained herein and in the Bonds shall be taken as the statements of the Servicer, and the Indenture Trustee assumes no responsibility for their correctness. The Indenture Trustee makes no representation as to the validity or sufficiency of this Indenture or the Bonds other than as to the validity and sufficiency of its authentication of the Bonds.

Section 10.05. May Hold Bonds. The Indenture Trustee or any agent of the Issuer, in its individual or any other capacity, may become a Bondholder or pledgee of Bonds and may otherwise deal with the Issuer with the same rights it would have if it were not Indenture Trustee or such agent.

Section 10.06. Money Held in Trust. Money held by the Indenture Trustee in trust hereunder need not be segregated from other trust funds except to the extent required herein or required by law. The Indenture Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Servicer and except to the extent of income or other gain on investments which are deposits in or certificates of deposit of the Indenture Trustee in its commercial capacity and income or other gain actually received by the Indenture Trustee on Eligible Investments.

Section 10.07. Compensation and Indemnity. The Issuer shall cause the Servicer to pay to the Indenture Trustee and the Administrator from time to time such compensation for their services as shall be agreed upon in writing. The Indenture Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Servicer agrees to pay such compensation to the Indenture Trustee and the Administrator, to reimburse the Indenture Trustee for reasonable expenses, disbursements and advances incurred or made by the Indenture Trustee in accordance with any provision of this Indenture (including the reasonable compensation, expenses and disbursements of its agents and counsel), and to indemnify the Indenture Trustee for, and hold it harmless against, any and all losses, liabilities or expenses, including attorneys' fees, incurred by it in connection with the administration of the Issuer and the Trust Agreement and the performance of its duties under this Indenture. The Indenture Trustee shall notify the Issuer and the Servicer promptly in writing of any claim of which a Responsible Officer has received written notice and for which it may seek indemnity. Failure by the Indenture Trustee to so notify the Issuer and the Servicer in writing shall not relieve the Issuer or the Servicer of its obligations hereunder unless such loss, claim, damage, liability or expense could have been avoided with such prompt notification and then only to the extent of such loss, claim, damage, expense or liability which could have been so avoided. Neither the Issuer nor the Servicer need reimburse any expense or indemnify against any loss, liability or expense incurred by the Indenture Trustee or any predecessor Indenture Trustee through the Indenture Trustee's or such predecessor Indenture Trustee's own willful misconduct, negligence or bad faith.

(a) The Issuer's and the Servicer's payment obligations to the Indenture Trustee pursuant to this Section 10.07 shall survive the resignation or removal of the Indenture Trustee and discharge of this Indenture. If the Indenture Trustee incurs expenses after the occurrence of an Event of Default of the kind specified in clause (c) of Section 7.01, such expenses are intended to constitute expenses of administration under Title 11 of the United States Code or any other applicable federal or state bankruptcy, insolvency or similar law now or hereafter in effect.

(b) Notwithstanding anything herein to the contrary, the Indenture Trustee's right to enforce any of the Issuer's and the Servicer's payment obligations pursuant to this Section 10.07 shall be subject to the provisions of Section 13.04.

Section 10.08. Corporate Indenture Trustee Required; Eligibility. There shall at all times be an Indenture Trustee hereunder which shall be a corporation or association organized and doing business under the laws of the United States of America or of any state authorized under such laws to exercise corporate trust powers, having a combined net worth or capital surplus of at least $100,000,000, subject to supervision or examination by the United States of America or any such state having (a) long-term, unsecured debt rated at least "A" by Moody's, (b) a long-term deposit rating of at least "A" from Standard & Poor's or (c) a long term debt rating of at least "A" from KBRA. If such Indenture Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 10.08, the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Indenture Trustee shall cease to be eligible in accordance with the provisions of this Section 10.08, it shall, upon the request of the Servicer, resign immediately in the manner and with the effect hereinafter specified in this ARTICLE X.

Section 10.09. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Indenture Trustee and no appointment of a successor trustee pursuant to this ARTICLE X shall become effective until the acceptance of appointment by the successor trustee under Section 10.10.

(b) The Indenture Trustee, or any trustee or trustees hereafter appointed, may resign at any time by giving sixty (60) days prior written notice of resignation to the Servicer and by mailing notice of resignation by first-class mail, postage prepaid, to the Bondholders at their addresses appearing on the Bond Register. Upon receiving notice of resignation, or upon removal of the Indenture Trustee pursuant to Section 10.02, the Servicer shall promptly appoint a successor trustee or trustees which shall be acceptable to the Required Bondholders, by written instrument, in duplicate, executed on behalf of the Issuer by an Authorized Officer of the Servicer, one copy of which instrument shall be delivered to the Indenture Trustee so resigning or removed and one copy of which shall be delivered to the successor trustee or trustees. If no successor trustee shall have been appointed and have accepted appointment within sixty (60) days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor trustee, or any Bondholder may, on behalf of itself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(c) If at any time the Indenture Trustee shall cease to be eligible under Section 10.08 and shall fail to resign after written request therefor by the Servicer, the Servicer may, with the prior written consent of the Required Bondholders, remove the Indenture Trustee and appoint a successor trustee acceptable to the Required Bondholders by written instrument, in duplicate, executed on behalf of the Issuer by an Authorized Officer of the Servicer, one copy of which instrument shall be delivered to the Indenture Trustee so removed and one copy of which shall be delivered to the successor trustee.

(d) The Servicer shall give notice of any removal of the Indenture Trustee pursuant to Section 10.09(c) by mailing notice of such event by first-class mail, postage prepaid, to the Bondholders at their addresses appearing on the Bond Register. Each notice shall include the name of the proposed successor Indenture Trustee and the address of its corporate trust office. Each Bondholder shall, within twenty (20) calendar days of receipt of such notice, advise the Servicer, in writing, of its approval or rejection of such proposed successor Indenture Trustee.

Section 10.10. Acceptance of Appointment by Successor Indenture Trustee. Every successor Indenture Trustee appointed hereunder shall execute, acknowledge and deliver to the Servicer, on behalf of the Issuer, and to its predecessor Indenture Trustee an instrument accepting such appointment hereunder and stating its eligibility to serve as Indenture Trustee hereunder, and thereupon the resignation or removal of the predecessor Indenture Trustee shall become effective and such successor Indenture Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor hereunder; but, on request of the Servicer or the successor Indenture Trustee, such predecessor Indenture Trustee shall, upon payment of its charges then unpaid and not in dispute, execute and deliver an instrument transferring to such successor Indenture Trustee all of the rights, powers and trusts of the Indenture Trustee so ceasing to act, and shall duly assign, transfer and deliver to such successor Indenture Trustee all property (including all Custodial Property) and money held by such Indenture Trustee so ceasing to act hereunder. Upon request of any such successor Indenture Trustee, the Servicer, on behalf of the Issuer, shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Indenture Trustee all such rights, powers and trusts.

Upon acceptance of appointment by a successor Indenture Trustee as provided in this Section 10.10, the Servicer shall mail notice thereof by first-class mail, postage prepaid, to the Bondholders at their addresses appearing on the Bond Register. If the Servicer fails to mail such notice within ten days after acceptance of appointment by the successor Indenture Trustee, the successor Indenture Trustee shall cause such notice to be mailed at the expense of the Issuer. No successor Indenture Trustee shall accept its appointment unless at the time of such acceptance such successor shall be qualified and eligible under this ARTICLE X.

Section 10.11. Merger, Conversion, Consolidation or Succession to Business of the Indenture Trustee Any corporation or association into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation or association

resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Indenture Trustee, shall be the successor of the Indenture Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided, however, that such corporation or association shall be otherwise qualified and eligible under this ARTICLE X. If any Bonds have been executed, but not delivered, by the Indenture Trustee then in office, any successor by merger, conversion or consolidation to such Indenture Trustee may adopt such execution and deliver the Bonds so executed with the same effect as if such successor Indenture Trustee had itself executed such Bonds.

Section 10.12. Liability of the Indenture Trustee; Indemnities of the Servicer.

(a) Neither the Indenture Trustee nor any of the directors, officers, employees or agents of the Indenture Trustee shall be under any liability on any Bond or otherwise to any Account, the Servicer or any Bondholder for any action taken or for refraining from the taking of any action in good faith pursuant to this Indenture, or for errors in judgment; provided, however, that this provision shall not protect the Indenture Trustee or any such Person against any liability which would otherwise be imposed by reason of negligent action, negligent failure to act or bad faith in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. Subject to the foregoing sentence, the Indenture Trustee shall not be liable for losses on investments of amounts in any Account. In addition, the Servicer, covenants and agrees to indemnify the Indenture Trustee together with any director, officer, employee or agent of the Indenture Trustee (collectively, with the Indenture Trustee, the "Indemnified Persons"), from, and hold it harmless against, any and all Losses (including Trustee Expenses in excess of Trustee Expenses actually paid to the Indenture Trustee hereunder) incurred in its administration of the Issuer and the Trust Estate hereunder, other than those resulting from the gross negligence or bad faith of the Indenture Trustee. For the avoidance of doubt, any such indemnification payment shall not be deemed a Servicer Advance. The Indenture Trustee and any director, officer, employee or agent of the Indenture Trustee may rely and shall be protected in acting or refraining from acting in good faith on any certificate, notice or other document of any kind prima facie properly executed and submitted by the Authorized Officer of any Person respecting any matters arising hereunder.

(b) The obligations of the Servicer under this Section 10.12 to compensate and indemnify the Indemnified Persons and to reimburse them from expenses (including litigation expenses), disbursements and advances shall survive the termination of this Indenture and the resignation or removal of the Servicer or the Indenture Trustee, and continue thereafter for so long as any liability or expenses indemnified against may be imposed against any Indemnified Person.

Section 10.13. Appointment of Co-Indenture Trustee or Separate Indenture Trustee. Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Estate may at the time be located, the Servicer and the Indenture Trustee acting jointly shall have the power and shall execute and deliver all instruments to appoint one or more Persons approved by the Required Bondholders to act as co-Indenture Trustee or co-Indenture Trustees, jointly with the Indenture Trustee, of all or any part of the Trust Estate or separate Indenture Trustee or separate Indenture

Trustees of any part of the Trust Estate, and to vest in such Person or Persons, in such capacity and for the benefit of the Bondholders, such title to the Trust Estate, or any part thereof, and, subject to the other provisions of this Section 10.13, such powers, duties, obligations, rights and trusts as the Servicer and the Indenture Trustee may consider necessary or desirable. If the Servicer shall not have joined in such appointment within fifteen (15) days after the receipt by it of a request so to do, or in the case any Servicer Event of Default shall have occurred and be continuing, the Indenture Trustee alone shall have the power to make such appointment. No co-Indenture Trustee or separate Indenture Trustee hereunder shall be required to meet the terms of eligibility as a successor Indenture Trustee under Section 10.08, and no notice to Bondholders of the appointment of any co-Indenture Trustee or separate Indenture Trustee shall be required under Section 10.08.

Every separate Indenture Trustee and co-Indenture Trustee shall, to the extent permitted, be appointed and act subject to the following provisions and conditions:

(a) all rights, powers, duties and obligations conferred or imposed upon the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such separate Indenture Trustee or co-Indenture Trustee jointly (it being understood that such separate Indenture Trustee or co-Indenture Trustee is not authorized to act separately without the Indenture Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust Estate or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-Indenture Trustee, but solely at the direction of the Indenture Trustee;

(b) no co-Indenture Trustee hereunder shall be held personally liable by reason of any act or omission of any other co-Indenture Trustee hereunder; and

(c) the Servicer and the Indenture Trustee acting jointly may at any time accept the resignation of or remove any separate Indenture Trustee or co-Indenture Trustee.

Any notice, request or other writing given to the Indenture Trustee shall be deemed to have been given to each of the then separate Indenture Trustees and co-Indenture Trustees, as effectively as if given to each of them. Every instrument appointing any separate Indenture Trustee or co-Indenture Trustee shall refer to this Indenture and the conditions of this Section 10.13. Each separate Indenture Trustee and co-Indenture Trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Indenture Trustee or separately, as may be provided therein, subject to all the provisions of this Indenture, specifically including every provision of this Indenture relating to the conduct of, affecting the liability of, or affording protection to, the Indenture Trustee. Every such instrument shall be filed with the Indenture Trustee and a copy thereof given to the Servicer.

Any separate Indenture Trustee or co-Indenture Trustee may, at any time, constitute the Indenture Trustee, its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its

behalf and in its name. If any separate Indenture Trustee or co-Indenture Trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Indenture Trustee, to the extent permitted by law, without the appointment of a new or successor Indenture Trustee.

The Indenture Trustee shall give to the Bondholders and the Servicer notice of the appointment of any co-Indenture Trustee or separate Indenture Trustee. The appointment of a co-Indenture Trustee or separate Indenture Trustee under this Section 10.13 shall not relieve the Indenture Trustee of its duties and responsibilities hereunder.

ARTICLE XI
TAX TREATMENT

Section 11.01. Treatment of Bonds as Debt. The Servicer and the Issuer, by entering into this Indenture, and the Bondholders, by acquiring any Bond or interest therein, express their intention that the Bonds shall constitute indebtedness for all federal income tax and applicable state and local tax purposes and, unless otherwise required by appropriate taxing authorities, such parties agree to so treat the Bonds for such purposes. If the Bonds are not treated as debt for federal income tax purposes, the parties intend that the Bonds shall constitute interests in a partnership for such purposes and, in that regard, agree that no election to treat the Issuer in any part as a corporation under Treasury Regulation Section 301.7701-3 shall be made by any Person.

ARTICLE XII
SUPPLEMENTAL INDENTURES

Section 12.01. Supplemental Indentures Without Consent of Bondholders.

(a) The Issuer and the Indenture Trustee, at the direction of an Authorized Officer of the Issuer, may, without the consent of any Holders of any Bonds but with prior written notice to each Rating Agency then providing a rating for any of the Bonds, at any time and from time to time, enter into one or more indentures supplemental hereto, in form satisfactory to the Indenture Trustee, for any of the following purposes:

(i) to correct or amplify the description of any property at any time subject to the Lien of this Indenture, or better to assure, convey and confirm unto the Indenture Trustee any property subject or required to be subjected to the Lien of this Indenture, or to subject to the Lien of this Indenture additional property;

(ii) to evidence the succession, in compliance with the applicable provisions hereof, of another Person to the Issuer, and the assumption by any such successor of the covenants of the Issuer contained herein and in the Bonds;

(iii) to add to the covenants of the Issuer, for the benefit of the Bondholders, or to surrender any right or power herein conferred upon the Issuer;

(iv) to convey, transfer, assign, mortgage or pledge any property to or with the Indenture Trustee;

(v) to cure any ambiguity, to correct or supplement any provision herein or in any supplemental indenture that may be inconsistent with any other provision herein or in any supplemental indenture or in any (A) offering document used in connection with the initial offer and sale of the Bonds or to add any provisions to or change in any manner or eliminate any of the provisions of this Indenture which will not be inconsistent with other provisions of this Indenture or (B) other Transaction Document with respect to matters or questions arising under this Indenture or in any supplemental indenture; or

(vi) to evidence and provide for the acceptance of the appointment hereunder by a successor trustee with respect to the Bonds and to add to or change any of the provisions of this Indenture as shall be necessary to facilitate the administration of the trusts hereunder by more than one trustee;

provided, however; that no such supplemental indenture (i) may materially adversely affect the interests of any Bondholder and (ii) will be permitted unless (A) the Rating Agency Condition shall have been satisfied with respect to such action, and (B) an Opinion of Counsel is delivered to the Indenture Trustee to the effect that such supplemental indenture will not cause the Issuer to be characterized for federal income tax purposes as an association or publicly traded partnership taxable as a corporation or otherwise have any material adverse effect on the federal income taxation of any Bonds Outstanding or any Bondholder. The Indenture Trustee is hereby authorized to join in the execution of any such supplemental indenture and to make any further appropriate agreements and stipulations that may be therein contained.

(b) A supplemental indenture shall be deemed not to materially adversely affect the interests of any Bondholder if the Person requesting such supplemental indenture (i) has delivered no fewer than ten days' prior written notice of such supplemental indenture to each Rating Agency then providing a rating for any of the Bonds and (ii) obtains and delivers to the Indenture Trustee an Opinion of Counsel (which counsel may not be in-house counsel to the Servicer or the Depositor) to the effect that the supplemental indenture would not materially adversely affect the interests of any Bondholder.

Section 12.02. Supplemental Indentures With Consent of Bondholders. The Issuer and the Indenture Trustee, at the direction of an Authorized Officer of the Issuer, may, with the consent of the Required Bondholders and with prior written notice to each Rating Agency then providing a rating for any of the Bonds, by act of such Holders delivered to the Issuer and the Indenture Trustee, at any time and from time to time enter into one or more indentures supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture or modifying in any manner the rights of the Holders of the Bonds under this Indenture; provided, however, that no such supplemental indenture will be permitted unless (i) the Rating Agency Condition shall have been satisfied with respect to such action and (ii) an Opinion of Counsel is delivered to the Indenture Trustee to the effect that such supplemental indenture will not cause the Issuer to be characterized for federal income tax purposes as an association or publicly traded partnership taxable as a corporation or otherwise have any material adverse effect on the federal income taxation of any Bonds Outstanding or any Bondholder; provided further, that no such supplemental indenture may, without the consent of the Holder of each Outstanding Bond, to the extent any such Person is materially and adversely affected by such supplemental indenture:

(a) change the Rated Final Maturity Date or the date of payment of any installment of principal of or interest on any Bond, or reduce the principal amount thereof, the Bond Rate applicable thereto or the Voluntary Prepayment Amount with respect thereto, change the provisions of this Indenture relating to the application of collections on, or the proceeds of the sale of, the Trust Estate to payment of principal of or interest on the Bonds, or change any place of payment where, or the coin or currency in which, any Bond or the interest thereon is payable, or impair the right to institute suit for the enforcement of the provisions of this Indenture requiring the application of funds available therefor, as provided in Section 3.07, to the payment of any such amount due on the Bonds on or after the respective due dates thereof;

(b) reduce the percentage of the Outstanding Bond Balance of the Controlling Class of Bonds, the consent of the Holders of Bonds of which is required for any such supplemental indenture, or the consent of the Holders of Bonds of which is required for any waiver of compliance with certain provisions of hereunder or certain defaults and their consequences provided for in this Indenture;

(c) modify or alter (A) the provisions of the proviso to the definition of the term "Outstanding", (B) the definition of the term "Outstanding Bond Balance" or (C) the definition of the term "Controlling Class";

(d) reduce the percentage of the Outstanding Bond Balance of the Controlling Class required to direct the Indenture Trustee to sell or liquidate the Trust Estate pursuant to Section 7.04 if the proceeds of such sale or liquidation would be insufficient to pay in full the principal amount of and accrued but unpaid interest on the Bonds;

(e) reduce the percentage of the Outstanding Bond Balance of the Controlling Class the consent of the Holders of Bonds of which is required for any such supplemental indenture amending the provisions of this Indenture which specify the applicable percentage of the Outstanding Bond Balance of the Controlling Class the consent of which is required for such supplemental indenture or the amendment of any other Transaction Document;

(f) modify any provision of this Section 12.02 except to increase any percentage specified herein or to provide that certain additional provisions of this Indenture or the other Transaction Documents cannot be modified or waived without the consent of the Holder of each Outstanding Bond affected thereby;

(g) modify any provision of this Indenture in such manner as to affect the calculation of the amount of any payment of interest or principal due on any Bond on any Payment Date (including the calculation of any of the individual components of such calculation);

(h) permit the creation of any Lien ranking prior to or on a parity with the Lien of this Indenture with respect to any part of the Trust Estate or, except as otherwise permitted or contemplated herein, terminate the Lien of this Indenture on any property at any time subject hereto or deprive the Bondholders of the security provided by the Lien of this Indenture; or

(i) impair the right to institute suit for the enforcement of payment as provided inSection 4.08.

The Indenture Trustee may determine whether or not any Bonds would be materially and adversely affected by any supplemental indenture and any such determination shall be conclusive upon the Holders of all Bonds, whether theretofore or thereafter authenticated and delivered hereunder. The Indenture Trustee shall not be liable for any such determination made in good faith.

It shall not be necessary for any act of Bondholders under this Section 12.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such act shall approve the substance thereof.

Section 12.03. Execution of Supplemental Indentures. In executing, or permitting the additional trusts created by, any supplemental indenture permitted by this ARTICLE XII or the modification thereby of the trusts created by this Indenture, the Indenture Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and that all conditions precedent in this Indenture to the execution and delivery of such supplemental indenture have been satisfied. The Indenture Trustee may, but shall not be obligated to, enter into any such supplemental indenture that affects the Indenture Trustee's rights, duties, liabilities or immunities under this Indenture or otherwise. Any supplemental indenture that affects the Owner Trustee's rights, duties, liabilities or immunities under this Indenture or otherwise shall require the written consent of the Owner Trustee.

Section 12.04. Effect of Supplemental Indenture. Upon the execution of any supplemental indenture permitted by this ARTICLE XII, this Indenture shall be and shall be deemed to be modified and amended in accordance therewith with respect to the Bonds affected thereby, and the respective rights, limitations of rights, obligations, duties, liabilities and immunities under this Indenture of the Indenture Trustee, the Issuer and the Bondholders shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 12.05. Reference in Bonds to Supplemental Indentures. Bonds authenticated and delivered after the execution of any supplemental indenture pursuant to this ARTICLE XII may, and if required by the Indenture Trustee shall, bear a notation in form approved by the Issuer as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Bonds so modified as to conform, in the opinion of the Issuer, to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Indenture Trustee in exchange for Outstanding Bonds.

ARTICLE XIII
MISCELLANEOUS

Section 13.01. Compliance Certificates and Opinions. Upon any application or request by the Servicer or the Bondholders to the Indenture Trustee to take any action under any provision of this Indenture, the Servicer or the Bondholders, as the case may be, shall furnish to the Indenture Trustee a certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with, except that in the case of any such application or request as to which the furnishing of any documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate need be furnished.

Except as otherwise specifically provided herein, each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(a) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; and

(c) a statement as to whether, in the opinion of each such individual, such condition or covenant has been satisfied.

Section 13.02. Form of Documents Delivered to the Indenture Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 13.03. Acts of Bondholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by the Bondholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by the Bondholders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee, and, where it is hereby expressly required, to the Servicer. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “act” of the Bondholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Indenture Trustee and the Issuer, if made in the manner provided in this Section 13.03.

(b) The ownership of Bonds shall be proved by the Bond Register.

(c) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Bond shall bind the Holder of every Bond issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Indenture Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Bond.

Section 13.04. No Petition. Notwithstanding any other provision of this Indenture, neither the Servicer, the Backup Servicer nor the Indenture Trustee (unless otherwise directed by the Required Bondholder) may, prior to the date that is one year and one day or, if longer, the preference period then in effect after the payment in full of all Bonds (and any other debt obligations of the Issuer that have been rated upon issuance by any rating agency at the request of the Issuer), institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under United States federal or state bankruptcy laws, or similar laws of any jurisdiction.

Section 13.05. Notices, etc. to Indenture Trustee. Any request, demand, authorization, direction, notice, consent, waiver or act of the owners or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with the Indenture Trustee by any Bondholder or by the Servicer shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with and received by the Indenture Trustee at its corporate trust office as set forth in the Trust Agreement.

Section 13.06. Notices and Reports to Bondholders; Waiver of Notices. Where this Indenture provides for notice to Bondholders of any event or the delivery of any report to Bondholders, such notice or report shall be sufficiently given (unless otherwise herein expressly provided) if hand delivered by overnight courier or mailed, first-class postage prepaid, or transmitted electronically to each Bondholder affected by such event or to whom such report is required to be delivered, at the address of such Bondholder as it appears on the Bond Register or to such Bondholder's email address, as applicable, in each case not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice or the delivery of such report. In any case where a notice or report to Bondholders is delivered in the manner provided above, neither the failure to deliver such notice or report nor any defect in any notice or report so delivered to any particular Bondholder shall affect the sufficiency of such notice or report with respect to other Bondholders, and any notice or report which is delivered in the manner herein provided shall be conclusively presumed to have been duly given or provided.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Where this Indenture provides for notice to any Rating Agency then providing a rating for any of the Bonds, failure to give such notice shall not affect any other rights or obligations created hereunder.

Section 13.07. Successors and Assigns. All covenants and agreements in this Indenture by any party hereto shall bind its successors and permitted assigns, whether so expressed or not.

Section 13.08. No Recourse. Each Bondholder by accepting a Bond acknowledges that such Bond represents indebtedness of the Issuer only and not obligations of any Land Lease Entity, the Depositor, the Indenture Trustee, the Servicer or any Affiliate thereof and no recourse may be had against such parties or their assets, except as may be expressly set forth or contemplated in this Indenture, the Bonds or the other Transaction Documents.

Section 13.09. Severability. In case any provision of this Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.10. Benefits of Agreement. Nothing in this Indenture or in the Bonds, expressed or implied, shall give to any Person, other than the Bondholders and the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 13.11. Legal Holidays. If the date on which any payment is due under this Indenture shall not be a Business Day, then (notwithstanding any other provision of the Bonds or this Indenture) payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which nominally due, and, except as otherwise provided in the Transaction Documents, no interest shall accrue for the period from and after any such nominal date.

Section 13.12. Governing Law. In view of the fact that Bondholders are expected to reside in many states and the desire to establish with certainty that this Indenture will be governed by and construed and interpreted in accordance with the law of a state having a well-developed body of commercial and financial law relevant to transactions of the type contemplated herein, this Indenture and each Bond shall be construed in accordance with the laws of the State of New York, without reference to its conflict of law provisions (other than Section 5-1401 of the General Obligations Law), and the obligations, rights and remedies of the parties hereunder and thereunder shall be determined in accordance with such laws.

Section 13.13. Counterparts. This Indenture and any amendments, waivers, consents, or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. A signed and delivered copy of this Indenture, or a signed copy transmitted electronically in either a tagged image format file (TIFF) or a portable document format (PDF), shall be binding on the party signing the electronically transmitted copy, and such copy shall have the same effect as the original. Any party who delivers such a signature page agrees to later deliver an original counterpart to any party which requests it.

Section 13.14. Notices. All notices and other communications provided for hereunder shall be in writing, and either transmitted electronically (via email) or sent by U.S. mail or courier, charges prepaid, for delivery at the following address (or at such other address as shall be designated by such party in a written notice to the other Persons listed below):

The Issuer:	HASI SYB Trust 2015-1 c/o BNY Mellon Trust of Delaware 301 Bellevue Parkway, 3rd Floor Wilmington, Delaware 19809 Attention: Corporate Trust
The Indenture Trustee:	The Bank of New York Mellon 101 Barclay Street, Floor 7W East New York, New York 10286 Attention: Asset Backed Securities Unit Tel: (212) 815-8159
The Backup Servicer:	The Bank of New York Mellon Commercial Mortgage Services 2001 Bryan Street, 10th Floor Dallas, Texas 75201 Attn: Monica Stevenson Tel: (214) 468-5529
The Servicer:	Hannon Armstrong Capital, LLC 1906 Towne Centre Boulevard, Suite 370 Annapolis, Maryland 21401 Attention: Jeffrey W. Eckel Chief Executive Officer Tel: (410) 571-9860
Bondholders:	At their respective addresses set forth in the Bond Register.

Unless otherwise stated herein, (i) notices and other communications sent by courier or mail shall be deemed received on the day of delivery, (ii) notices and other communications sent to an email address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgement); provided, however, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or other communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (iii) notices or other communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its email address as described in the foregoing clause (ii) of notification that such notice or communication is available and identifying the website address therefor.

In addition to the foregoing, the parties agree to accept and act upon notices, instructions or directions pursuant to this Indenture sent by unsecured email or other similar unsecured electronic methods by the parties. If the parties elect to give the Indenture Trustee email instructions (or instructions by a similar electronic method) and the Indenture Trustee in its discretion elects to act upon such instructions, Indenture Trustee's understanding of such instructions shall be deemed controlling. The Indenture Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from its reliance upon and compliance with such instructions from any Authorized Officer notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The party providing electronic instructions agrees to assume all rights arising out of the use of such electronic methods to submit instructions and directions to the Indenture Trustee, including the risk of the Indenture Trustee acting on unauthorized instructions and the risk of interception and misuse by third parties.

Section 13.15. Voting. For the purposes of determining whether the requisite Outstanding Bond Balance has been obtained in determining the Required Bondholders or in connection with any action for which a vote of the Bondholders is required or permitted pursuant to this Indenture, the Outstanding Bond Balance of any Bonds owned by the Servicer or any Affiliate thereof shall be disregarded for purposes of such determination; provided, however, that only Bonds that a Responsible Officer knows to be so owned shall be so disregarded.

Section 13.16. Waiver of Jury Trial. Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Indenture, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

Section 13.17. Customer Identification Program Notice. Each of the parties hereto hereby acknowledges that the Indenture Trustee is subject to federal laws, including the Customer Identification Program ("CIP") requirements under the USA PATRIOT Act, as amended, and its implementing regulations, pursuant to which the Indenture Trustee must obtain, verify and record information that allows the Indenture Trustee to identify the parties hereto. Accordingly, prior to opening an account hereunder, the Indenture Trustee will ask the parties hereto to provide certain information including name, physical address, tax identification number and other information that will help the Indenture Trustee to identify and verify each such party's identity, such as organizational documents, a certificate of good standing, a license to do business, or other pertinent identifying information. Each of the parties hereto hereby agrees and acknowledges that the Indenture Trustee cannot open an account hereunder unless and until the Indenture Trustee verifies the applicable party's identity in accordance with its CIP.

ARTICLE XIV
COVENANTS OF THE ISSUER

Section 14.01. Covenants of the Issuer. The Issuer will comply with the following covenants:

(a) The Issuer shall maintain its chief executive office and a telephone number separate from that of the Depositor or any Controlling Entity and shall conspicuously identify such office as its office.

(b) The Issuer shall maintain its financial statements, accounting records and other trust documents separate from those of the Depositor and any Controlling Entity or any other Person.

(c) The Issuer shall cause to be prepared unaudited annual income statements and balance sheets, and such financial statements shall comply with GAAP (except as noted in such financial statements).

(d) The Issuer shall maintain its own separate bank accounts and correct, complete and separate books of account.

(e) The Issuer shall hold itself out to the public (including the creditors of the Depositor or any Controlling Entity) under its own name and as a separate and distinct entity. The Issuer shall not allow its name to be used by the Depositor or any Controlling Entity in the conduct of the business of the Depositor or such Controlling Entity, and the Issuer shall not use the name of the Depositor or any Controlling Entity in the conduct of its business.

(f) All customary formalities regarding the existence of the Issuer shall be observed.

(g) All investments made on behalf of the Issuer shall be made directly by the Issuer or on its behalf by an agent engaged and paid by the Issuer or its agents.

(h) All business transactions entered into by the Issuer with the Depositor or any Controlling Entity shall be on such terms and conditions (including terms relating to amounts paid under such transactions) as would be generally available in comparable transactions if such business transactions were with an entity that was not the Depositor or a Controlling Entity.

(i) Except as provided in the Transaction Documents, the Issuer shall not guarantee or assume or hold itself out or permit itself to be held out as having guaranteed or assumed any liabilities or obligations of the Depositor or any Controlling Entity.

(j) Except for organizational expenses, the Issuer shall pay its own liabilities, indebtedness and obligations of any kind, including all administrative expenses, from its own separate assets in accordance with the Transaction Documents; provided, however, that the foregoing shall not limit the indemnity provided in Section 10.12.

(k) All assets of the Issuer shall be separately identified, maintained and segregated. The Issuer's assets shall at all times be held by or on behalf of the Issuer for the benefit of the Bondholders and, if held on behalf of the Issuer by another Person (including the Depositor or any Controlling Entity), shall be kept identifiable (in accordance with customary usages) as assets owned by the Issuer.

(l) The Issuer will pay all reasonable third party costs and expenses (including reasonable attorneys' fees of a special counsel engaged by the Purchasers in connection with any amendments, waivers or consents under or in respect of this Indenture, any other Transaction Document or the Bonds (whether or not such amendment, waiver or consent becomes effective), including (i) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Indenture, any other Transaction Document or the Bonds or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Indenture, any other Transaction Document or the Bonds, or by reason of being a holder of any Bond, and (ii) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of the Issuer, the Depositor, the Servicer, HASI or any Land Lease Entity or in connection with any workout or restructuring of the transactions contemplated hereby and by the Bonds and any other Transaction Document. The Issuer will pay, and will save each Bondholder and each other holder of a Bond harmless from, (y) all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those, if any, retained by a Bondholder or other holder in connection with its purchase of the Bonds) and (z) any and all wire transfer fees that any bank deducts from any payment under such Bond to such holder or otherwise charges to a holder of a Bond with respect to a payment under such Bond.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Issuer, the Indenture Trustee and the Servicer have caused this Indenture to be duly executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

HASI SYB TRUST 2015-1,
as Issuer

By: BNY Mellon Trust of Delaware, not in its individual capacity but solely as Owner Trustee, on behalf of the Issuer

By: /s/ JoAnn C. DiOssi
Name: JoAnn C. DiOssi
Title: Vice President

THE BANK OF NEW YORK MELLON, as Indenture Trustee

By: /s/ Glenn E. Mitchell
Name: Glenn E. Mitchell
Title: Vice President

THE BANK OF NEW YORK MELLON, as Backup Servicer

By: /s/ Glenn E. Mitchell
Name: Glenn E. Mitchell
Title: Vice President

HANNON ARMSTRONG CAPITAL, LLC, as Servicer

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: President and Chief Executive Officer

In its capacity as LLE Servicer, Hannon Armstrong Capital is executing this Indenture to confirm its agreement to the provisions of Section 3.07(a) and Section 5.03

HANNON ARMSTRONG CAPITAL, LLC, as LLE Servicer

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: President and Chief Executive Officer

Schedule 1

Land Lease Entities

Schedule 2

Standard Lease Transactions

Schedule 3

Hybrid Lease Transactions

Schedule 4

Class A Scheduled Outstanding Bond Balance

Class B Scheduled Outstanding Bond Balance

Schedule 5

Class A Target Balance Supplemental Principal Payment

Schedule 6

Membership Interests

Exhibit A

Form of Bonds

FORM OF [CLASS A] [CLASS B] BOND

[FOR BONDS INITIALLY SOLD OR OTHERWISE REGISTERED FOR TRANSFER TO ANY PERSON DELIVERING THE CERTIFICATES IN THE FORMS OF EXHIBIT C-1 AND EXHIBIT C-2 TO THE HEREINAFTER DEFINED INDENTURE]

THIS BOND IS SUBJECT TO THE TERMS AND CONDITIONS OF THE INDENTURE REFERRED TO BELOW. THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THIS BOND AND INTERESTS HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A) TO A QUALIFIED PURCHASER (FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT) (A "**QUALIFIED PURCHASER**") THAT IS AN ACCREDITED INVESTOR AS DEFINED IN RULE 501(a)(1), (2), (3) or (7) OF REGULATION D UNDER THE SECURITIES ACT (AN "**INSTITUTIONAL ACCREDITED INVESTOR**") PURCHASING FOR ITS OWN ACCOUNT IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN AN AUTHORIZED DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH CLOSING DATE PURCHASER OF THIS BOND WILL MAKE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE APPLICABLE BOND PURCHASE AGREEMENT AND EACH TRANSFEREE PURCHASER OF THIS BOND WILL BE REQUIRED TO COMPLETE AND DELIVER EXHIBIT C-1 AND EXHIBIT C-2 TO THE INDENTURE PURSUANT TO SECTIONS 3.04(B) AND (C) OF THE INDENTURE AND WILL BE REQUIRED TO MAKE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SUCH CERTIFICATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE NULL AND VOID AB INITIO AND OF NO FORCE AND EFFECT, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRUSTEE OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY NON-PERMITTED HOLDER (AS DEFINED IN THE INDENTURE) TO SELL ITS INTEREST IN THE BONDS, OR TO SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS BOND WILL BE REQUIRED TO REPRESENT AND WARRANT AS TO WHETHER IT IS A BENEFIT PLAN

INVESTOR OR CONTROLLING PERSON. EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS BOND OR ANY INTEREST HEREIN WILL BE DEEMED BY ITS PURCHASE OR ACQUISITION OF THIS BOND TO REPRESENT AND WARRANT THAT (1) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS BOND DO NOT AND WILL NOT CONSTITUTE OR GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), (2) FOR SO LONG AS THE PURCHASER OR TRANSFEREE HOLDS THIS BOND OR ANY INTEREST HEREIN IT WILL NOT BE SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE PURCHASER OR TRANSFEREE BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE FIDUCIARY RESPONSIBILITY OR PROHIBITED TRANSACTION PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE, AND (3) THE PURCHASER'S OR TRANSFEREE'S ACQUISITION, HOLDING AND DISPOSITION OF THIS BOND OR ANY INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF ERISA AND/OR SECTION 4975 OF THE CODE. NO INTEREST IN THIS BOND WILL BE SOLD OR TRANSFERRED TO PURCHASERS THAT HAVE REPRESENTED THAT THEY ARE BENEFIT PLAN INVESTORS OR CONTROLLING PERSONS TO THE EXTENT THAT SUCH SALE MAY RESULT IN BENEFIT PLAN INVESTORS OWNING 25% OR MORE OF THE AGGREGATE OUTSTANDING PRINCIPAL AMOUNT OF THE [CLASS A] [CLASS B] BONDS, DETERMINED IN ACCORDANCE WITH THE PLAN ASSET REGULATION AND THE INDENTURE AND ASSUMING, FOR THIS PURPOSE, THAT ALL THE REPRESENTATIONS MADE OR DEEMED TO BE MADE BY HOLDERS OF [CLASS A] [CLASS B] BONDS ARE TRUE. EACH INTEREST IN A [CLASS A] [CLASS B] BOND HELD AS PRINCIPAL BY ANY OF THE TRANSACTION PARTIES, ANY OF THEIR RESPECTIVE AFFILIATES AND PERSONS THAT HAVE REPRESENTED THAT THEY ARE CONTROLLING PERSONS WILL BE DISREGARDED AND WILL NOT BE TREATED AS OUTSTANDING FOR PURPOSES OF DETERMINING COMPLIANCE WITH SUCH 25% LIMITATION. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "**PLAN ASSETS**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT

ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

THE PRINCIPAL OF THIS BOND IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS BOND AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS BOND MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE INDENTURE TRUSTEE.

THE FAILURE TO PROVIDE THE ISSUER AND THE INDENTURE TRUSTEE WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, AN INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE INTERNAL REVENUE CODE, OR AN APPROPRIATE INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE INTERNAL REVENUE CODE) MAY RESULT IN THE IMPOSITION OF U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING UPON PAYMENTS TO THE HOLDER IN RESPECT OF THIS BOND.

[FOR CLASS B BONDS]

THIS BOND IS SUBORDINATED IN RIGHT OF PAYMENT TO THE CLASS A BONDS AS DESCRIBED IN THE INDENTURE REFERRED TO BELOW.

REGISTERED $
No. R[A][B]-

HASI SYB TRUST 2015-1
HANNON ARMSTRONG SUSTAINABLE YIELD BONDS
% 2015-1[A][B] CLASS [A][B] BONDS

HASI SYB Trust 2015-1, a statutory trust organized and existing under the laws of the State of Delaware (including any permitted successors and assigns, the "Issuer"), for value received, hereby promises to pay to , or its registered assigns, the principal sum of DOLLARS ($) (reduced or increased as set forth on Schedule I hereto), payable on each Payment Date to the extent provided in the Indenture; provided, however, that the entire unpaid principal amount of this Bond shall be payable on the Payment Date occurring in October 2045 (the "Rated Final Maturity Date"). Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Indenture, which also contains rules as to construction that shall be applicable herein.

The Issuer will pay interest on this Bond in arrears at the rate per annum shown above on the 20th day of each January, April, July and October (or, if such day is not a Business Day, the next succeeding Business Day), commencing on October 20, 2015 (each, a "Payment Date") (to the extent that such rate does not exceed the maximum rate permitted by applicable law), until the principal of this Bond is paid or made available for payment, on the principal amount of this Bond outstanding immediately prior to such Payment Date. Interest on this Bond will accrue during each Interest Accrual Period for the related Payment Date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Such principal and interest on this Bond shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Bond are payable in such coin or currency of the United States as at the time of payment is legal tender for payment of public and private debts. All payments made by the Issuer with respect to this Bond shall be applied first to interest due and payable on this Bond as provided above and then to the unpaid principal of this Bond.

Reference is made to the further provisions of this Bond set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Bond.

Unless the certificate of authentication hereon has been executed by the Indenture Trustee whose name appears below by manual or facsimile signature, this Bond shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Issuer has caused this instrument to be signed, manually, by an Authorized Officer, as of the date set forth below.

Date: , 20

HASI SYB TRUST 2015-1, as Issuer

By: BNY MELLON TRUST OF DELAWARE,
not in its individual capacity but solely as Owner Trustee, on behalf of the Issuer

By: _____
Authorized Signatory

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds designated above and referred to in the within-mentioned Indenture.

Date: , 20

THE BANK OF NEW YORK MELLON,
not in its individual capacity but solely as Indenture Trustee

By: _____
Authorized Signatory

[REVERSE OF CLASS [A] [B] BOND]

This Bond is one of a duly authorized issue of Bonds of the Issuer, designated as its Hannon Armstrong Sustainable Yield Bonds % 2015-1[A][B] Class [A][B] Bonds (the "Class [A] [B] Bonds"), all issued under the Indenture, dated as of September 30, 2015 (the "Indenture"), among the Issuer, The Bank of New York Mellon, as indenture trustee (the "Indenture Trustee") and as backup servicer, and Hannon Armstrong Capital, LLC, a Maryland limited liability company, as servicer (the "Servicer"), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights and obligations thereunder of the Issuer, the Indenture Trustee, the Servicer and the Bondholders. The Bonds in all respects are subject to all terms of the Indenture.

The Class A Bonds and the Class B Bonds (collectively, the "Bonds") are, except as otherwise provided in the Indenture, equally and ratably secured by the Trust Estate pledged as security therefor as provided in the Indenture.

Principal payable on the Class [A] [B] Bonds will be paid on each Payment Date in the amount specified in the Indenture. As described above, the entire unpaid principal amount of this Bond will be payable on the Rated Final Maturity Date. Notwithstanding the foregoing, under certain circumstances, the entire unpaid principal amount of the Class [A] [B] Bonds shall be due and payable following the occurrence and continuance of an Event of Default, if the Indenture Trustee or the Required Bondholders have declared the Bonds to be immediately due and payable in the manner provided in the Indenture. All principal payments on the Class [A] [B] Bonds shall be made pro rata to the Class [A] [B] Bondholders entitled thereto.

Payments of principal and interest on this Bond due and payable on each Payment Date shall be made by wire transfer or check mailed to the Person whose name appears as the registered Bondholder on the Bond Register as of the related Record Date. Any such checks shall be mailed to the Person entitled thereto at the address of such Person as it appears on the Bond Register as of the applicable Record Date without requiring that this Bond be submitted for notation of payment. Any reduction in the principal amount of this Bond effected by any payments made on any Payment Date shall be binding upon all future Holders of this Bond and of any Bond issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not noted hereon. If funds are expected to be available, as provided in the Indenture, for payment in full of the remaining unpaid principal amount of this Bond on a Payment Date, then the Indenture Trustee, in the name of and on behalf of the Issuer, will notify the Person who was the registered Holder of this Bond as of the Record Date preceding such Payment Date in accordance with the Indenture and the amount then due and payable shall be payable only upon presentation and surrender of this Bond at the principal corporate trust office of the Indenture Trustee. Notwithstanding the foregoing, notices in connection with any Voluntary Prepayment shall be mailed to Bondholders as provided in the Indenture.

The Bonds are subject to Voluntary Prepayment to the extent described in the Indenture.

As provided in the Indenture and subject to the limitations set forth therein and on the face hereof, the transfer of this Bond may be registered on the Bond Register upon surrender of this Bond for registration of transfer at the office or agency designated by the Issuer pursuant to

the Indenture, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Indenture Trustee duly executed by, the Holder of this Bond or such Holder's attorney duly authorized in writing, with such signature guaranteed by an "eligible guarantor institution" meeting the requirements of the Bond Registrar, all in accordance with the Securities Exchange Act of 1934, as amended, and thereupon one or more new Bonds of Authorized Denominations and in the same aggregate principal amount will be issued to the designated transferee or transferees. No service charge will be charged for any registration of transfer or exchange of this Bond, but the transferor may be required to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such registration of transfer or exchange.

Each Bondholder, by acceptance of a Bond, covenants and agrees that no recourse may be taken, directly or indirectly, with respect to the obligations of the Issuer, the Owner Trustee or the Indenture Trustee on the Bonds or under the Indenture or any certificate or other writing delivered in connection therewith, against (i) the Owner Trustee or the Indenture Trustee, each in its individual capacity, (ii) any owner of a beneficial interest in the Issuer or (iii) any partner, owner, beneficiary, agent, officer, director or employee of the Owner Trustee or the Indenture Trustee, each in its individual capacity, any holder of a beneficial interest in the Issuer, the Owner Trustee or the Indenture Trustee or of any successor or assign of the Owner Trustee or the Indenture Trustee, each in its individual capacity, except as any such Person may have expressly agreed and except that any such partner, owner or beneficiary shall be fully liable, to the extent provided by applicable law, for any unpaid consideration for stock, unpaid capital contribution or failure to pay any installment or call owing to such entity.

The Issuer has entered into the Indenture and this Bond is issued with the intention that, for federal, state and local income, single business and franchise tax purposes, the Bonds will qualify as indebtedness of the Issuer secured by the Trust Estate. Each Bondholder, by acceptance of a Bond, agrees to treat the Bonds for federal, state and local income, single business and franchise tax purposes as indebtedness of the Issuer.

Prior to the due presentment for registration of transfer of this Bond, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the Person in whose name this Bond (as of the day of determination or as of such other date as may be specified in the Indenture) is registered as the owner hereof for all purposes, whether or not this Bond shall be overdue, and none of the Issuer, the Indenture Trustee or any such agent shall be affected by notice to the contrary.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Bondholders under the Indenture at any time by the Issuer with the consent of the Required Bondholders. The Indenture also contains provisions permitting the Required Bondholders, on behalf of all Bondholders, to waive compliance by the Issuer with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Bond shall be conclusive and binding upon such Holder and upon all future Holders of this Bond and of any Bond issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Bond. The Indenture also permits the Issuer and the Indenture Trustee to amend or waive certain terms and conditions set forth in the Indenture without the consent of the Bondholders.

The Indenture permits the Issuer, under certain circumstances, to consolidate or merge with or into another Person, subject to the rights of the Indenture Trustee and the Bondholders under the Indenture.

The Bonds are issuable only in registered form in Authorized Denominations as provided in the Indenture, subject to certain limitations therein set forth.

THIS BOND AND THE INDENTURE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

No reference herein to the Indenture and no provision of this Bond or of the Indenture shall alter or impair the obligation of the Issuer, which is absolute and unconditional, to pay the principal of and interest on this Bond at the times, place and rate, and in the coin or currency herein prescribed.

ASSIGNMENT

Social Security or taxpayer I.D. or other identifying number of assignee:

_____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

_____

(name and address of assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____

attorney, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ _____ *

Signature Guaranteed:

_____ *

* NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever. Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Bond Registrar.

SCHEDULE I

The initial principal amount of this Bond is $. The aggregate principal amount of this Bond issued, cancelled or exchanged for a replacement Bond is as follows:

Date	Principal Amount Issued or Prepaid	Remaining Principal Amount of this Bond	Notation Made by or on Behalf of

Exhibit B

Form of Authentication Order

Exhibit C-1

Form of Transfer Certificate

HASI SYB Trust 2015-1

c/o The Bank of New York Mellon
101 Barclay Street
Floor 7W East
New York, NY 10286
Attention: Asset Backed Securities Unit

Re: HASI SYB TRUST 2015-1
Class [A][B] Bonds (the "Bonds")

Reference is hereby made to the Indenture, dated as of September 30, 2015, among HASI SYB Trust 2015-1, as Issuer, The Bank of New York Mellon, as Indenture Trustee and as Backup Servicer, and Hannon Armstrong Capital, LLC, as Servicer (the "Indenture"). Capitalized terms used but not defined herein shall have the meanings given them in the Indenture.

This Transfer Certificate relates to U.S. $[●] aggregate outstanding amount of Bonds, which are held in the form of one or more Bonds in the name of (the "Transferor") to effect the transfer of such Bonds to (the "Transferee").

In connection with such request, and in respect of such Bonds, the Transferee does hereby certify that such Bonds are being transferred (i) in accordance with the transfer restrictions set forth in the Indenture and (ii) pursuant to an exemption from registration under the United States Securities Act of 1933, as amended (the "Securities Act"), and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the Transferee hereby represents, warrants and covenants for the benefit of the Issuer and its counsel that it is:

(a) **(please check if appropriate)**:

an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act (an "**Institutional Accredited Investor**") and a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act (a "**Qualified Purchaser**"); *and*

(b) acquiring the Bonds for its own account (and not for the account of any other Person) in a minimum denomination of $250,000 (or in such other minimum denominations as the Issuer may agree on a case-by-case basis) and in integral multiples of $1,000 in excess thereof (or such lesser amount as the Issuer may agree on a case-by-case basis).

The Transferee further represents, warrants and covenants as follows:

1. It has received and reviewed the Private Placement Memorandum.

2. It is capable of evaluating the merits and risks of an investment in the Bonds. It is able to bear the economic risks of an investment in the Bonds, including the loss of all or a substantial part of its investment under certain circumstances. It has had access to such information concerning the Transaction Parties and the Bonds as it deems necessary or appropriate to make an informed investment decision, including an opportunity to ask questions and receive information from the Transaction Parties, and it has received all information that it has requested concerning its purchase of the Bonds. It has, to the extent it deems necessary, consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers with respect to its purchase of the Bonds.

3. It (x) has made its investment decision (including decisions regarding the suitability of any transaction) based upon its own judgment, any advice received from its own legal, regulatory, tax, business, investment, financial and accounting advisers, and its review of the Private Placement Memorandum, and not upon any view, advice or representations (whether written or oral) of any Transaction Party and (y) hereby reconfirms its decision to make an investment in the Bonds to the extent such decision was made prior to the receipt of the Private Placement Memorandum. None of the Transaction Parties is acting as a fiduciary or financial or investment adviser to it. None of the Transaction Parties has given it any assurance or guarantee as to the expected or projected performance of the Bonds. It understands that the Bonds will be highly illiquid. It is prepared to hold the Bonds for an indefinite period of time or until final maturity.

4. It understands that the Bonds it is acquiring are purchased by it in a transaction not involving any public offering in the United States, in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act or Rule 506(b) or Rule 506(c) of Regulation D promulgated under the Securities Act, and that the Bonds will not be registered under the U.S. federal securities laws.

5. It is acquiring the Bonds as principal for its own account for investment and not for sale in connection with any distribution thereof. It was not formed solely for the purpose of investing in the Bonds and is not a (i) partnership, (ii) common trust fund or (iii) special trust, pension fund or retirement plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made. It agrees that it shall not hold such Bonds for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes and that, except pursuant to a written

agreement with the Issuer requiring compliance with the provisions of the Indenture applicable to the transfer of an interest in such Bonds, it shall not sell participation interests in the Bonds or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Bonds and further that the Bonds purchased by it constitute an investment of no more than 40% of its assets.

6. It is not purchasing the Bonds with a view to the resale, distribution or other disposition thereof in violation of the Securities Act. It will not, at any time, offer to buy or offer to sell the Bonds by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or seminar or meeting whose attendees have been invited by general solicitations or advertising.

It will provide notice to each person to whom it proposes to transfer any interest in the Bonds of the transfer restrictions and representations set forth in the Indenture (including the Exhibits thereto referenced therein to be completed and delivered by transferees). It understands that any such transfer may be made only pursuant to an exemption from registration under the Securities Act and any applicable state securities laws. It understands that transfers of Bonds to Benefit Plan Investors or Controlling Persons is limited. In addition:

(A) Before any interest in Bonds may be resold, pledged or otherwise transferred to a Person that will hold an interest in a Bond, the transferee will be required to provide the Indenture Trustee with the Transfer Certificate and ERISA Certificate in the forms of Exhibit C-1 and Exhibit C-2 to the Indenture.

(B) All Bonds will be issued in definitive, fully registered form.

7. Unless otherwise specified in the ERISA Certificate in Exhibit C-2, it is not a Benefit Plan Investor.

Unless otherwise specified in the ERISA Certificate attached to this Transfer Certificate, it is not a Person (other than a Benefit Plan Investor) that is a Controlling Person.

It and each prospective transferee of Bonds represents and will be required to represent and warrant that either (A) it is not a governmental, church or non-U.S. employee benefit plan, or (B) it is not, and for so long as it holds the Bonds will not be, subject to any U.S. federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of it by virtue of its interest and thereby subject the Issuer and HA Capital (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code.

It understands and acknowledges that the Indenture Trustee will not register any transfer of Class A or Class B Bonds to a proposed transferee of such Class A or Class B Bonds that has represented that it is a Benefit Plan Investor or a Controlling Person if, after giving effect to such

proposed transfer, persons that have represented that they are Benefit Plan Investors would own 25% or more of the Aggregate Outstanding Bond Balance of such Class A or Class B Bonds, determined in accordance with the Plan Asset Regulation and the Indenture and assuming, for this purpose, that all the representations made or deemed to be made by holders of such Class A or Class B Bonds are true. For purposes of the foregoing determinations, (x) the investment by an entity whose underlying assets could be deemed to include "plan assets" by reason of investment by Benefit Plan Investors shall be treated as plan assets for purposes of calculating the 25% threshold under the significant participation test in accordance with Section 3(42) of ERISA and 29 C.F.R. Section 2510.3-101(f) only to the extent of the percentage of its equity interests held by Benefit Plan Investors and (y) outstanding Bonds held by a Controlling Person will be disregarded and will not be treated as outstanding.

Its purchase, holding and disposition of an interest in the Bonds will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of a governmental, non-U.S. or church plan, a violation of any substantially U.S. similar federal, state, non-U.S. or local law.

It understands that the representations made in this paragraph 7 shall be deemed to be made on each day from the date that it acquires an interest in the Bonds through and including the date it has disposed of its interests in such Bonds. In the event that any representation in this paragraph 7 becomes untrue (or there is any change in status of it as a Benefit Plan Investor or Controlling Person), it shall immediately notify the Indenture Trustee and the Issuer.

It makes and each transferee of its Bond (including any subsequent transferee of its Bond) makes and will be required to make the representations and agreements set forth below. Each transferee of a Bond (including any subsequent transferee of a Bond) that will hold Bonds will also be required to provide a Transfer Certificate and ERISA Certificate. The Transaction Parties are presumed to have relied on such representations and agreements and each such person acquiring such Bond agrees to indemnify and hold harmless the Transaction Parties and their respective affiliates from any cost, damage or loss incurred by them as a result of a breach of any representation or covenant made (or deemed to be made) by it.

It and each transferee of a Bond (including any subsequent transferee of a Bond) represents and shall be required to represent and, by acceptance of a Bond, shall be deemed to have represented that such transferee of such Bond is either (i) not an Affected Bank or (ii)(x) acquiring such Bond as a capital markets investment and will not for any purpose treat such Bond or assets of the Issuer as loans acquired in its banking business, and (y) not acquiring such Bond as part of a plan having as one of its principal purposes the avoidance of U.S. withholding taxes.

8. It agrees that the obligations of the Issuer under the Bonds and the Indenture are limited recourse obligations of the Issuer, payable solely from the Trust Estate in accordance with the Priority of Payments. It agrees not to, prior to the date which is one year (or, if longer, the applicable preference period) plus one day after the payment in full of all Bonds, institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other

proceedings under U.S. federal or state bankruptcy or similar laws of other jurisdictions. It agrees and acknowledges that the covenant set forth in the preceding sentence is a material inducement for each holder of the Bonds to acquire such Bonds and for the Issuer and HA Capital to enter into each Transaction Document to which it is a party and is an essential term of the Indenture and the Bonds.

9. It agrees that (a) any sale, pledge or other transfer of the Bonds (or any interest therein) made in violation of the transfer restrictions, or made based upon any false or inaccurate representation made by it or a transferee to the Issuer will be null and void *ab initio* and of no force or effect and (b) none of the Transaction Parties has any obligation to recognize any sale, pledge or other transfer of the Bonds (or any interest therein) made in violation of any transfer restriction or made based upon any such false or inaccurate representation.

10. It acknowledges that the Bonds will bear the legends set forth in the [applicable]Exhibit A except as otherwise provided in Section 3.04(h) (Registration and Transfer; Exchange; Negotiability) of the Indenture.

11. It understands that the Issuer has the right under the Indenture to compel any Non-Permitted Holder to sell its interest in the Bonds or may sell such interest in the Bonds on behalf of such Non-Permitted Holder or holder, as applicable. Each holder of Bonds and any Non-Permitted Holder and each other Person in the chain of title from the holder to such Non-Permitted Holder, by its acceptance of an interest in the Bonds, will be deemed to agree to sell and transfer its Bonds in accordance with the provisions of the Indenture and to cooperate with the Issuer, HA Capital and the Indenture Trustee to effect such sales and transfers.

Any purported transfer of a Bond not in accordance with the Indenture shall be null and void ab initio and shall not be given effect for any purpose whatsoever.

Name of Transferee:

Dated:

By: _____
Name:
Title:

Amount of Bonds: $

Taxpayer identification number:

Address for notices:

Telephone:

Facsimile:

Attention:

Wire transfer information for payments:

Bank:

Address:

Bank ABA#:

Account #:

FAO:

Attention:

Denominations of certificates (if more than one): Registered name:

cc: HASI SYB Trust 2015-1

Exhibit C-2

Forms of ERISA Certificate for Transfer of Bonds

The purpose of this ERISA Certificate (this "Certificate") is, among other things, to (i) endeavor to ensure that less than 25% of the value of the Bonds issued by HASI SYB Trust 2015-1 (the "Issuer") is held by (a) "employee benefit plans" (as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), that are subject to the fiduciary responsibility provisions of Part 4, Subtitle B of Title I of ERISA, (b) "plans" as defined in Section 4975(e)(1) of the United States Internal Revenue Code of 1986, as amended (the "Code"), that are subject to Section 4975 of the Code, (c) any entities whose underlying assets include "plan assets" by reason of any such employee benefit plans' or plans' investment in the entities or (d) "benefit plan investors" as defined in U.S. Department of Labor regulations or under Section 3(42) of ERISA (collectively, "Benefit Plan Investors") so that the Issuer will not be subject to the U.S. federal pension laws contained in ERISA and Section 4975 of the Code, (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of the Bonds. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the Indenture.

Please review the information in this Certificate and check the box(es) that are applicable to you.

If a box is not checked, you are agreeing that the applicable Section does not, and will not, apply to you.

1. Employee Benefit Plans Subject to ERISA or the Code. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Part 4, Subtitle B of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code. ☐

Examples: (i) tax qualified retirement plans such as pension, profit sharing and Section 401 (k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. Entity Holding Plan Assets by Reason of Plan Asset Regulations. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" within the meaning of the U.S. Department of Labor's regulations set forth at 29 C.F.R. Section 2510.3-101 as effectively modified by Section 3(42) of ERISA (the "Plan Asset Regulations") by reason of the investment in such entity or fund by an employee benefit plan or plan described in Section 1 above. ☐

Please indicate the percentage of the entity or fund that constitutes "plan assets": %. IF YOU CHECK THIS BOX 2 BUT DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU HAD FILLED IN 100% IN THE BLANK SPACE.

Examples: (i) a hedge fund or other private investment vehicle where 25% or more of the value of any class of its equity is held by Benefit Plan Investors, (ii) an insurance company separate account and (iii) a bank collective trust fund.

ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any question regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. Insurance Company General Account. We, or the entity on whose behalf we are acting, are an insurance company purchasing the Bonds with funds from our or their general account (*i.e.*, the insurance company's corporate investment portfolio), the assets of which, in whole or in part, constitute "plan assets" for purposes of the U.S. Department of Labor's regulations set forth at 29 C.F.R. Section 2510.3-101, as effectively modified by Section 3(42) of ERISA (the "Plan Asset Regulations"). ☐

If you check Box 3, please also check either Box A or Box B.

A. We are not able to determine an exact percentage of the general account that constitutes "plan assets" but the maximum percentage of the general account that constitutes (or will constitute) "plan assets" for purposes of, the Plan Asset Regulations is less than 25%. ☐

B. The maximum percentage of the insurance company general account that will constitute "plan assets" for purposes of conducting the 25% test under the Plan Asset Regulations is: %. IF YOU CHECK THIS BOX B BUT DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100% IN THE BLANK SPACE. ☐

4. None of Sections (1) Through (3) Above Apply. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) through (3) above. ☐

5. No Prohibited Transaction. If we checked any of the boxes in Sections (1) through (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the Bonds do not and will not constitute or give rise to a non-exempt prohibited transaction under ERISA or Section 4975 of the Code.

6. No Violation of Similar Law. If we are a governmental, church, non-U.S. or other plan subject to any federal, state, local or non-U.S. law substantially similar to Title I of ERISA or Section 4975 of the Code, we represent, warrant and agree that our acquisition, holding and disposition of the Bonds do not and will not constitute or give rise to a non-exempt violation of any such similar federal, state, local or non-U.S. law.

7. Controlling Person. We are, or we are acting on behalf of any of: (i) the Indenture Trustee, (ii) the Servicer, (iii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iv) any person who provides financial or investment advice for a fee (direct or indirect) with respect to such assets or (v) any "affiliate" of any of the above persons. "Affiliate" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section (7) is referred to in this Certificate as a "Controlling Person."

Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25% of the value of the Bonds, the value of any Bonds held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

8. Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes Benefit Plan Investors to own 25% or more of the value of any class of equity in the Issuer, the Issuer shall, promptly after such discovery (or upon notice from the Indenture Trustee if a responsible officer of the Indenture Trustee makes the discovery (who, in each case, agrees to notify the Issuer of such discovery, if any)), send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within 14 days of the date of such notice;

(ii) if we fail to transfer our Bonds following such notice, the Issuer shall have the right, without further notice to us, to sell our Bonds or our interest in the Bonds, to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

(iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Bonds and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

(iv) by our acceptance of an interest in the Bonds, we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this clause shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us, as a result of any such sale or the exercise of such discretion.

9. Required Notification. We hereby agree that we (i) will inform the Indenture Trustee of any proposed transfer by us of all or a specified portion of the Bonds owned by us to a transferee who would be deemed to be a Benefit Plan Investor or a Controlling Person or of any proposed change in our status under ERISA which would result in all or a portion of the Bonds owned by us and not previously so characterized being deemed to be held by a Benefit Plan Investor or a Controlling Person, and (ii) will not permit any such transfer or change of status that would cause Benefit Plan Investors to own 25% or more of the value of any class of equity in the Issuer to become effective. We hereby agree and acknowledge that after the Indenture Trustee effects any permitted transfer of Bonds owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Indenture Trustee shall include such Bonds in future calculations of this 25% limitation made pursuant hereto unless subsequently notified that such Bonds (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

10. Continuing Representation; Reliance. We acknowledge and agree that the representations contained in this Certificate shall be deemed made on each day from the date we make such representations through and including the date on which we dispose of our interests in the Bonds. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer and the Indenture Trustee to determine that Benefit Plan Investors own or hold less than 25% of the value of the Bonds upon any subsequent transfer of the Bonds in accordance with the Indenture.

11. Further Acknowledgement. We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Indenture Trustee, and the Servicer as third-party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Indenture Trustee, the Servicer, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of the Bonds by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

12. Future Transfer Requirements; Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any Bonds to any person unless the Indenture Trustee has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this Section will be null and void from the beginning, and of no legal effect.

Note: Unless you are notified otherwise, the name and address of the Indenture Trustee is as follows:

The Bank of New York Mellon
101 Barclay Street
Floor 7W East
New York, NY 10286
Attention: Asset Backed Securities Unit

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

_____ [Insert Purchaser's Name]

By:
Name:
Title:

Dated:

This Certificate relates to $ of the [Class A] [Class B] Bonds.

Exhibit D

Form of Certificate of Non-Foreign Status

Exhibit E

Form of Quarterly Servicer Report

Exhibit 10.5

EXECUTION VERSION

BOND PURCHASE AGREEMENT

dated September 30, 2015,

by and among

HASI SYB TRUST 2015-1,

as Issuer

HA LAND LEASE HOLDINGS, LLC,

as Depositor

and

THE PURCHASERS NAMED HEREIN

HASI SYB TRUST 2015-1A-$100,500,000, CLASS A BONDS

The Persons named on Schedule 1 hereto ("Purchasers" and each, individually, a "Purchaser") September 30, 2015

Ladies and Gentlemen:

Section 1. Introduction. HASI SYB TRUST 2015-1, a Delaware statutory trust (the "Issuer"), has duly authorized the issuance and sale of U.S.$ 100,500,000.00 principal aggregate amount of HASI SYB TRUST 2015-1A Class A Bonds (the "Bonds") to the Purchasers named above pursuant to this Bond Purchase Agreement (this "Agreement").

The Bonds will be authorized, issued and authenticated pursuant to an Indenture, dated as of September 30, 2015 (the "Indenture"), by and among the Issuer, Hannon Armstrong Capital, LLC, a Maryland limited liability company, as servicer (in such capacity, the "Servicer"), and The Bank of New York Mellon, as trustee (in such capacity, the "Indenture Trustee"). Payments and transfers of the Bonds will be subject to the terms and conditions of the Indenture. Capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Indenture or the Contribution and Sale Agreement, as applicable, a copy of which has been provided to you. Any reference in this Agreement to "herein", "hereto", "hereunder" or terms of similar import shall refer collectively to this Agreement and all schedules, exhibits and other attachments to this Agreement. The Bonds purchased by you hereunder will be represented by certificated Bonds in definitive, fully registered form.

HA Land Lease Holdings, LLC, a Delaware limited liability company (the "Depositor") will sell certain assets to the Issuer pursuant to a Contribution and Sale Agreement, dated as of September 30, 2015, by and among the Issuer and the Depositor (the "Sale Agreement").

This Agreement and all other Transaction Documents are dated as of the date hereof (the "Closing Date") and the sale and purchase of the Bonds contemplated hereby is occurring on the Closing Date.

For good and valuable consideration, the Issuer hereby agrees with each Purchaser as follows:

Section 2. Purchase, Sale, Payment and Delivery of the Bonds. The sale and purchase of the Bonds to be purchased by each Purchaser is occurring on the date hereof at the offices of Akin Gump Strauss Hauer & Feld LLC, One Bryant Park, New York, New York 10024, at 10:00 a m., New York City time. On the date hereof, the Issuer will deliver to each Purchaser the Bonds to be purchased by such Purchaser in the form of a single Bond (or such greater number of Bonds in denominations of at least $250,000 as such Purchaser may request) dated the Closing Date and registered in such Purchaser's name (or in the name of its nominee), against delivery by such Purchaser to the Issuer or its order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Issuer to account number at The Bank of New York Mellon, 101 Barclay Street - 7W, New York, NY 10286, ABA# 021-000-018, account name: HASI SYB Tr 2015 1 Collection Acc. If on the Closing Date the Issuer shall fail to tender such Bonds to any Purchaser as provided above in this Section 2, or any of the conditions specified in Section 6 shall not have been fulfilled to such Purchaser's satisfaction or waived by such Purchaser, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement without thereby waiving any rights such Purchaser may have by reason of any of the conditions specified in Section 6 not having been fulfilled to such Purchaser's satisfaction or such failure by the Issuer to tender such Bonds. Schedule 1 hereto sets forth the name of each Purchaser, its address, the principal amount of Bonds being purchased by such Purchaser and the purchase price being paid therefor by wire transfer on the date hereof.

Section 3. Representations, Warranties and Covenants of the Issuer. The Issuer represents, warrants, covenants and agrees with each Purchaser that, as of the Closing Date:

(a) The Issuer is a statutory trust duly formed, organized and existing under the laws of the state of Delaware and has the full legal right, power and authority to (i) adopt the resolutions authorizing the issuance of the Bonds, (ii) enter into the Transaction Documents (defined below) to which it is a party and to carry out the terms thereof, (iii) issue, sell and deliver the Bonds to Purchasers as provided herein and (iv) carry out and consummate the transactions as to the Bonds on its part contemplated by the Transaction Documents to which it is a party.

(b) All necessary official action has been taken by the Issuer with respect to, and the Issuer has duly authorized and approved the adoption or execution and delivery by the Issuer of, and the performance by the Issuer of its obligations under, the Transaction Documents to which it is a party, and the related authorizing resolutions and such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. The Bonds have been duly authorized by the Issuer and, when the Bonds are authenticated, delivered and paid for pursuant to this Agreement, such Bonds will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Issuer entitled to the benefits provided by the Indenture, and enforceable in accordance with terms and conditions therein, subject, as to enforcement, to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors rights in general, and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity). When executed and delivered by the Issuer, each of the Transaction Documents to which it is a party will constitute the legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject, as to enforcement, to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors rights in general, and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(c) Assuming that the representations, warranties and covenants of each Purchaser contained in this Agreement are true and correct in all material respects and have been and will be complied with in all material respects and that the Bonds are offered and sold in accordance with the final Private Placement Memorandum (including the Appendices thereto), dated as of September 29, 2015 (the "Final PPM"), and the applicable Transaction Documents (as defined below), no registration of the Bonds under the Securities Act is required for the offer, sale and delivery of the Bonds at the time and in the manner contemplated by this Agreement and the Indenture.

(d) All of the representations and warranties made by the Issuer in the Transaction Documents to which Issuer is a party are true and correct in all material respects as of the Closing Date.

Section 4. Representations, Warranties and Covenants of the Depositor, made on behalf of the Issuer The Depositor, on behalf of the Issuer, represents, warrants, covenants and agrees with each Purchaser that, on the Closing Date:

(a) The Issuer is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation, or any agency or department, or its organizational or corporate documents, or any applicable judgment or decree or any trust agreement, loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Issuer's ability to perform its obligations under the Transaction Documents; and, as of such times, the authorization, execution and delivery of the Transaction Documents and compliance by the Issuer with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of Delaware or the United States of America, or any agency or department of either, or the Issuer's organizational documents, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, indenture, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Transaction Documents.

(b) The Issuer, through its agent, Hannon Armstrong Capital, LLC, has delivered to each Purchaser a copy of the Final PPM (the Final PPM, together with the Transaction Documents, the "Offering

Materials"), relating to the securitization transaction contemplated by the Transaction Documents. The Offering Materials fairly describe, in all material respects, the general nature of the business and principal assets of the LLE Subsidiaries of the Issuer. The Offering Materials, taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(c) Schedule 2 hereto contains (except as noted therein) a complete and correct list of all of the Issuer's subsidiaries, showing, as to each Land Lease Entity, the name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by the Issuer and, as to the Issuer, the Issuer's directors and senior officers. Each Land Lease Entity is wholly-owned directly by the Issuer. There are no outstanding contracts, options, warrants, instruments, documents or agreements binding upon the Depositor or Issuer granting to any Person or group of Persons any right to purchase or acquire equity interests in any Land Lease Entity.

(d) All of the outstanding equity interests of each Land Lease Entity shown inSchedule 2 hereto have been contributed and sold to the Issuer, free and clear of any Lien other than Permitted Liens.

(e) There is no action, suit or proceeding at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending with respect to which the Issuer has been served with process or, to the knowledge of the Issuer, threatened, which Action (i) in any way questions the corporate existence of the Issuer or the titles of the officers of the Issuer to their respective offices, (ii) affects, contests or seeks to prohibit, restrain or enjoin any of the transactions contemplated by the Transaction Documents, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity or enforceability of the Transaction Documents or the consummation of the transactions on the part of the Issuer contemplated thereby, or (iii) may result in any material adverse change in the business, properties, other assets or financial condition of the Issuer; and as of the time of acceptance hereof, to the knowledge of the Issuer, there is no basis for any action, suit or proceeding of the nature described in clauses (i) through (iii) of this sentence.

(f) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority required for the due execution, delivery or performance by the Issuer of any Transaction Document to which it is a party remains unobtained or unfiled or unrecorded except such as may be required under state securities or blue sky laws in any jurisdiction in connection with the purchase and sale of the Bonds by a Purchaser. All official action of the Issuer relating to the Transaction Documents taken as of the date hereof pertaining to the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Purchasers. The Issuer is in compliance in all material respects with the requirements of all applicable laws, rules, regulations, and orders of all Governmental Authorities.

(g) The Issuer is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock, and no proceeds from the transactions contemplated hereby, directly or indirectly, will be used for a purpose that violates, or would be inconsistent with, Regulations T, U and X promulgated by the Federal Reserve Board from time to time. As used in this Section, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

(h) All Third-Party Diligence Reports are, as among the parties to this Agreement, deemed to have been obtained by the Issuer pursuant to Rule 15Ga-2 and Rule 17g-10 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and all legal obligations with respect to any such Third-Party Diligence Report have been timely complied with and will continue to be timely complied with to the satisfaction of the Purchasers. "Third-Party Diligence Report" means any report generated by a third party with respect to due diligence services obtained by the Issuer or the Depositor within the meaning of Rule 15Ga-2 and Rule 17g-10 of the Exchange Act.

(i) Neither of the Issuer nor the Depositor has requested (or caused any person to request) any third party due diligence services, other than the third party due diligence services relating to the Third-Party Diligence Report(s) set forth on Schedule 3 hereto, each of which has been provided to Purchasers prior to the furnishing or filing of such report or portion thereof with the U.S. Securities and Exchange Commission or on its 17g-5 website, as applicable.

(j) (i) The Issuer is the owner of the membership interests contributed and sold to it by the Depositor free and clear of all liens other than Permitted Liens. All assets included in the Trust Estate are free and clear of all Liens other than Permitted Liens. Any and all financing statements and other documents or instruments necessary to perfect the Indenture Trustee's Lien on the Trust Estate have been filed in each filing office necessary for such purpose, and all filing fees and taxes, if any, payable in connection with such filings have been paid in full; and

(ii) The Indenture creates a valid Grant of a security interest to the Indenture Trustee for the benefit of the Bondholders in all right, title and interest of the Issuer in the Trust Estate. To the extent the UCC does not apply to the perfection of such security interest, all notices, filings and other actions required by all applicable law have been taken to perfect such security interest and lien in the assets of the Trust Estate subject to Permitted Liens.

(k) (i) The Issuer is not responsible for income or franchise tax.

(ii) Immediately after giving effect to the initial purchase of the Bonds, the Issuer will be solvent.

(l) The Issuer has no Indebtedness other than Indebtedness incurred pursuant to the Transaction Documents.

(m) The Issuer has not agreed nor consented to cause or permit any of its property, whether now owned or hereafter acquired, to be subject to a Lien or to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien other than Permitted Liens.

(n) The Issuer is not an "investment company" required to register under the Investment Company Act of 1940, as amended.

(o) Issuer is not (i) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by the Office of Foreign Assets Control, United States Department of the Treasury ("OFAC") (an "OFAC Listed Person") (ii) an agent, department, or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, (x) any OFAC Listed Person or (y) any Person, entity, organization, foreign country or regime that is subject to any OFAC Sanctions Program, or (iii) otherwise blocked, subject to sanctions under or engaged in any activity in violation of other United States economic sanctions, including but not limited to, the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Comprehensive Iran Sanctions, Accountability and Divestment Act or any similar law or regulation with respect to Iran or any other country, the Sudan Accountability and Divestment Act, any OFAC Sanctions Program, or any economic sanctions regulations administered and enforced by the United States or any enabling legislation or executive order relating to any of the foregoing (collectively, "U.S. Economic Sanctions") (each OFAC Listed Person and each other Person, entity, organization and government of a country described in clause (i), clause (ii) or clause (iii), a "Blocked Person"). Issuer has not been notified that its name appears or may in the future appear on a state list of Persons that engage in investment or other commercial activities in Iran or any other country that is subject to U.S. Economic Sanctions.

(p) No part of the proceeds from the sale of the Bonds hereunder constitutes or will constitute funds obtained on behalf of any Blocked Person or will otherwise be used by the Issuer, directly or indirectly, (i) in connection with any investment in, or any transactions or dealings with, any Blocked Person, or (ii) otherwise in violation of U.S. Economic Sanctions.

(q) Issuer (i) has not been found in violation of, charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act), the USA PATRIOT Act or any other United States law or regulation governing such activities (collectively, "Anti-Money Laundering Laws") or any U.S. Economic Sanctions violations, (ii) to the Issuer's knowledge after making due

inquiry, is not under investigation by any Governmental Authority for possible violation of Anti-Money Laundering Laws or any U.S. Economic Sanctions violations, (iii) has not been assessed civil penalties under any Anti-Money Laundering Laws or any U.S. Economic Sanctions, or (iv) has not had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. The Issuer has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Issuer is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws and U.S. Economic Sanctions.

(r) (a) Issuer (i) has not been charged with, or convicted of bribery or any other anti-corruption related activity under any applicable law or regulation in a U.S. or any non-U.S. country or jurisdiction, including but not limited to, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010 (collectively, "Anti-Corruption Laws"), (ii) to the Issuer's knowledge after making due inquiry, is not under investigation by any U.S. or non-U.S. Governmental Authority for possible violation of Anti-Corruption Laws, (iii) has not been assessed civil or criminal penalties under any Anti-Corruption Laws or (iv) has been or is the target of sanctions imposed by the United Nations or the European Union; and (b) To the Issuer's knowledge after making due inquiry, Issuer has not, within the last five years, directly or indirectly offered, promised, given, paid or authorized the offer, promise, giving or payment of anything of value to a Governmental Authority official or a commercial counterparty for the purposes of: (i) influencing any act, decision or failure to act by such Governmental Authority official in his or her official capacity or such commercial counterparty, (ii) inducing a Governmental Authority official to do or omit to do any act in violation of the Governmental Authority official's lawful duty, or (iii) inducing a Governmental Authority official or a commercial counterparty to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity; in each case in order to obtain, retain or direct business or to otherwise secure an improper advantage in violation of any applicable law or regulation or which would cause any holder to be in violation of any law or regulation applicable to such holder.

(s) No part of the proceeds from the sale of the Bonds hereunder will be used, directly or indirectly, for any improper payments, including bribes, to any Governmental Authority official or commercial counterparty in order to obtain, retain or direct business or obtain any improper advantage. The Issuer has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Issuer is and will continue to be in compliance with all applicable current and future Anti-Corruption Laws.

(t) The principal corporate office of the Issuer where the Issuer's records are kept (unless then held by the Indenture Trustee) is care of the Owner Trustee at the Corporate Trust Office (as defined in the Trust Agreement).

(u) No proceeds of any Bonds will be used by the Issuer to acquire any security in any transaction which is subject to Sections 13 or 14 of the Exchange Act.

(v) All of the representations and warranties made by the Depositor, herein, on behalf of the Issuer, are true and correct in all material respects.

Section 5. Representations, Warranties and Covenants of Purchasers. Each Purchaser represents and warrants to, and agrees with the Issuer, on the Closing Date, that:

(a) Each Purchaser has the requisite power and authority to execute and deliver this Agreement, and to purchase the Bonds in accordance herewith, has duly authorized such execution, delivery and purchase, and has duly executed and delivered this Agreement.

(b) Each Purchaser is acquiring the Bonds as principal for its own account (or for one or more accounts each holder of which is both a Qualified Purchaser (defined below) and an Institutional Accredited Investor (defined below), and with respect to which accounts such Purchaser has sole investment discretion) for investment and not for sale in connection with any distribution thereof.

(c) Each Purchaser understands that the Bonds have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Bonds, such Bonds may be offered, resold, pledged or otherwise transferred only in accordance with applicable state and federal securities laws, the provisions of the Indenture and the legends on such Bonds, including without limitation the requirement for written certifications. In particular, it understands that the Bonds may be transferred only to a person that is a Qualified Purchaser (as defined below), with respect to the Issuer and an Institutional Accredited Investor (defined below). It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Bonds.

(d) In connection with its purchase of the Bonds, each Purchaser has received the Offering Materials.

(e) Each Purchaser has a properly completed and signed Internal Revenue Service Form W-9, Form W-8BEN, W-8BEN-E, W-ECI, or W-8IMY, as applicable (or applicable successor form) and delivered it to the Issuer and the Indenture Trustee. By the purchase of the Bonds or its acceptance of a beneficial interest therein, each Purchaser acknowledges that interest on the Bonds will be treated as United States source interest, and, as such, United States withholding tax may apply.

(f) Each Purchaser is a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940 ("Qualified Purchaser") and an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act ("Institutional Accredited Investor").

(g) Each Purchaser severally represents and warrants that the funds being used to pay the purchase price for the Bonds are not "plan assets" of one or more "Benefit Plan Investors" (as defined in United States Department of Labor Regulation Section 2510.3-101(f)(2)), and that Purchaser's acquisition, holding and disposition of the Bonds does not and will not constitute or give rise to a non-exempt prohibited transaction under ERISA, Section 4975 of the Internal Revenue Code or any similar law of any jurisdiction.

Section 6. Conditions Precedent. The performance by the parties hereto of their respective obligations hereunder are (unless waived in writing by the party or parties for which such condition is included herein) subject to the satisfaction of the following conditions precedent:

(a) all representations and warranties made by the Issuer and Depositor herein are, as of the Closing Date, true and correct in all material respects;

(b) all representations and warranties made by the respective Purchasers herein are, as of the Closing Date, true and correct in all material respects;

(c) each Purchaser shall have tendered payment of the purchase price for the Bonds in accordance withSection 2;

(d) payment shall have been tendered for the Class B Bonds pursuant to the Bond Purchase Agreement for the Class B Bonds;

(e) on the Closing Date, each of the following documents and instruments (the "Transaction Documents") shall have been duly authorized, executed and delivered in form and substance satisfactory to the Purchasers and, with respect to the Bonds, authenticated by the parties thereto, and shall be in full force and effect and no default shall exist thereunder:

(i) this Agreement;

(ii) the Indenture;

(iii) the Contribution and Sale Agreement;

(iv) the Bonds;

(v) the Class B Bond Purchase Agreement;

(vi) the LLE Collateral Assignment;

(vii) the Administration Agreement;

(viii) the Direction Letters; and

(ix) the HASI Indemnity.

(f) Each Purchaser shall have received opinions in form and substance satisfactory to such Purchaser, dated the date hereof from both (a) in house counsel and (b) outside counsel to the applicable parties to the Transaction Documents, covering the matters set forth in Exhibit A and covering such other matters incident to the transactions contemplated hereby as such Purchaser or its counsel may reasonably request.

(g) the Bonds shall not have received a lower rating by the Rating Agency than that upon which the Bonds were marketed;

(h) each of the conditions precedent to the sale of the Bonds shall have been satisfied;

(i) The Issuer shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or on the Closing Date. Before and after giving effect to the issue and sale of the Bonds (and the application of the proceeds thereof as contemplated by Section 16), no Default or Event of Default shall have occurred and be continuing.

(j) The Issuer shall have delivered to each Purchaser a certificate, dated the date hereof, certifying that the conditions specified in this Section (other than clauses (b), (c), (d), (k), (n) and (p), have been fulfilled.

(k) The Issuer shall have delivered to each Purchaser a certificate, dated the date hereof, certifying as to (i) the resolutions attached thereto and other trust proceedings relating to the authorization, execution and delivery of the Bonds, this Agreement and the Indenture and (ii) the Issuer's organizational documents as then in effect.

(l) On the Closing Date each Purchaser's purchase of Bonds shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation, which law or regulation was not in effect on the date hereof. If requested by a Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

(m) a private placement number issued by CUSIP service bureau shall have been obtained for the Class A Bonds;

(n) The Issuer or Depositor, on behalf of the Issuer, shall have paid on the Closing Date the reasonable fees, charges and disbursements of the Purchasers' counsel to the extent reflected in a statement of such counsel rendered to the Issuer at least one Business Day prior to the Closing Date, as contemplated in Section 8 hereof;

(o) Purchasers shall be reasonably satisfied with their due diligence review;

(p) The certificates evidencing the Membership Interests along with a stock power, executed in blank, shall have been delivered to the Indenture Trustee;

(q) Each Lessee in a Standard Lease Transaction which does not require such Lessee's consent to the collateral assignment of the related lease shall have been sent a notice of the collateral assignment of the related Land Lease Entity's rights thereunder to the Indenture Trustee pursuant to the LLE Collateral Assignment;

(r) Payment directions letters shall have been sent to the Lessees or Operators instructing them to make payments to the Servicer Account;

(s) A deposit account control agreement with Citizens as depository covering the Servicer Account has been executed by all parties thereto and delivered to the Indenture Trustee;

(t) Purchasers shall have received each of the items listed on Exhibit B hereto (and not otherwise delivered pursuant to clauses (a) through (s) of this Section 6), each of which items shall be dated the Closing Date except as otherwise noted and in form and substance mutually agreed upon by Purchasers and Issuer (and their respective counsel); and

(u) All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to each Purchaser and its special counsel, and such Purchaser and its special counsel shall have received all such counterpart originals or certified or other copies of such documents as such Purchaser or such special counsel may reasonably request.

Section 7. Limited Recourse. The obligations of the Issuer under this Agreement (including, without limitation, any claims arising under this Agreement) shall be limited in recourse to the proceeds of the Trust Estate (as defined in and applied in accordance with the Indenture) and to the extent such proceeds are insufficient to meet the obligations of the Issuer under this Agreement in full, the Issuer shall have no further liability and any outstanding obligations of the Issuer and all claims against the Issuer shall be extinguished. Following the Closing Date, all payments under this Agreement are subject to the Priority of Payments as specified in Section 3.07 of the Indenture. The obligations of the Issuer and the respective Purchasers under this Agreement shall be solely the obligations of the Issuer and the respective Purchaser, respectively, and no such Person shall have any recourse with respect to such obligations to any other Person, including without limitation the directors, officers, managers, shareholders, incorporators, partners, members, settlors, trustees or affiliates of the other party hereto with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with the transactions contemplated hereby. This Section 7 shall survive any termination of this Agreement.

Section 8. Transaction Expenses. Whether or not the transaction contemplated hereby is consummated, the Issuer or Depositor, on behalf of the Issuer, will pay all reasonable third party costs and expenses (including attorneys' fees of a special counsel retained by the Purchasers in connection with the negotiation of this Agreement and the other Transaction Documents and the closing of the transaction contemplated by the Transaction Documents).

Section 9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT. All representations and warranties contained herein are as of the Closing Date and shall survive the execution and delivery of this Agreement and the issuance of Bonds contemplated hereby. This Agreement, the Bonds and the other Transaction Document embody the entire agreement and understanding between each Purchaser and the Issuer and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 10. Notice. All communications provided for or permitted hereunder shall be in writing and shall be deemed to have been duly given if personally delivered, sent by overnight courier or mailed by registered mail, postage prepaid and return receipt requested, or transmitted by telex, telegraph or telecopier and confirmed by a similar mailed writing, if to a Purchaser, addressed to such Purchaser at the address set forth on Schedule 1 hereto, or to such other address as such Purchaser may designate in writing to the Issuer, and if to the Issuer, addressed to the Issuer at the address set forth on Schedule 1 hereto, or to such other address as the Issuer may designate in writing to the Purchasers.

Section 11. Successors. This Agreement (a) shall inure to the benefit of and shall be binding upon the Issuer, the Purchasers and their respective successors and assigns and (b) shall inure to the benefit of the Indenture Trustee. The Indenture Trustee (x) is intended as, and shall be, a third-party beneficiary of the Issuer under this Agreement and (y) shall be entitled to enforce its rights, remedies and claims hereunder directly against the other parties as though it were a signatory of this Agreement, but shall not be deemed to have, or to have assumed, any obligation or liability hereunder; provided, however, that notwithstanding anything contained herein to the contrary, the Issuer may not assign any of its rights or delegate any of its duties hereunder or under any of the other Transaction Documents to which it is a party except as permitted pursuant to the terms thereof. Nothing expressed herein is intended or shall be construed to give any person (other than the persons referred to in the preceding two sentences, in each case, to the extent provided therein or elsewhere in this Agreement) any legal or equitable right, remedy or claim under or in respect of this Agreement or any other agreement or instrument or against any party hereto or thereto or beneficiary hereof or thereof.

Section 12. Applicable Law; Submission to Jurisdiction, Etc.

(a) This Agreement shall be governed by, and construed in accordance with, and all matters arising out of or in any way related to this Agreement (whether in contract, tort or otherwise), shall be governed by, the law of the State of New York without regard to conflict of laws rules.

(b) Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan in The City of New York in any action or proceeding arising out of or relating to this Agreement, and each party hereto hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or federal court. Each party hereto hereby irrevocably waives, to the fullest extent that it may legally do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. Each party hereto irrevocably consents to the service of any and all process in any action or proceeding by the mailing or delivery of copies of such process to it at such party's address set forth on Schedule 1 hereto. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) EACH PARTY HERETO IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13. Amendments. No amendment, modification, supplement, or waiver of any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed by the Issuer and the Purchasers.

Section 14. Severability of Provisions. Any covenant, provision, agreement or term of this Agreement that is prohibited or is held to be void or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability, without in any way invalidating, affecting or impairing the remaining provisions hereof.

Section 15. Counterparts. This Agreement may be executed in any number of counterparts, and by each party hereto in several counterparts, each of which counterpart when so executed shall be deemed to be an original, and all such counterparts together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by telecopier, facsimile or by electronic portable document format ("pdf") shall be as effective as delivery of a manually executed counterpart of this Agreement.

Section 16. Use of Proceeds. The Issuer shall use the proceeds of the Bonds to (i) pay the costs related to the issuance of the Bonds and the Class B Bonds and (ii) acquire the equity interests in the Land Lease Entities.

Section 17. Owner Trustee. It is expressly understood and agreed by the parties hereto that (a) this Bond Purchase Agreement is executed and delivered by BNY Mellon Trust of Delaware, not individually or personally but solely as Owner Trustee of the Issuer, in the exercise of the powers and authority conferred and vested in it pursuant to the Trust Agreement, (b) each of the representations, undertakings and agreements herein made by the Issuer is made and intended not as personal representations, undertakings and agreements by BNY Mellon Trust of Delaware but is made and intended for the purpose of binding only the Issuer, (c) nothing herein contained shall be construed as creating any liability on BNY Mellon Trust of Delaware, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any Person claiming by, through or under the parties hereto and (d) under no circumstances shall BNY Mellon Trust of Delaware be personally liable for the payment of any indebtedness or expenses of the Issuer or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Issuer under this Bond Purchase Agreement or any other related documents.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to us the enclosed duplicate hereof, whereupon this Agreement will become a binding agreement between the undersigned in accordance with its terms.

[Signature Pages Follow.]

Very truly yours,

HASI SYB TRUST 2015-1,
a Delaware statutory trust,
as Issuer

By: BNY MELLON TRUST OF DELAWARE,
not in its individual capacity, but solely as
Owner Trustee

By /s/ JoAnn C. DiOssi
Name: JoAnn C. DiOssi
Title: Vice President

HA LAND LEASE HOLDINGS, LLC
a Delaware limited liability company,
as Depositor

By /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: President and Chief Executive Officer

The foregoing Bond Purchase Agreement is hereby confirmed and accepted:

[REDACTED],
as Purchaser

By: _____
Name:
Title:

[REDACTED],
as Purchaser

By: **[REDACTED],**

By: _____
Name:
Title:

[REDACTED],
as Purchaser

By: **[REDACTED],**

By: _____
Name:
Title:

SCHEDULE 1

1. Purchasers
2. Issuer
3. Depositor

SCHEDULE 2

1. **Issuer Subsidiaries**
2. **Issuer Directors and Senior Officers**

SCHEDULE 3

Third Party Diligence Reports

EXHIBIT A

Opinions

EXHIBIT B

Excerpts from Closing Checklist

Exhibit 10.6

Execution Copy

CONTRIBUTION AND SALE AGREEMENT

by and between

HASI SYB TRUST 2015-1

as Purchaser

and

HA LAND LEASE HOLDINGS LLC

as Seller

Dated as of September 30, 2015

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This CONTRIBUTION AND SALE AGREEMENT, dated as of September 30, 2015, is entered into by and between HASI SYB TRUST 2015-1, a Delaware statutory trust (the "Purchaser" or "Issuer"), and HA LAND LEASE HOLDINGS LLC, a Delaware limited liability company (together with its successors in interest to the extent permitted hereunder, the "Seller").

RECITALS

WHEREAS, the Purchaser desires to purchase the Membership Interests (as defined herein) from Seller, on the terms and subject to conditions set forth herein; and

WHEREAS, the Seller is willing to sell and assign the Membership Interests to the Purchaser, on the terms and subject to conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases shall have the following meanings:

"Action" has the meaning specified in Section 3.06.

"Agreement" means this Contribution and Sale Agreement, as amended and supplemented from time to time.

"Back-Up Security Interest" has the meaning specified in Section 2.01.

"Charter Documents" means with respect to any Person, (a) to the extent such Person is a corporation, the certificate or articles of incorporation and the by-laws of such Person, (b) to the extent such Person is a limited liability company, the certificate of formation or articles of formation or organization and operating or limited liability company agreement of such Person and (c) to the extent such Person is a partnership, joint venture, trust or other form of business, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization or formation of such Person.

"Claim" means any demand, claim, action, investigation, legal proceeding or arbitration.

"Data Tape" means the AWCC Data Tape, prepared by or on behalf of the Seller and attached hereto as Exhibit A.

"Date of Breach" means with respect to the Repurchase Obligation, the date of the occurrence of the related Material Breach that triggers such Repurchase Obligation. To the extent a Material Breach is based on two or more cumulative breaches, the Date of Breach will be the date of the last breach giving rise to a Material Breach.

"Environmental Law" means any Law concerning pollution or protection of the environment, natural resources or exposure to Hazardous Material, including those Laws relating to the presence, use, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of Hazardous Material.

"Grant" means mortgage, pledge, collaterally assign and grant a lien upon and a security interest in. A Grant of any agreement or instrument shall include all rights, powers and options (but none of the obligations) of the Granting Person thereunder, the immediate and continuing right to claim for, collect, receive and give receipts for payments in respect of and all other monies payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring proceedings in the name of the Granting Person or otherwise, and generally to do and receive anything that the Granting Person is or may be entitled to do or receive thereunder with respect thereto.

"Governmental Authority" means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision or similar governing entity.

"HASI" means Hannon Armstrong Sustainable Infrastructure Capital, Inc., a Maryland corporation, and its successors and permitted assigns.

"HASI Indemnity Agreement" means the Indemnity Agreement, dated as of September 30, 2015, made by HASI in favor of the Indenture Trustee for the benefit of the Bondholders, as such agreement may be amended, supplemented, restated or otherwise modified from time to time with the prior written consent of the Required Bondholders.

"Hazardous Material" means any petroleum or petroleum products, flammable explosives, radioactive materials, asbestos, asbestos containing materials, polychlorinated biphenyls, and any chemicals or other materials or substances which are defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants" or words of similar import under any Environmental Law.

"Hybrid Lease Transaction" means a transaction where a Land Lease Entity does not own fee title to the Project Property upon which a Project has been developed or is being developed (except, in most cases, a nominal tenancy-in-common in such Project Property), but instead holds a leasehold, easement, royalty or other interest in a Project Property, and the correlative payment rights deriving directly or indirectly from the related Operator.

"Indemnified Person" has the meaning specified in Section 5.01(c).

"Indenture" means the Indenture, dated as of September 30, 2015, by and among the Issuer, the Servicer, the Backup Servicer and the Indenture Trustee, as amended and supplemented from time to time.

"Issuer" has the meaning set forth in the preamble of this Agreement.

"Knowledge of Seller" means the actual knowledge (as opposed to any constructive, imputed or similar concept of knowledge) of any officer of Seller, after having made due inquiry given the circumstances.

"Land Lease Asset" means any fee, easement, leasehold or other real property interest and any royalty, equity or other interest, including payment rights derived from a Project Property and all related Land Lease Asset Documents, and all rents, revenues, royalties and proceeds derived therefrom, owned or held by a Land Lease Entity.

"Land Lease Asset Documents" means, with respect to any Land Lease Asset, (i) with respect to any Standard Lease Transaction, the ground lease entered into between the related Lessee and the related Land Lease Entity that is the Lessor thereunder in connection with such transaction and (ii) with respect to any Hybrid Lease Transaction, the royalty agreement, lease assignment agreement or other related agreements entered into between the related Lessee and the related Land Lease Entity that is the Lessor thereunder in connection with such transaction.

"Land Lease Entities" means those certain direct subsidiaries of Seller who own certain Land Lease Assets and/or who hold or have rights under certain Land Lease Asset Documents. A "Land Lease Entity" is any one of the Land Lease Entities. A complete list of all Land Lease Entities is set forth inSchedule 3.13(d).

"Laws" means all laws, statutes, rules, regulations, ordinances, common law, judgments, decrees, orders or any requirements of any Governmental Authority, each as the foregoing may be amended or supplemented from time to time.

"Lessee" means, with respect to any Land Lease Asset, the lessee, grantee or, in certain limited cases, the Operator under the applicable Land Lease Asset Documents.

"Lessor" with respect to any Land Lease Asset, the lessor, grantor or, in certain limited cases, the royalty assignee or other payee under the applicable Land Lease Asset Documents, each of which is a Land Lease Entity.

"Losses" has the meaning specified in Section 5.01(c).

"Material Adverse Effect", with respect to a specified Person or Persons, means any change or changes after the date of this Agreement that is, or in the aggregate are, materially adverse to the business, results of operations, assets, revenues, or financial condition of such Person or Persons, taken as a whole, other than (i) any change in conditions affecting any of the industries or markets in which any such entity operates, including the commercial real estate industry, the renewable power generation industry, or the United States economy generally; (ii) any change resulting from acts of terrorism, acts of war or the escalation of hostilities; (iii) any change in interest rates or financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index); (iv) any change in GAAP; (v) any change in any Law after the date hereof; (vi) any action taken by a party hereto in accordance with this Agreement; (vii) the ability of the Purchaser to perform its obligations under this

Agreement; and (viii) any existing event, occurrence, or circumstance with respect to which the Purchaser has knowledge as of the date hereof. The completion of the transactions contemplated by this Agreement shall not be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur.

"Material Breach" means a breach by Seller of any one or more (on a cumulative basis) representations and warranties (without regard to any knowledge qualifications set forth therein) set forth in Section 3.13 hereof that results in a material adverse effect on a particular Land Lease Asset, each on an individual basis.

"Membership Interests" has the meaning specified in Section 2.01.

"Model" means the financial model set forth inExhibit B.

"Officer's Certificate" means a certificate signed by an authorized officer of the Seller.

"Operator" means the owner/operator of a Project related to a Hybrid Lease Transaction.

"Opinion of Counsel" means one or more written opinions of counsel who may be an employee of or counsel to the party providing such opinion of counsel, which counsel shall be reasonably acceptable to the party receiving such opinion of counsel.

"Permitted Liens" means any of the following: (i) statutory Liens of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other similar Liens imposed by law, in each case incurred in the ordinary course of business (x) for amounts not yet overdue or (y) for amounts that are overdue, if being contested in good faith by appropriate proceedings, provided that Seller (1) in good faith contests or disputes the claim or claims of the lienholder and the validity of such Lien, (2) promptly commences appropriate action to remove such Lien and (3) furnishes to Purchaser a bond or other acceptable security in an amount sufficient to discharge all such contested Liens; (ii) Liens for taxes if obligations with respect to such taxes are being contested in good faith by appropriate proceedings, provided that Seller (1) in good faith contests or disputes the claim or claims of the lienholder and the validity of such Lien, (2) promptly commences appropriate action to remove such Lien and (3) furnishes to Purchaser a bond or other acceptable security in an amount sufficient to discharge all such contested Liens; (iii) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money or other indebtedness), so long as no foreclosure, sale or similar proceedings have been commenced with respect to any portion of the Project Property or the Land Lease Asset Documents; (iv) easements (including utility easements and similar accommodations and environmental conservation easements), leases, rights-of-way, restrictions, encroachments, and defects or irregularities in title, in each case which do not and will not interfere in any material respect with the ordinary conduct of operations of the Project or otherwise result in a breach or default under the Land Lease Asset Documents; (v) any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property; (vi) any options, repurchase rights or similar rights granted to any Lessor's counterparties under any Land Lease Asset Documents; and (vii) any Liens Granted pursuant to the Transaction Documents.

"Project" means a solar or wind energy generation facility developed, constructed and operated on the Project Property.

"Project Property" means the real property upon which a Project has been or is being constructed and is or will be operated pursuant to the terms of the applicable Land Lease Asset Documents.

"Purchaser" has the meaning set forth in the preamble of this Agreement.

"Rating Agency" means KBRA.

"Repurchase Date" means the date that is sixty (60) days after the Date of Breach.

"Repurchase Obligation" has the meaning specified in Section 6.01(a).

"Repurchase Price" has the meaning specified in Section 6.01(a).

"Seller" has the meaning set forth in the preamble of this Agreement.

"Standard Lease Transaction" means a transaction where a Land Lease Entity owns fee title to the Project Property and leases the Project Property to a Lessee pursuant to a long-term ground lease or similar Land Lease Asset Document.

"Tax" means any federal, state, local or foreign taxes, and other assessments of a similar nature, together with any interest, penalties, additions to tax or additional amounts imposed with respect thereto, in each case imposed by a Governmental Authority, including all income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, customs duties, capital stock, ad valorem, value added, inventory, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, alternative or add-on minimum or estimated taxes.

"Tax Return" means any return, declaration, report, statement or other document filed or required to be filed with a Governmental Authority in connection with the assessment or collection of any Tax, together with any schedule or attachment thereto and any amendment thereof.

"UCC" means the Uniform Commercial Code (or any comparable law) in effect in any relevant jurisdiction the laws of which govern the perfection of security interests rendered hereunder.

Section 1.02. Other Definitional Provisions.

(a) Unless otherwise defined herein, terms defined in the Indenture and used herein shall have the meanings specified in the Indenture.

(b) All capitalized terms used in any certificate or other document made or delivered pursuant hereto shall have the respective meanings specified herein, unless otherwise defined therein.

(c) The words "hereof," "herein," "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement; Section, Schedule and Exhibit references contained in this Agreement are references to Sections, Schedules and Exhibits in or to this Agreement unless otherwise specified; the conjunction "or" is not exclusive; and the term "including" shall mean "including without limitation".

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms.

ARTICLE II. CONVEYANCE OF MEMBERSHIP INTERESTS

Section 2.01. Conveyance of Membership Interests. In consideration of the Purchaser's delivery to or upon the order of the Seller of the fair market value of the Membership Interests as of the Closing Date, the Seller does hereby irrevocably sell, transfer, assign, set over and otherwise convey to the Purchaser, WITHOUT RECOURSE OR WARRANTY, except as specifically set forth herein, all right, title and interest of the Seller in and to the membership interests in each Land Lease Entity (collectively, the "Membership Interests"). Such sale, transfer, assignment, setting over and conveyance is hereby expressly stated to be a sale and, shall be treated as an absolute transfer and true sale of all of the Seller's right, title and interest in and to (as in a true sale), and not as a pledge or secured transaction relating to, or other financing of, the Membership Interests. To the extent that the cash purchase price paid to the Seller for the Membership Interests is less than the fair market value of the Membership Interests as of the Closing Date, the difference will be deemed to be a capital contribution made by the Seller to the Purchaser. If the transfer of the Membership Interests is held by any court of competent jurisdiction not to be a true sale or contribution, then such transfer shall be treated as the creation of a security interest in the Membership Interests and, without prejudice to its position that it has absolutely transferred all of its right, title and interest in and to the Membership Interests to the Purchaser, the Seller hereby Grants to the Purchaser a first priority security interest in the Membership Interests to secure a payment obligation incurred by the Seller in respect of the amount paid by the Purchaser to the Seller pursuant to this Agreement (the "Back-Up Security Interest"). A UCC-1 financing statement will be filed in order to perfect the Back-Up Security Interest. Such transfer of the Membership Interests includes the right to use the Seller's computer software system to access and create copies of all books and records related to the Membership Interests.

Section 2.02. Further Assurances.

(a) Promptly upon the request of Purchaser, Seller shall without further consideration execute and deliver such other instruments of sale, transfer, conveyance and assignment, and take such other action as may be reasonably necessary to vest in Purchaser, and its successors and assigns, good, clear and merchantable title to the Membership Interests.

(b) If, notwithstanding the notice provided in Section 4.02, any amounts due with respect to Membership Interests are paid to Seller other than to the account specified in Section 4.03, then Seller shall immediately deposit such amounts into the account specified in Section 4.03.

(c) Seller (or Servicer, on behalf of Seller, as applicable) shall promptly provide Purchaser with copies of all notices, correspondences, demands, complaints and reports provided by the Lessee under the Land Lease Asset Documents, including computations of any amounts due with respect to Membership Interests and supporting documentation in respect thereof.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF SELLER

The Seller makes the following representations and warranties, as of the date hereof, on which the Purchaser has relied in acquiring the Membership Interests.

Section 3.01. Organization and Good Standing. The Seller is duly organized and validly existing as a limited liability company in good standing under the laws of the State of Delaware, with the requisite limited liability company power and authority to own its properties as such properties are currently owned and to conduct its business as such business is now conducted by it, and has the requisite limited liability company power and authority to own the Membership Interests. Schedule 3.01 lists the Seller's current directors and senior officers as of the date hereof.

Section 3.02. Due Qualification. The Seller is duly qualified to do business as a foreign limited liability company in good standing, and has obtained all necessary licenses and approvals, in all jurisdictions in which the ownership or lease of property or the conduct of its business shall require such qualifications, licenses or approvals (except where the failure to so qualify or obtain such licenses and approvals would not be reasonably likely to have a Material Adverse Effect with respect to the Seller).

Section 3.03. Power and Authority. The Seller has the requisite limited liability company power and authority to execute and deliver this Agreement and to carry out its terms; and the execution, delivery and performance of this Agreement have been duly authorized by all necessary limited liability company action on the part of the Seller.

Section 3.04. Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Seller enforceable against it in accordance with its terms, subject to applicable insolvency, reorganization, moratorium, fraudulent transfer and other Laws relating to or affecting creditors' or secured parties' rights generally from time to time in effect and to general principles of equity (including concepts of materiality, reasonableness, good faith and fair dealing), regardless of whether considered in a proceeding in equity or at law.

Section 3.05. No Violation. The execution, delivery and consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof do not: (i) conflict with or result in any breach of any of the terms and provisions of, nor constitute (with or without notice or lapse of time) a default under, the certificate of formation, operating agreement or other organizational documents of the Seller, or any material indenture, agreement or other

instrument to which the Seller is a party or by which it is bound; (ii) result in the creation or imposition of any Lien upon any of the Seller's properties pursuant to the terms of any such indenture, agreement or other instrument (other than the Back-Up Security Interest); or (iii) violate any existing law or any existing order, rule or regulation applicable to the Seller of any federal or state court or regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Seller or its properties.

Section 3.06. No Proceedings. Except as set forth on Schedule 3.06, there is no action, suit or proceeding, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending with respect to which the Seller or any Land Lease Entity has been served with process or to the Knowledge of the Seller threatened, which Action (i) seeks to prohibit, restrain or enjoin any of the transactions contemplated by the Transaction Documents or (ii) may result in any material adverse change in the business, properties, other assets or financial condition of the Seller or any Land Lease Entity; and as of the date hereof, to the Knowledge of the Seller, there is no basis for any action, suit or proceeding of the nature described in clauses (i) and (ii) of this sentence.

Section 3.07. Approvals. No approval, authorization, consent, order or other action of, filing with or notice to, any Governmental Authority is required in connection with the execution and delivery by the Seller of this Agreement or any other Transaction Document to which it is a party, the performance by the Seller of the transactions contemplated hereby or thereby or the fulfillment by the Seller of the terms hereof or thereof, except for those that have been obtained or made prior to the date hereof. The Seller is in compliance, in all material respects, with the requirements of all applicable Laws of all Governmental Authorities.

Section 3.08. Membership Interests.

(a) Absolute Transfer. It is the intention of the parties hereto that the transfer and assignment herein contemplated constitute a sale of the Membership Interests from the Seller to the Purchaser and that no interest in, or title to, the Membership Interests shall be part of the Seller's estate in the event of the filing of a bankruptcy petition by or against the Seller under any bankruptcy law. No portion of the Membership Interests has been sold, transferred, assigned or pledged by the Seller to any Person other than the Purchaser. The Seller owns the Membership Interests free and clear of all Liens, except for Permitted Liens. On the date hereof, immediately upon the sale hereunder, the Seller has contributed, transferred, sold and conveyed the Membership Interests to the Purchaser, free and clear of all Liens, except for Permitted Liens. There are no outstanding contracts, options, warrants, instruments, documents or agreements binding upon the Depositor or Issuer granting to any Person or group of Persons any right to purchase or acquire equity interests of any Land Lease Entity.

(b) Transfer Filings. On the date hereof, immediately upon the sale hereunder, the Membership Interests have been validly transferred, sold and contributed to the Purchaser, the Purchaser owns the Membership Interests free and clear of all Liens (except for Permitted Liens) and all filings to be made by the Seller necessary in any jurisdiction to give the Purchaser a valid, perfected ownership interest (subject to Permitted Liens) in the Membership Interests have been made. All filings have also been made to the extent required in any jurisdiction to perfect the Back-Up Security Interest as a first priority security interest (subject to Permitted Liens). No further action is required to maintain such ownership interest or such Back-Up

Security Interest (in each case, subject to Permitted Liens). Each Land Lease Entity has amended or modified its membership registry and/or operating agreement reflecting the transfer of the subject Membership Interests and that Purchaser is the sole owner of such Membership Interests.

Section 3.09. Indebtedness. The Seller has no Indebtedness. The Seller is not in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Seller and no event or condition exists with respect to any Indebtedness of the Seller that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

Section 3.10. Principal Place of Business. The principal place of business and chief executive office of the Seller is located at the address indicated on Schedule 3.10 hereto or at such other location designated by the Seller in a notice given to the Indenture Trustee, and the offices where the Seller keeps all its records are located at the address indicated on Schedule 3.10 or such other locations notified to the Indenture Trustee.

Section 3.11. Title. The Seller has good and sufficient title to its properties that individually or in the aggregate are material, in each case free and clear of Liens, except for Permitted Liens.

Section 3.12. Solvency. The Seller was not prior to the transfer of the Membership Interests to the Purchaser, and is not after giving effect to such transfer, insolvent.

Section 3.13. Land Lease Entities and Land Lease Assets.

(a) Organization, Standing and Power. Each Land Lease Entity is a limited liability company, duly organized and validly existing, and has all requisite power and authority to conduct its business as it is now being conducted and to own, lease and operate its assets. Each Land Lease Entity is in good standing under the Laws of the jurisdiction of its formation. Each Land Lease Entity is duly qualified or licensed to do business as a foreign limited liability company in good standing in each jurisdiction in which the ownership or operation of its assets make such qualification or licensing necessary, except in those jurisdictions where the failure to be so duly qualified or licensed would not reasonably be expected to result in a Material Adverse Effect on the Land Lease Entities determined on an individual basis.

(b) Restrictions on Dividends and Distributions. No Land Lease Entity is subject to any legal, regulatory, contractual or other restriction (other than the customary limitations imposed by corporate law or similar statutes) restricting the ability of such Land Lease Entity to pay dividends out of profits or make any other similar distributions of profits to the Seller.

(c) Taxes; Assessments. Except as set forth in Schedule 3.13(c):

(i) To the Knowledge of the Seller, there are no Liens for Taxes upon the Land Lease Assets of any Land Lease Entity other than Permitted Liens;

(ii) No Land Lease Entity is a party to any “tax sharing”, tax indemnity or similar agreement; and

(iii) All Taxes and other outstanding governmental charges (including, without limitation, water and sewage charges), or installments thereof, in each case, with respect to the Land Lease Assets, have been paid by the applicable Land Lease Entity (if it is required to pay such Taxes and other charges pursuant to the terms of the applicable Land Lease Asset Documents) or, to the Knowledge of Seller, by the Lessee or counterparty under the applicable Land Lease Asset Documents (if the applicable Land Lease Entity is not required to pay such Taxes and other charges pursuant to the terms of the applicable Land Lease Asset Documents).

(d) Land Lease Entities. Schedule 3.13(d) contains a listing of all of the Land Lease Entities and the jurisdiction of their organization. Seller has no other subsidiaries other than the Land Lease Entities listed on Schedule 3.13(d). No Land Lease Entity has any subsidiaries.

(e) Land Lease Asset Documents.

(i) Schedule 3.13(e)(i) contains a listing of all documents described in clauses (A) through (D) below (copies of which have been delivered to the Indenture Trustee), including all Land Lease Asset Documents to which, as of the date hereof, any Land Lease Entity is a party, and is true and correct in all material respects as of the date hereof:

(A) copies of each title policy and survey for each Project Property, except for the Project Properties set forth on Schedule 3.13(e)(i)(A);

(B) Each Land Lease Asset Document respecting a Standard Lease Transaction;

(C) Each Land Lease Asset Document respecting a Hybrid Lease Transaction; and

(D) Each joint venture agreement, partnership agreement or limited liability company agreement to which any Land Lease Entity is a party (other than such party's Charter Documents);

(ii) Each Land Lease Asset Document is in full force and effect and constitutes a legal, valid and binding agreement, enforceable in accordance with its terms, of the Land Lease Entity party thereto and, to the Knowledge of Seller, of each other party thereto, except as the same may be limited by bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar Laws relating to or affecting the rights of creditors generally, or by general equitable principles. Except as set forth on Schedule 3.13(e)(ii), all payments and performance required of the applicable Land Lease Entity under such Land Lease Asset Documents through the date hereof have been made, and neither the applicable Land Lease Entity, nor, to the Knowledge of Seller, any other party to the Land Lease Asset Documents, was, as of the date hereof, in violation or breach of or default under such Land Lease Asset Documents (or with notice or lapse of time or both, would have been in violation or breach of or default under any such Land Lease Asset Document). To the Knowledge of Seller, no payment obligation under a Land Lease Asset Document has been more than 30 days delinquent, without giving effect to any grace or cure period, in making required payments, and as of the date hereof, no Land Lease Asset Document is more than 30 days delinquent (beyond any applicable grace or cure period) in making required payments as of the date hereof.

(iii) Each Lessee under the Land Lease Asset Documents to which a Land Lease Entity is a party has agreed in writing in such Land Lease Asset Documents that the terms of such Land Lease Asset Documents may not be amended or modified, or canceled or terminated without the written consent or approval of the Land Lease Entity party thereto.

(iv) The Land Lease Asset Documents to which a Land Lease Entity is a party provide that (A) no casualty event creates a termination right by the subject Lessee without the consent of the Land Lease Entity and (B) upon a casualty event the subject Lessee must continue to make all scheduled payments due the subject Land Lease Entity under the related Land Lease Asset Documents.

(v) Each Land Lease Asset Document to which a Land Lease Entity is a party in respect of each Standard Lease Transaction provides that (A) the Land Lease Asset Document does not terminate upon a partial condemnation of the affected Project Property, but that rent or other payments due under such Land Lease Asset Document may be reduced as a result of partial condemnation in proportion to the property that is condemned, and (B) upon any termination of the Land Lease Asset Document as a result of a complete or full condemnation, and with respect to any partial condemnation, the Land Lease Entity is entitled to seek and receive a condemnation award with respect to its interest in the subject Project Property that has been condemned.

(vi) Except as disclosed in writing to the Purchaser, since the execution of each Land Lease Asset Document (i) the material terms of such Land Lease Asset Document have not been waived, impaired, modified, altered, satisfied, canceled or subordinated or rescinded in any material respect and (ii) the related Lessee has not been released by the related Land Lease Entity from its obligations under such Land Lease Asset Document.

(f) Project Property.

(i) Schedule 3.13(f)(i) lists all estates and interests in Project Property owned or held by each Land Lease Entity. Since December 31, 2014 and as of the date hereof, no Land Lease Entity has (A) transferred any of its Project Property or (B) otherwise subjected any of its Project Property to any Lien, except for Permitted Liens. To the Knowledge of the Seller, there has been no material adverse change with respect to any Project Property since the date of the title policy and survey referred to in Section 3.13(e)(i)(A).

(ii) With respect to each parcel of Project Property: (A) to the Knowledge of Seller, as of the date hereof, there are no pending or threatened proceedings for the total or partial condemnation relating to such Project Property that would have a material adverse effect on the value, use or operation of any Land Lease Asset; (B) except as set forth on Schedule 3.13(f)(ii), and as of the date hereof, the applicable Land Lease Entity that owns such Project Property has not granted (x) any options or rights of first refusal to purchase or lease the Project Property, or any portion thereof or interest therein, or (y) any leases, subleases, licenses, occupancy agreements, use agreements, concessions or agreements or arrangements which, in the case of either of the foregoing clauses (x) or (y), would materially adversely affect the operation of the applicable Project thereon, other than Permitted Liens.

(iii) Each Land Lease Entity owning any Project Property has marketable title (or with respect to Project Property in the State of Texas, indefeasible title) to its Project Property, free and clear of all Liens, except for Permitted Liens.

(g) Environmental Matters.

(i) The Seller has not received any notice of any claim, and, to the Knowledge of Seller, there is no claim or proceeding instituted or threatened, against any Land Lease Entity or any of the real property or other assets now or formerly owned, leased or operated by any Land Lease Entity, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect on the Land Lease Entities determined on an individual basis.

(ii) To the Knowledge of Seller, other than the construction and operation of any Lessee's Project on a Project Property, there are no facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to any of the real property now or formerly owned, leased or operated by any of the Land Lease Entities, except, in each case, such as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on the Land Lease Entities determined on an individual basis.

(iii) No Land Lease Entity has stored any Hazardous Materials on any of the real property now or, to the Knowledge of Seller, formerly owned, leased or operated by such Land Lease Entity in a manner which is contrary to any Environmental Law that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on the Land Lease Entities determined on an individual basis.

(iv) No Land Lease Entity has disposed of any Hazardous Materials in a manner which is contrary to any Environmental Law that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect on the Land Lease Entities determined on an individual basis.

(h) Improvements. No Land Lease Entity owns any improvements, other than only *de minimis* improvements (such as roads or wells), on the related Project Property. The applicable Land Lease Asset Documents provide that any improvements on the related Project Property, whether installed by the Lessee or owned by a Land Lease Entity, shall be maintained by the applicable Lessee during the term of the applicable Land Lease Asset Documents. The Seller has not received notice of any material damage to any improvement on the Project Property that is related to any Land Lease Entity.

(i) Access; Utilities; Separate Tax Lots. Each Project Property that is subject to a Standard Lease Transaction or subject to the Hybrid Lease Transactions listed on Schedule 3.13(i) hereto (A) is located on or adjacent to a public road and has direct legal access to such road, or has access via an irrevocable easement or irrevocable right of way permitting ingress and egress to/from a public road and (B) is served by or has uninhibited access to rights to public or private water and sewer (or well and septic) and all required utilities, to the extent all

are appropriate for the current use of such Project Property. With respect to a Project Property subject to a Standard Lease Transaction, except for transmission, communications, access and similar easement parcels, such Project Property constitutes one or more separate tax parcels which do not include any property which is not part of such Project Property.

(j) Local Law Compliance. With respect to the improvements located on or forming part of any Project Property, there are no violations of applicable zoning ordinances, building codes and land laws other than those which would not have a material adverse effect on the value, operation or net operating income of the related Land Lease Asset.

(k) Title. Each Land Lease Entity has good and sufficient title to its properties that individually or in the aggregate are material, in each case free and clear of Liens, except for Permitted Liens.

(l) Model. The Model, to the Knowledge of Seller, is based upon reasonable assumptions in light of the conditions existing at the time of delivery.

(m) Data Tape. The Data Tape is based upon reasonable assumptions in light of the conditions existing at the time of delivery.

(n) Bankruptcy. As of the date hereof, neither any Project Property, nor any portion thereof, is the subject of, and neither any Land Lease Entity nor, to the Knowledge of Seller, any Lessee is a debtor in state or federal bankruptcy, insolvency or similar proceeding.

(o) Solvency. Immediately prior to the date hereof each Land Lease Entity was, and after giving effect to the transactions occurring on the date hereof as contemplated by the Transaction Documents each Land Lease Entity is, solvent.

(p) Indebtedness. The Land Lease Entities have no Indebtedness. No Land Lease Entity is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of any Land Lease Entity and no event or condition exists with respect to any Indebtedness of any Land Lease Entity that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

ARTICLE IV. COVENANTS OF THE SELLER

Section 4.01. Corporate Existence. So long as any of the Bonds are outstanding, except as provided under Section 5.02, the Seller (a) will keep in full force and effect its existence, rights and franchises as a limited liability company under the laws of the jurisdiction of its organization and (b) will obtain and preserve its qualification to do business, in each case to the extent that in each such jurisdiction such existence or qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents to which the Seller is a party and each other instrument or agreement to which the Seller is a party necessary or appropriate to the proper administration of this Agreement and the transactions contemplated hereby.

Section 4.02. Delivery of Payments. The Seller has sent a notice substantially in the form of Exhibit C hereto to each Lessee under the Land Lease Asset Documents directing such Lessee to deliver all amounts due, including, but not limited to lease payments, royalty payments, condemnation proceeds, insurance proceeds, termination payments and prepayments, in respect of the subject Land Lease Asset Documents to Servicer's account No. at Citizens, National Association (the "Payment Account"), and shall take such further actions as may be necessary to ensure that such payments are made to the Payment Account or any replacement account. Seller shall direct, or have the subject Land Lease Entity, Servicer or any sub-servicer direct, all Lessees to deposit all cash flow with respect to the Land Lease Asset Documents, including, but not limited to lease payments, royalty payments, condemnation proceeds, insurance proceeds, termination payments and prepayments, into the Payment Account; *provided* that if the Seller receives any such amounts with respect to the Land Lease Asset Documents it shall immediately deposit, or cause to be deposited, such amounts into the Payment Account.

Section 4.03. Notice of Liens. The Seller shall notify the Purchaser and the Indenture Trustee promptly after becoming aware of any Lien Granted on any of the Membership Interests, other than the conveyances hereunder or any Permitted Lien.

Section 4.04. Compliance with Law. The Seller hereby agrees to comply with its Charter Documents and all Laws applicable to it, except to the extent that failure to so comply would not adversely affect the Purchaser or the Indenture Trustee's interests in the Membership Interests or under any of the other Transaction Documents to which the Seller is party or the Seller's performance of its obligations hereunder or under any of the other Transaction Documents to which it is party.

Section 4.05. Covenants Related to Bonds, Membership Interests.

(a) So long as any of the Bonds are outstanding, the Seller shall treat the Bonds as debt of the Purchaser and not of the Seller, except for financial accounting or tax reporting purposes.

(b) So long as any of the Bonds are outstanding, the Seller shall indicate in its financial statements (if any) that it is not the owner of the Membership Interests and shall disclose the effects of all transactions between the Seller and the Purchaser in accordance with GAAP.

(c) The Seller agrees that, upon the transfer and sale by the Seller of the Membership Interests to the Purchaser pursuant to this Agreement, to the fullest extent permitted by law, the Purchaser shall have all of the rights originally held by the Seller with respect to the Membership Interests, including all rights of Seller (subject to the terms of the Indenture), as owner of the Land Lease Entities, to cause such Land Lease Entities to exercise any and all rights and remedies to collect any amounts payable in respect of their respective Land Lease Assets in accordance with the related Land Lease Asset Documents.

(d) So long as any of the Bonds are outstanding, (i) the Seller shall not make any statement or reference in respect of the Membership Interests that is inconsistent with the ownership thereof by the Purchaser (other than for financial accounting or tax reporting purposes), and (ii) the Seller shall not take any action in respect of the Membership Interests except as otherwise contemplated by the Transaction Documents.

Section 4.06. Protection of Title. The Seller shall execute and file such filings, including UCC filings, and cause to be executed and filed such filings, all in such manner and in such places as may be required by law fully to preserve, maintain and protect the ownership interest of the Purchaser in the Membership Interests and the Purchaser's Back-Up Security Interest, including all filings required under the applicable UCC relating to the transfer of the ownership interest in the Membership Interests by the Seller to the Purchaser and the Grant of the Back-Up Security Interest, and the continued perfection of such ownership interest and Back-Up Security Interest. The Seller shall deliver (or cause to be delivered) to the Purchaser file-stamped copies of, or filing receipts for, any document filed as provided above, as soon as available following such filing. The Seller's obligations pursuant to this Section 4.07 shall survive and continue following the date hereof (it being understood that the Seller may be required to advance its own funds to satisfy its obligations hereunder).

Section 4.07. Nonpetition Covenant. Notwithstanding any prior termination of this Agreement or the Bonds, and notwithstanding any bankruptcy, reorganization or other insolvency proceedings with respect to the Seller, the Seller solely in its capacity as a creditor of the Purchaser shall not, prior to the date which is one year and one day after the termination of the Indenture, petition or otherwise invoke or cause the Purchaser to invoke the process of any court or government authority for the purpose of commencing or sustaining an involuntary case against the Purchaser under any Federal or state bankruptcy, insolvency or similar law, appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Purchaser or any substantial part of the property of the Purchaser, or, to the fullest extent permitted by law, ordering the winding up or liquidation of the affairs of the Purchaser.

Section 4.08. Certain Limitations.

(a) The Seller makes the covenants inSections 2.5, 2.6 and 2.7 of its Amended and Restated Limited Liability Company Agreement, which covenants are hereby incorporated into and made a part of this Agreement.

(b) The Seller shall not conduct or promote any activities except as set forth inSection 2.5 of its Amended and Restated Limited Liability Company Agreement.

ARTICLE V. LIABILITY OF THE SELLER

Section 5.01. Liability of Seller; Indemnities.

(a) The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement.

(b) The Seller shall indemnify and hold harmless the Purchaser from and against any and all Taxes that may at any time be imposed on or asserted against the Purchaser under existing Laws as of the date hereof as a result of the sale of the Membership Interests to the Purchaser, including any sales, gross receipts, general corporation, tangible personal property, privilege or license taxes, and all costs and expenses incurred in defending against such taxes.

(c) (i) The Seller shall indemnify and hold harmless the Purchaser, the Indenture Trustee, the Owner Trustee and any of their respective affiliates, officials, officers, directors, employees and agents (each, an "Indemnified Person") from and against any and all liabilities, obligations, losses, actions, suits, claims, damages, payments, costs or expenses of any kind whatsoever (collectively, "Losses") that may be imposed on, incurred by or asserted against any of such Indemnified Persons as a result of (x) the Seller's willful misconduct or gross negligence in the performance of its duties or observance of its covenants under this Agreement or (y) subject to Section 6.01, the Seller's breach of any of its representations and warranties contained in this Agreement, except in the case of both clauses (x) and (y) to the extent of Losses either resulting from the willful misconduct or gross negligence of such Indemnified Person or resulting from a breach of a representation and warranty made by such Indemnified Person in any of the Transaction Documents that gives rise to the Seller's breach.

(ii) The indemnification obligations of the Seller under Sections 5.01(b) and 5.01(c) shall survive the termination of the Transaction Documents.

(iii) Promptly after receipt by an Indemnified Person of notice of its involvement in any action, proceeding or investigation, such Indemnified Person shall, if a claim for indemnification in respect thereof is to be made against the Seller under Section 5.01(b) or 5.01(c), notify the Seller in writing of such involvement. Failure by an Indemnified Person to so notify the Seller shall relieve the Seller from the obligation to indemnify and hold harmless such Indemnified Person under Sections 5.01(b) and 5.01(c) only to the extent that the Seller suffers actual prejudice as a result of such failure.

(iv) With respect to any action, proceeding or investigation brought by a third party for which indemnification may be sought under Sections 5.01(b) and 5.01(c), the Seller shall be entitled to assume the defense of any such action, proceeding or investigation. Upon assumption by the Seller of the defense of any such action, proceeding or investigation, the Indemnified Person shall have the right to participate in such action or proceeding and to retain its own counsel.

(v) The Seller shall be entitled to appoint counsel of the Seller's choice at the Seller's expense to represent the Indemnified Person in any action, proceeding or investigation for which a claim of indemnification is made against the Seller under Section 5.01(b) or 5.01(c) (in which case the Seller shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the Indemnified Person except as set forth below); provided, however, that such counsel shall be reasonably satisfactory to the Indemnified Person. Notwithstanding the Seller's election to appoint counsel to represent the Indemnified Person in an action, proceeding or investigation, the Indemnified Person shall have the right to employ separate counsel (including local counsel), and the Seller shall bear the reasonable fees, costs and expenses of such separate counsel if (1) the use of counsel chosen by the Seller to represent the Indemnified Person would present such counsel with a conflict of interest, (2) the actual or potential defendants in, or targets of, any such action include both the Indemnified Person and the Seller and the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or additional to those available to the Seller, (3)

the Seller shall not have employed counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person within a reasonable time after notice of the institution of such action or (4) the Seller shall authorize the Indemnified Person to employ separate counsel at the expense of the Seller. Notwithstanding the foregoing, the Seller shall not be obligated to pay for the fees, costs and expenses of more than one separate counsel for the Indemnified Persons other than local counsel.

(vi) The Seller will not, without the prior written consent of the Indemnified Person, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought under Sections 5.01(b) and 5.01(c) (whether or not the Indemnified Person is an actual or potential party to such claim or action) unless such settlement, compromise or consent includes an unconditional release of the Indemnified Person from all liability arising out of such claim, action, suit or proceeding. The Seller shall not be required to indemnify an Indemnified Person for any amount paid or payable by such Indemnified Person in the settlement of any action, proceeding or investigation without the written consent of the Seller, which consent shall not be unreasonably withheld.

(d) Indemnification under Sections 5.01(b) and 5.01(c) shall include reasonable fees and out-of-pocket expenses of investigation and litigation (including reasonable attorneys' fees and expenses), except as otherwise provided in this Agreement.

(e) The remedies of the Purchaser and the other Indemnified Persons (and thus the Bondholders) provided in this Agreement are each such Person's sole and exclusive remedies against the Seller for breach of its representations and warranties in this Agreement.

Section 5.02. Limitation on Liability of Seller and Others. The Seller and any director, officer, manager, employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person, respecting any matters arising hereunder.

ARTICLE VI. REPURCHASE OBLIGATION

Section 6.01. Repurchase Obligation.

(a) In the event of a breach by the Seller that constitutes a Material Breach, either (1) the Seller shall pay or, if the Seller fails to pay, HASI shall pay (pursuant to the HASI Indemnity Agreement) to the Issuer a stipulated damages amount equal to the aggregate Asset Value for the Land Lease Asset affected by the Material Breach as of the Repurchase Date, plus the Make Whole Amount payable to the Bondholders in connection with the payment of such aggregate Asset Value (the "Repurchase Price") or (2) the Seller shall deliver to the Indenture Trustee, or if the Seller fails to do so, HASI (pursuant to the HASI Indemnity Agreement) shall deliver to the Indenture Trustee, Substitute Collateral to defease the Membership Interest relating to the affected Land Lease Asset as provided in Article VIII of the Indenture (the foregoing in clause (1) or clause (2), the "Repurchase Obligation"); provided, however, that neither the Seller nor HASI shall be obligated to pay the Repurchase Price or to complete such defeasance if, prior to the Repurchase Date, such Material Breach is cured to the reasonable satisfaction of the Required Bondholders or the Seller takes remedial action such that there is not and will not be a

Material Breach; provided, further, for the avoidance of doubt, that no Material Breach that has been so cured shall be taken into account in determining whether a subsequent Material Breach has occurred. Upon (i) payment of the Repurchase Price or (ii) (A) receipt by the Indenture Trustee of the Substitute Collateral and (B) compliance with the other defeasance conditions set forth in Article VIII of the Indenture, as applicable, the Membership Interest relating to the affected Land Lease Asset and the interest, if any of the Indenture Trustee or the Issuer in such Land Lease Asset shall cease to be part of the Trust Estate, and the Purchaser shall convey and transfer such Membership Interest to the Seller or any Person designated by the Seller, in each case in accordance with the terms of the Indenture.

(b) Notwithstanding any other provision of this Agreement, the Repurchase Obligation or the delivery of Substitute Collateral in the case of a Material Breach shall be the sole and exclusive remedy available to the Purchaser, the Indenture Trustee on behalf of Bondholders or Bondholders with respect to a breach of any representation and warranty set forth in Section 3.13 hereof. Upon (i) the payment of a Repurchase Price or (ii) (A) receipt by the Indenture Trustee of the Substitute Collateral and (B) compliance with the other defeasance conditions set forth in Article VIII of the Indenture, as applicable, pursuant to Section 6.01(a), the related Material Breach and each breach giving rise thereto shall be deemed cured and neither the Issuer nor any other Person shall have any claims, rights or remedies against the Seller with respect to such Material Breach or any breach of representation and warranty which gave rise to such Material Breach.

(c) With respect to any representations and warranties contained in Section 3.13 hereof which are made to the Knowledge of the Seller, if it is discovered that any representation and warranty is inaccurate and results in a material adverse effect on a particular Land Lease Asset, on an individual basis, then notwithstanding Seller's lack of knowledge of the accuracy of such representation and warranty at the time such representation or warranty was made, such inaccuracy shall be deemed a Material Breach for purposes of the Repurchase Obligation.

ARTICLE VII. MISCELLANEOUS PROVISIONS

Section 7.01. Amendment. This Agreement may be amended by the Seller and the Purchaser, with (a) ten (10) Business Days' prior written notice given to the Rating Agency, (b) the prior written consent of the Indenture Trustee, and (c) if any amendment would adversely affect in any material respect the interests of any Bondholder, the prior written consent of such Bondholder.

It shall not be necessary for the consent of a Bondholder pursuant to this Section 7.01 to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

Prior to the execution of any amendment to this Agreement, the Indenture Trustee shall be entitled to receive and rely upon an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by this Agreement and all conditions precedent have been satisfied. The Indenture Trustee may, but shall not be obligated to, enter into any such amendment which affects the Indenture Trustee's own rights, duties or immunities under this Agreement or otherwise.

The Purchaser shall provide a copy of any amendment to this Agreement to the Indenture Trustee and the Rating Agency promptly after the execution thereof.

Section 7.02. Notices. Unless otherwise specifically provided herein, all notices, directions, consents and waivers required under the terms and provisions of this Agreement shall be in English and in writing, and any such notice, direction, consent or waiver may be given by United States mail, courier service, facsimile transmission or electronic mail (confirmed by telephone, United States mail or courier service in the case of notice by facsimile transmission or electronic mail) or any other customary means of communication, and any such notice, direction, consent or waiver shall be effective when delivered, or if mailed, three days after deposit in the United States mail with proper postage for ordinary mail prepaid:

(a) if to the Seller, to:

HA Land Lease Holdings LLC
c/o Hannon Armstrong Sustainable Infrastructure Capital, Inc.
1906 Towne Centre Blvd., Suite 370
Annapolis, MD 21401
Attention: General Counsel
Facsimile: (410) 571-6199
Telephone: (410) 571-9860
E-mail: Generalcounsel@hannonarmstrong.com

(b) if to the Purchaser, to:

HASI SYB Trust 2015-1
c/o BNY Mellon Trust of Delaware
301 Bellevue Parkway, 3rd Floor
Wilmington, Delaware 19809
Attention: Corporate Trust
Telephone: 302-791-3610

(c) if to the Indenture Trustee, to:

The Bank of New York Mellon
101 Barclay Street, Floor 7W East
New York, New York 10286
Attention: Asset Backed Securities Unit
Facsimile: (212) 815-3883
Telephone: (212) 815-8159

(d) if to the Rating Agency, to:

Kroll Bond Rating Agency, Inc.
845 Third Ave., 4th Floor
New York, New York 10022
Attention: ABS Surveillance
e-mail: abssurveillance@kbra.com
Facsimile: (212) 702-4500
Telephone: (212) 702-0707

(e) as to each of the foregoing, at such other address as shall be designated by written notice to the other parties.

Section 7.03. Assignment. Notwithstanding anything to the contrary contained herein, except as provided in Section 5.02, this Agreement may not be assigned by the Seller.

Section 7.04. Limitations on Rights of Third Parties. The provisions of this Agreement are solely for the benefit of the Seller, the Purchaser, the Bondholders, the Indenture Trustee, the Owner Trustee and the other Persons expressly referred to herein, and such Persons shall have the right to enforce the relevant provisions of this Agreement, except that the Bondholders shall be entitled to enforce their rights against the Seller under this Agreement solely through a cause of action brought for their benefit by the Indenture Trustee. Nothing in this Agreement, whether express or implied, shall be construed to give to any other Person any legal or equitable right, remedy or claim in the Membership Interests or under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

Section 7.05. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 7.06. Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 7.07. Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

Section 7.08. Governing Law. This Agreement shall be construed in accordance with the laws of the State of New York, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 7.09. Collateral Assignment to Indenture Trustee. The Seller hereby acknowledges and consents to the Grant of a security interest and collateral assignment by the Purchaser to the Indenture Trustee pursuant to the Indenture for the benefit of the Bondholders and the Indenture Trustee of all right, title and interest of the Purchaser in, to and under the Membership Interests and the proceeds thereof and all other property included in the Trust Estate (including, without limitation, all of the Purchaser's rights hereunder).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Contribution and Sale Agreement to be duly executed by their respective officers as of the day and year first above written.

HASI SYB TRUST 2015-1, as Purchaser

By: BNY Mellon Trust of Delaware, not in its individual capacity but solely as Owner Trustee, on behalf of Purchaser

By: /s/ JoAnn C. DiOssi
Name: JoAnn C. DiOssi
Title: Vice President

HA LAND LEASE HOLDINGS LLC, as Seller

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: President

SCHEDULE 3.01

Seller Directors and Senior Officers

SCHEDULE 3.06

Legal Proceedings

SCHEDULE 3.10

Seller Principal Place of Business

SCHEDULE 3.13(c)

Taxes

SCHEDULE 3.13(d)

Land Lease Entities

SCHEDULE 3.13(e)(i)

Land Lease Asset Documents and Title Policies/Surveys for Project Properties

SCHEDULE 3.13(e)(i)(A)

Project Properties for which Title Policies and/or Surveys were not listed in Schedule 3.13(e)(i)

SCHEDULE 3.13(e)(ii)

Breaches under Land Lease Asset Documents

SCHEDULE 3.13(f)(i)

List of Estates/Interests in Project Property Owned or Held by each Land Lease Entity

SCHEDULE 3.13(f)(ii)

Options/ROFOs/Other Rights Granted with respect to Project Properties

SCHEDULE 3.13(i)

Certain Hybrid Lease Transactions

EXHIBIT A

Data Tape

EXHIBIT B

Financial Model

EXHIBIT C

Form of Lessee Payment Direction Notice (Standard Lease Transactions)

Exhibit 10.7

Execution Copy

INDEMNITY AGREEMENT

This INDEMNITY AGREEMENT (as the same may be amended, supplemented, or otherwise modified from time to time, this "**Agreement**") is made as of September 30, 2015, by **HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.**, a Maryland corporation ("**Indemnitor**"), in favor of **THE BANK OF NEW YORK MELLON**, a New York banking corporation, as indenture trustee under the Indenture (as defined below) (in such capacity, together with its successors and assigns, the "**Indenture Trustee**") for the benefit of the Bondholders (as defined in the Indenture) from time to time (each a "**Bondholder**" and collectively, the "**Bondholders**").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Bond Purchase Agreement, dated on the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Class A BPA**"), by and among HASI SYB Trust 2015-1, a Delaware statutory trust (the "**Issuer**"), HA Land Lease Holdings LLC, a Delaware limited liability company (the "**Depositor**"), and the purchasers named therein (collectively, the "**Class A Purchasers**"), the Issuer agreed to issue and sell $100,500,000 principal aggregate amount of 4.283% HASI SYB Trust 2015-1A Class A Bonds (the "**Class A Bonds**") to the Class A Purchasers;

WHEREAS, pursuant to that certain Bond Purchase Agreement, dated on the date hereof (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Class B BPA**"), by and among the Issuer, the Depositor, and HASI OBS OP A LLC, a Maryland limited liability company (the "**Class B Purchaser**" and collectively with the Class A Purchaser, the "**Purchasers**"), the Issuer agreed to issue and sell $18,112,000 principal aggregate amount of 5.00% HASI SYB Trust 2015-1B Class B Bonds (the "**Class B Bonds**" and collectively with the Class A Bonds, the "**Bonds**") to the Class B Purchasers;

WHEREAS, that certain Indenture, dated as of September 30, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the "**Indenture**"), by and among the Issuer, the Indenture Trustee and Hannon Armstrong Capital, LLC, a Maryland limited liability company, as servicer (in such capacity, the "**Servicer**"), sets forth the terms and conditions of the Bonds;

WHEREAS, the Bonds are secured by the Trust Estate (as such term is defined in the Indenture);

WHEREAS, it is a condition precedent to the obligation of (i) the Class A Purchasers under the Class A BPA to purchase the Class A Bonds, and (ii) the Class B Purchasers under the Class B BPA to purchase the Class B Bonds, that the Indemnitor shall have unconditionally guaranteed to the Indenture Trustee for the benefit of the Bondholders the payment and performance of the Indemnity Obligations (as defined below) subject to Section 2.01 of this Agreement;

WHEREAS, the parties hereto are entering into this Agreement in satisfaction of the condition referenced in the immediately preceding recital; and

WHEREAS, the Indemnitor is the indirect owner of all beneficial interests in the Issuer, and the Indemnitor will directly benefit from the Purchasers purchasing the Bonds.

NOW, THEREFORE, as an inducement to the Class A Purchasers to enter into the Class A BPA, and to the Class B Purchasers to enter into the Class B BPA, and to purchase the Bonds, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE 1
DEFINED TERMS

Section 1.01 Defined Terms. Capitalized terms used in this Agreement and not specifically defined in this Agreement have the meaning provided in the Indenture or in the Sale Agreement, as applicable.

ARTICLE 2
NATURE AND SCOPE OF AGREEMENT

Section 2.01 Agreement of Indemnity Obligations. The Indemnitor unconditionally and irrevocably, as a primary obligor and not merely as a surety, indemnifies the Indenture Trustee (for the benefit of the Bondholders), and its successors and assigns for the payment and performance of the Indemnity Obligations (as defined below) as and when the same shall be due and payable. The Indemnitor hereby irrevocably and unconditionally covenants and agrees that it is liable for the Indemnity Obligations as a primary obligor. Notwithstanding anything in this Agreement to the contrary, (a) at no time shall the aggregate liability of the Indemnitor under this Agreement exceed the Outstanding Bond Balance of the Bonds, plus accrued and unpaid Class A Bond Interest and Class B Bond Interest with respect to the Bonds, except in the case of actual damages incurred pursuant to an Environmental Claim against any Bondholder with respect to any Land Lease Asset, (b) in no event shall the Indemnitor be liable for the Issuer's payment obligations on the Bonds, (c) the Indemnitor shall have no liability under this Agreement with respect to any Land Lease Entity or Land Lease Asset that is not subject to the lien of the Indenture at the time any Indemnity Obligation arises, (d) for the avoidance of doubt, it is expressly understood that no waiver of defenses by Indemnitor hereunder shall constitute a waiver of defenses of any of Depositor, Administrator, Servicer, Issuer or any Land Lease Entity (each, a "**Subject Party**", provided that if, at any time, the Servicer or the Administrator is not an affiliate of HASI then such Servicer or Administrator, as applicable, shall not be deemed a Subject Party for purposes of this Agreement), and (e) in no event will Bondholders be entitled to be paid more than once from any source in respect of an Indemnity Obligation and the related underlying loss or obligation. As used herein, (i) "**Environmental Claim**" means any claim, loss or damage incurred or suffered by a Bondholder that relates to or results from the release (or threatened release) of Hazardous Materials on, under or about a Land Lease Asset, (ii) "**Hazardous Materials**" means any petroleum or petroleum products, flammable explosives, radioactive materials, asbestos, asbestos containing materials, polychlorinated biphenyls, and any chemicals or other materials or substances which are defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants" or words of similar import under any Environmental Law and (iii) "**Environmental Law**" means any Law concerning pollution or protection of the environment, natural resources or exposure to Hazardous Material, including those Laws relating to the presence, use, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of Hazardous Material.

Section 2.02 Definition of Indemnity Obligations. As used herein, the term "**Indemnity Obligations**" means any actual loss, damage, cost, expense, liability, claim or other obligation (including the reasonable and documented fees and out-of-pocket disbursements of outside counsel for the Indenture Trustee and/or any Bondholder, including in connection with any investigative, administrative or judicial proceeding commenced or threatened in writing, whether or not the Indenture Trustee or such Bondholder shall be designated a party thereto) incurred by the Indenture Trustee and/or any Bondholder in connection with or arising out of:

(i) Any misrepresentation by any Subject Party made by it in any Transaction Document to which such Subject Party is party;

(ii) (A) fraud (including, without limitation any fraudulent conveyance) or willful misconduct by any Subject Party, (B) failure to disclose a material fact by or on behalf of a Subject Party in connection with the Bonds, (C) theft or misappropriation by any Subject Party, (D) the contravention of any "no petition" clause in the Transaction Documents by a Subject Party, including, but not limited to Section 13.04 of the Indenture and Section 5.22 hereof, (E) Issuer commencing a voluntary case under any Debtor Relief Law, or Issuer consenting to the entry of an order for relief in an involuntary case under any Debtor Relief Law or to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of Issuer or for any substantial part of its property, or to any general assignment for the benefit of creditors and (F) other than as expressly permitted by the Transaction Documents, any transfer of a Land Lease Asset, any interest therein or any proceeds thereof by a Subject Party; and

(iii) any action or inaction by any Subject Party in contravention of a covenant or obligation applicable to such Subject Party under the terms of any Transaction Document to which such Subject Party is party including, without limitation, the failure of Depositor to pay and perform its Repurchase Obligation, as, when and to the extent required pursuant to Section 6.01 of the Sale Agreement; provided, however, that any failure by the Issuer to make any payment when due for principal or interest on the Bonds under the Transaction Documents shall not be an Indemnity Obligation for which the Indemnitor is liable hereunder;

(iv) but, in each case, subject to any cure period permitted under the Transaction Documents.

Section 2.03 Effectiveness of Agreement. This Agreement covers the Indemnity Obligations, whether presently outstanding or arising subsequent to the date hereof.

ARTICLE 3
GENERAL TERMS AND CONDITIONS

Section 3.01 Nature of Agreement. Subject to Section 2.01 and Section 3.17 hereof: (i) this Agreement is an irrevocable, absolute, continuing guaranty of payment (and not a guaranty of collection) of the Indemnity Obligations; (ii) this Agreement may not be revoked by Indemnitor and shall continue to be effective with respect to any Indemnity Obligation existing after any attempted revocation by Indemnitor; and (iii) this Agreement may be enforced by Indenture Trustee on behalf of Bondholders and shall not be discharged by the assignment or negotiation of all or part of the Transaction Documents.

Section 3.02 Indemnity Obligation Not Reduced by Offset The Indemnity Obligations shall not be reduced, discharged or released because or by reason of any existing or future offset, claim or defense of any Subject Party or any other Person against Indenture Trustee and Bondholders or against payment of the Indemnity Obligations, whether such offset, claim or defense arises in connection with the Indemnity Obligations (or the transactions creating the Indemnity Obligations) or otherwise.

Section 3.03 No Duty to Pursue Others. Indenture Trustee has the right to require Indemnitor to pay, comply with and satisfy the Indemnity Obligations under this Agreement, and shall have the right to proceed immediately against Indemnitor with respect thereto. Without limitation of the generality of the foregoing, it shall not be necessary for Indenture Trustee (and Indemnitor hereby waives any rights which Indemnitor may have to require Indenture Trustee on behalf of Bondholders), in order to enforce the Indemnity Obligations against Indemnitor, first to (i) institute suit or exhaust its remedies against any

Subject Party or any other Person or the Trust Estate, in each case, to the extent liable in respect of any loss or obligation underlying the Indemnity Obligations, (ii) enforce Indenture Trustee's and Bondholders' rights against any of the Trust Estate, (iii) join any Subject Party or any others liable on the Indemnity Obligations in any action seeking to enforce this Agreement, (iv) demonstrate that the Trust Estate provides inadequate security for the Bonds, or (v) resort to any other means of obtaining payment of the Indemnity Obligations.

Section 3.04 Payments; Interest on Amounts Payable Hereunder. If all or any part of the Indemnity Obligations shall not be punctually paid when due, whether on demand or otherwise, Indemnitor shall pay, immediately upon demand by Indenture Trustee, and without notice of any kind (which is hereby waived by Indemnitor to the extent permitted by applicable law), in immediately available lawful money of the United States of America, as an addition to the Indemnity Obligations, interest on such Indemnity Obligations (to the extent not paid when due) at a rate per annum of five percent (5.00%) (the "**Default Rate**") until paid in full. Indenture Trustee shall deposit all money received from Indemnitor pursuant to this Agreement into the Collection Account to be disbursed therefrom in accordance with the applicable provisions of the Indenture.

Section 3.05 Enforcement Costs. Indemnitor hereby agrees to pay, on written demand by Indenture Trustee, all costs, fees and expenses incurred by Indenture Trustee in collecting any amount payable under this Agreement or enforcing or protecting its rights under this Agreement, in each case whether or not legal proceedings are commenced. Such costs, fees and expenses shall be in addition to the Indemnity Obligations and shall include, without limitation, reasonable and documented costs, fees and expenses and out-of-pocket disbursements of outside counsel, paralegals and other hired professionals, special servicing fees, if any, court fees, costs incurred in connection with pre-trial, trial and appellate level proceedings (including discovery and expert witnesses), and costs incurred in post-judgment collection efforts or in any bankruptcy proceeding to the extent such costs relate to the Indemnity Obligations or the enforcement of this Agreement, and, in each case, to the extent not included in Indemnity Obligations for which Indemnitor is otherwise liable hereunder. Amounts incurred by Indenture Trustee shall be immediately due and payable, and shall bear interest at the Default Rate from the date of disbursement until paid in full upon Indenture Trustee's demand for payment. This Section 3.05 shall survive the payment of the Indemnity Obligations.

Section 3.06 Cumulative Remedies. Indemnitor acknowledges that, upon the occurrence and during the continuation of an Event of Default, Indenture Trustee is entitled to accelerate the Bonds and exercise all other rights and remedies as have been provided to Indenture Trustee under the other Transaction Documents, by law or in equity, including, without limitation enforcement of this Agreement. All such rights and remedies of Indenture Trustee are cumulative and may be exercised independently, concurrently or successively in Indenture Trustee's sole discretion and as often as occasion therefor shall arise. Indenture Trustee's delay or failure to accelerate the Bonds or exercise any other remedy upon the occurrence of an Event of Default shall not be deemed a waiver of such right or remedy. No partial exercise by Indenture Trustee of any right or remedy will preclude further exercise thereof. Notice or demand given to Indemnitor in any instance will not entitle Indemnitor to notice or demand in similar or other circumstances nor constitute Indenture Trustee's waiver of its right to take any future action in any circumstance without notice or demand. Indenture Trustee may release other security for the Bonds, may release any party liable in respect of any loss or obligation underlying the Indemnity Obligations, may grant extensions, renewals or forbearances with respect thereto, may accept a partial or past due payment or grant other indulgences, or may apply any other security held by it to payment of the Bonds, in each case without prejudice to its rights under this Agreement and without such action being deemed an accord and satisfaction or a reinstatement of the Bonds. Indenture Trustee will not be deemed as a consequence of its delay or failure to act, or any forbearances granted, to have waived or be estopped from exercising any of its rights or remedies.

Section 3.07 Unimpaired Liability. Indemnitor acknowledges and agrees that, to the maximum extent permitted by law, all obligations hereunder are absolute and unconditional under any and all circumstances without regard to the validity, regularity or enforceability of any or all of the Transaction Documents or the existence of any other circumstance which might otherwise constitute a legal or equitable discharge or defense of Indemnitor. Without limiting the foregoing, Indemnitor acknowledges and agrees that its liability hereunder shall in no way be released, terminated, discharged, limited or impaired by reason of any of the following (whether or not Indemnitor has any knowledge or notice thereof):

(a) any Subject Party's or any other Person's lack of authority or lawful right to enter into any of the Transaction Documents or any officers' or representatives' lack of authority or right to enter into Transaction Documents on its behalf, or the obligations to make payments pursuant to the Bonds and the other Transaction Documents being ultra vires;

(b) any modification, supplement, extension, consolidation, restatement, waiver or consent provided by Indenture Trustee with respect to any of the Transaction Documents including, without limitation, the grant of extensions of time for payment or performance;

(c) the failure to record any Transaction Document or to perfect any security interest intended to be provided thereby;

(d) the release, surrender, exchange, subordination, deterioration, waste, loss, impairment or substitution, in whole or in part, of any of the Trust Estate, the failure to protect, secure or insure any of the Trust Estate, the acceptance of additional collateral for the Bonds or the failure of Indenture Trustee or any other party to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of the Trust Estate;

(e) Indenture Trustee's failure to exercise, or delay in exercising, any rights or remedies Indenture Trustee may have under the Transaction Documents or under this Agreement, including but not limited to any neglect, delay, omission, failure or refusal of Indenture Trustee (i) to take or prosecute any action for the collection of any of the Indemnity Obligations, or (ii) to foreclose, or initiate any action to foreclose, or, once commenced, prosecute to completion any action to foreclose upon any of the Trust Estate, or (iii) to take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of any obligation underlying the Indemnity Obligations;

(f) the release of any Subject Party or any other Person now or hereafter party to a Transaction Document from performance, in whole or in part, under any Transaction Document to which each is a party, in each case whether by operation of law, Indenture Trustee's voluntary act, or otherwise;

(g) any bankruptcy, insolvency, reorganization, adjustment, dissolution, liquidation or other like proceeding involving or affecting any Subject Party or any other Person;

(h) the termination or discharge of any Transaction Documents, the exercise of any rights under collateral assignments or the exercise of any power of sale or any foreclosure (judicial or otherwise) or delivery or acceptance of a deed-in-lieu of foreclosure;

(i) other than satisfaction in full of the Indemnity Obligations, the existence of any claim, setoff, counterclaim, defense or other rights which Indemnitor may have against any Subject Party, Indenture Trustee, any Bondholder, or any other Person, whether in connection with the Bonds or any other transaction;

(j) the accuracy or inaccuracy of the representations and warranties made by any Subject Party or any other Person in any of the Transaction Documents;

(k) any adjustment, indulgence, forbearance or compromise that might be granted or given by Indenture Trustee to any Subject Party or any other Person;

(l) any sale, lease or Transfer of any or all of the assets of any Subject Party or any other Person;

(m) the Indemnity Obligations, or any part thereof, exceeding the amount permitted by law or violating any usury law;

(n) other than satisfaction in full of the Indemnity Obligations, any valid defenses, claims or offsets (whether at law, in equity or by agreement) by any Subject Party which render the Bonds or Indemnity Obligations wholly or partially uncollectible from any Subject Party, whether arising in connection with the Transaction Documents or otherwise,

(o) the illegality or unenforceability of, or the inability to collect, any obligations to make payments pursuant to the Bonds and the other Transaction Documents or Indemnity Obligation;

(p) any of the Transaction Documents being irregular or not genuine or authentic; or

(q) any changes (whether directly or indirectly) in the shareholders, partners or members of any Subject Party or the reorganization, merger or consolidation of any Subject Party into or with any other Person.

Section 3.08 Waivers. Indemnitor hereby waives and relinquishes, to the fullest extent permitted by law: (a) all rights or claims of right to cause a marshaling of assets or to cause Indenture Trustee to proceed against any of the Trust Estate before proceeding under this Agreement; (b) all rights and remedies accorded by applicable law to sureties or Indemnitor, except any rights of subrogation and contribution (the exercise of which are subject to the terms of this Agreement); (c) the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought by or against Indemnitor; (d) notice of acceptance of this Agreement and any such other Transaction Document and of any action taken or omitted in reliance hereon; (e) presentment for payment, demand, protest, notice of nonpayment or failure to perform or observe, or any other proof, notice or demand to which it might otherwise be entitled with respect to the Indemnity Obligations; (f) all homestead or exemption rights, rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of the obligations to make payments pursuant to the Bonds and the other Transaction Documents in the event of foreclosure of the Liens created by the Transaction Documents against the Indemnity Obligations and the benefits of any statutes of limitation or repose; (g) any requirement of diligence or promptness on Indenture Trustee's part in the enforcement of its rights under the provisions of this Agreement and any other Transaction Document; (h) any defense based upon an election of remedies by Indenture Trustee, including any election to proceed by judicial or non-judicial foreclosure of any of the Trust Estate, whether real property or personal property security, or by deed in lieu thereof, and whether or not every aspect of any foreclosure sale is commercially reasonable or any election of remedies, including remedies relating to real property or personal property security, which destroys or otherwise impairs the subrogation rights of Indemnitor or for reimbursement, or both.

Section 3.09 Waivers of Notice and Rights of Consent. Indemnitor agrees to the provisions of the Transaction Documents and hereby waives notice of and any rights of consent to (i) any disbursements made pursuant to the Transaction Documents by Indenture Trustee to Issuer, (ii) any amendment or extension of the Transaction Documents, (iii) the execution and delivery by Issuer or Indenture Trustee of any other document or agreement, or of Issuer's execution and delivery of any other documents arising under the Transaction Documents or in connection with the Trust Estate, (iv) the occurrence of any breach by Issuer or an Event of Default, (v) Indenture Trustee's or any Bondholder's transfer or disposition of any interest in the Bonds, the Transaction Documents, the obligations to make payments pursuant to the Bonds and the other Transaction Documents or the Indemnity Obligations, or any part thereof, (vi) the sale or foreclosure (or posting or advertising for sale or foreclosure) of any of the Trust Estate, (vii) any protest, proof of non-payment or default by any Subject Party, (viii) any substitution, subordination, exchange or release of any security or the release of any party primarily or secondarily liable for the payment of the Bonds; or (ix) any other action at any time taken or omitted by Indenture Trustee and, generally, except as required by this Agreement, all demands and notices of every kind in connection with this Agreement, the other Transaction Documents, any documents or agreements evidencing, securing or relating to any obligation underlying the Indemnity Obligations and the Indemnity Obligations. Indemnitor further acknowledges and agrees (*x*) that Indenture Trustee shall not be required to first institute suit or exhaust its remedies against Issuer, or to perfect or enforce its rights against Issuer or any security for the Bonds, and (*y*) that its liability for payment of the Indemnity Obligations to the extent provided herein shall not be affected or impaired by any determination that any security interest or Lien taken by Indenture Trustee to secure the Bonds is invalid or unperfected.

Section 3.10 Indemnitor Bound by Judgment against Subject Parties. Indemnitor agrees that it shall be collaterally estopped from contesting, and shall be bound conclusively in any subsequent action, in any jurisdiction, by the binding and non-appealable judgment in any action by Indenture Trustee against any Subject Party in connection with the Transaction Documents (wherever instituted) as if Indemnitor were a party to such action even if not so joined as a party.

Section 3.11 Certain Consequences of any Subject Party's Bankruptcy.

(a) Any payment made on the Bonds by Issuer, that is required to be refunded by or recovered from Indenture Trustee and Bondholders as a preference or a fraudulent transfer or is otherwise set-aside pursuant to the Bankruptcy Code or under any Debtor Relief Laws shall not be considered as a payment made on the Bonds or under this Agreement. Indemnitor's liability under this Agreement shall continue with respect to any such payment, or be deemed reinstated, with the same effect as if such payment had not been received by Indenture Trustee, notwithstanding any notice of revocation of this Agreement prior to such avoidance or recovery or payment in full of the Bonds, until such time as all periods have expired within which Indenture Trustee and any Bondholder could be required to return any amount paid at any time on account of the Indemnity Obligations.

(b) Until payment in full of the Bonds (including interest accruing after the commencement of a proceeding by or against Issuer under the Bankruptcy Code or any other Debtor Relief Law, notwithstanding any contrary practice, custom or ruling in cases under any applicable Debtor Relief Law generally), Indemnitor agrees not to accept any payment or satisfaction of any kind of indebtedness to Indemnitor of any Subject Party other than in the ordinary course of business (and expressly including as a holder or beneficiary of any Class B Bonds), and hereby assigns such indebtedness to Indenture Trustee to the extent that the amount thereof is not in excess of the Indemnity Obligations, including the right (but not the obligation) to file proof of claim and to vote in any other bankruptcy or insolvency action, including the right to vote on any plan of reorganization, liquidation or other proposal for debt adjustment under federal or state law.

Section 3.12 Subrogation and Contribution. Until Indenture Trustee has received full and indefeasible payment of all amounts due with respect to the Bonds, Indemnitor agrees that no payment by it under this Agreement or any other payment by any other indemnitor or guarantor of any obligations of any Subject Party shall give rise to, and hereby unconditionally and irrevocably subordinates and subrogates to the rights of Bondholders, and waives, releases and abrogates any and all rights it may now or hereafter have under any agreement, at law or in equity (including, without limitation, any law subrogating it to the rights of Indenture Trustee and Bondholders) to assert, (a) any rights of subrogation against any Subject Party or the Trust Estate, or (b) any rights of contribution against any other Person of all or any portion of the amounts due with respect to the Bonds unless and until Indenture Trustee has received full and indefeasible payment of all amounts due with respect to the Bonds. If the deferral of such rights shall be unenforceable for any reason, Indemnitor agrees that (a) its rights of subrogation shall be junior and subordinate to Indenture Trustee's and Bondholders' rights against each Subject Party and the Trust Estate for the Bonds, and (b) its rights of contribution against any other indemnitor, guarantor or Subject Party shall be junior and subordinate to Indenture Trustee's and Bondholders' rights against such Persons.

Section 3.13 Subordination of Subject Parties' Obligations to Indemnitor.

(a) Any indebtedness of any Subject Party to Indemnitor (other than indebtedness evidenced by any Class B Bonds held by or for the benefit of Indemnitor), whether now or hereafter existing, whether direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or liabilities are or may be evidenced by note, contract, open account or otherwise, and irrespective of the person or persons in whose favor such debts or liabilities may, at their inception, have been or may hereafter be created, or the manner in which they have been or may hereafter be acquired by Indemnitor, including, without limitation, all rights and claims of Indemnitor against any Subject Party (arising as a result of subrogation or otherwise) as a result of Indemnitor's payment of all or a portion of the Indemnity Obligations, together with any interest thereon (any such claim individually a "**Indemnitor Claim**" and collectively, the "**Indemnitor Claims**"), shall be and hereby is deferred, postponed and subordinated to the prior, indefeasible payment in full of all amounts due with respect to the Bonds. Further, Indemnitor agrees that should it receive any payment, satisfaction or security for any Indemnitor Claim, the same shall be delivered to Indenture Trustee in the form received (endorsed or assigned as may be appropriate) for application on account of, or as security for, the Bonds and until so delivered to Indenture Trustee, shall be held in trust for Indenture Trustee as security for the Bonds.

(b) In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving Indemnitor as debtor, Indenture Trustee shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Indemnitor Claims. Indemnitor hereby assigns such dividends and payments to Indenture Trustee. Should Indenture Trustee receive, for application against the Indemnity Obligations, any dividend or payment which is otherwise payable to Indemnitor and which, as between any Subject Party and Indemnitor, shall constitute a credit against Indemnitor Claims, then, upon payment to Indenture Trustee in full of the Indemnity Obligations, Indemnitor shall become subrogated to the rights of Indenture Trustee to the extent that such payments to Indenture Trustee on Indemnitor Claims have contributed toward the liquidation of the Indemnity Obligations, and such subrogation shall be with respect to that proportion of the Indemnity Obligations which would have been unpaid if Indenture Trustee had not received dividends or payments upon Indemnitor Claims.

(c) Indemnitor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon any Subject Party's assets securing payment of Indemnitor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon any Subject Party's assets securing payment of the Indemnity Obligations, regardless of whether such encumbrances in favor of Indemnitor or Indenture Trustee presently exist or are hereafter created or attach. Without the prior written consent of Indenture Trustee, Indemnitor shall not, for so long as any amounts due with respect to the Bonds have not been indefeasibly paid in full, (i) exercise or enforce any creditor's right it may have against Issuer or any Subject Party, or (ii) foreclose, repossess, sequester or otherwise take steps or institute any action or proceedings judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any liens, mortgage, deeds of trust, security interests, collateral rights, judgments or other encumbrances on assets of Issuer or any other Subject Party held by Indemnitor.

Section 3.14 [Reserved].

Section 3.15 Financial Reports, Inspection of Records. Indemnitor agrees to furnish to Indenture Trustee:

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Indemnitor after the date hereof, a consolidated balance sheet of Indemnitor and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification, exception or explanatory paragraph; and

(b) as soon as available, but in any event within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of Indemnitor ending after the date hereof, a consolidated balance sheet of Indemnitor and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations and cash flows for such fiscal quarter and for the portion of the fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by an Authorized Officer of the Indemnitor as fairly presenting in all material respects the financial condition, results of operations and cash flows of Indemnitor and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

Notwithstanding anything in this Section 3.15 to the contrary, (i) if Indemnitor files with the SEC an annual report for the Indemnitor on Form 10-K for any fiscal year, within 120 days after the end of such fiscal year, and substantially simultaneously therewith posts such Form 10-K to the Indemnitor's website located at http://www.hannonarmstrong.com, such filing and posting shall satisfy all requirements of paragraph (a) of this Section 3.15 with respect to such fiscal year to the extent that such Form 10-K contains the information and report and opinion required by such paragraph (a) and such report and opinion does not contain any "going concern" or like qualification, exception or explanatory

paragraph or any qualification, exception or explanatory paragraph as to the scope of the audit and (ii) if Indemnitor files with the SEC a quarterly report for the Indemnitor on Form 10Q for any fiscal quarter, within forty five (45) days after the end of such fiscal quarter, and substantially simultaneously therewith posts such Form 10-Q to the Indemnitor's website located at http://www.hannonarmstrong.com, such filing and posting shall satisfy all requirements of paragraph (b) of this Section 3.15 with respect to such fiscal quarter to the extent that it contains the information required by such paragraph (b); in each case to the extent that information contained in such Form 10-K or Form 10-Q satisfies the requirements of paragraphs (a) or (b) of this Section 3.15, as the case may be.

Section 3.16 No Reliance. Indemnitor agrees and acknowledges that it (i) is not entering into this Agreement in reliance on, or in contemplation of the benefits of, the validity, enforceability, ability to collect or value of the Trust Estate; (ii) may be required to pay the Indemnity Obligations in full without assistance or support of any other party, and (iii) has not been induced to enter into this Agreement on the basis of a contemplation, belief, understanding or agreement that other parties will be liable to pay the Indemnity Obligations, or that Indenture Trustee will look to other parties to pay or perform the Indemnity Obligations.

Section 3.17 Termination of Agreement. Subject to Section 2.01 and Section 3.11(a) hereof, this Agreement shall be automatically discharged as of the date on which all amounts due with respect to the Bonds have been indefeasibly paid in full, and each and every obligation to be performed by the Subject Parties pursuant to the Transaction Documents shall have been performed or waived to Indenture Trustee's satisfaction in its discretion.

Section 3.18 Liability of Issuer. Indemnitor's execution hereof shall not limit or modify the liability of the Issuer under the Bonds and the other Transaction Documents to which it is a party.

Section 3.19 No Waiver by Indenture Trustee. Notwithstanding anything to the contrary in this Agreement or any of the other Transaction Documents, Indenture Trustee shall not be deemed to have waived any right which Indenture Trustee may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code to file a claim for the full amount of the amounts due with respect to the Bonds or to require that all collateral shall continue to secure all of the amounts due with respect to the Bonds in accordance with the Transaction Documents.

ARTICLE 4
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.01 Indemnitor Due Diligence and Benefit. Indemnitor represents and warrants to Indenture Trustee on behalf of Bondholders that (a) the Bonds and this Agreement are for commercial purposes, (b) Indemnitor has had adequate opportunity to review the Transaction Documents, (c) Indemnitor is fully aware of obligations of Issuer under the Transaction Documents to which it is a party and of the financial condition, assets and prospects of Issuer, and (d) Indemnitor is executing and delivering this Agreement based solely upon Indemnitor's own independent investigation of the matters contemplated by clauses (a) through (c) above and in no part upon any representation, warranty or statement of Indenture Trustee with respect thereto.

Section 4.02 General. Indemnitor represents and warrants to Indenture Trustee and Bondholders, on the date hereof, that:

(a) Organization and Good Standing. Indemnitor has been duly organized and is validly existing and in good standing under the laws of the state of Maryland, with the corporate power and authority to own its properties as such properties are currently owned, to conduct its

business as such business is now conducted by it and to execute, deliver and perform this Agreement, and is duly qualified or licensed to do business in each jurisdiction in which the ownership or lease of property or the conduct of its business shall require such qualification to the extent that failure to do so would not reasonably be expected to result in any material adverse change in the business, properties, other assets or financial condition of the Indemnitor, and has the requisite corporate power and authority to enter into and deliver this Agreement, and the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action on the part of the Indemnitor.

(b) Binding Obligation. This Agreement, when duly executed and delivered by the Indemnitor and the other parties thereto, will be the legal, valid and binding obligation of the Indemnitor, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally and by general principles of equity.

(c) No Violation. The execution, delivery and performance by the Indemnitor of this Agreement does not: (i) violate the organizational documents of the Indemnitor, or result in a default under any material indenture, agreement or other instrument to which Indemnitor is a party or by which it is bound; or (ii) violate any existing law or any existing order, rule or regulation applicable to the Indemnitor of any federal or state court or regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Indemnitor or its properties.

(d) No Proceedings. There is no action, suit or proceeding, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "**Action**") pending with respect to which the Indemnitor has been served with process or, to the actual knowledge of the officers of Indemnitor, threatened, which Action (i) seeks to prohibit, restrain or enjoin any of the transactions contemplated by the Transaction Documents or (ii) would reasonably be expected to result in any material adverse change in the business, properties, other assets or financial condition of the Indemnitor.

(e) No Authorization. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery or performance by Indemnitor of this Agreement remains unobtained or unfiled or unrecorded. Indemnitor is in compliance, in all material respects, with the requirements of all applicable laws, rules, regulations, and orders of all Governmental Authorities.

(f) Consideration. Indemnitor indirectly owns all of the beneficial interest in Issuer and will derive substantial benefit from the sale of the Bonds to the Purchasers.

(g) Financial Condition. Indemnitor is now solvent and will not be rendered insolvent by providing this Agreement. The consolidated financial statements of Indemnitor previously filed with the SEC in its quarterly report on Form 10Q for the quarterly period ended June 30, 2015, and posted to the Indemnitor's website located at http://www.hannonarmstrong.com, are true, complete and correct in all material respects, disclose all actual and contingent liabilities, fairly present the financial condition of Indemnitor and its consolidated subsidiaries as of the date thereof. No material adverse change has occurred in the financial condition of Indemnitor and its consolidated subsidiaries, as a whole, since the date of such consolidated financial statements described in this Section 4.02(g), other than as has been disclosed in writing to Indenture Trustee and acknowledged in writing by Indenture Trustee.

ARTICLE 5
MISCELLANEOUS

Section 5.01 Notices. All notices, consents, approvals, requests, or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person, (ii) upon delivery, if sent by email with a confirmation of receipt by the recipient, (iii) one (1) Business Day after having been deposited for overnight delivery with any reputable overnight courier service, or (iv) three (3) Business Days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the addresses set forth below in this Section 5.01 or as such party may from time to time designate by written notice to the other parties. Either party by notice to the other in the manner provided herein may designate additional or different addresses for subsequent notices or communications. Any notice to legal counsel or Person other than the primary addressee for Indemnitor or Indenture Trustee below shall be a courtesy copy only and shall not affect the timeliness or effectiveness of delivery to Indemnitor or Indenture Trustee.

To Indemnitor:	Hannon Armstrong Sustainable Infrastructure Capital, Inc. 1906 Towne Centre Blvd. Ste. 370 Annapolis, MD 21401 Attn: General Counsel Email: Generalcounsel@hannonarmstrong.com
To Indenture Trustee:	The Bank of New York Mellon 101 Barclay Street, Floor 7W East New York, New York 10286 Attention: Asset Backed Securities Unit Tel: (212) 815-8159

Section 5.02 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable in whole or in part, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision (or portion thereof) had never comprised a part hereof; the remaining provisions hereof shall remain in full effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom; and in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible to be legal, valid and enforceable.

Section 5.03 Time of the Essence. Time is of the essence with respect to this Agreement and the performance and observance by Indemnitor of each covenant, agreement, provision and term of this Agreement.

Section 5.04 Successors and Assigns. This Agreement shall be binding upon Indemnitor and its successors and assigns, and shall inure to Indenture Trustee and its successors and assigns; provided, however, that Indemnitor may not assign or transfer its rights hereunder or any interest herein or delegate its duties hereunder.

Section 5.05 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION HEREWITH. THIS WAIVER

OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY EACH PARTY AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE.

Section 5.06 GOVERNING LAW. IN VIEW OF THE FACT THAT BONDHOLDERS ARE EXPECTED TO RESIDE IN MANY STATES AND THE DESIRE TO ESTABLISH WITH CERTAINTY THAT THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAW OF A STATE HAVING A WELL-DEVELOPED BODY OF COMMERCIAL AND FINANCIAL LAW RELEVANT TO TRANSACTIONS OF THE TYPE CONTEMPLATED HEREIN, THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 5.07 Jurisdiction and Venue.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS GENERALLY AND UNCONDITIONALLY TO THE NON-EXCLUSIVE JURISDICTION OF ANY LOCAL COURT, OR ANY UNITED STATES FEDERAL COURT, SITTING IN OR HAVING JURISDICTION FOR THE COUNTY OF NEW YORK, STATE OF NEW YORK, OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT SUCH PARTY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN ANY SUCH COURT AND ANY CLAIM THAT ANY SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF INDENTURE TRUSTEE TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR LIMIT THE RIGHT OF INDENTURE TRUSTEE TO BRING PROCEEDINGS AGAINST INDEMNITOR IN ANY OTHER COURT OR JURISDICTION THAT INDENTURE TRUSTEE MAY ELECT IN ITS SOLE AND ABSOLUTE DISCRETION, AND INDEMNITOR WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND INDEMNITOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.

(b) EACH OF THE PARTIES HERETO WAIVES PERSONAL SERVICE OF PROCESS AND IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 5.01 HEREOF. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 5.08 Waivers. INDEMNITOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM, AND HEREBY WAIVES ANY CLAIM, AGAINST INDENTURE TRUSTEE OR ANY BONDHOLDER INDEMNIFIED UNDER, OR BENEFITING FROM, THIS AGREEMENT ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES. INDEMNITOR EXPRESSLY AND UNCONDITIONALLY WAIVES, IN CONNECTION WITH ANY SUIT, ACTION OR PROCEEDING BROUGHT BY INDENTURE TRUSTEE ON BEHALF OF BONDHOLDERS PURSUANT TO THIS AGREEMENT, ANY AND EVERY RIGHT IT MAY HAVE TO (A) INTERPOSE ANY COUNTERCLAIM THEREIN UNLESS UNDER THE APPLICABLE RULES OF COURT OR APPLICABLE LAW SUCH COUNTERCLAIM

MUST BE ASSERTED IN SUCH PROCEEDING, OR (B) HAVE THE SAME CONSOLIDATED WITH ANY OTHER OR SEPARATE SUIT, ACTION OR PROCEEDING UNLESS UNDER THE APPLICABLE RULES OF COURT OR APPLICABLE LAW SUCH SUIT, ACTION OR PROCEEDING MUST BE CONSOLIDATED WITH THE PROCEEDING BROUGHT BY INDENTURE TRUSTEE ON BEHALF OF BONDHOLDERS.

Section 5.09 Release. INDEMNITOR HEREBY ACKNOWLEDGES AND AGREES THAT AS OF THE DATE HEREOF IT HAS NO DEFENSE, COUNTERCLAIM, OFFSET, CROSS-COMPLAINT, CLAIM OR DEMAND OF ANY KIND OR NATURE WHATSOEVER THAT CAN BE ASSERTED TO REDUCE OR ELIMINATE ALL OR ANY PART OF ITS LIABILITY FOR THE INDEMNITY OBLIGATIONS (IF PAYABLE BY INDEMNITOR SUBJECT TO THE TERMS HEREOF) OR TO SEEK AFFIRMATIVE RELIEF OR DAMAGES OF ANY KIND OR NATURE FROM INDENTURE TRUSTEE OR ANY BONDHOLDER. TO THE EXTENT PERMITTED BY APPLICABLE LAW, INDEMNITOR HEREBY VOLUNTARILY AND KNOWINGLY RELEASES AND FOREVER DISCHARGES INDENTURE TRUSTEE, EACH BONDHOLDER AND EACH OF THEIR RESPECTIVE PREDECESSORS, AGENTS, EMPLOYEES, AFFILIATES, ATTORNEYS, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "**RELEASED PARTIES**") FROM ALL CLAIMS WHATSOEVER THAT ACCRUED ON OR BEFORE THE DATE THIS AGREEMENT IS EXECUTED, THAT INDEMNITOR MAY NOW OR HEREAFTER HAVE AGAINST THE RELEASED PARTIES (IF ANY), WHETHER KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT OR CONDITIONAL, OR AT LAW OR IN EQUITY, IRRESPECTIVE OF WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS, OR OTHERWISE, AND THAT ARISE FROM THE BONDS, AND/OR THE NEGOTIATION FOR AND EXECUTION OF THIS AGREEMENT, INCLUDING ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE. NOTWITHSTANDING THE FOREGOING, INDEMNITOR DOES NOT RELEASE OR DISCHARGE ANY RELEASED PARTY FROM ANY CLAIM BASED ON, ARISING OUT OF OR RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY RELEASED PARTY. INDEMNITOR ACKNOWLEDGES THAT THE FOREGOING RELEASE IS A MATERIAL INDUCEMENT TO INDENTURE TRUSTEE AND BONDHOLDERS' DECISION TO EXTEND TO ISSUER THE FINANCIAL ACCOMMODATIONS UNDER THE TRANSACTION DOCUMENTS AND HAS BEEN RELIED UPON BY INDENTURE TRUSTEE AND BONDHOLDERS IN AGREEING TO PURCHASE THE BONDS. INDEMNITOR HEREBY FURTHER SPECIFICALLY WAIVES ANY RIGHTS THAT IT MAY HAVE UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE (TO THE EXTENT APPLICABLE), WHICH PROVIDES AS FOLLOWS: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED ITS SETTLEMENT WITH THE DEBTOR," AND FURTHER WAIVES ANY SIMILAR RIGHTS UNDER APPLICABLE LAWS.

Section 5.10 Entire Agreement. This Agreement embodies the entire agreement and understanding among Indenture Trustee and Indemnitor with respect to the subject matter hereof and supersedes all prior agreements and understandings between such parties relating to the subject matter hereof. Accordingly, this Agreement may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 5.11 Phrases. When used in this Agreement, the phrase "including" (or a word of similar import) shall mean "including, but not limited to," the phrase "satisfactory to Indenture Trustee" shall mean "in form and substance satisfactory to Indenture Trustee in all respects," the phrase "with

Indenture Trustee's consent" or "with Indenture Trustee's approval" shall mean such consent or approval at Indenture Trustee's discretion, and the phrase "acceptable to Indenture Trustee" shall mean "acceptable to Indenture Trustee at Indenture Trustee's discretion", except as provided otherwise herein (i.e., where Indenture Trustee's "reasonable" approval, discretion or acceptance is required). Wherever the context of this Agreement may so require, the gender shall include the masculine, feminine and neuter, and the singular shall include the plural and vice versa. This Agreement shall be construed as though drafted by all of the parties hereto and shall not be construed against or in favor of any party.

Section 5.12 Titles of Articles, Sections and Subsections. All titles or headings to articles, sections, subsections or other divisions of this Agreement or the exhibits hereto are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other content of such articles, sections, subsections or other divisions, such other content being controlling as to the agreement between Indemnitor and Indenture Trustee.

Section 5.13 Survival. Subject to Section 2.01, all of the representations, warranties, covenants, and indemnities hereunder, and any modification or amendment hereof, shall survive the sale of the Bonds, shall not be deemed to have merged herein, and shall remain as continuing representations, warranties, covenants, and indemnities until the date on which the Indemnity Obligations have been indefeasibly paid in full and each and every obligation to be performed by Issuer pursuant to the Transaction Documents to which it is a party shall have been performed to Indenture Trustee's satisfaction in its discretion.

Section 5.14 Representation by Legal Counsel. Indemnitor acknowledges that it has been advised by Indenture Trustee to seek the advice of legal counsel in connection with the negotiation and preparation of this Agreement. If Indemnitor has chosen not to obtain legal representation, whether due to cost considerations or for other reasons, the lack of such representation shall not furnish Indemnitor with any defense to the enforcement of Indenture Trustee's rights hereunder.

Section 5.15 Injunctive Relief. Indemnitor recognizes that in the event Indemnitor fails to perform, observe or discharge any of its obligations hereunder beyond applicable notice and cure periods, no remedy of law will provide adequate relief to Indenture Trustee and Bondholders, and agrees that Indenture Trustee shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

Section 5.16 Modification. This Agreement shall not be modified, supplemented, or terminated, nor any provision hereof waived, except by a written instrument signed by the parties hereto, and then only to the extent expressly set forth in such writing.

Section 5.17 Duplicate Originals. This Agreement may be executed in any number of duplicate originals, and each duplicate original shall be deemed to be an original. Receipt of an executed signature page to this Agreement by facsimile, portable document format (.pdf), attachment to an email, or other electronic transmission shall constitute effective delivery thereof.

Section 5.18 Recitals. The recital and introductory paragraphs hereof are a part hereof, form a basis for this Agreement and shall be considered prima facie evidence of the facts and documents referred to therein.

Section 5.19 Reliance. Indenture Trustee would not agree to administer and Bondholders would not purchase the Bonds from Issuer without this Agreement. Accordingly, Indemnitor intentionally and unconditionally enters into the covenants and agreements herein and understands that, in reliance upon and in consideration of such covenants and agreements, the Bonds shall be purchased by the Bondholders and, as part and parcel thereof, specific monetary and other obligations have been, are being and shall be entered into which would not be made or entered into but for such reliance.

Section 5.20 Waiver of Bankruptcy Stay. Indemnitor covenants and agrees that upon the commencement of a voluntary or involuntary Bankruptcy Proceeding by or against Indemnitor, Indemnitor shall not seek a supplemental stay or otherwise pursuant to 11 U.S.C. § 105 or any other provision of the Bankruptcy Code or any other Debtor Relief Law, to stay, interdict, condition, reduce or inhibit the ability of Indenture Trustee to enforce any rights of Indenture Trustee on behalf of Bondholders against Indemnitor by virtue of this Agreement or otherwise.

Section 5.21 Further Assurances. Indemnitor shall, upon request by the Indenture Trustee, execute, with acknowledgment or affidavit if required, and deliver, any and all documents and instruments reasonably required to effectuate the provisions hereof.

Section 5.22 No Petition. Notwithstanding any prior termination of this Agreement, the Indemnitor agrees that it shall not, for a period of one year and one day after the termination of this Agreement, acquiesce, petition or otherwise invoke the process of any court or government authority for the purpose of commencing or sustaining a case against the Issuer or any Land Lease Entity under any federal or state bankruptcy, insolvency or similar law or appointing a receiver, liquidator, custodian, sequestrator or other similar official of the Issuer or any Land Lease Entity or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Issuer or any Land Lease Entity.

Section 5.23 Patriot Act. Indemnitor acknowledges by executing this Agreement that Indenture Trustee has notified Indemnitor that, pursuant to the requirements of the Patriot Act, Indenture Trustee is required to obtain, verify and record such information as may be necessary to identify Indemnitor including, without limitation, the name and address of Indemnitor in accordance with the Patriot Act.

[*Remainder of page intentionally blank; signature page follows*.]

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first above written.

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC., a Maryland corporation

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: President and Chief Executive Officer

EXHIBIT 31.1
CERTIFICATIONS

I, Jeffrey W. Eckel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2015

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: Chairman, Chief Executive Officer and President

EXHIBIT 31.2
CERTIFICATIONS

I, J. Brendan Herron, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2015

By: /s/ J. Brendan Herron
Name: J. Brendan Herron
Title: Chief Financial Officer and Executive Vice President

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002, 10 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (the "Company") for the period ended September 30, 2015 to be filed with the Securities and Exchange Commission on or about the date hereof (the "report"), I, Jeffrey W. Eckel, Chief Executive Officer and President of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

Date: November 4, 2015

By: /s/ Jeffrey W. Eckel
Name: Jeffrey W. Eckel
Title: Chairman, Chief Executive Officer and President

EXHIBIT 32.2

CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002, 10 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Hannon Armstrong Sustainable Infrastructure Capital, Inc. (the "Company") for the period ended September 30, 2015 to be filed with the Securities and Exchange Commission on or about the date hereof (the "report"), I, J. Brendan Herron, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

Date: November 4, 2015

By: /s/ J. Brendan Herron
Name: J. Brendan Herron
Title: Chief Financial Officer and Executive Vice President