HA Sustainable Infrastructure Capital (HASI)

Updated November 21st, 2025 by Nikolaos Sismanis

Key Metrics

Current Price:	$33	**5 Year Annual Expected Total Return:**	8.6%	**Market Cap:**	$4.18 B
Fair Value Price:	$25	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	12/29/2025
% Fair Value:	129%	**5 Year Valuation Multiple Estimate:**	-5.0%	**Dividend Payment Date:**	01/09/2026
Dividend Yield:	5.1%	**5 Year Price Target**	$39	**Years Of Dividend Growth:**	7
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

HA Sustainable Infrastructure Capital is a U.S. public company focused on climate change solutions, investing in energy efficiency, renewable energy, and sustainable infrastructure. The company's $15.0 billion portfolio is concentrated in Residential Solar & Storage (31%), Grid-Connected Solar & Storage (21%), Onshore Wind (16%), and Fuels, Transport & Nature (14%), with the remainder in Community Solar (8%), C&I (6%), Public Sector (3%), and Other (1%), reflecting a balanced mix across distributed, utility-scale, and decarbonization assets. The company is based in Annapolis, Maryland. In December 2023, Hannon Armstrong's Board approved a plan to revoke its Real Estate REIT election and become a taxable C-Corporation, effective January 1st, 2024.

On November 6th 2025, HAS reported its Q3 2025 results for the period ended September 30th, 2025 For the quarter, total revenues rose to approximately $103.1 million, representing a solid increase from roughly $82.0 million a year earlier. Adjusted EPS for Q3 2025 came in at $0.80, up significantly from $0.52 in Q3 2024. Meanwhile, GAAP EPS of $0.61 compared with a loss of $0.17 in the prior-year quarter.

Driving the improved bottom-line performance was adjusted recurring net investment income of about $105 million, up approximately 42% year-over-year. The gain on sale of assets also increased to approximately $24.9 million, from about $7.7 million a year ago.

HASI remained active on the investment front, announcing a new $1.2 billion investment in a 2.6 gigawatt utility-scale renewable project, underlining the company's execution in large-scale sustainable infrastructure. Managed assets grew to about $15.0 billion, up roughly 15% year-over-year, providing further evidence of scalable growth.

On the outlook front, management reaffirmed its long-term target of achieving an 8-10% compound annual growth rate (CAGR) in adjusted EPS through 2027 (from its 2023 baseline), and reiterated confidence in its robust pipeline of over $6.0 billion in asset opportunities. We expect AEPS of $2.67 for the year, implying a year-over-year growth of 9%.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
AEPS[1]	$0.21	$0.32	$0.57	$0.75	$1.40	$1.55	$1.88	$2.08	$2.23	$2.45	***$2.67***	***$4.11***
DPS	$1.08	$1.23	$1.32	$1.32	$1.34	$1.36	$1.40	$1.50	$1.58	$1.66	***$1.68***	***$2.36***
Shares[2]	30.8	40.3	50.4	52.8	63.9	72.4	80.0	87.5	101.8	115.5	***139.6***	***200.0***

HASI's AEPS has been growing rapidly, in line with its asset portfolio. We expect the company to keep taking advantage of the cheap financing available for green assets to maintain this growth. We have applied an AEPS growth rate of 9% through 2030, in line with management's AEPS growth guidance midpoint of 9% through 2027 due to strong investment yields produced by the company's assets. We retain our dividend growth estimate of 7%, which reflects management's target of a payout ratio between 55% and 60%.

[1]Adjusted (formerly distributable) earnings per share

[2] Share count is in millions.

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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/AEPS	90.4	65.6	42.1	24.6	20	15.9	29.2	16.3	12.00	11.2	***12.3***	***9.5***
Avg. Yld.	6.3%	5.7%	6.0%	6.6%	4.6%	4.6%	2.6%	4.4%	5.9%	6.1%	***5.1%***	***6.0%***

HASI's historical P/E ratio reflects the market's expectations for the company's rapid AEPS growth, hence the prolonged premium. We have set our fair P/AEPS multiple at 9.5, which reflects both the higher equity risk premium investors ought to require from a YieldCo in the current environment and the company's growth prospects. Thus, at a P/AEPS of 12.3, we believe that HASI is slightly overvalued. The stock features a yield of 5.1%, which income investors are likely to appreciate, considering the bold dividend growth guidance.

Safety, Quality, Competitive Advantage, & Recession Resiliency

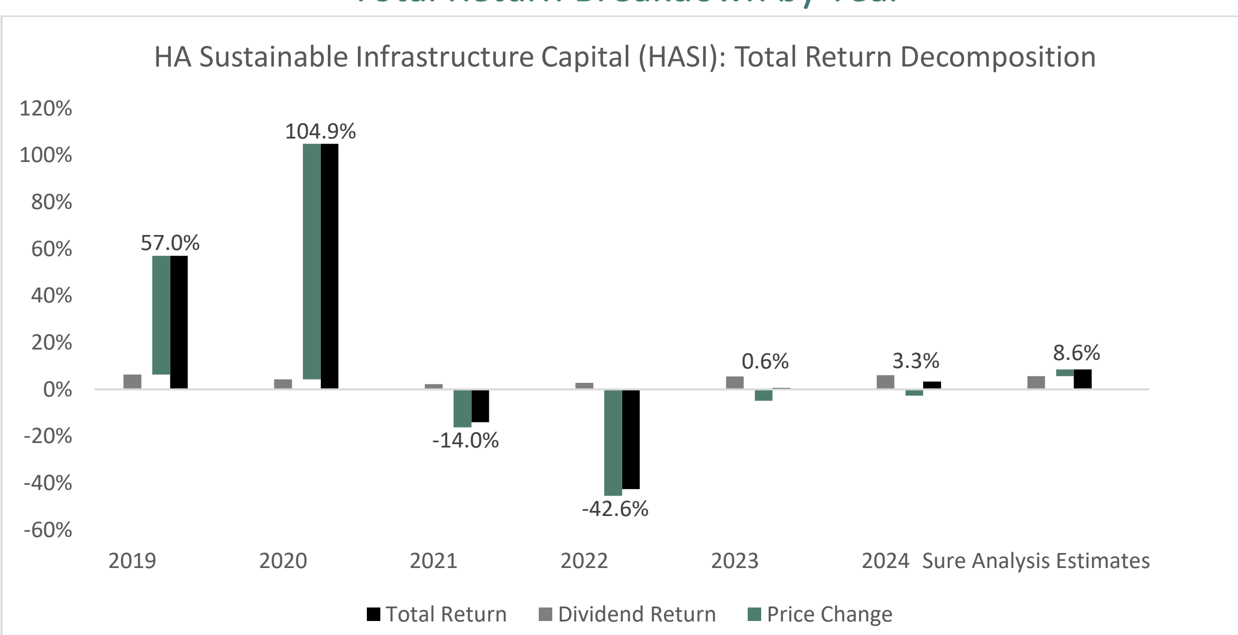
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	514%	384%	232%	176%	96%	88%	74%	72%	71%	68%	***63%***	***57%***

HASI maintains a solid footing by focusing on long-term, contract-based investments in renewable energy and energy efficiency projects, often backed by creditworthy counterparties. These contractual agreements create relatively predictable cash flows, helping to insulate HASI from broader market volatility. Although rising interest rates can affect financing costs, the company's diversified portfolio and active risk management have historically supported a stable dividend. The environmental, social, and governance (ESG) theme has lost traction globally lately. Still, HASI's emphasis on climate solutions remains quite relevant, in line with its notable opportunity backlog. We believe the dividend is set to remain well-covered, especially given management's forward-looking guidance.

Final Thoughts & Recommendation

Despite its small market cap, HASI is one of the leading diversified renewable energy asset operators. Management has proven its skills in rapidly growing HASI's infrastructure portfolio while its backlog stands at an all-time high. We now forecast annualized returns of 8.6% through 2030, powered by the stock's 5.1% yield, our adjusted EPS and DPS growth estimates, offset by the possibility of a very soft valuation headwind. Shares earn a hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	32.2	42.1	62.8	84.7	141.5	142.7	218	155.5	290	389
SG&A Exp.	7.3	8.3	11.2	15.1	14.7	14.9	20	30	31	33
D&A Exp.	4.0	7.7	3.6	4.5	3.6	3.6	3.8	4	3	1
Net Profit	8.0	14.7	30.9	41.6	81.6	82.4	127	41.5	149	200
Net Margin	24.7%	34.8%	49.1%	49.1%	57.6%	57.7%	58.3%	26.7%	51.4%	51.4%
Free Cash Flow	18.5	56.9	11.7	58.8	29.5	72.3	13.3	0.2	100	5.9
Income Tax	0.1	0.1	0.9	2.1	8.1	-2.8	17.2	7.4	32	70

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	32.2	42.1	62.8	84.7	141.5	3459	4148	4760	6552	7080
Cash & Equivalents	7.3	8.3	11.2	15.1	14.7	286.3	226	156	63	130
Total Liab.	4.0	7.7	3.6	4.5	3.6	2249	2582	3095	4411	4,675
Accounts Payable	8.0	14.7	30.9	41.6	81.6	59.9	---	---	---	276
Long-Term Debt	635	911	975	1428	1242	1393	2189	2493	4247	4400
Total Equity	18.5	56.9	11.7	58.8	29.5	1203	1545	1629	2092	1883
LTD/E Ratio	0.1	0.1	0.9	2.1	8.1	1.8	1.61	1.83	2030	1.88

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	0.6%	0.9%	1.5%	1.9%	3.6%	2.8%	3.3%	0.9%	2.6%	2.9%
Return on Equity	2.3%	2.9%	5.1%	5.8%	9.4%	7.7%	9.2%	2.6%	7.8%	8.8%
ROIC	0.7%	1.0%	1.7%	2.0%	3.7%	2.9%	3.4%	1.0%	2.7%	3.0%
Shares Out.	30.8	40.3	50.4	52.8	64.8	74.4	87.7	90.6	109.5	130.5
Revenue/Share	1.05	1.04	1.25	1.60	2.18	1.92	2.49	1.72	2.65	2.98
FCF/Share	0.60	1.41	0.23	1.11	0.46	0.99	0.15	0.00	0.91	0.04

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.