

American Homes 4 Rent
Form 10-Q
August 10, 2015
[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 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 _____

AMERICAN HOMES 4 RENT

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

46-1229660
(I.R.S. Employer
Identification No.)

30601 Agoura Road, Suite 200

Agoura Hills, California 91301

(Address of principal executive offices) (Zip Code)

(805) 413-5300

(Registrant's telephone number, including area code)

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

Smaller reporting company

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(Do not check if a 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

There were 210,852,089 Class A common shares of beneficial interest, \$0.01 par value per share, and 635,075 Class B common shares of beneficial interest, \$0.01 par value per share, outstanding on August 5, 2015.

Table of Contents

American Homes 4 Rent

Form 10-Q

INDEX

	Page
<u>PART I</u> <u>FINANCIAL INFORMATION</u>	
<u>Item 1.</u> <u>Financial Statements</u>	1
<u>Item 2.</u> <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	16
<u>Item 3.</u> <u>Quantitative and Qualitative Disclosures About Market Risk</u>	29
<u>Item 4.</u> <u>Controls and Procedures</u>	29
<u>PART II</u> <u>OTHER INFORMATION</u>	
<u>Item 1.</u> <u>Legal Proceedings</u>	30
<u>Item 1A.</u> <u>Risk Factors</u>	30
<u>Item 2.</u> <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	30
<u>Item 3.</u> <u>Defaults Upon Senior Securities</u>	30
<u>Item 4.</u> <u>Mine Safety Disclosures</u>	30
<u>Item 5.</u> <u>Other Information</u>	30
<u>Item 6.</u> <u>Exhibits</u>	30
<u>Signatures</u>	31
<u>Exhibit Index</u>	

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Various statements contained in this Quarterly Report on Form 10-Q of American Homes 4 Rent (the Company, we, our and us), including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements. These forward-looking statements may include projections and estimates concerning the timing and success of specific projects and our future revenues, income and capital spending. Our forward-looking statements are generally accompanied by words such as estimate, project, predict, believe, expect, intend, anticipate, potential, plan, goal or other words that convey the uncertainty of future events or outcomes. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These and other important factors, including those discussed or incorporated by reference under Part II, Item 1A. Risk Factors, Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this report and in our Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission, may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements.

While forward-looking statements reflect our good faith beliefs, assumptions and expectations, they are not guarantees of future performance, and you should not unduly rely on them. The forward-looking statements in this Quarterly Report on Form 10-Q speak only as of the date of this report. We are not obligated to update or revise these statements as a result of new information, future events or otherwise, unless required by applicable law.

Table of Contents

PART I
FINANCIAL INFORMATION

Item 1. Financial Statements.

American Homes 4 Rent

Condensed Consolidated Balance Sheets

(Amounts in thousands, except share and per share data)

	June 30, 2015 (Unaudited)	December 31, 2014
Assets		
Single-family properties:		
Land	\$ 1,192,335	\$ 1,104,409
Buildings and improvements	5,263,599	4,808,706
Single-family properties held for sale	6,387	3,818
	6,462,321	5,916,933
Less: accumulated depreciation	(300,173)	(206,262)
Single-family properties, net	6,162,148	5,710,671
Cash and cash equivalents	90,657	108,787
Restricted cash	94,837	77,198
Rent and other receivables, net	12,184	11,009
Escrow deposits, prepaid expenses and other assets	118,516	118,783
Deferred costs and other intangibles, net	62,299	54,582
Asset-backed securitization certificates	25,666	25,666
Goodwill	120,655	120,655
Total assets	\$ 6,686,962	\$ 6,227,351
Liabilities		
Credit facility	\$ 177,000	\$ 207,000
Asset-backed securitizations	2,063,663	1,519,390
Secured note payable	51,200	51,644
Accounts payable and accrued expenses	158,037	149,706
Amounts payable to affiliates	1,863	
Contingently convertible Series E units liability	68,076	72,057
Preferred shares derivative liability	57,260	57,960
Total liabilities	2,577,099	2,057,757
Commitments and contingencies		
Equity		
Shareholders' equity:		
Class A common shares, \$0.01 par value per share, 450,000,000 shares authorized, 210,852,089 and 210,838,831 shares issued and outstanding at June 30, 2015, and December 31, 2014, respectively	2,108	2,108

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Class B common shares, \$0.01 par value per share, 50,000,000 shares authorized, 635,075 shares issued and outstanding at June 30, 2015, and December 31, 2014	6	6
Preferred shares, \$0.01 par value per share, 100,000,000 shares authorized, 17,060,000 issued and outstanding at June 30, 2015, and December 31, 2014	171	171
Additional paid-in capital	3,619,503	3,618,207
Accumulated deficit	(226,797)	(170,162)
Accumulated other comprehensive loss	(199)	(229)
Total shareholders' equity	3,394,792	3,450,101
Noncontrolling interest	715,071	719,493
Total equity	4,109,863	4,169,594
Total liabilities and equity	\$ 6,686,962	\$ 6,227,351

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents**American Homes 4 Rent****Condensed Consolidated Statements of Operations***(Amounts in thousands, except share and per share data)***(Unaudited)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues:				
Rents from single-family properties	\$ 137,818	\$ 88,871	\$ 258,498	\$ 162,632
Fees from single-family properties	2,204	1,889	3,535	3,247
Tenant charge-backs	11,962	3,138	20,334	5,028
Other	1,644	406	3,009	675
Total revenues	153,628	94,304	285,376	171,582
Expenses:				
Property operating expenses				
Leased single-family properties	67,823	37,299	121,753	66,565
Vacant single-family properties and other	4,456	5,842	10,428	14,885
General and administrative expense	6,276	5,703	12,407	10,777
Interest expense	22,003	3,888	37,673	5,390
Noncash share-based compensation expense	734	612	1,430	1,144
Acquisition fees and costs expensed	4,236	919	10,144	1,371
Depreciation and amortization	59,221	38,325	112,885	73,456
Total expenses	164,749	92,588	306,720	173,588
Remeasurement of Series E units	2,143	(4,944)	3,981	(7,700)
Remeasurement of preferred shares	580	(141)	700	(598)
Net loss	(8,398)	(3,369)	(16,663)	(10,304)
Noncontrolling interest	3,730	4,212	7,686	7,832
Dividends on preferred shares	5,569	4,669	11,138	7,790
Net loss attributable to common shareholders	\$ (17,697)	\$ (12,250)	\$ (35,487)	\$ (25,926)
Weighted-average shares outstanding basic and diluted	211,487,164	185,515,651	211,484,461	185,510,004
Net loss attributable to common shareholders per share basic and diluted	\$ (0.08)	\$ (0.07)	\$ (0.17)	\$ (0.14)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents**American Homes 4 Rent****Condensed Consolidated Statements of Comprehensive Income***(Amounts in thousands)***(Unaudited)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Net loss	\$ (8,398)	\$ (3,369)	\$ (16,663)	\$ (10,304)
Other comprehensive income (loss):				
Unrealized gain (loss) on interest rate cap agreement:				
Unrealized interest rate cap agreement gain (loss) arising during the period	30	(212)	30	(212)
Unrealized gain (loss) on interest rate cap agreement	30	(212)	30	(212)
Other comprehensive income (loss)	30	(212)	30	(212)
Comprehensive loss	(8,368)	(3,581)	(16,633)	(10,516)
Comprehensive income attributable to noncontrolling interests	3,728	4,227	7,684	7,847
Dividends on preferred shares	5,569	4,669	11,138	7,790
Comprehensive loss attributable to common shareholders	\$ (17,665)	\$ (12,477)	\$ (35,455)	\$ (26,153)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents**American Homes 4 Rent****Condensed Consolidated Statement of Equity***(Amounts in thousands, except share data)***(Unaudited)**

	Class A common shares		Class B common shares		Preferred shares		Additional paid-in capital	Accumulated other comprehensive income			Shareholder equity	Noncontrolling interest	Total equity
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount		deficit	loss				
Balances at December 31, 2014	210,838,831	\$ 2,108	635,075	\$ 6	17,060,000	\$ 171	\$ 3,618,207	\$ (170,162)	\$ (229)	\$ 3,450,101	\$ 719,493	\$ 4,169,594	
Share-based compensation							1,430			1,430		1,430	
Common stock issued under share-based compensation plans, net of shares withheld for employee taxes	13,258						(134)			(134)		(134)	
Distributions to equity holders:													
Preferred shares								(11,138)		(11,138)		(11,138)	
Noncontrolling interests											(12,108)	(12,108)	
Common shares								(21,148)		(21,148)		(21,148)	
Net (loss) income								(24,349)		(24,349)	7,686	(16,663)	
Total other comprehensive income									30	30		30	
Balances at June 30, 2015	210,852,089	\$ 2,108	635,075	\$ 6	17,060,000	\$ 171	\$ 3,619,503	\$ (226,797)	\$ (199)	\$ 3,394,792	\$ 715,071	\$ 4,109,863	

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents**American Homes 4 Rent****Condensed Consolidated Statements of Cash Flows***(Amounts in thousands)***(Unaudited)**

	For the Six Months Ended June 30,	
	2015	2014
Operating activities		
Net loss	\$ (16,663)	\$ (10,304)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	112,885	73,456
Noncash amortization of deferred financing costs	3,500	446
Noncash share-based compensation	1,430	1,144
Provision for bad debt	2,785	2,385
Remeasurement of Series E units	(3,981)	7,700
Remeasurement of preferred shares	(700)	598
Equity in net loss (income) of unconsolidated ventures	273	(17)
Other changes in operating assets and liabilities:		
Rent and other receivables	(5,305)	(2,029)
Restricted cash for resident security deposits	(9,223)	(10,281)
Prepaid expenses and other assets	2,546	6,028
Deferred leasing costs	(5,421)	(3,503)
Accounts payable and accrued expenses	6,267	7,884
Resident security deposit liability	9,223	10,281
Amounts payable to affiliates	6,211	4,882
Net cash provided by operating activities	103,827	88,670
Investing activities		
Cash paid for single-family properties	(438,689)	(597,717)
Escrow deposits for purchase of single-family properties	(3,113)	6,044
Increase in restricted cash related to lender requirements	(8,416)	(10,201)
Investment in unconsolidated joint ventures	(10,003)	(12,191)
Investments in mortgage financing receivables	(7,731)	(17,465)
Initial renovations to single-family properties	(93,655)	(91,427)
Other capital expenditures for single-family properties	(15,925)	
Net cash used for investing activities	(577,532)	(722,957)
Financing activities		
Net proceeds from issuance of preferred shares		189,433
Proceeds from exercise of stock options		431
Proceeds from asset-backed securitizations	552,830	480,970
Payments on asset-backed securitizations	(8,557)	
Proceeds from credit facility	628,000	837,909
Payments on credit facility	(658,000)	(731,909)
Payments on secured note	(444)	
Distributions to noncontrolling interests	(12,108)	(11,805)
Distributions to common shareholders	(21,148)	(18,551)
Distributions to preferred shareholders	(11,138)	(7,790)
Deferred financing costs paid	(13,860)	(14,315)

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Net cash provided by financing activities		455,575		724,373
Net (decrease) increase in cash and cash equivalents		(18,130)		90,086
Cash and cash equivalents, beginning of period		108,787		148,989
Cash and cash equivalents, end of period	\$	90,657	\$	239,075
Supplemental cash flow information				
Cash payments for interest	\$	(33,431)	\$	(8,473)
Supplemental schedule of noncash investing and financing activities				
Accounts payable and accrued expenses related to property acquisitions	\$	(344)	\$	(4,076)
Amounts payable to affiliates related to property acquisitions	\$		\$	647
Accrued distribution to Series C convertible units	\$	4,698	\$	4,698

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

American Homes 4 Rent

Notes to Unaudited Condensed Consolidated Financial Statements

Note 1. Organization and Operations

American Homes 4 Rent (the Company, we, our and us) is a Maryland real estate investment trust (REIT) formed on October 19, 2012. We focused on acquiring, renovating, leasing and operating single-family homes as rental properties. As of June 30, 2015, the Company held 37,491 single-family properties in 22 states, including 44 properties held for sale.

From our formation through June 10, 2013, we were externally managed and advised by American Homes 4 Rent Advisor, LLC (the Advisor) and the leasing, managing and advertising of our properties was overseen and directed by American Homes 4 Rent Management Holdings, LLC (the Property Manager), both of which were subsidiaries of American Homes 4 Rent, LLC (AH LLC). On June 10, 2013, we acquired the Advisor and the Property Manager from AH LLC in exchange for 4,375,000 Series D units and 4,375,000 Series E units in American Homes 4 Rent, L.P. (the Operating Partnership) (the Management Internalization). Under the terms of the contribution agreement, all administrative, financial, property management, marketing and leasing personnel, including executive management, became fully dedicated to us. Since the date of the Management Internalization, the Company has consolidated the Advisor and the Property Manager and the results of these operations are reflected in the condensed consolidated financial statements.

Prior to the Management Internalization, AH LLC exercised control over the Company through the contractual rights provided to the Advisor through an advisory management agreement. Accordingly, the contribution of certain properties by AH LLC to the Company prior to the Management Internalization have been deemed to be transactions between entities under common control, and as such, the accounts relating to the properties contributed have been recorded by us as if they had been acquired by us on the dates such properties were acquired by AH LLC. Accordingly, the condensed consolidated financial statements include AH LLC's historical carrying values of the properties that had been acquired by AH LLC.

Note 2. Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements are unaudited and include the accounts of the Company, the Operating Partnership and its consolidated subsidiaries. Intercompany accounts and transactions have been eliminated. The Company consolidates real estate partnerships and other entities that are not variable interest entities (VIEs) when it owns, directly or indirectly, a majority interest in the entity or is otherwise able to control the entity. The Company consolidates VIEs in accordance with Accounting Standards Codification (ASC) No. 810, *Consolidation*, if it is the primary beneficiary of the VIE as determined by its power to direct the VIE's activities and the obligation to absorb its losses or the right to receive its benefits, which are potentially significant to the VIE. Entities for which the Company owns an interest, but does not consolidate, are accounted for under the equity method of accounting as an investment in unconsolidated subsidiary and are included in escrow deposits, prepaid expenses and other assets within the condensed consolidated balance sheets. Ownership interests in certain consolidated subsidiaries of the Company held by outside parties are included in noncontrolling interest within the condensed consolidated financial statements.

The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conjunction with the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures required for annual financial statements have been condensed or excluded pursuant to SEC rules and regulations. Accordingly, the condensed consolidated financial statements do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company s Annual Report on Form 10-K for the year ended December 31, 2014. In the opinion of management, all adjustments of a normal and recurring nature necessary for a fair presentation of the condensed consolidated financial statements for the interim periods have been made. The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

There have been no changes to our significant accounting policies that have had a material impact on our condensed consolidated financial statements and related notes, compared to those policies disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. Therefore, notes to the condensed consolidated financial statements that would substantially duplicate the disclosures contained in our most recent audited consolidated financial statements have been omitted.

Table of Contents*Recent Accounting Pronouncements*

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts, rather than as an asset. The recognition and measurement guidance for debt issuance costs is not affected and amortization of such costs will continue to be reported as interest expense. The guidance will be effective for the Company for annual reporting periods beginning after December 15, 2015, and for interim periods within those annual periods, with early adoption permitted and retrospective application required. The Company expects to adopt the guidance effective January 1, 2016, and the impact will be a reduction of deferred costs and other intangibles, net, as well as a corresponding reduction of the associated debt liability.

In February 2015, the FASB issued ASU No. 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*, which changes the analysis that a reporting entity must perform to determine whether it should consolidate certain types of legal entities. Among other changes, it modifies the criteria used in the variable interest model and eliminates the presumption that a general partner should consolidate a limited partnership in the voting model. The guidance will be effective for the Company for annual reporting periods beginning after December 15, 2015, and for interim periods within those annual periods, with early adoption permitted. The Company does not anticipate that the adoption of this guidance will have a material impact on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which provides guidance on revenue recognition and supersedes the revenue recognition requirements in Topic 605, *Revenue Recognition*, most industry-specific guidance and some cost guidance included in Subtopic 605-35, *Revenue Recognition Construction-Type and Production-Type Contracts*. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under current guidance. These judgments may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. The guidance will be effective for the Company for annual reporting periods beginning after December 15, 2017, and for interim periods within those annual periods. At that time, the Company may adopt the full retrospective approach or the modified retrospective approach. Early adoption is not permitted. The Company is currently evaluating the method of adoption of this guidance and does not anticipate that the adoption of this guidance will have a material impact on its financial statements.

Note 3. Single-Family Properties

Single-family properties, net, consists of the following as of June 30, 2015, and December 31, 2014 (dollars in thousands):

	June 30, 2015	
	Number of properties	Net book value
Leased single-family properties	34,903	\$ 5,746,687
Single-family properties being renovated	686	98,435
Single-family properties being prepared for re-lease	355	56,788
Vacant single-family properties available for lease	1,503	253,851
Single-family properties held for sale	44	6,387
Total	37,491	\$ 6,162,148

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	December 31, 2014	
	Number of properties	Net book value
Leased single-family properties	28,250	\$ 4,631,797
Single-family properties being renovated	2,886	476,120
Single-family properties being prepared for re-lease	630	104,974
Vacant single-family properties available for lease	2,807	493,962
Single-family properties held for sale	26	3,818
Total	34,599	\$ 5,710,671

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Table of Contents

Single-family properties, net at June 30, 2015, and December 31, 2014, included \$21.7 million and \$114.6 million, respectively, related to properties for which the recorded grant deed has not been received. For these properties, the trustee or seller has warranted that all legal rights of ownership have been transferred to us on the date of the sale, but there is a delay for the deeds to be recorded.

Depreciation expense related to single-family properties was \$53.2 million and \$34.8 million for the three months ended June 30, 2015 and 2014, respectively, and \$101.9 million and \$65.8 million for the six months ended June 30, 2015 and 2014, respectively.

Note 4. Rent and Other Receivables

Included in rent and other receivables, net is an allowance for doubtful accounts of \$1.7 million and \$0.5 million as of June 30, 2015, and December 31, 2014, respectively. Also included in rent and other receivables, net, are receivables related to payments made on single-family properties for which sales have been rescinded or unwound due to legal issues beyond our control, which totaled \$0.2 million and \$1.1 million as of June 30, 2015, and December 31, 2014, respectively, and other non-tenant receivables, which totaled \$2.5 million and \$2.4 million as of June 30, 2015, and December 31, 2014, respectively.

Note 5. Deferred Costs and Other Intangibles

Deferred costs and other intangibles, net, consists of the following as of June 30, 2015, and December 31, 2014 (in thousands):

	June 30, 2015	December 31, 2014
Deferred leasing costs	\$ 12,581	\$ 18,307
Deferred financing costs	66,873	53,013
Intangible assets:		
In-place lease values	3,712	10,468
Trademark	3,100	3,100
Database	2,100	2,100
	88,366	86,988
Less: accumulated amortization	(26,067)	(32,406)
Total	\$ 62,299	\$ 54,582

Amortization expense related to deferred leasing costs, the value of in-place leases, trademark and database was \$4.0 million and \$3.5 million for the three months ended June 30, 2015 and 2014, respectively, and \$7.2 million and \$7.7 million for the six months ended June 30, 2015 and 2014, respectively, which has been included in depreciation and amortization within the condensed consolidated statements of operations. Amortization of deferred financing costs was \$2.4 million and \$0.9 million for the three months ended June 30, 2015 and 2014, respectively, and \$4.4 million and \$1.5 million for the six months ended June 30, 2015 and 2014, respectively, which has been included in gross interest, prior to interest capitalization (see Note 6).

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The following table sets forth the estimated annual amortization expense related to deferred costs and other intangibles, net as of June 30, 2015, for future periods (in thousands):

Year	Deferred Leasing Costs	Deferred Financing Costs	Value of In-place Leases	Trademark	Database
Remaining 2015	\$ 3,374	\$ 4,753	\$ 217	\$ 330	\$ 150
2016	1,229	9,416	55	660	300
2017		7,926		752	300
2018		7,428			300
2019		5,257			300
Thereafter		19,420			132
Total	\$ 4,603	\$ 54,200	\$ 272	\$ 1,742	\$ 1,482

Table of Contents**Note 6. Debt**

The following table presents the Company's debt as of June 30, 2015, and December 31, 2014 (in thousands):

	Interest Rate (1)	Maturity Date	Outstanding Principal Balance	
			June 30, 2015	December 31, 2014
2014-SFR1 securitization (2)	1.79%	June 9, 2019	\$ 476,160	\$ 478,565
2014-SFR2 securitization	4.42%	October 9, 2024	509,868	512,435
2014-SFR3 securitization	4.40%	December 9, 2024	525,776	528,390
2015-SFR1 securitization (3)	4.14%	April 9, 2045	551,859	
Total asset-backed securitizations			2,063,663	1,519,390
Secured note payable	4.06%	July 1, 2019	51,200	51,644
Credit facility (4)	2.94%	September 30, 2018	177,000	207,000
Total debt			\$ 2,291,863	\$ 1,778,034

(1) Interest rates are as of June 30, 2015. Unless otherwise stated, interest rates are fixed percentages.

(2) The 2014-SFR1 securitization bears interest at a duration-weighted blended interest rate of LIBOR plus 1.54%, subject to a LIBOR floor of 0.25%. The maturity date of June 9, 2019, reflects the fully extended maturity date based on an initial two-year loan term and three, 12-month extension options, at the Company's election, provided there is no event of default and compliance with certain other terms.

(3) The 2015-SFR1 securitization has a maturity date of April 9, 2045, with an anticipated repayment date of April 9, 2025.

(4) The credit facility provides for a borrowing capacity of up to \$800.0 million through March 2016 and bears interest at LIBOR plus 2.75% (3.125% beginning in March 2017). Any outstanding borrowings upon expiration of the credit facility period in March 2016 will become due in September 2018.

Asset-Backed Securitization

In March 2015, we completed a private securitization transaction (the 2015-SFR1 securitization), in which a newly-formed special purpose entity (the Borrower) entered into a loan with a third-party lender for \$552.8 million represented by a promissory note. The Borrower under the loan is wholly owned by another special purpose entity (the Equity Owner) and the Equity Owner is wholly owned by the Operating Partnership. The loan is a fixed-rate loan with a 30 year term, maturity date of April 9, 2045, and a duration-adjusted weighted-average interest rate of 4.14%. The loan requires monthly payments of interest together with principal payments representing one-twelfth of one percent of the original principal amount. The loan has an anticipated repayment date of April 9, 2025. In the event the loan is not repaid on April 9, 2025, the interest rate on each component is increased to a rate per annum equal to the sum of 3% plus the greater of: (a) the initial interest rate and (b) a rate equal to the sum of (i) the bid side yield to maturity for the on the run United States Treasury note with a 10 year maturity plus the mid-market 10 year swap spread, plus (ii) the component rate spread for each component.

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The note was immediately transferred by the third-party lender to a subsidiary of the Company and then to a REMIC trust in exchange for eight classes of single-family rental pass-through certificates representing all the beneficial ownership interests in the loan and the trust. Upon receipt of the certificates, a subsidiary of the Company sold the certificates to investors for gross proceeds of \$552.8 million, before issuance costs of \$13.3 million. Proceeds from this transaction were used to pay down the outstanding balance on the credit facility and for general corporate purposes. The principal amount of each class of certificates corresponds to the corresponding principal amount of the loan components with an additional class to hold the residual REMIC interest.

The loan is secured by first priority mortgages on a pool of 4,661 single-family residential properties transferred to the Borrower from the Company's portfolio of properties. The Borrower's homes were substantially similar to the other properties owned by the Company and were leased to tenants underwritten on substantially the same basis as the tenants in the Company's other properties. During the duration of the loan, the Borrower's properties may not generally be transferred, sold or otherwise securitized, the Company can substitute properties only if a property owned by the Borrower becomes a disqualified property under the terms of the loan, and the Borrower is limited in its ability to incur any additional indebtedness.

The loan is also secured by a security interest in all of the Borrower's personal property and a pledge of all of the assets of the Equity Owner, including a security interest in its membership interest in the Borrower. The Company provides a limited guaranty (i) for certain losses arising out of designated acts of intentional misconduct and (ii) for the principal amount of the loan and all other obligations under the loan agreement in the event of insolvency or bankruptcy proceedings.

The loan agreement provides that the Borrower maintain covenants typical for securitization transactions including maintaining certain reserve accounts and a debt service coverage ratio of at least 1.20 to 1.00. The loan agreement defines the debt service coverage ratio as of any determination date as a ratio in which the numerator is the net cash flow divided by the aggregate debt service

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Table of Contents

for the twelve month period following the date of determination. As of June 30, 2015, the Company was in compliance with all covenants under the loan agreement.

The Company has accounted for the transfer of the note from its subsidiary to the trust as a sale under ASC 860, *Transfers and Servicing*, with no resulting gain or loss as the note was both originated by the third party lender and immediately transferred at the same fair market value. The Company has also evaluated and not identified any variable interests in the trust. Accordingly, the Company continues to consolidate, at historical cost basis, the 4,661 homes placed as collateral for the note. The principal balance outstanding on the note was \$551.9 million as of June 30, 2015, and was included in asset-backed securitizations within the condensed consolidated balance sheets. The 4,661 collateral homes had a net book value of \$746.9 million as of June 30, 2015.

Credit Facility

In March 2013, the Company entered into a \$500.0 million senior secured revolving credit facility with a financial institution, which was subsequently amended in September 2013 to, among other things, expand our borrowing capacity to \$800.0 million and extend the repayment period to September 30, 2018. Borrowings under the credit facility are available through March 7, 2016, at which point, any outstanding borrowings will convert to a term loan through September 30, 2018. All borrowings under the credit facility bear interest at 30 day LIBOR plus 2.75% until March 2017, and thereafter at 30 day LIBOR plus 3.125%. The credit facility is secured by our Operating Partnership's membership interests in entities that own certain of our single-family properties and requires that we maintain certain financial covenants. As of June 30, 2015, the Company was in compliance with all loan covenants. The Company had \$177.0 million and \$207.0 million in total outstanding borrowings under the credit facility at June 30, 2015, and December 31, 2014, respectively.

Interest Expense

The following table outlines our total gross interest, including unused commitment and other fees and amortization of deferred financing costs, and capitalized interest for the three and six months ended June 30, 2015 and 2014 (in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Gross interest	\$ 23,913	\$ 6,298	\$ 44,152	\$ 10,728
Capitalized interest	(1,910)	(2,410)	(6,479)	(5,338)
Interest expense	\$ 22,003	\$ 3,888	\$ 37,673	\$ 5,390

Note 7. Accounts Payable and Accrued Expenses

The following table summarizes accounts payable and accrued expenses as of June 30, 2015, and December 31, 2014 (in thousands):

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	June 30, 2015		December 31, 2014	
Accounts payable	\$	92	\$	4,925
Accrued property taxes		55,775		49,018
Other accrued liabilities		33,105		28,972
Accrued construction and maintenance liabilities		16,965		23,914
Resident security deposits		52,100		42,877
Total	\$	158,037	\$	149,706

Note 8. Shareholders' Equity

Participating Preferred Shares

As of June 30, 2015, the initial liquidation preference on the Company's participating preferred shares, as adjusted by an amount equal to 50% of the cumulative change in value of an index based on the purchase prices of single-family properties located in our top 20 markets, for all of the Company's outstanding 5.0% Series A participating preferred shares, 5.0% Series B participating preferred shares and 5.5% Series C participating preferred shares was \$444.5 million.

Table of Contents

Distributions

Our board of trustees declared distributions that totaled \$0.05 per share on our Class A and Class B common shares during the quarters ended June 30, 2015 and 2014. Distributions declared on our 5.0% Series A participating preferred shares, 5.0% Series B participating preferred shares and 5.5% Series C participating preferred shares during the quarter ended June 30, 2015, totaled \$0.3125 per share, \$0.3125 per share and \$0.34375 per share, respectively. Distributions declared on our 5.0% Series A participating preferred shares, 5.0% Series B participating preferred shares and 5.5% Series C participating preferred shares during the quarter ended June 30, 2014, totaled \$0.3125 per share, \$0.3125 per share and \$0.225347 per share, respectively. Our board of trustees declared distributions that totaled \$0.15113 per share on our Series C convertible units during the quarters ended June 30, 2015 and 2014.

Noncontrolling Interest

Noncontrolling interest as reflected in the Company's condensed consolidated balance sheets primarily consists of the interest held by AH LLC in units in the Company's Operating Partnership. AH LLC owned 14,440,670, or approximately 6.4%, of the total 225,927,834 and 225,914,576 Class A units in the Operating Partnership as of June 30, 2015, and December 31, 2014, respectively. Additionally, AH LLC owned all 31,085,974 Series C convertible units and all 4,375,000 Series D convertible units in the Operating Partnership as of June 30, 2015, and December 31, 2014. Also included in noncontrolling interest are outside ownership interests in certain consolidated subsidiaries of the Company.

Noncontrolling interest as reflected in the Company's condensed consolidated statements of operations for the three and six months ended June 30, 2015, of \$3.7 million and \$7.7 million, respectively, primarily consisted of \$4.7 million and \$9.4 million, respectively, of preferred income allocated to Series C convertible units, \$0.8 million and \$1.6 million, respectively, of net loss allocated to Class A units and \$0.2 million and \$0.1 million, respectively, of net loss allocated to noncontrolling interests in certain of the Company's consolidated subsidiaries. Noncontrolling interest for the three and six months ended June 30, 2014, of \$4.2 million and \$7.8 million, respectively, primarily consisted of \$4.7 million and \$9.2 million, respectively, of preferred income allocated to Series C convertible units, \$0.6 million and \$1.3 million, respectively, of net loss allocated to Class A units and \$0.1 million of net income and \$0.1 million of net loss, respectively, allocated to noncontrolling interests in certain of the Company's consolidated subsidiaries.

2012 Equity Incentive Plan

During the six months ended June 30, 2015 and 2014, the Company granted stock options for 588,500 and 1,220,000 Class A common shares, respectively, and 44,000 and 92,000 restricted stock units, respectively, to certain employees of the Company under the 2012 Equity Incentive Plan (the Plan). The options and restricted stock units granted during the six months ended June 30, 2015 and 2014, vest over four years and expire 10 years from the date of grant.

The following table summarizes stock option activity under the Plan for the six months ended June 30, 2015 and 2014:

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	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (1) (in thousands)
Options outstanding at January 1, 2014	1,190,000	\$ 15.48	9.3	\$ 862
Granted	1,220,000	16.74		
Exercised	(28,750)	15.00		74
Forfeited	(216,250)	15.70		
Options outstanding at June 30, 2014	2,165,000	\$ 16.17	9.3	\$ 3,438
Options exercisable at June 30, 2014	131,250	\$ 15.00	8.4	\$ 362
Options outstanding at January 1, 2015	2,165,000	\$ 16.17	8.8	\$ 1,890
Granted	588,500	16.49		
Exercised				
Forfeited	(125,500)	16.57		
Options outstanding at June 30, 2015	2,628,000	\$ 16.23	8.5	\$ 535
Options exercisable at June 30, 2015	661,250	\$ 15.93	7.7	\$ 274

(1) Intrinsic value for activities other than exercises is defined as the difference between the grant price and the market value on the last trading day of the period for those stock options where the market value is greater than the exercise price. For exercises, intrinsic value is defined as the difference between the grant price and the market value on the date of exercise.

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Table of Contents

The following table summarizes the Black-Scholes Option Pricing Model inputs used for valuation of the stock options for Class A common shares issued during the six months ended June 30, 2015 and 2014:

	2015	2014
Weighted-average fair value	\$ 4.57	\$ 4.89
Expected term (years)	7.0	7.0
Dividend yield	3.0%	3.0%
Volatility	35.9%	37.3%
Risk-free interest rate	1.9%	2.2%

The following table summarizes the activity that relates to the Company's restricted stock units under the Plan for the six months ended June 30, 2015 and 2014:

	2015	2014
Restricted stock units at beginning of period	85,000	
Units awarded	44,000	92,000
Units vested	(21,250)	
Units forfeited	(7,400)	(2,000)
Restricted stock units at end of the period	100,350	90,000

Total non-cash share-based compensation expense related to stock options and restricted stock units was \$0.7 million and \$0.6 million for the three months ended June 30, 2015 and 2014, respectively, and \$1.4 million and \$1.1 million for the six months ended June 30, 2015 and 2014, respectively.

Note 9. Related Party Transactions

As of June 30, 2015, and December 31, 2014, AH LLC owned approximately 3.3% of our outstanding Class A common shares. On a fully-diluted basis, AH LLC held (including consideration of 635,075 Class B common shares as of June 30, 2015, and December 31, 2014, 14,440,670 Class A common units as of June 30, 2015, and December 31, 2014, 31,085,974 Series C convertible units as of June 30, 2015, and December 31, 2014, 4,375,000 Series D units as of June 30, 2015, and December 31, 2014, and 4,375,000 Series E units as of June 30, 2015, and December 31, 2014) an approximate 21.8% interest at June 30, 2015, and December 31, 2014.

As of June 30, 2015, the Company had a net payable of \$1.9 million due to AH LLC, which has been included in amounts payable to affiliates within the condensed consolidated balance sheets. This amount primarily consisted of Series C distributions payable to AH LLC, partially offset by receivables from affiliates related to fees and reimbursable expenditures. As of December 31, 2014, the Company had a net receivable of \$4.0 million due from AH LLC, which has been included in escrow deposits, prepaid expenses and other assets within the condensed consolidated balance sheets. This amount primarily consisted of receivables due from AH LLC related to working capital settlement items.

Agreement on Investment Opportunities

In November 2012, the Company entered into an Agreement on Investment Opportunities with AH LLC under which we paid an acquisition and renovation fee equal to 5% of all costs and expenses we incur in connection with the initial acquisition, repair and renovation of single-family properties (net of any broker fees received by the Property Manager) for its services in identifying, evaluating, acquiring and overseeing the renovation of the properties we purchase. In connection with the Management Internalization on June 10, 2013, we entered into an Amended and Restated Agreement on Investment Opportunities. Under the terms of the Amended and Restated Agreement on Investment Opportunities, on December 10, 2014, AH LLC ceased providing acquisition and renovation services for us, we stopped paying AH LLC an acquisition and renovation fee, we hired all of AH LLC's acquisition and renovation personnel necessary for our operations and AH LLC ceased paying the Company a monthly fee of \$0.1 million for the maintenance and use of certain intellectual property transferred to us in the Management Internalization.

During the three and six months ended June 30, 2014, we incurred \$9.2 million and \$26.8 million in aggregate acquisition and renovation fees to AH LLC prior to the termination of the Amended and Restated Agreement on Investment Opportunities, of which \$8.3 million and \$25.6 million was capitalized related to asset acquisitions and included in the cost of the single-family properties and \$0.9 million and \$1.2 million was expensed related to property acquisitions with in-place leases, respectively.

Table of Contents*Employee Administration Agreement*

In connection with the Management Internalization on June 10, 2013, we entered into an employee administration agreement with Malibu Management, Inc. (MMI), an affiliate of AH LLC, to obtain the exclusive services of personnel of the Advisor and the Property Manager, who were previously employees of MMI under the direction of AH LLC. Under the terms of the agreement, we obtained the exclusive service of the employees dedicated to us for all management and other personnel dedicated to our business and were able to direct MMI to implement employment decisions with respect to the employees dedicated to us. We were required to reimburse MMI for all compensation and benefits and costs associated with the employees dedicated to us. We did not pay any fee or any other form of compensation to MMI. The agreement with MMI terminated on December 31, 2014. Effective January 1, 2015, all employees previously employed by MMI and performing services on our behalf became our employees. Total compensation and benefit costs paid by MMI and passed through to us under the agreement during the three and six months ended June 30, 2014, were \$10.1 million and \$19.1 million, respectively.

Note 10. Earnings per Share

The following table reflects the computation of net loss per share on a basic and diluted basis for the three and six months ended June 30, 2015 and 2014 (in thousands, except share data):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Income / (loss) (numerator):				
Net loss	\$ (8,398)	\$ (3,369)	\$ (16,663)	\$ (10,304)
Noncontrolling interest	3,730	4,212	7,686	7,832
Dividends on preferred shares	5,569	4,669	11,138	7,790
Net loss attributable to common shareholders	\$ (17,697)	\$ (12,250)	\$ (35,487)	\$ (25,926)
Weighted-average shares (denominator)				
	211,487,164	185,515,651	211,484,461	185,510,004
Net loss per share basic and diluted	\$ (0.08)	\$ (0.07)	\$ (0.17)	\$ (0.14)

Total weighted-average shares for the three and six months ended June 30, 2015, excludes an aggregate of 74,064,994, and for the three and six months ended June 30, 2014, excludes an aggregate of 72,938,266, of shares or units in our Operating Partnership, Series A, B and C preferred shares, common shares issuable upon exercise of stock options, and restricted stock units because they were antidilutive.

Note 11. Commitments and Contingencies

In connection with the renovation of single-family properties after they are purchased, the Company enters into contracts for the necessary improvements. As of June 30, 2015, and December 31, 2014, the Company had aggregate outstanding commitments of \$2.2 million and \$4.1

million, respectively, in connection with these contracts.

As of June 30, 2015, and December 31, 2014, we had commitments to acquire 171 and 703 single-family properties, respectively, with an aggregate purchase price of \$26.4 million and \$110.9 million, respectively.

We are involved in various legal and administrative proceedings that are incidental to our business. We believe these matters will not have a materially adverse effect on our financial position.

Note 12. Fair Value

The carrying amount of rents and other receivables, restricted cash, escrow deposits, prepaid expenses and other assets, and accounts payable and accrued expenses approximate fair value because of the short maturity of these amounts. The Company's interest rate cap agreement, contingently convertible Series E units liability and preferred shares derivative liability are the only financial instruments recorded at fair value on a recurring basis in the condensed consolidated financial statements.

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Table of Contents

As our securitization transactions were recently entered into, management believes that the carrying values of the securitization transactions reasonably approximate their fair values as of June 30, 2015, which have been estimated by discounting future cash flows at market rates (Level 2). These market rates have been estimated based on recent market activity, including our own securitization transactions. As our credit facility bears interest at a floating rate based on an index plus a spread, which is 30 day LIBOR plus 2.75%, and the credit spread is consistent with those demanded in the market for credit facilities with similar risks and maturities, management believes that the carrying value of the credit facility as of June 30, 2015, reasonably approximates fair value, which has been estimated by discounting future cash flows at market rates (Level 2).

Inputs to the model used to value the contingently convertible Series E units liability include a risk-free rate corresponding to the assumed timing of the conversion date and a volatility input based on the historical volatilities of selected peer group companies. The starting point for the simulation is the most recent trading price in the Company's Class A common shares, into which the Series E units are ultimately convertible. The timing of such conversion is based on the provisions of the contribution agreement and the Company's best estimate of the events that trigger such conversions.

Valuation of the preferred shares derivative liability considers scenarios in which the preferred shares would be redeemed or converted into Class A common shares by the Company and the subsequent payoffs under those scenarios. The valuation also considers certain variables such as the risk-free rate matching the assumed timing of either redemption or conversion, volatility of the underlying home price appreciation index, dividend payments, conversion rates, the assumed timing of either redemption or conversion and an assumed drift factor in home price appreciation across certain metropolitan statistical areas, or MSAs, as outlined in the agreement.

The fair value of our interest rate cap agreement is determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates rise above the strike rate of the interest rate cap. The variable interest rates used in the calculation of projected receipts on the cap are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities. To comply with the provisions of ASC 820, *Fair Value Measurements and Disclosures*, the Company incorporates credit valuation adjustments to appropriately reflect the respective counterparty's nonperformance risk in the fair value measurements.

The following tables set forth the fair value of our interest rate cap agreement, the contingently convertible Series E units liability and preferred shares derivative liability as of June 30, 2015, and December 31, 2014 (in thousands):

Description	June 30, 2015			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Interest rate cap agreement	\$	\$	1	\$ 1
Liabilities:				
Contingently convertible Series E units liability	\$	\$	68,076	\$ 68,076
Preferred shares derivative liability	\$	\$	57,260	\$ 57,260

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December 31, 2014

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Interest rate cap agreement	\$	\$ 14	\$	\$ 14
Liabilities:				
Contingently convertible Series E units liability	\$	\$	\$ 72,057	\$ 72,057
Preferred shares derivative liability	\$	\$	\$ 57,960	\$ 57,960

Table of Contents

The following table presents changes in the fair values of our Level 3 financial instruments, consisting of our contingently convertible series E units liability and preferred shares derivative liability, which are measured on a recurring basis with changes in fair value recognized in remeasurement of Series E units and remeasurement of preferred shares, respectively, in the condensed consolidated statements of operations for the six months ended June 30, 2015 and 2014 (in thousands):

Description	January 1, 2015	Issuances	Remeasurement included in earnings	June 30, 2015
Liabilities:				
Contingently convertible Series E units liability	\$ 72,057	\$	\$ (3,981)	\$ 68,076
Preferred shares derivative liability	\$ 57,960	\$	\$ (700)	\$ 57,260

Description	January 1, 2014	Issuances	Remeasurement included in earnings	June 30, 2014
Liabilities:				
Contingently convertible Series E units liability	\$ 66,938	\$	\$ 7,700	\$ 74,638
Preferred shares derivative liability	\$ 28,150	\$ 26,922	\$ 598	\$ 55,670

Changes in inputs or assumptions used to value the contingently convertible Series E units liability and preferred shares derivative liability may have a material impact on the resulting valuation.

Note 13. Subsequent Events*Subsequent Acquisitions*

From July 1, 2015, through July 31, 2015, we acquired 305 properties with an aggregate purchase price of approximately \$43.6 million. We expect that our level of acquisition activity will fluctuate based on the number of suitable investments and on the level of funds available for investment.

Borrowings on Credit Facility

From July 1, 2015, through July 31, 2015, the Company borrowed an additional \$53.0 million under the credit facility and made payments on the credit facility totaling \$35.0 million, resulting in an outstanding balance of \$195.0 million as of July 31, 2015.

Declaration of Dividends

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On August 6, 2015, our board of trustees declared quarterly dividends of \$0.05 per Class A common share payable on September 30, 2015, to shareholders of record on September 15, 2015, and \$0.05 per Class B common share payable on September 30, 2015, to shareholders of record on September 15, 2015. Additionally, our board of trustees also declared quarterly dividends of \$0.3125 per share on the Company's 5.0% Series A participating preferred shares payable on September 30, 2015, to shareholders of record on September 15, 2015, \$0.3125 per share on the Company's 5.0% Series B participating preferred shares payable on September 30, 2015, to shareholders of record on September 15, 2015, and \$0.34375 per share on the Company's 5.5% Series C participating preferred shares payable on September 30, 2015, to shareholders of record on September 15, 2015.

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

The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q.

Overview

We are a Maryland REIT focused on acquiring, renovating, leasing and operating single-family homes as rental properties. We commenced operations in November 2012 to continue the investment activities of AH LLC, which was founded by our chairman, B. Wayne Hughes, in 2011 to take advantage of the dislocation in the single-family home market.

As of June 30, 2015, we owned 37,491 single-family properties in selected sub-markets of MSAs in 22 states, compared to 34,599 single-family properties in 22 states as of December 31, 2014, and 27,173 single-family properties in 22 states as of June 30, 2014. As of June 30, 2015, we had an additional 171 properties in escrow that we expected to acquire, subject to customary closing conditions, for an aggregate purchase price of approximately \$26.4 million. As of June 30, 2015, 34,903, or 93.1%, of our total properties were leased, compared to 28,250, or 81.6%, of our total properties as of December 31, 2014, and 23,364, or 86.0%, of our total properties as of June 30, 2014. As of June 30, 2015, our entire portfolio of single-family properties was internally managed through our proprietary property management platform.

Our Properties and Key Operating Metrics

The following table provides a summary of our single-family properties as of June 30, 2015:

Market	Properties (1)		Gross Book Value			Averages Per Property		
	Number of Properties	% of Total	(\$ millions)	% of Total	Avg. per Property	Square Footage	Age (years)	Avg. Year Purchased
Dallas-Fort Worth, TX	3,090	8.2%	\$ 493.4	7.6%	\$ 159,676	2,131	11.6	2013
Indianapolis, IN	2,735	7.3%	416.0	6.4%	152,102	1,938	12.8	2013
Atlanta, GA	2,506	6.7%	407.1	6.3%	162,450	2,106	14.5	2013
Charlotte, NC	2,205	5.9%	381.6	5.9%	173,061	2,005	12.3	2013
Greater Chicago area, IL and IN	2,058	5.5%	364.1	5.6%	176,919	1,897	13.8	2013
Houston, TX	1,978	5.3%	342.6	5.3%	173,205	2,225	10.9	2013
Cincinnati, OH	1,842	4.9%	316.5	4.9%	171,824	1,846	13.3	2013
Tampa, FL	1,531	4.1%	288.7	4.5%	188,570	1,982	11.6	2013
Jacksonville, FL	1,482	4.0%	224.3	3.5%	151,350	1,913	11.4	2013
Nashville, TN	1,443	3.8%	300.5	4.7%	208,247	2,213	10.9	2013
All Other (2)	16,621	44.3%	2,927.5	45.3%	176,134	1,885	12.6	2013
Total / Average	37,491	100.0%	\$ 6,462.3	100.0%	\$ 172,370	1,965	12.5	2013

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- (1) Includes 377 properties in which we hold an approximate one-third interest.
- (2) Represents 31 markets in 19 states.

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Table of Contents

The following table summarizes certain key leasing metrics as of June 30, 2015:

Market	Total Portfolio					Stabilized Properties (3)		Total Stabilized Properties
	Leased Percentage (1)	Occupancy Percentage (2)	Avg. Scheduled Monthly Rent Per Property	Avg. Original Lease Term (months)	Avg. Remaining Lease Term (months)	Leased Percentage (1)	Occupancy Percentage (2)	
Dallas-Fort Worth, TX	95.2%	93.5%	\$ 1,525	12.4	7.6	98.3%	96.5%	2,958
Indianapolis, IN	92.0%	89.9%	1,297	13.4	7.4	92.6%	90.6%	2,706
Atlanta, GA	90.3%	88.5%	1,335	12.5	7.4	96.0%	94.1%	2,324
Charlotte, NC	92.5%	91.3%	1,379	12.6	7.6	97.2%	96.0%	2,084
Greater Chicago area, IL and IN	91.7%	89.7%	1,685	13.8	7.2	94.5%	92.5%	1,975
Houston, TX	90.4%	87.7%	1,603	12.4	7.8	95.1%	92.2%	1,832
Cincinnati, OH	95.0%	92.7%	1,432	13.2	6.8	96.6%	94.3%	1,799
Tampa, FL	94.5%	93.9%	1,529	12.1	7.0	95.6%	95.0%	1,500
Jacksonville, FL	90.1%	87.9%	1,317	12.0	6.9	94.9%	92.5%	1,385
Nashville, TN	94.6%	92.9%	1,586	12.3	7.1	95.8%	94.1%	1,402
All Other (4)	93.7%	92.3%	1,384	12.6	7.7	95.9%	94.5%	16,077
Total / Average	93.1%	91.5%	\$ 1,428	12.7	7.5	95.8%	94.1%	36,042

- (1) A property is classified as leased upon the execution (i.e., the signature) of a lease agreement.
- (2) A property is classified as occupied upon commencement (i.e., start date) of a lease agreement, which can occur contemporaneously with or subsequent to execution (i.e., signature).
- (3) A property is classified as stabilized once it has been renovated and then initially leased or available for rent for a period greater than 90 days.
- (4) Represents 31 markets in 19 states.

Factors That Affect Our Results of Operations and Financial Condition

Our results of operations and financial condition are affected by numerous factors, many of which are beyond our control. Key factors that impact our results of operations and financial condition include our ability to identify and acquire properties; our pace of property acquisitions; the time and cost required to gain access to the properties and then to renovate and lease a newly acquired property at acceptable rental rates; occupancy levels; rates of tenant turnover; the length of vacancy in properties between tenant leases; our expense ratios; our ability to raise capital; and our capital structure.

Property Acquisitions

Since our formation, we have rapidly but systematically grown our portfolio of single-family homes. Our ability to identify and acquire single-family homes that meet our investment criteria is impacted by home prices in our target markets, the inventory of properties available-for-sale through our acquisition channels, competition for our target assets and our available capital. We expect that our level of acquisition activity will fluctuate based on the number of suitable investments and the level of capital available to invest. During the quarter

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ended June 30, 2015, our total portfolio increased by 903 homes, including 604 homes acquired through trustee acquisitions, 284 homes acquired through bulk acquisitions and 15 homes acquired through broker acquisitions.

Prior to December 10, 2014, we paid an acquisition and renovation fee to AH LLC equal to 5% of all costs and expenses incurred in connection with the initial acquisition, repair and renovation of our single-family properties for its services in identifying, evaluating, acquiring and overseeing the renovation of our properties. On December 10, 2014, AH LLC ceased providing acquisition and renovation services for us, we stopped paying AH LLC an acquisition and renovation fee and we hired all of AH LLC's acquisition and renovation personnel necessary for our operations. No termination or other fee was paid to AH LLC in connection with the termination of AH LLC providing such services. Although we anticipate the internalization of AH LLC's acquisition and renovation personnel to be cash flow positive to the Company, we expect a larger proportion of the internalized cost structure to be expensed in accordance with GAAP, compared to the 5% acquisition and renovation fee previously paid to AH LLC, which has been primarily capitalized related to asset acquisitions in accordance with GAAP and included in the cost basis of our single-family properties.

Property Operations

The acquisition of properties involves expenditures in addition to payment of the purchase price, including property inspections, closing costs, liens, title insurance, transfer taxes, recording fees, broker commissions, property taxes and homeowner association (HOA) fees, when applicable. In addition, we typically incur costs between \$5,000 and \$25,000 to renovate a home to prepare it for rental. Renovation work varies, but may include paint, flooring, carpeting, cabinetry, appliances, plumbing hardware and other items required to prepare the home for rental. The time and cost involved in initially accessing our homes to prepare them for rental can impact our financial performance and varies among properties based on several factors, including the source of acquisition channel,

Table of Contents

whether the property is located in a judicial or non-judicial foreclosure state, if applicable, and whether or not the home is occupied at the time of acquisition. This process of finalizing the acquisition and gaining initial access to the home can range from immediate access to multiple months and, on average, takes approximately 20 to 30 days. Additionally, after gaining access to the home, the time to renovate a property can vary significantly among properties and is most impacted by the age and condition of the property. On average, it takes approximately 50 to 60 days to complete the renovation process after gaining initial access to the home. Our operating results are also impacted by the amount of time it takes to market and lease a property, which can vary greatly among properties, and is impacted by local demand, our marketing techniques and the size of our available inventory. On average, it takes approximately 20 to 30 days to lease a property after completing the renovation process. Lastly, our operating results are impacted by the length of stay of our tenants and the amount of time it takes to prepare and re-lease a property after a tenant vacates. This process, which we refer to as turnover, is impacted by numerous factors, including the condition of the home upon move-out of the previous tenant, and by local demand, our marketing techniques and the size of our available inventory at the time of the turnover. On average, it takes approximately 50 to 60 days to complete the turnover process.

Revenue

Our revenue is derived primarily from rents collected under lease agreements with tenants for our single-family properties. These include short-term leases that we enter into directly with our tenants, which typically have a term of one year. Our rental rates and occupancy levels are affected by macroeconomic factors and local and property-level factors, including market conditions, seasonality and tenant defaults, and the amount of time it takes to renovate and re-lease properties when tenants vacate. We generally do not offer free rent or other concessions in connection with leasing our properties. Additionally, our ability to collect revenues and related operating results are impacted by the credit worthiness and quality of our tenants. On average, our tenants have household incomes ranging from \$70,000 to \$100,000 and primarily consist of families with approximately two adults and one or more children.

In addition to rental revenues, we receive fees and other reimbursements, referred to as tenant charge-backs, from our tenants, which are primarily designed to recover costs for certain items, such as utilities, damages and maintenance. In accordance with GAAP, these fees and tenant charge-backs are presented gross in the condensed consolidated statements of operations.

We expect that the overall occupancy of our portfolio will continue to increase as the proportion of recently acquired properties declines relative to the size of our entire portfolio. Nevertheless, in the near term, our ability to drive revenue growth will depend in large part on our ability to efficiently renovate and lease newly acquired properties, maintain occupancy in the rest of our portfolio and acquire additional properties, both leased and vacant.

Over the longer term and as our total portfolio occupancy stabilizes, our ability to maintain and grow revenues will become more dependent on our ability to retain tenants and increase rental rates. We believe that our platform will allow us to achieve strong tenant retention and lease renewal rates at our properties. Based on 7,925 and 4,292 leases that expired during the three months ended June 30, 2015 and 2014, respectively, we experienced tenant renewal rates of 76.6% and 80.8%, respectively, at an average rental rate increase on non-month-to-month leases of 2.4% and 3.2%, respectively. Including the impact of 845 and 744 early terminated tenants during the three months ended June 30, 2015 and 2014, respectively, we experienced tenant retention rates of 69.2% and 71.8%, respectively. Based on 12,894 and 6,323 leases that expired during the six months ended June 30, 2015 and 2014, respectively, we experienced tenant renewal rates of 77.6% and 81.5%, respectively, at an average rental rate increase on non-month-to-month leases of 2.9% and 3.0%, respectively. Including the impact of 1,659 and 1,108 early terminated tenants during the six months ended June 30, 2015 and 2014, respectively, we experienced tenant retention rates of 68.8% and 71.8%, respectively. To date, our leasing efforts have been primarily focused on increasing our overall portfolio occupancy rather than raising rental rates. We believe that there will be significant opportunity to optimize rental rates in the future as our total portfolio occupancy stabilizes.

Expenses

We monitor the following categories of expenses that we believe most significantly affect our results of operations.

Property Operating Expenses

Once a property is available for lease, which we refer to as rent-ready, we incur ongoing property-related expenses, primarily HOA fees (when applicable); property taxes; insurance; marketing expenses; repairs and maintenance; and turnover costs, which may not be subject to our control.

Property Management Expenses

As we now internally manage our entire portfolio of single-family properties through our proprietary property management platform, we incur costs such as salary expenses for property management personnel, lease expenses for property management offices

Table of Contents

and technology expenses for maintaining the property management platform. As part of developing our property management platform, we have made significant investments in our infrastructure, systems and technology. We believe that these investments will enable the costs of our property management platform to become more efficient over time and as our overall portfolio grows in size.

Seasonality

While we still have limited operating history, we believe that our business and related operating results will be impacted by seasonal factors throughout the year. In particular, we have experienced higher levels of tenant move-outs during the summer months, which impacts both our rental revenues and related turnover costs. Further, our property operating costs are seasonally impacted in certain markets for expenses such as snow removal and heating during the winter season and HVAC repairs and expenses during the summer season.

General and Administrative Expense

General and administrative expense primarily consists of payroll and personnel costs, trustees' and officers' insurance expenses, audit and tax fees, state taxes, trustee fees and other expenses associated with our corporate and administrative functions.

Results of Operations

As we have rapidly grown our portfolio and have many properties in the early stages of operations, we distinguish our portfolio of initially leased homes between Same-Home properties and Non-Same-Home properties in evaluating our operating performance. We classify a property as Same-Home if it has been stabilized longer than 90 days prior to the beginning of the earliest period presented under comparison, which allows the performance of these properties to be compared between periods. A property is considered stabilized once it has been renovated and then initially leased or available for rent for a period greater than 90 days. All other properties that have been initially leased, whether or not currently leased, are classified as Non-Same-Home.

One of the primary financial measures we use in evaluating the operating performance of our initially leased, whether or not currently leased, single-family properties is core net operating income (Initially Leased Property Core NOI), which we define as rents and fees from single-family properties, net of bad debt expense, less property operating expenses for leased single-family properties, excluding expenses reimbursed by tenant charge-backs and bad debt expense. We use Initially Leased Property Core NOI as a primary financial measure as it reflects the economic operating performance of our properties that have been initially leased, without the impact of certain tenant reimbursed operating expenses that are presented gross in the condensed consolidated statements of operations in accordance with GAAP.

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Table of Contents

Comparison of the Three Months Ended June 30, 2015, to the Three Months Ended June 30, 2014

The following table presents a summary of Initially Leased Property Core NOI for our Same-Home properties, Non-Same-Home properties and total properties for the three months ended June 30, 2015 and 2014 (in thousands):

	For the Three Months Ended June 30, 2015					
	Same-Home Properties (1)	% of Revenue	Non-Same- Home Properties	% of Revenue	Total Portfolio	% of Revenue
Rents from single-family properties	\$ 69,395		\$ 68,423		\$ 137,818	
Fees from single-family properties	947		1,257		2,204	
Bad debt	(653)		(861)		(1,514)	
Core revenues from single-family properties	69,689		68,819		138,508	
Leased property operating expenses:						
Property tax expense	12,183	17.4%	12,187	17.7%	24,370	17.6%
HOA fees, net of tenant charge-backs	1,508	2.2%	1,417	2.1%	2,925	2.1%
Maintenance and turnover costs, net of tenant charge-backs	6,876	9.9%	6,324	9.2%	13,200	9.5%
Insurance	904	1.3%	776	1.1%	1,680	1.2%
Property management expenses	6,126	8.8%	6,046	8.8%	12,172	8.8%
Core property operating expenses	27,597	39.6%	26,750	38.9%	54,347	39.2%
Initially Leased Property Core NOI	\$ 42,092	60.4%	\$ 42,069	61.1%	\$ 84,161	60.8%

	For the Three Months Ended June 30, 2014					
	Same-Home Properties (1)	% of Revenue	Non-Same- Home Properties	% of Revenue	Total Portfolio	% of Revenue
Rents from single-family properties	\$ 66,779		\$ 22,092		\$ 88,871	
Fees from single-family properties	666		1,223		1,889	
Bad debt	(796)		(166)		(962)	
Core revenues from single-family properties	66,649		23,149		89,798	
Leased property operating expenses:						
Property tax expense	11,373	17.1%	3,918	16.9%	15,291	17.0%
HOA fees, net of tenant charge-backs	1,175	1.8%	372	1.6%	1,547	1.7%
Maintenance and turnover costs, net of tenant charge-backs	5,786	8.7%	1,886	8.1%	7,672	8.5%
Insurance	1,199	1.8%	408	1.8%	1,607	1.8%
Property management expenses	5,839	8.7%	1,243	5.4%	7,082	8.0%
Core property operating expenses	25,372	38.1%	7,827	33.8%	33,199	37.0%
Initially Leased Property Core NOI	\$ 41,277	61.9%	\$ 15,322	66.2%	\$ 56,599	63.0%

(1) Includes 17,332 properties that have been stabilized longer than 90 days prior to April 1, 2014.

A reconciliation of Initially Leased Property Core NOI to net loss as determined in accordance with GAAP is located at the end of this Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations.

Core Revenues from Single-Family Properties

Same-Home Properties

Core property revenues from Same-Home properties for the three months ended June 30, 2015, increased \$3.1 million, or 4.6%, to \$69.7 million from \$66.6 million for the three months ended June 30, 2014. This rise was primarily attributable to higher average monthly rental rates, which increased to \$1,423 per month as of June 30, 2015, compared to \$1,383 per month as of June 30, 2014, and to higher average occupancy levels, which increased to 93.9% during the second quarter of 2015 from 93.3% during the second quarter of 2014.

Non-Same Home Properties

Core property revenues from Non-Same-Home properties were \$68.8 million and \$23.1 million for the three months ended June 30, 2015 and 2014, respectively. This increase was primarily attributable to growth in our average number of leased Non-Same-Home

Table of Contents

properties, which rose to 16,524 leased properties for the three months ended June 30, 2015, from 5,719 leased properties for the three months ended June 30, 2014.

Core Property Operating Expenses

Core property operating expenses consist of direct property operating expenses, net of tenant charge-backs, and property management costs associated with properties that have been initially leased, whether or not they are currently leased.

Same-Home Properties

Core property operating expenses from Same-Home properties for the three months ended June 30, 2015, increased \$2.2 million, or 8.8%, to \$27.6 million from \$25.4 million for the three months ended June 30, 2014. This increase was primarily attributable to higher maintenance and turnover costs, net of tenant charge-backs, resulting from greater turnover volume in the current year, as well as to a rise in property tax rates. As a result, Same-Home core property operating expenses as a percentage of total Same-Home core revenues from single-family properties increased to 39.6% for the three months ended June 30, 2015, from 38.1% for the three months ended June 30, 2014.

Non-Same-Home Properties

Core property operating expenses from Non-Same-Home properties were \$26.8 million and \$7.8 million for the three months ended June 30, 2015 and 2014, respectively. This increase was primarily attributable to growth in our average number of initially leased Non-Same-Home properties, which rose to 17,370 initially leased properties for the three months ended June 30, 2015, from 5,924 initially leased properties for the three months ended June 30, 2014.

Vacant Property Operating Expenses and Other

Vacant property operating expenses and other, which primarily consist of direct property operating expenses and property management costs associated with properties that have been renovated, but not initially leased, were \$4.5 million for the three months ended June 30, 2015, which included \$3.6 million of vacant property operating expenses and \$0.9 million of other miscellaneous costs, compared to \$5.8 million for the three months ended June 30, 2014, which included \$5.1 million of vacant property operating expenses and \$0.7 million of other miscellaneous costs. This reduction was primarily attributable to a decrease in average initially rent ready vacant properties as a percentage of stabilized properties for the second quarter of 2015, compared to the second quarter of 2014.

General and Administrative Expense

General and administrative expense, which primarily consists of payroll and personnel costs, trustees' and officers' insurance expense, audit and tax fees, state taxes, trustee fees and other expenses associated with our corporate and administrative functions, was \$6.3 million for the three months ended June 30, 2015, compared to \$5.7 million for the same period in 2014. This rise was primarily related to incremental headcount increases associated with the growth of the business. Annualized general and administrative expense for the three months ended June 30, 2015, was 0.38% of total quarter-end assets, compared to annualized general and administrative expense of 0.46% of total quarter-end assets for the same period in 2014.

Interest Expense

Interest expense was \$22.0 million and \$3.9 million for the three months ended June 30, 2015 and 2014, respectively. This increase was primarily due to a rise in aggregate borrowings to \$2.3 billion at June 30, 2015, from \$962.0 million at June 30, 2014.

Acquisition Fees and Costs Expensed

Prior to December 10, 2014, we paid an acquisition and renovation fee to AH LLC equal to 5% of all costs and expenses incurred in connection with the initial acquisition, repair and renovation of our single-family properties for its services in identifying, evaluating, acquiring and overseeing the renovation of our properties. For properties that were leased at the time of acquisition, these costs were expensed, rather than capitalized, as a component of the acquisition cost. On December 10, 2014, AH LLC ceased providing acquisition and renovation services for us, we stopped paying AH LLC an acquisition and renovation fee and we hired all of AH LLC's acquisition and renovation personnel necessary for our operations. All costs of our internal acquisition function are now expensed in accordance with GAAP, compared to the 5% fee previously paid to AH LLC, which was primarily capitalized related to asset acquisitions in accordance with GAAP and included in the cost basis of our single-family properties.

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Table of Contents

For the three months ended June 30, 2015, acquisition fees and costs expensed included \$4.1 million of costs associated with purchases of single-family properties and \$0.1 million of transaction costs related to recent portfolio and bulk transactions. For the three months ended June 30, 2014, acquisition fees and costs expensed included \$0.9 million of acquisition fees and related costs associated with single-family properties acquired with in-place leases.

Depreciation and Amortization

Depreciation and amortization expense consists primarily of depreciation of buildings. Depreciation of our assets is calculated over their useful lives on a straight-line basis over 5 to 30 years. Our intangible assets are amortized on a straight-line basis over the asset's estimated economic useful life. Depreciation and amortization expense was \$59.2 million and \$38.3 million for the three months ended June 30, 2015 and 2014, respectively.

Comparison of the Six Months Ended June 30, 2015, to the Six Months Ended June 30, 2014

The following table presents a summary of Initially Leased Property Core NOI for our Same-Home properties, Non-Same-Home properties and total properties for the six months ended June 30, 2015 and 2014 (in thousands):

	For the Six Months Ended June 30, 2015					
	Same-Home Properties (1)	% of Revenue	Non-Same- Home Properties	% of Revenue	Total Portfolio	% of Revenue
Rents from single-family properties	\$ 106,307		\$ 152,191		\$ 258,498	
Fees from single-family properties	1,245		2,290		3,535	
Bad debt	(1,077)		(1,708)		(2,785)	
Core revenues from single-family properties	106,475		152,773		259,248	
Leased property operating expenses:						
Property tax expense	18,273	17.2%	26,965	17.7%	45,238	17.4%
HOA fees, net of tenant charge-backs	2,475	2.3%	3,194	2.1%	5,669	2.2%
Maintenance and turnover costs, net of tenant charge-backs	9,275	8.7%	12,230	8.0%	21,505	8.3%
Insurance	1,607	1.5%	2,031	1.3%	3,638	1.4%
Property management expenses	9,274	8.7%	13,310	8.7%	22,584	8.7%
Core property operating expenses	40,904	38.4%	57,730	37.8%	98,634	38.0%
Initially Leased Property Core NOI	\$ 65,571	61.6%	\$ 95,043	62.2%	\$ 160,614	62.0%

	For the Six Months Ended June 30, 2014					
	Same-Home Properties (1)	% of Revenue	Non-Same- Home Properties	% of Revenue	Total Portfolio	% of Revenue
Rents from single-family properties	\$ 103,218		\$ 59,414		\$ 162,632	
Fees from single-family properties	961		2,286		3,247	
Bad debt	(1,838)		(547)		(2,385)	
	102,341		61,153		163,494	

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Core revenues from single-family properties

Leased property operating expenses:

Property tax expense	16,979	16.6%	10,263	16.8%	27,242	16.7%
HOA fees, net of tenant charge-backs	2,298	2.2%	915	1.5%	3,213	2.0%
Maintenance and turnover costs, net of tenant charge-backs	8,524	8.3%	4,638	7.6%	13,162	8.0%
Insurance	1,944	1.9%	1,054	1.7%	2,998	1.8%
Property management expenses	8,942	8.8%	3,595	5.9%	12,537	7.7%
Core property operating expenses	38,687	37.8%	20,465	33.5%	59,152	36.2%
Initially Leased Property Core NOI	\$ 63,654	62.2%	\$ 40,688	66.5%	\$ 104,342	63.8%

(1) Includes 13,443 properties that have been stabilized longer than 90 days prior to January 1, 2014.

A reconciliation of Initially Leased Property Core NOI to net loss as determined in accordance with GAAP is located at the end of this Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations.

Table of Contents

Core Revenues from Single-Family Properties

Same-Home Properties

Core property revenues from Same-Home properties for the six months ended June 30, 2015, increased \$4.2 million, or 4.0%, to \$106.5 million from \$102.3 million for the six months ended June 30, 2014. This rise was primarily attributable to higher average monthly rental rates, which increased to \$1,423 per month as of June 30, 2015, compared to \$1,390 per month as of June 30, 2014. Increased core property revenues from rental rate growth were partially offset by lower average occupancy levels, which decreased to 93.3% during the six months ended June 30, 2015 from 93.7% during the six months ended June 30, 2014.

Non-Same Home Properties

Core property revenues from Non-Same-Home properties were \$152.8 million and \$61.2 million for the six months ended June 30, 2015 and 2014, respectively. This increase was primarily attributable to growth in our average number of leased Non-Same-Home properties, which rose to 18,712 leased properties for the six months ended June 30, 2015, from 7,766 leased properties for the six months ended June 30, 2014.

Core Property Operating Expenses

Core property operating expenses consist of direct property operating expenses, net of tenant charge-backs, and property management costs associated with properties that have been initially leased, whether or not they are currently leased.

Same-Home Properties

Core property operating expenses from Same-Home properties for the six months ended June 30, 2015, increased \$2.2 million, or 5.7%, to \$40.9 million from \$38.7 million for the six months ended June 30, 2014. This increase was primarily attributable to a rise in property tax expense, which was related to increased property tax rates and \$0.4 million of net property tax credits that were recognized during the first quarter of 2014, as well as to higher maintenance and turnover costs, net of tenant charge-backs, resulting from greater turnover volume in the current year. As a result, Same-Home core property operating expenses as a percentage of total Same-Home core revenues from single-family properties increased to 38.4% for the six months ended June 30, 2015, from 37.8% for the six months ended June 30, 2014.

Non-Same-Home Properties

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Core property operating expenses from Non-Same-Home properties were \$57.8 million and \$20.5 million for the six months ended June 30, 2015 and 2014, respectively. This increase was primarily attributable to growth in our average number of initially leased Non-Same-Home properties, which rose to 20,329 initially leased properties for the six months ended June 30, 2015, from 8,123 initially leased properties for the six months ended June 30, 2014.

Vacant Property Operating Expenses and Other

Vacant property operating expenses and other, which primarily consist of direct property operating expenses and property management costs associated with properties that have been renovated, but not initially leased, were \$10.4 million for the six months ended June 30, 2015, which included \$8.9 million of vacant property operating expenses and \$1.5 million of other miscellaneous costs, compared to \$14.9 million for the six months ended June 30, 2014, which included \$13.0 million of vacant property operating expenses and \$1.9 million of other miscellaneous costs. This reduction was primarily attributable to a decrease in average initially rent ready vacant properties as a percentage of stabilized properties for the six months ended June 30, 2015, compared to the six months ended June 30, 2014.

General and Administrative Expense

General and administrative expense, which primarily consists of payroll and personnel costs, trustees and officers insurance expense, audit and tax fees, state taxes, trustee fees and other expenses associated with our corporate and administrative functions, was \$12.4 million for the six months ended June 30, 2015, compared to \$10.8 million for the same period in 2014. This rise was primarily related to incremental headcount increases associated with the growth of the business. Annualized general and administrative expense for the six months ended June 30, 2015, was 0.37% of total quarter-end assets, compared to annualized general and administrative expense of 0.43% of total quarter-end assets for the same period in 2014.

Table of Contents

Interest Expense

Interest expense was \$37.7 million and \$5.4 million for the six months ended June 30, 2015 and 2014, respectively. This increase was primarily due to a rise in aggregate borrowings to \$2.3 billion at June 30, 2015, from \$962.0 million at June 30, 2014.

Acquisition Fees and Costs Expensed

Prior to December 10, 2014, we paid an acquisition and renovation fee to AH LLC equal to 5% of all costs and expenses incurred in connection with the initial acquisition, repair and renovation of our single-family properties for its services in identifying, evaluating, acquiring and overseeing the renovation of our properties. For properties that were leased at the time of acquisition, these costs were expensed, rather than capitalized, as a component of the acquisition cost. On December 10, 2014, AH LLC ceased providing acquisition and renovation services for us, we stopped paying AH LLC an acquisition and renovation fee and we hired all of AH LLC's acquisition and renovation personnel necessary for our operations. All costs of our internal acquisition function are now expensed in accordance with GAAP, compared to the 5% fee previously paid to AH LLC, which was primarily capitalized related to asset acquisitions in accordance with GAAP and included in the cost basis of our single-family properties.

For the six months ended June 30, 2015, acquisition fees and costs expensed included \$9.2 million of costs associated with purchases of single-family properties and \$0.9 million of transaction costs related to recent portfolio and bulk transactions. For the six months ended June 30, 2014, acquisition fees and costs expensed included \$1.2 million of acquisition fees and related costs associated with single-family properties acquired with in-place leases and \$0.2 million of transaction costs incurred in pursuing unsuccessful single-family property acquisitions.

Depreciation and Amortization

Depreciation and amortization expense consists primarily of depreciation of buildings. Depreciation of our assets is calculated over their useful lives on a straight-line basis over 5 to 30 years. Our intangible assets are amortized on a straight-line basis over the asset's estimated economic useful life. Depreciation and amortization expense was \$112.9 million and \$73.5 million for the six months ended June 30, 2015 and 2014, respectively.

Critical Accounting Policies and Estimates

Our critical accounting policies are included in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, of our Annual Report on Form 10-K for the year ended December 31, 2014. There have been no significant changes to our policies during the three and six months ended June 30, 2015. For a discussion of recent accounting pronouncements, see Note 2 Significant Accounting Policies.

Income Taxes

We have elected to be taxed as a REIT under Sections 856 to 860 of the Internal Revenue Code of 1986, as amended (the Code), which commenced with our taxable year ended December 31, 2012. We believe that we have operated, and continue to operate, in such a manner as to satisfy the requirements for qualification as a REIT. Accordingly, we will not be subject to federal income tax, provided that we qualify as a REIT and our distributions to our shareholders equal or exceed our REIT taxable income.

However, qualification and taxation as a REIT depends upon our ability to meet the various qualification tests imposed under the Code, including tests related to the percentage of income that we earn from specified sources and the percentage of our earnings that we distribute. Accordingly, no assurance can be given that we will continue to be organized or be able to operate in a manner so as to remain qualified as a REIT. If we fail to qualify as a REIT in any taxable year, we will be subject to federal and state income tax (including any applicable alternative minimum tax) on our taxable income at regular corporate tax rates, and we may be ineligible to qualify as a REIT for four subsequent tax years. Even if we qualify as a REIT, we may be subject to certain state or local income and capital taxes and U.S. federal income and excise taxes on our undistributed taxable income, if any. Our taxable REIT subsidiary will be subject to federal, state and local taxes on its income at regular corporate rates. The tax years from 2012 through 2014 remain open to examination by the taxing jurisdictions to which the Company is subject.

ASC 740-10 *Income Taxes* requires recognition of deferred tax assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. We recognize tax benefits of uncertain tax positions only if it is more likely than not that the tax position will be sustained, based solely on its technical merits, with the taxing authority having full authority of all relevant information. The measurement of a tax benefit for an uncertain tax position that meets the more likely than not threshold is

Table of Contents

based on a cumulative probability model under which the largest amount of tax benefit recognized is the amount with a greater than 50% likelihood of being realized upon ultimate settlement with the taxing authority having full knowledge of all the relevant information. As of June 30, 2015, there were no deferred tax assets and liabilities or unrecognized tax benefits recorded. We do not anticipate a significant change in unrecognized tax benefits within the next 12 months.

Liquidity and Capital Resources

Our liquidity and capital resources as of June 30, 2015, included cash and cash equivalents of \$90.7 million. Additionally, as of June 30, 2015, \$177.0 million was outstanding under our credit facility, which provides for maximum borrowings of up to \$800.0 million. From July 1, 2015, through July 31, 2015, the Company borrowed an additional \$53.0 million under the credit facility and made payments on the credit facility totaling \$35.0 million, resulting in an outstanding balance of \$195.0 million as of July 31, 2015.

Liquidity is a measure of our ability to meet potential cash requirements, maintain our assets, fund our operations, make distributions to our shareholders and meet other general requirements of our business. Our liquidity, to a certain extent, is subject to general economic, financial, competitive and other factors beyond our control. Our liquidity requirements consist primarily of funds necessary to pay for the acquisition, renovation and maintenance of our properties, HOA fees (as applicable), real estate taxes, non-recurring capital expenditures, interest and principal payments on our indebtedness, general and administrative expenses, payment of quarterly dividends on our preferred shares, and payment of distributions to our Class A common shareholders.

We seek to satisfy our liquidity needs through cash provided by operations, long-term secured and unsecured borrowings, issuances of debt and equity securities (including OP units), asset-backed securitizations, property dispositions and joint venture transactions. We have financed our operations and acquisitions to date through the issuance of equity securities, borrowings under our credit facility and asset-backed securitizations. Going forward, we expect to meet our operating liquidity requirements generally through cash on hand and cash provided by operations. We believe our rental income, net of operating expenses and recurring capital expenditures, will generally provide cash flow sufficient to fund our operations and dividend distributions. However, our real estate assets are illiquid in nature. A timely liquidation of assets might not be a viable source of short-term liquidity should a cash flow shortfall arise, and we may need to source liquidity from other financing alternatives.

To qualify as a REIT, we are required to distribute annually at least 90% of our REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and to pay tax at regular corporate rates to the extent that we annually distribute less than 100% of our net taxable income. We intend to pay quarterly dividends to our shareholders, which in the aggregate exceed our net taxable income in the relevant year.

Cash Flows

Our cash flows provided by operating activities depend on numerous factors, including the occupancy level of our properties, the rental rates achieved on our leases, the collection of rent from our tenants and the level of property operating expenses, property management operating expenses and general and administrative expenses.

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During the six months ended June 30 2015, net cash provided by operating activities was \$103.8 million, which included inflows of \$116.2 million from noncash adjustments to net loss and \$4.3 million from other changes in operating assets and liabilities, partially offset by outflows of a net loss of \$16.7 million. Net cash used for investing activities was \$577.5 million, which primarily consisted of cash outflows of \$441.8 million related to the acquisition of properties and \$93.7 million of initial renovation costs to prepare our properties for rental. These costs typically include paint, flooring, appliances, landscaping and other improvements. Net cash provided by financing activities was \$455.6 million, which primarily consisted of cash inflows of \$552.8 million in proceeds from our securitization transaction, partially offset by net repayments of borrowings under our credit facility of \$30.0 million. Net cash used for total operations during the six months ended June 30, 2015, was \$18.1 million.

During the six months ended June 30, 2014, net cash provided by operating activities was \$88.7 million, which included inflows of \$85.7 million from noncash adjustments to net loss and \$13.3 million from other changes in operating assets and liabilities, partially offset by outflows of a net loss of \$10.3 million. Net cash used for investing activities was \$723.0 million, which primarily consisted of cash outflows of \$591.7 million related to the acquisition of properties and \$91.4 million of initial renovation costs to prepare our properties for rental. These costs typically include paint, flooring, appliances, landscaping and other improvements. Net cash provided by financing activities was \$724.4 million, which primarily consisted of cash inflows of \$106.0 million in net borrowings under our credit facility. Net cash provided by total operations during the six months ended June 30, 2014, was \$90.1 million.

Table of Contents

Credit Facility

In March 2013, the Company entered into a \$500.0 million senior secured revolving credit facility with a financial institution, which was subsequently amended in September 2013 to, among other things, expand our borrowing capacity to \$800.0 million and extend the repayment period to September 30, 2018. Borrowings under the credit facility are available through March 7, 2016, which may be extended for an additional year, subject to the satisfaction of certain financial covenant tests. Upon expiration of the credit facility period, any outstanding borrowings will convert to a term loan through September 30, 2018. All borrowings under the credit facility bear interest at 30 day LIBOR plus 2.75% until March 2017, and thereafter at 30 day LIBOR plus 3.125%. The credit facility is secured by our Operating Partnership's membership interests in entities that own certain of our single-family properties and requires that we maintain certain financial covenants. As of June 30, 2015, the Company was in compliance with all loan covenants. The Company had \$177.0 million and \$207.0 million in total outstanding borrowings under the credit facility at June 30, 2015, and December 31, 2014, respectively.

Asset-Backed Securitization

In March 2015, we completed a private securitization transaction (the 2015-SFR1 securitization), in which a newly-formed special purpose entity (the Borrower) entered into a loan with a third-party lender for \$552.8 million represented by a promissory note. The Borrower under the loan is wholly owned by another special purpose entity (the Equity Owner) and the Equity Owner is wholly owned by the Operating Partnership. The loan is a fixed-rate loan with a 30 year term, maturity date of April 9, 2045, and a duration-adjusted weighted-average interest rate of 4.14%. The loan, which requires monthly payments of interest together with principal payments representing one-twelfth of one percent of the original principal amount, has an anticipated repayment date of April 9, 2025. The note was immediately transferred by the third-party lender to a subsidiary of the Company and then to a REMIC trust in exchange for eight classes of single-family rental pass-through certificates representing all the beneficial ownership interests in the loan and the trust. Upon receipt of the certificates, a subsidiary of the Company sold the certificates to investors for gross proceeds of \$552.8 million, before issuance costs of \$13.3 million. Proceeds from this transaction were used to pay down the outstanding balance on the credit facility and for general corporate purposes. The loan is secured by first priority mortgages on a pool of 4,661 single-family residential properties transferred to the Borrower from the Company's portfolio of properties. The Company consolidates, at historical cost basis, the 4,661 homes placed as collateral for the note. The principal balance outstanding on the note was \$551.9 million as of June 30, 2015, and was included in asset-backed securitizations within the condensed consolidated balance sheets. The 4,661 collateral homes had a net book value of \$746.9 million as of June 30, 2015 (see Note 6).

Off-Balance Sheet Arrangements

We have no obligations, assets or liabilities that would be considered off-balance sheet arrangements.

Non-GAAP Measures

Initially Leased Property Core NOI

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Initially Leased Property Core NOI is a supplemental non-GAAP financial measure. The Company defines Initially Leased Property Core NOI as rents and fees from single-family properties, net of bad debt expense, less property operating expenses for leased single-family properties, excluding expenses reimbursed by tenant charge-backs and bad debt expense. The Company considers Initially Leased Property Core NOI to be a meaningful financial measure because we believe it is helpful to investors in understanding the operating performance of our properties that have been initially leased, without the impact of certain tenant reimbursed operating expenses that are presented gross in the condensed consolidated statements of operations in accordance with GAAP. It should be considered only as a supplement to net loss as a measure of our performance. Initially Leased Property Core NOI should not be used as a measure of the Company's liquidity, nor is it indicative of funds available to fund the Company's cash needs, including its ability to pay dividends or make distributions. Initially Leased Property Core NOI also should not be used as a supplement to or substitute for net loss or net cash flows from operating activities (as computed in accordance with GAAP).

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Table of Contents

The following is a reconciliation of Initially Leased Property Core NOI to net loss as determined in accordance with GAAP (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
Net loss	\$ (8,398)	\$ (3,369)	\$ (16,663)	\$ (10,304)
Remeasurement of preferred shares	(580)	141	(700)	598
Remeasurement of Series E units	(2,143)	4,944	(3,981)	7,700
Depreciation and amortization	59,221	38,325	112,885	73,456
Acquisition fees and costs expensed	4,236	919	10,144	1,371
Noncash share-based compensation expense	734	612	1,430	1,144
Interest expense	22,003	3,888	37,673	5,390
General and administrative expense	6,276	5,703	12,407	10,777
Property operating expenses for vacant single-family properties and other	4,456	5,842	10,428	14,885
Other revenues	(1,644)	(406)	(3,009)	(675)
Initially Leased Property NOI	\$ 84,161	\$ 56,599	\$ 160,614	\$ 104,342
Tenant charge-backs	11,962	3,138	20,334	5,028
Expenses reimbursed by tenant charge-backs	(11,962)	(3,138)	(20,334)	(5,028)
Bad debt expense excluded from operating expenses	1,514	962	2,785	2,385
Bad debt expense included in revenues	(1,514)	(962)	(2,785)	(2,385)
Initially Leased Property Core NOI	\$ 84,161	\$ 56,599	\$ 160,614	\$ 104,342

FFO / Core FFO attributable to common share and unit holders

Funds from operations (FFO) attributable to common share and unit holders is a non-GAAP financial measure that we calculate in accordance with the White Paper on FFO approved by the Board of Governors of the National Association of Real Estate Investment Trusts (NAREIT), which defines FFO as net income or loss calculated in accordance with GAAP, excluding extraordinary items, as defined by GAAP, gains and losses from sales of depreciable real estate, plus real estate-related depreciation and amortization (excluding amortization of deferred financing costs and depreciation of non-real estate assets), and after adjustment for unconsolidated partnerships and joint ventures. Core funds from operations (Core FFO) attributable to common share and unit holders is a non-GAAP financial measure that we use as a supplemental measure of our performance. We compute this metric by adjusting FFO attributable to common share and unit holders for (a) acquisition fees and costs expensed incurred with recent business combinations and the acquisition of individual properties, (b) noncash share-based compensation expense and (c) noncash fair value adjustments associated with remeasuring our Series E units liability and preferred shares derivative liability to fair value.

We present FFO attributable to common share and unit holders, as well as on a per FFO share and unit basis, because we consider this metric to be an important measure of the performance of real estate companies, as do many analysts in evaluating our Company. We believe that FFO attributable to common share and unit holders is a helpful measure of a REIT's performance since this metric excludes depreciation, which is included in computing net income and assumes the value of real estate diminishes predictably over time. We believe that real estate values fluctuate due to market conditions and in response to inflation. We also believe that Core FFO attributable to common share and unit holders, as well as on a per FFO share and unit basis, are helpful to investors as supplemental measures of the operating performance of our Company as they allow investors to compare our operating performance to prior reporting periods without the effect of certain items that, by nature, are not comparable from period to period. FFO attributable to common share and unit holders and Core FFO attributable to common

share and unit holders are not a substitute for net cash flow provided by operating activities or net loss per share, as determined in accordance with GAAP, as a measure of our liquidity, operating performance or ability to pay dividends. These metrics also are not necessarily indicative of cash available to fund future cash needs. Because other REITs may not compute these measures in the same manner, they may not be comparable among REITs.

Table of Contents

The following is a reconciliation of net loss attributable to common shareholders, determined in accordance with GAAP, to FFO attributable to common share and unit holders and Core FFO attributable to common share and unit holders for the three and six months ended June 30, 2015 and 2014 (amounts in thousands, except share and per share data):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
Net loss attributable to common shareholders	\$ (17,697)	\$ (12,250)	\$ (35,487)	\$ (25,926)
Adjustments:				
Noncontrolling interests in the Operating Partnership	3,861	4,140	7,730	7,855
Depreciation and amortization of real estate assets	56,866	36,793	108,070	70,620
FFO attributable to common share and unit holders	\$ 43,030	\$ 28,683	\$ 80,313	\$ 52,549
Adjustments:				
Acquisition fees and costs expensed	4,236	919	10,144	1,371
Noncash share-based compensation expense	734	612	1,430	1,144
Remeasurement of Series E units	(2,143)	4,944	(3,981)	7,700
Remeasurement of preferred shares	(580)	141	(700)	598
Core FFO attributable to common share and unit holders	\$ 45,277	\$ 35,299	\$ 87,206	\$ 63,362
Weighted-average number of FFO shares and units (1)	265,763,808	239,138,917	265,761,105	239,133,270
<i>Per FFO share and unit:</i>				
FFO attributable to common share and unit holders	\$ 0.16	\$ 0.12	\$ 0.30	\$ 0.22
Core FFO attributable to common share and unit holders	\$ 0.17	\$ 0.15	\$ 0.33	\$ 0.26

(1) Includes weighted-average common shares outstanding and assumes full conversion of all Operating Partnership units outstanding, including Class A units, which totaled 14,440,670 at June 30, 2015, and 13,787,292 at June 30, 2014, as well as 31,085,974 Series C units, 4,375,000 Series D units and 4,375,000 Series E units at June 30, 2015 and 2014.

Table of Contents**ITEM 3. Quantitative and Qualitative Disclosures about Market Risk****Interest Rate Risk**

The primary market risk to which we believe we are exposed is interest rate risk, which may result from many factors, including government monetary and tax policies, domestic and international economic and political considerations, and other factors that are beyond our control. We may incur additional variable rate debt in the future, including additional amounts that we may borrow under our credit facility. In addition, decreases in interest rates may lead to additional competition for the acquisition of single-family homes, which may lead to future acquisitions being more costly and resulting in lower yields on single-family homes targeted for acquisition. Significant increases in interest rates may also have an adverse impact on our earnings if we are unable to acquire single-family homes with rental rates high enough to offset the increase in interest rates on our borrowings.

As of June 30, 2015, the total outstanding balance of our variable-rate debt was comprised of borrowings on our credit facility and 2014-SFR1 securitization of \$177.0 million and \$476.2 million, respectively. All borrowings under our credit facility bear interest at 30 day LIBOR plus 2.75% until March 2017, and thereafter at 30 day LIBOR plus 3.125%, while borrowings under the 2014-SFR1 securitization bear interest at a duration-weighted blended interest rate of LIBOR plus 1.54%. Assuming no change in the outstanding balance of our existing variable-rate debt, the following table illustrates the effect of a 100 basis point increase or decrease in the LIBOR rate on our projected annual interest expense as of June 30, 2015, and December 31, 2014 (in thousands):

	June 30, 2015	December 31, 2014
Impact to future earnings due to variable rate debt, before the effect of capitalization:		
Rate increase of 1% (1)	\$ (6,532)	\$ (6,856)
Rate decrease of 1% (2)	\$ 336	\$ 331

(1) Calculation of additional projected annual interest expense as a result of a 100 basis point increase reflects the potential impact of our interest rate cap agreement as of June 30, 2015.

(2) Calculation of projected decrease in annual interest expense as a result of a 100 basis point decrease is reflective of any LIBOR floors or minimum interest rates stated in the agreements of respective borrowings.

These analyses do not consider the effects of the reduced level of overall economic activity that could exist in such an environment. Further, in the event of a change of such magnitude, we would consider taking actions to further mitigate our exposure to the change. However, because of the uncertainty of the specific actions that would be taken and their possible effects, the sensitivity analysis assumes no changes in our capital structure.

ITEM 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports we file and submit under the Securities Exchange Act of 1934, as amended (the Exchange Act) is recorded, processed, summarized and reported within the time periods specified in accordance with SEC guidelines and that such information is communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure based on the definition of disclosure controls and procedures in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures in reaching that level of reasonable assurance.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures, as required by Exchange Act Rule 13a-15(b), as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective, at a reasonable assurance level.

Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2015, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

The Company currently is not subject to any material litigation nor, to management's knowledge, is any material litigation currently threatened against the Company other than routine litigation and administrative proceedings arising in the ordinary course of business.

Item 1A. Risk Factors

There have been no material changes to our risk factors from those disclosed in the section entitled "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2014.

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

- (a) Not required.
- (b) Not required.
- (c) The Company did not repurchase any of its equity securities during the quarter ended June 30, 2015.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibits required by Item 601 of Regulation S-K are filed herewith or incorporated herein by reference and are listed in the attached Exhibit Index which is incorporated herein by reference.

Table of Contents

SIGNATURES

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

AMERICAN HOMES 4 RENT

/s/ Diana M. Laing

Diana M. Laing
Chief Financial Officer
(Principal financial officer and duly authorized accounting officer)
Date: August 10, 2015

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Table of Contents

Exhibit Index

Exhibit Number	Exhibit Document
2.1	Amended and Restated Contribution Agreement, dated December 28, 2012, by and among American Homes 4 Rent, American Homes 4 Rent, L.P., American Homes 4 Rent Properties One, LLC and American Homes 4 Rent, LLC (Incorporated by reference to Exhibit 2.1 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.2	First Amendment to Amended and Restated Contribution Agreement, dated January 30, 2013, by and among American Homes 4 Rent, American Homes 4 Rent, L.P., American Homes 4 Rent Properties One, LLC and American Homes 4 Rent, LLC (Incorporated by reference to Exhibit 2.2 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.3	Second Amendment to Amended and Restated Contribution Agreement, dated March 18, 2013, by and among American Homes 4 Rent, American Homes 4 Rent, L.P., American Homes 4 Rent Properties One, LLC and American Homes 4 Rent, LLC (Incorporated by reference to Exhibit 2.3 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.4	Contribution Agreement, dated February 25, 2013, by and among American Homes 4 Rent, LLC, American Homes 4 Rent, American Homes 4 Rent, L.P. and AH4R Properties Holdings, LLC (Incorporated by reference to Exhibit 2.4 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.5	Contribution Agreement, dated May 28, 2013, by and among American Homes 4 Rent, LLC, American Homes 4 Rent and American Homes 4 Rent, L.P. (Incorporated by reference to Exhibit 2.5 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.6	Contribution Agreement, dated June 11, 2013, by and among American Homes 4 Rent, American Homes 4 Rent, LLC, Alaska Permanent Fund Corporation, American Homes 4 Rent, L.P., American Homes 4 Rent I, LLC and American Homes 4 Rent TRS, LLC (Incorporated by reference to Exhibit 2.6 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
2.7	Agreement and Plan of Merger, dated July 1, 2014, by and among American Homes 4 Rent, AMH Portfolio One, LLC, Beazer Pre-Owned Rental Homes, Inc. and KKR Fund Holdings L.P. (Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed July 7, 2014.)
3.1	Articles of Amendment and Restatement of Declaration of Trust of American Homes 4 Rent (Incorporated by reference to Exhibit 3.1 to Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed June 25, 2013.)
3.2	First Articles of Amendment to Articles of Amendment and Restatement of Declaration of Trust of American Homes 4 Rent (Incorporated by reference to Exhibit 3.2 to Amendment No. 2 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed July 19, 2013.)
3.3	Articles Supplementary for American Homes 4 Rent 5.000% Series A Participating Preferred Shares (Incorporated by reference to Exhibit 3.3 to Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-191015) filed October 25, 2013.)
3.4	Articles Supplementary for American Homes 4 Rent 5.000% Series B Participating Preferred Shares (Incorporated by reference to Exhibit 3.4 to Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-192592) filed December 27, 2013.)
3.5	

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Articles Supplementary for American Homes 4 Rent 5.500% Series C Participating Preferred Shares (Incorporated by reference to Exhibit 3.5 to Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-11 (Registration Number 333-195575) filed May 1, 2014.)

- 3.6 Amended and Restated Bylaws of American Homes 4 Rent (Incorporated by reference to Exhibit 3.3 to Amendment No. 2 to the Company's Registration Statement on Form S-11 (Registration Number 333-189103) filed July 19, 2013.)
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Table of Contents

Exhibit Number	Exhibit Document
10.1	Loan Agreement dated as of March 6, 2015 between AMH 2015-1 Borrower, LLC, as Borrower and Goldman Sachs Mortgage Company, as Lender (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed March 11, 2015.)
10.2	Fifth Omnibus Joinder and Amendment Agreement dated as of March 9, 2015 among Wells Fargo Bank, national association as lender, subsidiaries of American Homes 4 Rent identified therein as Borrowers, American Homes 4 Rent, L.P., AH4R Properties LLC and American Homes 4 Rent I, LLC, each as Existing Pledgors/Guarantors and subsidiaries of the company identified as joining as a pledgor or guarantor. (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed March 11, 2015.)
10.3	Ninth Amendment to Agreement of Limited Partnership of American Homes 4 Rent, L.P. (Incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K for the year ended December 31, 2014.)
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934. Filed herewith.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934. Filed herewith.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350. Filed herewith.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

The schedules and exhibits to this agreement have been omitted from this filing. The Company will furnish supplementally a copy of any such omitted schedules or exhibits to the SEC upon request.
