

American Homes 4 Rent  
Form 10-Q  
November 14, 2014

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 10-Q**

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(Mark One)

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

For the quarterly period ended September 30, 2014

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
COMMISSION FILE NUMBER 001-36013

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**AMERICAN HOMES 4 RENT**

(Exact name of registrant as specified in its charter)

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**Maryland**  
(State or other jurisdiction of  
incorporation or organization)

**30601 Agoura Road, Suite 200  
Agoura Hills, California 91301**  
(Address of principal executive offices) (Zip Code)

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

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(805) 413-5300

(Registrant's telephone number, including area code)

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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

(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 210,838,831 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 November 11, 2014.

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Table of Contents

**American Homes 4 Rent  
Form 10-Q  
INDEX**

	<b>Page</b>
<b><u>PART I</u></b> <b><u>FINANCIAL INFORMATION</u></b>	
<u>Item 1.</u> <u>Financial Statements</u>	<u>1</u>
<u>Item 2.</u> <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>28</u>
<u>Item 3.</u> <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>47</u>
<u>Item 4.</u> <u>Controls and Procedures</u>	<u>47</u>
<b><u>PART II</u></b> <b><u>OTHER INFORMATION</u></b>	
<u>Item 1.</u> <u>Legal Proceedings</u>	<u>49</u>
<u>Item 1A.</u> <u>Risk Factors</u>	<u>49</u>
<u>Item 2.</u> <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>50</u>
<u>Item 3.</u> <u>Defaults Upon Senior Securities</u>	<u>50</u>
<u>Item 4.</u> <u>Mine Safety Disclosures</u>	<u>50</u>
<u>Item 5.</u> <u>Other Information</u>	<u>50</u>
<u>Item 6.</u> <u>Exhibits</u>	<u>50</u>
<u>Signatures</u>	<u>51</u>
<u>Exhibit Index</u>	

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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, 2013, 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.*

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Table of Contents

**PART I**  
**FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**American Homes 4 Rent**

**Condensed Consolidated Balance Sheets**

*(Amounts in thousands, except share data)*

	<b>September 30, 2014</b>	<b>December 31, 2013</b>
	<b>(Unaudited)</b>	
<b>Assets</b>		
Single-family properties:		
Land	\$ 982,959	\$ 728,362
Buildings and improvements	4,296,874	3,188,693
Single-family properties held for sale	5,574	6,569
	5,285,407	3,923,624
Less: accumulated depreciation	(167,664)	(62,202)
Single-family properties, net	5,117,743	3,861,422
Cash and cash equivalents	103,939	148,989
Restricted cash	59,212	26,430
Rent and other receivables, net	5,637	6,863
Escrow deposits, prepaid expenses and other assets	60,685	39,212
Deferred costs and other intangibles, net	42,807	20,573
Asset-backed securitization certificates	25,666	
Goodwill	120,655	120,655
Total assets	\$ 5,536,344	\$ 4,224,144
<b>Liabilities</b>		
Credit facility	\$ 82,000	\$ 375,000
Asset-backed securitizations	993,058	
Accounts payable and accrued expenses	135,789	103,397
Amounts payable to affiliates	10,170	
Contingently convertible Series E units liability	71,050	66,938
Preferred shares derivative liability	57,420	28,150
Total liabilities	1,349,487	573,485
<b>Commitments and contingencies</b>		
<b>Equity</b>		
Shareholders' equity:		

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Class A common shares, \$0.01 par value per share, 450,000,000 shares authorized, 210,838,831 and 184,869,219 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	2,108	1,848
Class B common shares, \$0.01 par value per share, 50,000,000 shares authorized, 635,075 shares issued and outstanding at September 30, 2014 and December 31, 2013	6	6
Preferred shares, \$0.01 par value per share, 100,000,000 shares authorized, 17,060,000 and 9,060,000 issued and outstanding at September 30, 2014 and December 31, 2013, respectively	171	91
Additional paid-in capital	3,614,428	2,996,478
Accumulated deficit	(140,277)	(63,479)
Accumulated other comprehensive loss	(196)	
Total shareholders' equity	3,476,240	2,934,944
Noncontrolling interest	710,617	715,715
Total equity	4,186,857	3,650,659
Total liabilities and equity	\$ 5,536,344	\$ 4,224,144

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 data)**(Unaudited)*

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2014	2013	2014	2013
<b>Revenues:</b>				
Rents from single-family properties	\$ 104,210	\$ 47,364	\$ 266,842	\$ 70,879
Fees from single-family properties	1,529	1,476	4,776	2,230
Tenant charge-backs	4,282	323	9,310	370
Other	372	300	1,047	663
<b>Total revenues</b>	<b>110,393</b>	<b>49,463</b>	<b>281,975</b>	<b>74,142</b>
<b>Expenses:</b>				
Property operating expenses				
Leased single-family properties	50,583	17,579	116,639	26,941
Vacant single-family properties and other	3,885	7,873	19,279	13,993
General and administrative expense	5,291	2,742	16,068	5,178
Advisory fees				6,352
Interest expense	5,112		10,502	370
Noncash share-based compensation expense	751	153	1,895	606
Acquisition fees and costs expensed	14,550	496	15,921	3,985
Depreciation and amortization	44,855	24,043	118,311	37,827
<b>Total expenses</b>	<b>125,027</b>	<b>52,886</b>	<b>298,615</b>	<b>95,252</b>
Gain on remeasurement of equity method investment				10,945
Remeasurement of Series E units	3,588	(438)	(4,112)	(438)
Remeasurement of Preferred shares	(1,750)		(2,348)	
<b>Loss from continuing operations</b>	<b>(12,796)</b>	<b>(3,861)</b>	<b>(23,100)</b>	<b>(10,603)</b>
<b>Discontinued operations</b>				
Gain on disposition of single-family properties				904
Income from discontinued operations				104
<b>Income from discontinued operations</b>				<b>1,008</b>