

AMERICAN HOMES 4 RENT



Investor Highlights
June 2019



Legal Disclosures

Forward-Looking Statements

Various statements contained in this presentation, 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 our strategies, plans or intentions. Forward-looking statements are generally accompanied by words such as “estimate,” “project,” “predict,” “believe,” “expect,” “intend,” “anticipate,” “potential,” “plan,” “goal,” “guidance,” “outlook” 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. These assumptions include, among others, our projections and expectations regarding: market trends in the single-family home rental industry and in the local markets where we operate, our ability to institutionalize a historically fragmented business model, our business strengths, our ideal tenant profile, the quality and location of our properties in attractive neighborhoods, the scale advantage of our national platform and the superiority of our operational infrastructure, the effectiveness of our investment philosophy and diversified acquisition strategy, our ability to expand our development program, our ability to grow our portfolio and to create a cash flow opportunity with attractive current yields and upside from increasing rents and cost efficiencies and our understanding of our competition and general economic, demographic, regulatory and real estate conditions that may impact our business. While we consider 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 and could cause actual results to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Investors should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, June 3, 2019. We undertake no obligation to update any forward-looking statements to conform to actual results or changes in our expectations, unless required by applicable law. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see the “Risk Factors” disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018 and in the Company’s subsequent filings with the Securities and Exchange Commission.

Non-GAAP Financial Measures

This presentation includes certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP) because we believe they help investors understand our performance. Any non-GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by U.S. GAAP and may not be comparable to the calculation of similar measures of other companies. Definitions of these non-GAAP financial measures and a reconciliation of these measures to GAAP is included in Defined Terms and Non-GAAP Reconciliations in the Appendix to this presentation.

About American Homes 4 Rent

American Homes 4 Rent (NYSE: AMH) is a leader in the single-family home rental industry and “American Homes 4 Rent” is fast becoming a nationally recognized brand for rental homes, known for high-quality, good value and tenant satisfaction. We are an internally managed Maryland real estate investment trust, or REIT, focused on acquiring, developing, renovating, leasing, and operating attractive, single-family homes as rental properties. As of March 31, 2019, we owned 52,923 single-family properties in selected submarkets in 22 states.

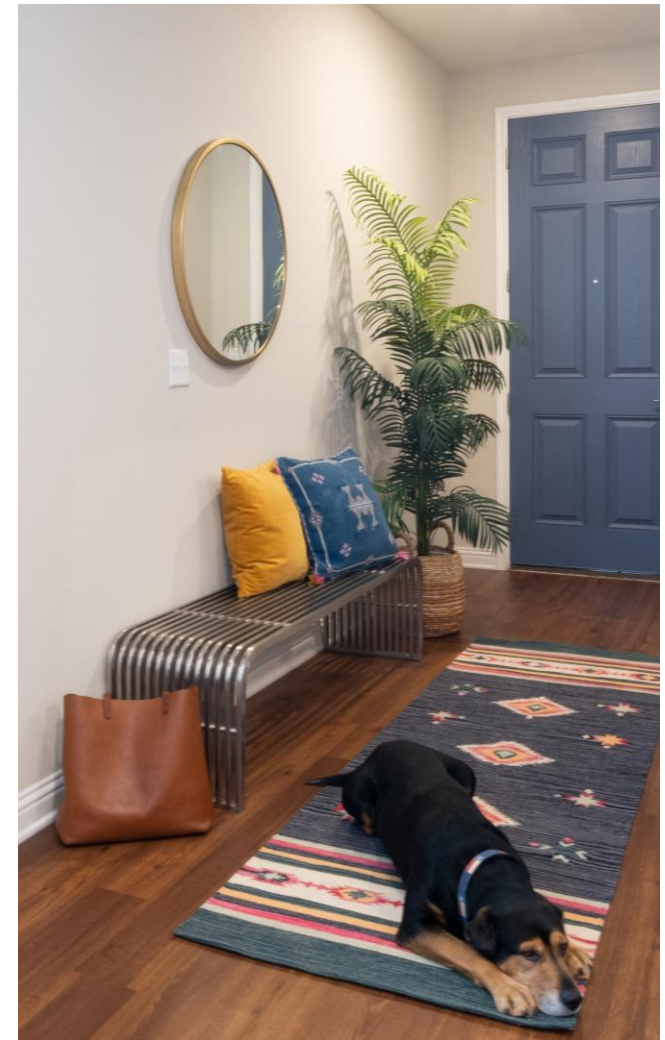
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AMH At A Glance

52,923 high-quality properties in 22 states⁽¹⁾
~ 200,000 residents

Only **Investment Grade Rated** balance sheet in SFR sector

5.3% Same Home 1Q19 Core NOI after Capex growth⁽¹⁾

Approx. **\$250 million** of retained annual cash flow⁽²⁾

96.7% Same-Home 1Q 2019 ending occupancy percentage⁽¹⁾

Average property age of **15.5 years**⁽¹⁾



~1,200 employees, of which over 800 are field based or delivering customer service⁽²⁾



\$11.9 billion total market capitalization⁽¹⁾

Best-in-class call center and **proprietary technology**

Net debt to TTM Adjusted EBITDA of **4.9 x**⁽¹⁾

(1) As of March 31, 2019

(2) As of December 31, 2018



Operational Update

Strong Occupancy Levels

- Strong start to 2019, with same-home 1Q19 Average Occupied Days Percentage of **95.5%**, a 70 basis point increase over 1Q18
- Leasing momentum continues into spring season – same-home QTD May-2019 Average Occupied Days Percentage of **95.8%**

Continued Pricing Power

- 1Q19 represented 5th consecutive quarter of YoY increases in same-home blended leasing spreads
- **4.8%** QTD May-2019 same-home blended leasing spread

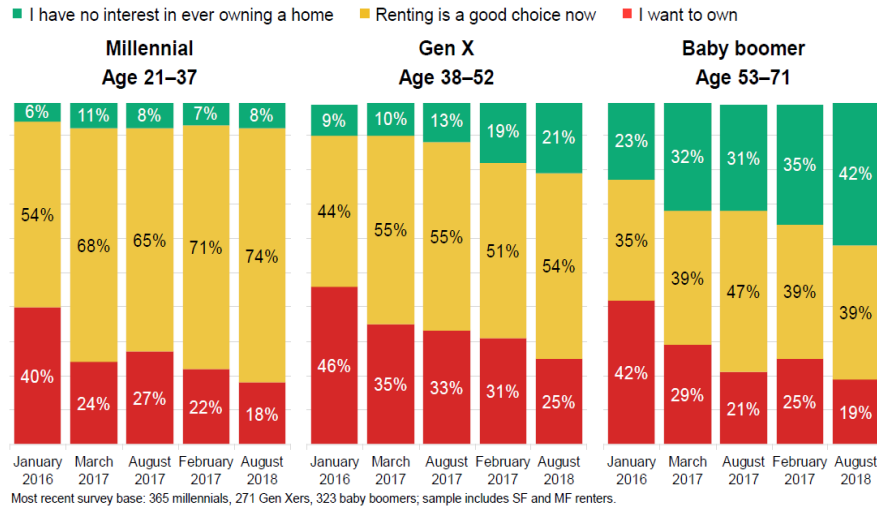
Property Tax Update

- Preliminary property tax values tracking above initial expectations in certain states
- AMH actively appealing assessed values, with majority of final values determined in 2H19



Macro Landscape Drives Strong Demand

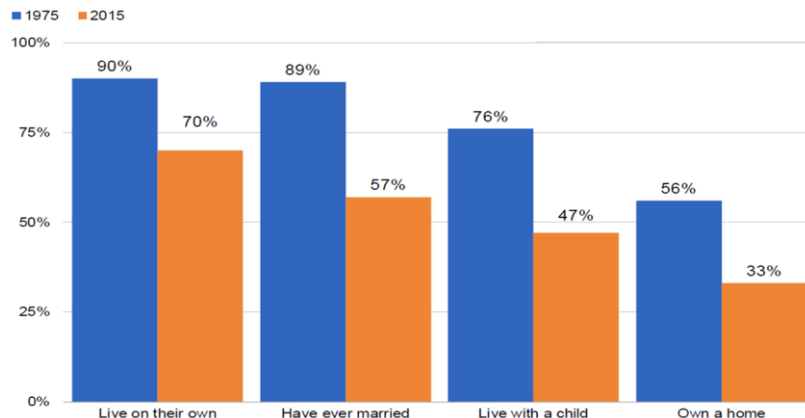
Fundamental Shifts Support Single-Family Rental Demand⁽¹⁾



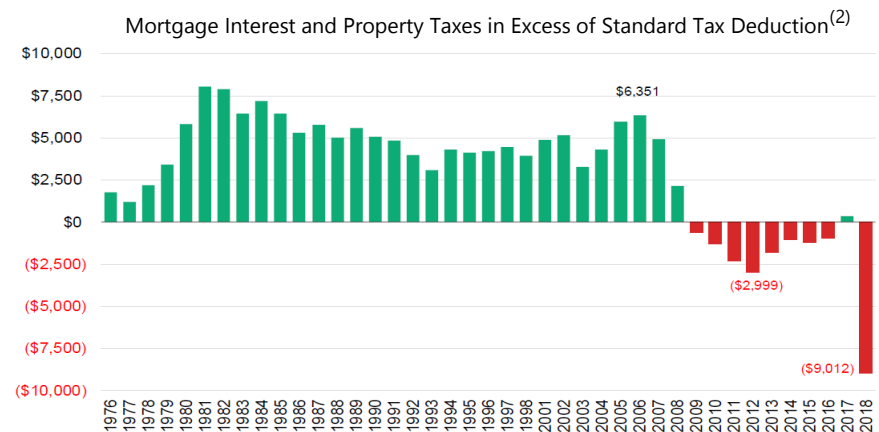
Strong AMH Profile

- Over 660,000 inbound sales calls to Las Vegas Leasing Call Center in 2018
- Approximately 29.5 million AMH website page views in 2018 with over 50% coming from mobile users
- 16% year-over-year increase in 1Q19 prospective resident showings per available property
- Trailing twelve month turnover rate has declined for 9 consecutive quarters, illustrating residents' preference to stay longer in our homes

Percentage of 30-Year Olds Hitting Life-Stage Milestones Has Fallen Compared to Past Generations



Mortgage Tax Savings No Longer There for Entry-Level Home Buyers⁽¹⁾



(1) Source: John Burns Real Estate Consulting, LLC Pub: Mar-19

(2) Source: John Burns Real Estate Consulting, LLC Pub: Mar-19. Assumes a married couple with a mortgage equal to 95% of median home price and a 1.5% property tax rate. 2018 projected value assumes our forecasts of 6% home price appreciation and 4.6% mortgage rate.



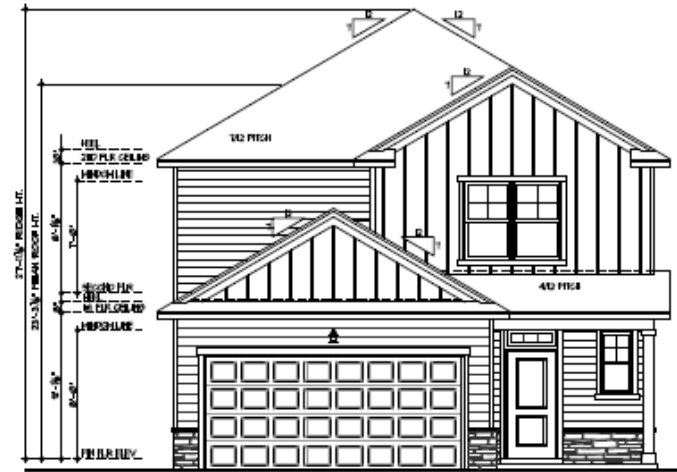
Cornerstones of the AMH Strategy

Operational Optimization	<ul style="list-style-type: none">• Optimize AMH's differentiated operating platform, with focus on consistent execution• Balance centralized control and oversight, with local office touch• Enhance operating efficiencies with innovative and proprietary technology solutions• Management and execution of all stages of operational lifecycle with AMH internal personnel
Accretive Portfolio Growth & Optimization	<ul style="list-style-type: none">• Accretively expand portfolio by investing in AMH's high growth markets and well diversified portfolio footprint• Focus on high quality properties in desirable neighborhoods and highly rated school districts to attract ideal tenant profile: (1) high credit quality, (2) propensity to stay longer and (3) mentality to care for property as their "home"• Strengthen portfolio by adding superior quality "built for rental" homes from AMH Development and National Builder Programs, while actively disposing lower quality and underperforming homes
Financial Flexibility	<ul style="list-style-type: none">• Utilize investment grade cost of capital advantage over SFR peers• Maintain flexible and conservative balance sheet, while optimizing capital stack• Accretively reinvest retained cash flow into external growth initiatives
Superior Customer Service	<ul style="list-style-type: none">• Focused on delivering a superior customer experience to our residents• Training and operational strategies designed to deliver responsive, efficient and convenient service• Customer surveys and external ratings demonstrate our commitment to continued improvement



AMH Development – Revolutionizing the Industry

Data driven insights from AMH's years of experience formulate blueprint for the “perfect” rental home – made possible by AMH's unique full lifecycle development capabilities and management platform.



The AMH Developed Home

Desirable

- Existing AMH submarkets with proven strong demand
- “Neighborhood feel” and / or community amenities designed to create emotional attachment
- Designed for today's home shopper:
 - ✓ Designer finishes & colors
 - ✓ Open floor plans
 - ✓ Pet friendly features

Durable

- Designed for durability and long-term efficient maintenance:
 - ✓ Hard surface flooring
 - ✓ Solid surface countertops
 - ✓ HVAC equipment & design
 - ✓ Cementitious siding
 - ✓ Durability proven appliances
 - ✓ LED lighting

Efficient

- Value engineering = superior quality at significant discount to market retail value:
 - ✓ Standardized floorplans based on resident feedback and construction efficiency
 - ✓ Square footage optimized to bed / bath count
 - ✓ Standardized finishes & SKUs for efficient construction & long-term maintenance



AMH Development – Revolutionizing the Industry

Premium Return

- Construction costs = significant discount to market retail value
- Rental rate premium on higher quality home & finishes
- More efficient expenditure profile

Attractive Risk Profile

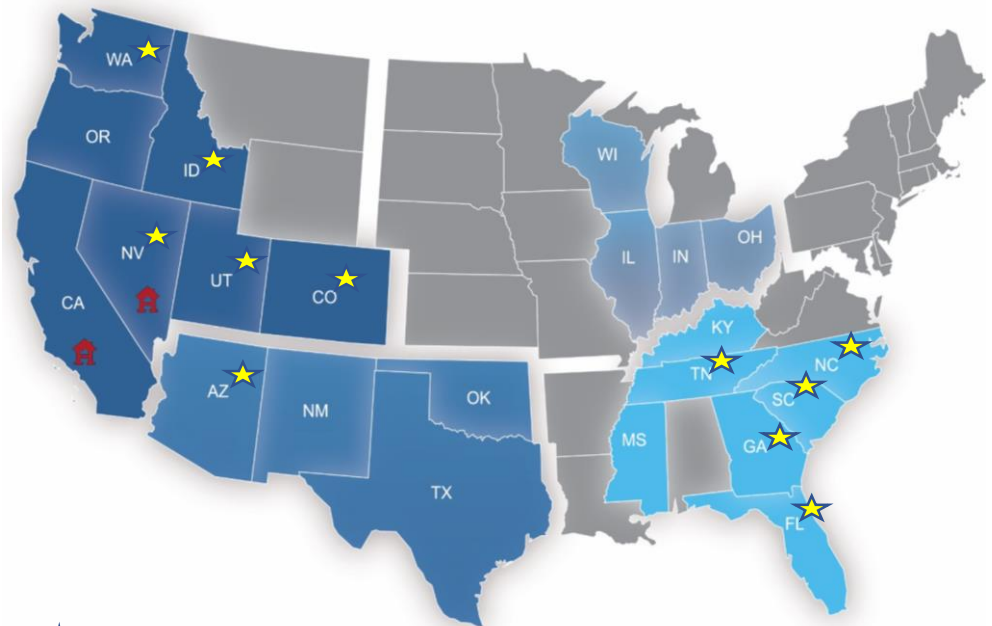
- No AMH risk to pre-entitlement land
- Zero “homebuilder like” sales process risk
- Short vertical construction cycles, relative to other asset classes
- Phased unit deliveries minimize lease-up risk

Experienced Development Team

- Senior leadership team comprised of multi-decade experienced professionals from national homebuilders
- ~100 total in-house professionals, most with experience at top national homebuilders

Bolstering Existing Markets

- Continued investment into existing AMH markets
- On-the-ground operating intelligence enables land acquisition “sharp shooting”
- Active development teams in approximately 15 markets provides geographic diversity



Favorable AMH Market Trends Relative to National Averages

Employment Growth⁽¹⁾

US National Avg.
1.7%

All AMH Markets
2.0%

New Lease Rental Rate Growth⁽²⁾

US National Avg.
3.6%

All AMH Markets
4.2%

Home Price Appreciation

HPA Index Change
Avg. for AMH
Markets 56.8%
since 2012

(1) Source: Bureau of Labor Statistics March 2019

(2) Source: JBR Single Family Rent Index for the twelve months ended March 2019



AMH Development – Case Study (Steele Forest)

Community Highlights

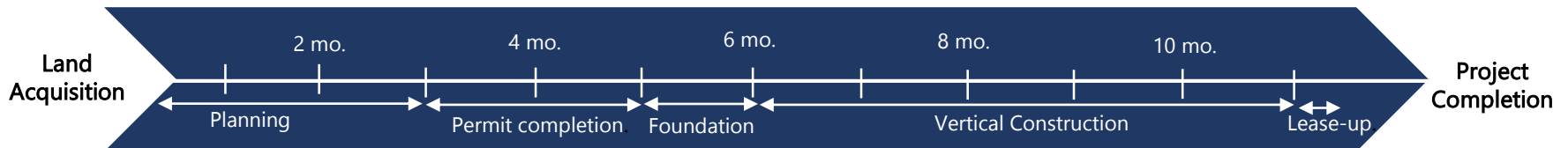
- Steele Forest Community located in Atlanta, GA
- 64 total units:
 - 2,200 average square feet
 - Average 4 bed / 2.5 bath
- Estimated total project cost \$13.7 million
- LTD construction costs within 2% of budget
- 6.0% average unit economic yield
- First unit delivery 2Q18
- Expected project completion 3Q19

As of May-2019

- 62 units completed
- 100% of completed units occupied
- Average ~9 days lease-up time per unit
- Average actual rents > pro forma rents

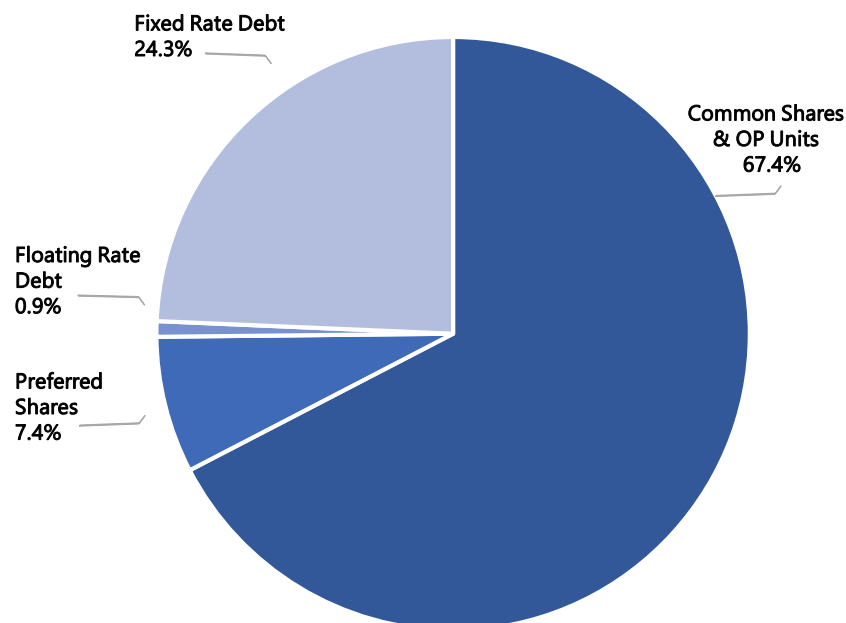


Development Timeline

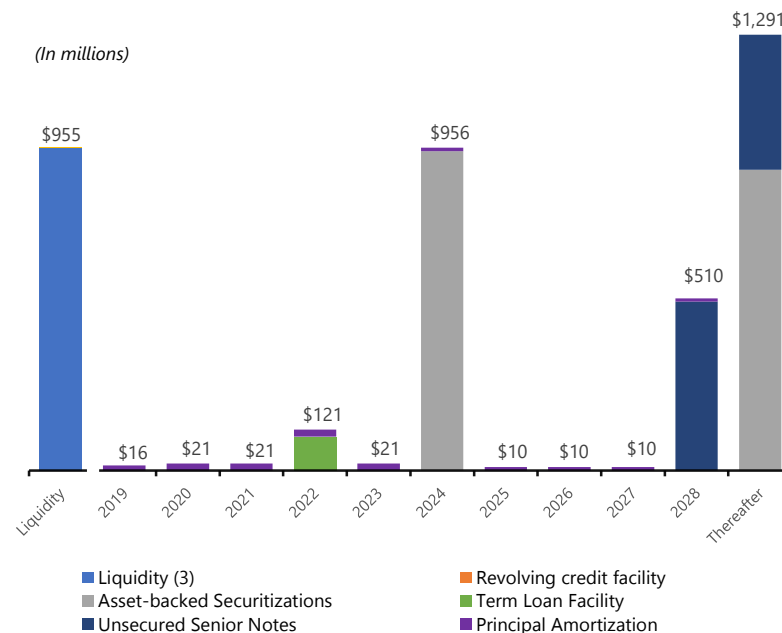


Investment Grade Balance Sheet

Capital Structure ⁽¹⁾



Debt Maturity Schedule ^{(2) (4)}



Credit Ratings & Ratios

Moody's Investor Service	Baa3 / (Stable)
S&P Global Ratings	BBB- / (Stable)
Net Debt to Adjusted EBITDAre	4.9 x
Debt and Preferred Shares to Adjusted EBITDAre	6.9 x
Fixed Charge Coverage	3.2 x
Unencumbered Core NOI percentage	65.1%

Balance Sheet Philosophy

- ✓ Maintain flexible investment grade balance sheet with diverse access to capital
- ✓ Continue optimizing capital stack and utilize investment grade rating to reduce cost of capital
- ✓ Expand sources of available capital as the Company and the SFR sector evolves and matures
- ✓ Prudent retention of operating cash flow

Note: Refer to Defined Terms and Non-GAAP Reconciliations in the Appendix, as well as the 1Q19 Supplemental Information Package, for definitions of metrics and reconciliations to GAAP.

(1) As of March 31, 2019.

(2) As of March 31, 2019, reflects maturity of entire principal balance at the fully extended maturity date inclusive of regular scheduled amortization.

(3) As of March 31, 2019, liquidity represents the sum of \$155 million of cash on the balance sheet and \$800 million of undrawn capacity under our revolving credit facility.

(4) The unsecured senior notes have maturity dates in 2028 and 2029 respectively, and the asset-backed securitizations maturing in 2045 on a fully extended basis have anticipated repayment dates in 2025.



Strong Same-Home Performance

(Amounts in thousands, except property data)	1Q18	2Q18	3Q18	4Q18	1Q19
Number of Same-Home properties	40,781	40,781	40,781	40,781	40,781
Rents from single-family properties	\$ 179,760	\$ 182,019	\$ 183,684	\$ 184,464	\$ 186,894
Fees from single-family properties	2,084	2,134	2,142	2,035	2,216
Bad debt	(1,622)	(1,332)	(2,177)	(1,829)	(1,317)
Core revenues	\$ 180,222	\$ 182,821	\$ 183,649	\$ 184,670	\$ 187,793
R&M and turnover costs, net	13,986	14,622	15,788	12,430	13,456
Property tax, insurance and HOA fees, net	35,980	36,568	37,373	37,705	38,447
Property management, net	15,324	14,859	15,454	14,587	14,778
Core property operating expenses	\$ 65,290	\$ 66,049	\$ 68,615	\$ 64,722	\$ 66,681
Core net operating income ("Core NOI")	114,932	116,772	115,034	119,948	121,112
<i>Core NOI margin</i>	<i>63.8%</i>	<i>63.9%</i>	<i>62.6%</i>	<i>65.0%</i>	<i>64.5%</i>
Recurring Capital expenditures	5,991	7,041	9,413	6,955	6,402
Core NOI after Capital Expenditures	\$ 108,941	\$ 109,731	\$ 105,621	\$ 112,993	\$ 114,710
Property Enhancing Capex – Resilient flooring	\$ 1,297	\$ 2,498	\$ 3,404	\$ 2,928	\$ 4,173
YOY growth in quarterly Core NOI after capex ⁽¹⁾	(0.7%)	3.5%	3.4%	3.6%	5.3%
Average R&M, turnover, in-house maintenance and Recurring Capital Expenditures per property	\$ 490	\$ 531	\$ 618	\$ 475	\$ 487

Operating Highlights

1

Increasing revenues driven by solid rental rate and occupancy growth

2

Long runway for continued operational optimization and cash flow growth

3

Best-in-class operating platform drives industry leading expenditure efficiencies

Σ \$ 2,111

(1) Year-over-year percentage growth comparisons based on quarterly same-home populations presented in the Company's supplemental for the respective period.



Industry Leading Efficiency Metrics

<i>(Dollars in thousands)</i>	1Q18	2Q18	3Q18	4Q18	1Q19
Adjusted EBITDAre Margins					
Total revenues, excluding tenant charge-backs	\$ 220,197	\$ 229,950	\$ 233,151	\$ 234,032	\$ 239,806
Property operating expenses, net	(64,353)	(65,515)	(68,009)	(64,612)	(68,094)
Property management expenses, net	(17,437)	(16,988)	(17,214)	(16,467)	(19,054)
General & administrative expenses, net	(8,633)	(9,157)	(8,774)	(7,936)	(8,776)
Other expenses, net	(127)	(88)	(509)	(683)	(520)
Adjusted EBITDAre	\$ 129,647	\$ 138,202	\$ 138,645	\$ 144,334	\$ 143,362
Margin	58.9%	60.1%	59.5%	61.7%	59.8%
Recurring Capital Expenditures	(7,386)	(8,489)	(11,467)	(8,546)	(7,860)
Leasing costs	(2,723)	(3,111)	(3,722)	(3,047)	(999)
Adjusted EBITDAre after Capex & Leasing Costs	\$ 119,538	\$ 126,602	\$ 123,456	\$ 132,741	\$ 134,503
Margin	54.3%	55.1%	53.0%	56.7%	56.1%
Platform Efficiency Percentage					
Core revenues	\$ 218,856	\$ 228,349	\$ 231,286	\$ 232,659	\$ 237,742
Property management expenses, net	\$ 17,437	\$ 16,988	\$ 17,214	\$ 16,467	\$ 19,054
General & administrative expenses, net	8,633	9,157	8,774	7,936	8,776
Leasing costs	2,723	3,111	3,722	3,047	999
Total platform costs	\$ 28,793	\$ 29,256	\$ 29,710	\$ 27,450	\$ 28,829
Platform Efficiency Percentage	13.2 %	12.8%	12.8%	11.8%	12.1%

Note: Refer to Defined Terms and Non-GAAP Reconciliations in the Appendix for definitions of metrics and reconciliations to GAAP.



Defined Terms and Non-GAAP Reconciliations

Average Monthly Realized Rent

For the related period, Average Monthly Realized Rent is calculated as rents from single-family properties divided by the product of (a) number of properties and (b) Average Occupied Days Percentage, divided by the number of months. For properties partially owned during the period, this calculation is adjusted to reflect the number of days of ownership.

Average Occupied Days Percentage

The number of days a property is occupied in the period divided by the total number of days the property is owned during the same period. This calculation excludes properties classified as held for sale.

Core FFO attributable to common share and unit holders

FFO and Core FFO attributable to common share and unit holders are non-GAAP financial measures that we use as supplemental measures of our performance. We calculate FFO in accordance with the White Paper on FFO approved by NAREIT, which defines FFO as net income or loss calculated in accordance with GAAP, excluding gains and losses from sales or impairment of real estate, plus real estate-related depreciation and amortization (excluding amortization of deferred financing costs and depreciation of non-real estate assets), and after adjustments for unconsolidated partnerships and joint ventures to reflect FFO on the same basis. We compute Core FFO attributable to common share and unit holders by adjusting FFO attributable to common share and unit holders for (1) acquisition fees and costs expensed incurred with business combinations and the acquisition of properties, (2) noncash share-based compensation expense, (3) noncash interest expense related to acquired debt, (4) hurricane-related charges, net, (5) gain or loss on early extinguishment of debt, (6) noncash fair value adjustments associated with remeasuring our participating preferred shares derivative liability to fair value, and (7) the allocation of income to our participating preferred shares in connection with their redemption.

We present Core FFO attributable to common share and unit holders, as well as on a per share and unit basis, because we consider this metric to be an important measure of the performance of real estate companies, as do many investors and analysts in evaluating the Company. Core FFO attributable to common share and unit holders is not a substitute for net income or loss per share or net cash provided by operating activities, each as determined in accordance with GAAP, as a measure of our operating performance, liquidity or ability to pay dividends. Core FFO is 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.



Defined Terms and Non-GAAP Reconciliations

Core Net Operating Income ("Core NOI") and Same-Home Core NOI After Capital Expenditures

Core NOI, which we also present separately for our Same-Home, unencumbered and encumbered portfolios, is a supplemental non-GAAP financial measure that we define as core revenues, which is calculated as total revenues, excluding expenses reimbursed by tenant charge-backs and other revenues, less core property operating expenses, which is calculated as property operating and property management expenses, excluding noncash share-based compensation expense and expenses reimbursed by tenant charge-backs. A property is classified as Same-Home if it has been stabilized longer than 90 days prior to the beginning of the earliest period presented under comparison. A property is removed from Same-Home if it has been classified as held for sale or has been taken out of service as a result of a casualty loss.

Core NOI also excludes (1) noncash fair value adjustments associated with remeasuring our participating preferred shares derivative liability to fair value, (2) noncash gain or loss on conversion of shares or units, (3) gain or loss on early extinguishment of debt, (4) hurricane-related charges, net, (5) gain or loss on sales of single-family properties and other, (6) depreciation and amortization, (7) acquisition fees and costs expensed incurred with business combinations and the acquisition of properties, (8) noncash share-based compensation expense, (9) interest expense, (10) general and administrative expense, (11) other expenses and (12) other revenues. We believe Core NOI provides useful information to investors about the operating performance of our single-family properties without the impact of certain operating expenses that are reimbursed through tenant charge-backs. We further adjust Core NOI for our Same-Home portfolio by subtracting recurring capital expenditures to calculate Same-Home Core NOI After Capital Expenditures, which we believe provides useful information to investors because it more fully reflects our operating performance after the impact of all property-level expenditures, regardless of whether they are capitalized or expensed.

Core NOI and Same-Home Core NOI After Capital Expenditures should be considered only as supplements to net income or loss as a measure of our performance and should not be used as measures of our liquidity, nor are they indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions. Additionally, these metrics should not be used as substitutes for net income or loss or net cash flows from operating activities (as computed in accordance with GAAP).



Defined Terms and Non-GAAP Reconciliations

The following are reconciliations of core revenues, core property operating expenses, Core NOI, Same-Home Core NOI and Same-Home Core NOI After Capital Expenditures to their respective GAAP metrics for the trailing five quarters (amounts in thousands):

	For the Three Months Ended				
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
Core revenues					
Total revenues	\$ 258,004	\$ 264,483	\$ 280,052	\$ 270,316	\$ 279,204
Tenant charge-backs	(35,807)	(32,917)	(44,152)	(33,917)	(39,952)
Bad debt expense	(2,000)	(1,616)	(2,749)	(2,367)	-
Other revenues	(1,341)	(1,601)	(1,865)	(1,373)	(1,510)
Core revenues	218,856	228,349	231,286	232,659	237,742
Less: Non-Same-Home core revenues	38,634	45,528	47,637	47,989	49,949
Same-Home core revenues	<u>\$ 180,222</u>	<u>\$ 182,821</u>	<u>\$ 183,649</u>	<u>\$ 184,670</u>	<u>\$ 187,793</u>
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
	2018	2018	2018	2018	2019
Core property operating expenses					
Property operating expenses	\$ 100,987	\$ 98,843	\$ 113,600	\$ 99,475	\$ 106,684
Property management expenses	18,987	18,616	18,865	18,105	20,709
Noncash share-based compensation - property management	(377)	(423)	(341)	(217)	(293)
Expenses reimbursed by tenant charge-backs	(35,807)	(32,917)	(44,152)	(33,917)	(39,952)
Bad debt expense	(2,000)	(1,616)	(2,749)	(2,367)	-
Internal leasing costs (1)	1,589	1,773	2,451	2,171	-
Core property operating expenses	83,379	84,276	87,674	83,250	87,148
Less: Non-Same-Home core property operating expenses	18,089	18,227	19,059	18,528	20,467
Same-Home core property operating expenses	<u>\$ 65,290</u>	<u>\$ 66,049</u>	<u>\$ 68,615</u>	<u>\$ 64,722</u>	<u>\$ 66,681</u>

(1) Adjustment amount reflects the portion of leasing costs that were previously capitalized, that would be expensed under the new lease accounting standard ASU 2016-02, adopted by the Company on January 1, 2019.



Defined Terms and Non-GAAP Reconciliations

	For the Three Months Ended				
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
Net income	\$ 21,525	\$ 25,898	\$ 30,281	\$ 34,734	\$ 33,091
Remeasurement of participating preferred shares	(1,212)	-	-	-	-
Loss on early extinguishment of debt	-	1,447	-	-	-
Gain on sale of single-family properties and other, net	(2,256)	(3,240)	(4,953)	(7,497)	(5,649)
Depreciation and amortization	79,303	78,319	79,940	81,123	81,161
Acquisition fees and costs expensed	1,311	1,321	1,055	1,538	834
Noncash share-based compensation - property management	377	423	341	217	293
Interest expense	29,301	31,978	30,930	30,691	31,915
General and administrative expense	9,231	9,677	9,265	8,402	9,435
Other expenses	827	1,624	1,069	3,745	1,024
Other revenues	(1,341)	(1,601)	(1,865)	(1,373)	(1,510)
Internal leasing costs (1)	(1,589)	(1,773)	(2,451)	(2,171)	-
Core NOI	135,477	144,073	143,612	149,409	150,594
Less: Non-Same-Home Core NOI	20,545	27,301	28,578	29,461	29,482
Same-Home Core NOI	114,932	116,772	115,034	119,948	121,112
Less: Same-Home capital expenditures	5,991	7,041	9,413	6,955	6,402
Same-Home Core NOI After Capital Expenditures	\$ 108,941	\$ 109,731	\$ 105,621	\$ 112,993	\$ 114,710

(1) Adjustment amount reflects the portion of leasing costs that were previously capitalized, that would be expensed under the new lease accounting standard ASU 2016-02, adopted by the Company on January 1, 2019.



Defined Terms and Non-GAAP Reconciliations

Credit Metrics

We present the following selected metrics because we believe they are helpful as supplemental measures in assessing our ability to service our financing obligations and in evaluating balance sheet leverage against that of other real estate companies. The tables below reconcile these metrics, which are calculated in part based on several non-GAAP financial measures (amounts in thousands).

Debt and Preferred Shares to Adjusted EBITDAre:

	Mar 31, 2019
Total Debt	\$ 2,986,953
Preferred shares at liquidation value	883,750
Total Debt and preferred shares	\$ 3,870,703
Adjusted EBITDAre - TTM	\$ 564,543
Debt and Preferred Shares to Adjusted EBITDAre	6.9 x

Fixed Charge Coverage

	For the Trailing Twelve Months Ended Mar 31, 2019
Interest expense per income statement	\$ 125,514
Less: noncash interest expense related to acquired debt	(2,403)
Less: amortization of discount, loan costs and cash flow hedge	(7,185)
Add: capitalized interest	6,932
Cash interest	122,858
Dividends on preferred shares	51,771
Fixed charges	\$ 174,629
Adjusted EBITDAre	\$ 564,543
Fixed Charge Coverage	3.2 x



Defined Terms and Non-GAAP Reconciliations

Net Debt to Adjusted EBITDAre

	Mar 31, 2019
Total Debt	\$ 2,986,953
Less: cash and cash equivalents	(154,584)
Less: asset-backed securitization certificates	(25,666)
Less: restricted cash related to securitizations	(43,535)
Net debt	\$ 2,763,168
Adjusted EBITDAre TTM	\$ 564,543
Net Debt to TTM Adjusted EBITDAre	4.9 x

Unencumbered Core NOI Percentage

	For the Three Months Ended Mar 31, 2019	
Unencumbered Core NOI	\$	97,970
Core NOI	\$	150,594
Unencumbered Core NOI Percentage		65.1%



Defined Terms and Non-GAAP Reconciliations

EBITDA / EBITDAre / Adjusted EBITDAre / Adjusted EBITDAre after Capex and Leasing Costs / Adjusted EBITDAre Margin / Adjusted EBITDAre after Capex and Leasing Costs Margin

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. EBITDA is a non-GAAP financial measure and is used by us and others as a supplemental measure of performance. EBITDAre is a supplemental non-GAAP financial measure, which we calculate in accordance with the definition approved by the National Association of Real Estate Investment Trusts ("NAREIT") in the September 2017 White Paper by adjusting EBITDA for the net gain or loss on sales / impairment of single-family properties and other and adjusting for unconsolidated partnerships and joint ventures on the same basis. Adjusted EBITDAre is a supplemental non-GAAP financial measure calculated by adjusting EBITDAre for (1) acquisition fees and costs expensed incurred with business combinations and the acquisition of individual properties, (2) noncash share-based compensation expense, (3) hurricane-related charges, net, (4) gain or loss on early extinguishment of debt, (5) gain or loss on conversion of shares and units and (6) noncash fair value adjustments associated with remeasuring our participating preferred shares derivative liability to fair value. Adjusted EBITDAre after Capex and Leasing Costs is a supplemental non-GAAP financial measure calculated by adjusting Adjusted EBITDAre for (1) recurring capital expenditures and (2) leasing costs. Adjusted EBITDAre Margin is a supplemental non-GAAP financial measure calculated as Adjusted EBITDAre divided by total revenues, net of tenant charge-backs and adjusted for unconsolidated joint ventures. Adjusted EBITDAre after Capex and Leasing Costs Margin is a supplemental non-GAAP financial measure calculated as Adjusted EBITDAre after Capex and Leasing Costs divided by total revenues, net of tenant charge-backs and adjusted for unconsolidated joint ventures. We believe these metrics provide useful information to investors because they exclude the impact of various income and expense items that are not indicative of operating performance.



Defined Terms and Non-GAAP Reconciliations

The following is a reconciliation of net income, determined in accordance with GAAP, to EBITDA, EBITDAre, Adjusted EBITDAre, Adjusted EBITDAre after Capex and Leasing Costs, Adjusted EBITDAre Margin and Adjusted EBITDAre after Capex and Leasing Costs Margin for the trailing five quarters (amounts in thousands):

	For the Three Months Ended				
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
Net income	\$ 21,525	\$ 25,898	\$ 30,281	\$ 34,734	\$ 33,091
Interest expense	29,301	31,978	30,930	30,691	31,915
Depreciation and amortization	79,303	78,319	79,940	81,123	81,161
EBITDA	130,129	136,195	141,151	146,548	146,167
Net (gain) loss on sale / impairment of single-family properties and other	(1,556)	(1,704)	(4,393)	(4,435)	(5,145)
Adjustments for unconsolidated joint ventures	-	-	-	-	554
EBITDAre	128,573	134,491	136,758	142,113	141,576
Noncash share-based compensation - general and administrative	598	520	491	466	659
Noncash share-based compensation - property management	377	423	341	217	293
Acquisition fees and costs expensed	1,311	1,321	1,055	1,538	834
Loss on early extinguishment of debt	-	1,447	-	-	-
Remeasurement of participating preferred shares	(1,212)	-	-	-	-
Adjusted EBITDAre	\$ 129,647	\$ 138,202	\$ 138,645	\$ 144,334	\$ 143,362
Recurring capital expenditures (1)	\$ (7,386)	\$ (8,489)	\$ (11,467)	\$ (8,546)	\$ (7,860)
Leasing costs	(2,723)	(3,111)	(3,722)	(3,047)	(999)
Adjusted EBITDAre after Capex and Leasing Costs	119,538	126,602	123,456	132,741	134,503
Total revenues	\$ 258,004	\$ 264,483	\$ 280,052	\$ 270,316	\$ 279,204
Less: tenant charge-backs	(35,807)	(32,917)	(44,152)	(33,917)	(39,952)
Adjustments for unconsolidated joint ventures	-	-	-	-	554
Bad debt expense	(2,000)	(1,616)	(2,749)	(2,367)	-
Total revenues, net of tenant charge-backs and adjustments for unconsolidated joint ventures	220,197	229,950	233,151	234,032	239,806
Adjusted EBITDAre Margin	58.9%	60.1%	59.5%	61.7%	59.8%
Adjusted EBITDAre after Capex and Leasing Costs Margin	54.3%	55.1%	53.0%	56.7%	56.1%

(1) As a portion of our homes are recently developed, acquired and / or renovated, we estimate recurring capital expenditures for our entire portfolio by multiplying (a) current period actual recurring capital expenditures per Same-Home Property by (b) our total number of properties, excluding newly acquired non-stabilized properties and properties classified as held for sale



Defined Terms and Non-GAAP Reconciliations

Platform Efficiency Percentage

Management costs, including (1) property management expenses, net of tenant charge-backs and excluding noncash share-based compensation expense, (2) general and administrative expense, excluding noncash share-based compensation expense and (3) leasing costs, as a percentage of total portfolio rents and fees. The following table is a reconciliation of Platform Efficiency Percentage to its respective GAAP metrics for the trailing five quarters (amounts in thousands):

	For the Three Months Ended				
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
Property management expenses	\$ 18,987	\$ 18,616	\$ 18,865	\$ 18,105	\$ 20,709
Less: tenant charge-backs	(1,173)	(1,205)	(1,310)	(1,421)	(1,362)
Less: noncash share-based compensation - property management	(377)	(423)	(341)	(217)	(293)
Add: internal leasing costs (1)	1,589	1,773	2,451	2,171	-
Property management expenses, net	19,026	18,761	19,665	18,638	19,054
General and administrative expense	9,231	9,677	9,265	8,402	9,435
Less: noncash share-based compensation - general and administrative	(598)	(520)	(491)	(466)	(659)
General and administrative expense, net	8,633	9,157	8,774	7,936	8,776
Leasing costs	2,723	3,111	3,722	3,047	999
Less: internal leasing costs (1)	(1,589)	(1,773)	(2,451)	(2,171)	-
Leasing costs, net	1,134	1,338	1,271	876	999
Platform costs	\$ 28,793	\$ 29,256	\$ 29,710	\$ 27,450	\$ 28,829
Total revenues	\$ 258,004	\$ 264,483	\$ 280,052	\$ 270,316	\$ 279,204
Less: tenant charge-backs	(35,807)	(32,917)	(44,152)	(33,917)	(39,952)
Less: other	(1,341)	(1,601)	(1,865)	(1,373)	(1,510)
Add: bad debt expense	(2,000)	(1,616)	(2,746)	(2,367)	-
Total portfolio rents and fees	\$ 218,856	\$ 228,349	\$ 231,289	\$ 232,659	\$ 237,742
Platform Efficiency Percentage	13.2%	12.8%	12.8%	11.8%	12.1%

(1) Adjustment amount reflects the portion of leasing costs that were previously capitalized, that would be expensed under the new lease accounting standard ASU 2016-02, adopted by the Company on January 1, 2019.



Defined Terms and Non-GAAP Reconciliations

Property Enhancing Capex

Includes elective capital expenditures to enhance the operating profile of a property, such as investments to increase future revenues or reduce maintenance expenditures.

Recurring Capital Expenditures

For our Same-Home portfolio, recurring capital expenditures includes replacement costs and other capital expenditures recorded during the period that are necessary to help preserve the value and maintain functionality of our properties. For our total portfolio, we calculate recurring capital expenditures by multiplying (a) current period actual recurring capital expenditures per Same-Home property by (b) our total number of properties, excluding newly acquired non-stabilized properties and properties classified as held for sale.

Retained Annual Cash Flow

Retained Annual Cash Flow is a non GAAP financial measure that we believe is helpful as a supplemental measure in assessing the Company's liquidity. We compute this metric by reducing Adjusted FFO by common distributions.

FFO / Core FFO / Adjusted FFO attributable to common share and unit holders

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 gains and losses from sales or impairment of real estate, plus real estate-related depreciation and amortization (excluding amortization of deferred financing costs and depreciation of non-real estate assets), and after adjustments for unconsolidated partnerships and joint ventures to reflect FFO on the same basis.

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 (1) acquisition fees and costs expensed incurred with business combinations and the acquisition of properties, (2) noncash share-based compensation expense, (3) noncash interest expense related to acquired debt, (4) hurricane-related charges, net, (5) gain or loss on early extinguishment of debt, (6) noncash fair value adjustments associated with remeasuring our participating preferred shares derivative liability to fair value, and (7) the allocation of income to our participating preferred shares in connection with their redemption.



Defined Terms and Non-GAAP Reconciliations

Adjusted 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 Core FFO attributable to common share and unit holders for (1) recurring capital expenditures that are necessary to help preserve the value and maintain functionality of our properties and (2) capitalized leasing costs incurred during the period. As a portion of our homes are recently developed, acquired and/or renovated, we estimate recurring capital expenditures for our entire portfolio by multiplying (a) current period actual recurring capital expenditures per Same-Home Property by (b) our total number of properties, excluding newly acquired non-stabilized properties and properties classified as held for sale.

The following is a reconciliation of net income, determined in accordance with GAAP, to FFO/Core FFO/Adjusted FFO attributable to common share and unit holders, and Retained Annual Cash Flow (amounts in thousands):

	For the Year Ended Dec 31, 2018
Net income (loss) attributable to common shareholders	\$ 23,472
Adjustments:	
Noncontrolling interests in the Operating Partnership	4,424
Net (gain) on sale / impairment of single-family properties and other	(12,088)
Depreciation and amortization	318,685
Less: depreciation and amortization of non-real estate assets	(7,352)
FFO attributable to common share and unit holders	<u>\$ 327,141</u>
Adjustments:	
Acquisition fees and costs expensed	5,225
Noncash share-based compensation - general and administrative	2,075
Noncash share-based compensation - property management	1,358
Noncash interest expense related to acquired debt	3,303
Loss on early extinguishment of debt	1,447
Remeasurement of participating preferred shares	(1,212)
Redemption of participating preferred shares	32,215
Core FFO attributable to common share and unit holders	<u>\$ 371,552</u>
Recurring capital expenditures	(35,888)
Leasing costs	(12,603)
Adjusted FFO attributable to common share and unit holders	<u>\$ 323,061</u>
Common distributions	\$ (69,441)
Retained Annual Cash Flow	<u>\$ 253,620</u>



Defined Terms and Non-GAAP Reconciliations

Guidance Summary

	Full Year 2019
Core FFO attributable to common share and unit holders	\$1.06 - \$1.14
Same-Home	
Core revenues growth	3.2% - 4.2%
Core property operating expenses growth	3.5% - 4.5%
Core NOI growth	3.0% - 4.0%
Core NOI After Capital Expenditures growth	2.6% - 3.6%

Reconciliation of Core FFO attributable to common share and unit holders from 2018 to 2019 Guidance Midpoint

	Per FFO Share and Unit
2018 Core FFO attributable to common share and unit holders, as previously reported	\$1.06
Internal leasing costs (1)	(0.02)
2018 Core FFO attributable to common share and unit holders, as conformed for internal leasing costs	\$1.04
Same-Home Core NOI growth	0.05
Non-Same-Home Core NOI growth (2)	0.05
General and administrative expense growth	(0.01)
Interest expense and preferred dividends increase	(0.02)
Share count increase	(0.01)
2019 Core FFO attributable to common share and unit holders - Guidance Midpoint	\$1.10

Note: The Company does not provide guidance for the most comparable GAAP financial measures of net income or loss, total revenues and property operating expenses, or a reconciliation of the above-listed forward-looking non-GAAP financial measures to the comparable GAAP financial measures because we are unable to reasonably predict certain items contained in the GAAP measures, including non-recurring and infrequent items that are not indicative of the Company's ongoing operations. Such items include, but are not limited to, net gain or loss on sales and impairment of single-family properties, casualty loss, Non-Same-Home revenues and Non-Same-Home property operating expenses. These items are uncertain, depend on various factors and could have a material impact on our GAAP results for the guidance period.

- (1) Adjustment amount reflects the portion of leasing costs that were previously capitalized and treated as a reduction to Adjusted FFO attributable to common share and unit holders, that would be expensed under the new lease accounting standard ASU 2016-02, adopted by the Company on January 1, 2019.
- (2) Reflects NOI from Non-Same-Home properties including contribution from 2018 and projected 2019 net acquisitions and dispositions. For 2019, we expect to add between \$300.0 million and \$500.0 million of properties to our portfolio, the timing of which is expected to be more heavily weighted towards the second half of the year.

