

American Homes 4 Rent  
Form S-11/A  
October 08, 2013  
[Table of Contents](#)

As filed with the Securities and Exchange Commission on October 8, 2013

Registration No. 333-191015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

**Amendment No. 1**

**to**

**FORM S-11**

*FOR REGISTRATION UNDER*

*THE SECURITIES ACT OF 1933 OF SECURITIES*

*OF CERTAIN REAL ESTATE COMPANIES*

**AMERICAN HOMES 4 RENT**

(Exact name of registrant as specified in governing instruments)

30601 Agoura Road, Suite 200

Edgar Filing: American Homes 4 Rent - Form S-11/A

Agoura Hills, California 91301

(805) 413-5300

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Sara H. Vogt-Lowell

Senior Vice President and Chief Legal Officer

American Homes 4 Rent

30601 Agoura Road, Suite 200

Agoura Hills, California 91301

(805) 413-5300

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copies to:*

James E. Showen

G. Allen Hicks

Hogan Lovells US LLP

555 Thirteenth Street N.W.

Washington, D.C. 20004

Phone: (202) 637-5600

Facsimile: (202) 637-5910

William J. Cernius

Latham & Watkins LLP

650 Town Center Drive, 20<sup>th</sup> Floor

Costa Mesa, California 92626

Phone: (714) 540-1235

Facsimile: (714) 755-8290

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this Registration Statement.

If any of the Securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box: "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

## Edgar Filing: American Homes 4 Rent - Form S-11/A

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

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. (Check One):

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

### CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Proposed Maximum Aggregate Offering Price <sup>(1)</sup>	Amount of Registration Fee <sup>(1)</sup>
Series A participating preferred shares of beneficial interest, \$0.01 par value per share	\$115,000,000	\$15,572

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended (the Securities Act). The Company is filing this pre-effective Amendment No. 1 to the Registration Statement on Form S-11 (File No. 333-191015) filed on September 5, 2013 to increase the proposed maximum dollar value of securities being registered. The Company is registering an additional \$15,000,000 of Series A participating preferred shares of beneficial interest and incurring additional registration fees of \$1,932.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.**

---

**Table of Contents**

**The information in this preliminary prospectus is not complete and may be changed. Neither we nor the selling shareholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**Subject to Completion, dated October 8, 2013**

**PROSPECTUS**

**4,000,000 SHARES**

**5.000% SERIES A PARTICIPATING PREFERRED SHARES**

American Homes 4 Rent is an internally managed Maryland real estate investment trust, or REIT, focused on acquiring, renovating, leasing and operating single-family homes as rental properties. We are selling 4,000,000 shares of our 5.000% Series A participating preferred shares of beneficial interest, \$0.01 par value per share, or our Series A Participating Preferred Shares. This is the original issuance of our Series A Participating Preferred Shares. The following is a summary of key terms of the Series A Participating Preferred Shares:

*Liquidation Preference and Home Price Appreciation Amount.* The Series A Participating Preferred Shares have an initial liquidation preference of \$25.00 per share, or the initial liquidation preference, that may be increased by an additional Home Price Appreciation Amount, or the HPA Amount, that takes into account the cumulative change in value from June 30, 2013 of an index tracking the purchase prices of single-family homes located in our top 20 markets, by estimated total investment, as of July 31, 2013 and a constant investor participation percentage of 50%. The HPA Amount will be subject to a cap as described below and will become fixed and cease to accrue on and after September 30, 2020.

*Dividends.* We will pay quarterly cumulative dividends, in arrears, on our Series A Participating Preferred Shares from and including the date of original issuance on the last day of each March, June, September and December. The first dividend is scheduled to be paid on December 31, 2013 to record holders as of December 15, 2013. The dividend rate of 5.000% per annum will be applied to the initial liquidation preference from the issue date to but excluding September 30, 2020. Thereafter, a dividend rate of 10.000% per annum will be applied to the initial liquidation preference plus the HPA Amount.

*Redemption at Our Option.* After September 30, 2017, we may redeem for cash all but not less than all of the Series A Participating Preferred Shares by paying the liquidation preference (including any HPA Amount), plus any accrued and unpaid dividends, to, but excluding, the redemption date.

*Conversion at Our Option.* After September 30, 2017, we may convert all but not less than all of the Series A Participating Preferred Shares into our Class A common shares of beneficial interest, \$0.01 par value per share, or our Class A common shares, using a conversion ratio per Series A Participating Preferred Share equal to (i) the sum of the initial liquidation preference and the HPA Amount, plus any accrued and unpaid dividends to, but excluding, the conversion date (to occur on the fourth business day following the notice of conversion), divided by (ii) the one-day volume-weighted average trading price, or the VWAP, of our Class A common shares on the New York Stock Exchange, or NYSE, as reported by Bloomberg, if available, on the date the notice of conversion is issued.

*Cap.* Until September 30, 2020, the amount payable upon any redemption, conversion or liquidation event will be subject to a cap such that the total internal rate of return when considering the initial liquidation preference, the HPA Amount and all dividends (whether paid or accrued) on the Series A Participating Preferred Shares will not exceed 9.0%.

*Change of Control.* If there is a Change of Control (as defined), holders of Series A Participating Preferred Shares will have certain conversion rights, subject to our right to redeem the Series A Participating Preferred Shares.

No current market exists for our Series A Participating Preferred Shares. We intend to apply to list the Series A Participating Preferred Shares on the NYSE under the symbol AMHPRA.

We are an emerging growth company under the U.S. federal securities laws and are subject to reduced public company reporting requirements. Investing in our Series A Participating Preferred Shares involves risks. See Risk Factors beginning on page 32 for factors you should consider before investing in our Series A Participating Preferred Shares.

	Per Share	Total
Public offering price	\$ 25.00	\$ 100,000,000
Underwriting discounts and commissions <sup>(1)</sup>	\$	\$
Proceeds, before expenses, to us	\$	\$

(1) We refer you to Underwriting beginning on page 251 of this prospectus for additional information regarding underwriter compensation. We have granted the underwriters an option to purchase up to an additional 600,000 Series A Participating Preferred Shares from us at the public offering price, less the underwriting discount, within 30 days after the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Series A Participating Preferred Shares through The Depository Trust Company on or about \_\_\_\_\_, 2013, which is the fifth business day following the pricing of this offering.

**Raymond James**

**Jefferies**

Prospectus dated \_\_\_\_\_, 2013

**Table of Contents**

**Table of Contents****TABLE OF CONTENTS**

<b><u>Prospectus Summary</u></b>	1
<b><u>Risk Factors</u></b>	32
<b><u>Forward-Looking Statements</u></b>	67
<b><u>Ratio of Earnings to Fixed Charges</u></b>	70
<b><u>Use of Proceeds</u></b>	71
<b><u>Distribution Policy</u></b>	72
<b><u>Capitalization</u></b>	74
<b><u>Selected Consolidated Financial Information</u></b>	76
<b><u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u></b>	78
<b><u>Industry Overview and Market Opportunity</u></b>	94
<b><u>Our Business and Properties</u></b>	125
<b><u>Management</u></b>	141
<b><u>Certain Relationships and Related Party Transactions</u></b>	164
<b><u>Investment Policies and Policies with Respect to Certain Activities</u></b>	172
<b><u>Structure and Formation of Our Company</u></b>	175
<b><u>Principal Shareholders</u></b>	176
<b><u>Description of Series A Participating Preferred Shares</u></b>	178
<b><u>Description of Equity Shares</u></b>	196
<b><u>Operating Partnership and the Partnership Agreement</u></b>	203
<b><u>Material Provisions of Maryland Law and of Our Declaration of Trust and Bylaws</u></b>	213
<b><u>Material U.S. Federal Income Tax Considerations</u></b>	219
<b><u>Underwriting</u></b>	251
<b><u>Legal Matters</u></b>	257
<b><u>Experts</u></b>	257
<b><u>Where You Can Find More Information</u></b>	258
<b><u>Index to Financial Statements</u></b>	F-1

You should rely only on the information contained in this prospectus, any free writing prospectus prepared by us or other information to which we have referred you. We have not, and the underwriters have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The information in this prospectus and any free writing prospectus is current only as of their respective dates or on the date or dates that such information is presented. Our business, financial condition, results of operations, and prospects may have changed since those dates.

## **Table of Contents**

### **Market, Industry and Other Data**

We disclose estimates, forecasts and projections throughout this prospectus, in particular in the sections entitled Prospectus Summary, Industry Overview and Market Opportunity and Our Business and Properties. We have obtained a significant amount of this information from a market study prepared for us in June 2013 by John Burns Real Estate Consulting, or JBREC. We paid JBREC a total fee of \$44,730 for that market study. Such information is included in this prospectus in reliance on JBREC's authority as an expert on such matters. The estimates, forecasts and projections prepared by JBREC are based on data (including third-party data), significant assumptions, proprietary methodologies and the experience and judgment of JBREC. No assurance can be given regarding the accuracy or appropriateness of the assumptions and judgments made, or the methodologies used, by JBREC. There is no assurance that any of the forecasted or projected outcomes will be achieved, and investors should not unduly rely on them. Except as required by law, we are not obligated to, and do not intend to, update the statements in this prospectus to conform to actual outcomes or changes in our or JBREC's expectations. See Experts.

In addition, we have obtained certain market and industry data from publicly available industry publications. These sources generally state that the information they provide has been derived from sources believed to be reliable, but that the accuracy and completeness of the information are not guaranteed. We believe that this data is generally reliable, but we have not independently verified this information.

### **Certain Terms Used in This Prospectus**

Unless the context otherwise requires or indicates, we define certain terms in this prospectus as follows:

We, our company, the Company, the REIT, our and us refer to American Homes 4 Rent, a Maryland real estate investment trust, and its subsidiaries taken as a whole (including our operating partnership and its subsidiaries).

Our operating partnership refers to American Homes 4 Rent, L.P., a Delaware limited partnership, and its subsidiaries taken as a whole.

AH LLC refers to American Homes 4 Rent, LLC, a Delaware limited liability company formed by B. Wayne Hughes, our founder and chairman of our board of trustees.

Alaska Joint Venture refers to an investment vehicle between AH LLC and the Alaska Permanent Fund Corporation, acting for and on behalf of the funds that the Alaska Permanent Fund Corporation is designated by Alaska Statutes 37.13 to manage and invest, or APFC.

Alaska Joint Venture Acquisition refers to our operating partnership's acquisition of the Alaska Joint Venture on June 11, 2013. Unless the context otherwise requires or indicates, all references to our business, our portfolio and our acquisition and management activities reflect the completion of the Alaska Joint Venture Acquisition. See Certain Relationships and Related Party Transactions for more information on the Alaska Joint Venture Acquisition.

Our former manager refers to our former external manager and advisor, American Homes 4 Rent Advisor, LLC, a Delaware limited liability company previously wholly owned by AH LLC, that became wholly owned by us following the Management Internalization.

Our former property manager refers to American Homes 4 Rent Management Holdings, LLC, a Delaware limited liability company previously wholly owned by AH LLC, that became wholly owned by us following the Management Internalization.

AH LLC Portfolio refers to the 2,770 single-family homes that we purchased from AH LLC on February 28, 2013.



**Table of Contents**

Acquisition cost means:

with respect to single-family homes in the AH LLC Portfolio, AH LLC's actual purchase price of the property (including closing and other title or escrow costs), without giving effect to the \$491.7 million maximum agreed upon valuation of the AH LLC Portfolio under the terms of the contribution agreement pursuant to which we acquired the portfolio.

with respect to all other single-family homes, the actual purchase price of the property (including broker commissions and closing costs) plus a 5% acquisition fee.

Concurrent private placements refer to AH LLC's purchase of \$50 million of our Class A common shares and APFC's purchase of \$25 million of our Class A common shares in private placements. The concurrent private placements closed on the same day as our initial public offering.

Estimated renovation costs refer to the costs incurred or expected to be incurred in preparing the property for rent plus a 5% renovation fee payable to AH LLC. Estimated renovation costs represent the total costs to renovate a property to prepare it for rental. These costs typically include paint, flooring, appliances, blinds and landscaping.

Estimated total investment means the sum of the property's acquisition cost plus its estimated renovation costs payable to AH LLC.

Management Internalization refers to our operating partnership's acquisition of our former manager and our former property manager from AH LLC on June 10, 2013, at which time all administrative, financial, property management and marketing and leasing personnel, including executive management became our fully dedicated personnel. Acquisition and renovation personnel remain personnel of AH LLC but are exclusively dedicated to us until December 10, 2014. Unless the context otherwise requires or indicates, all references to our business, our portfolio and our acquisition and management activities reflect the completion of the Management Internalization and include the acquisition and management activities of AH LLC, our former manager and our former property manager. See Certain Relationships and Related Party Transactions for more information on the Management Internalization.

RJ joint ventures refers to two investment vehicles with accredited investors identified by Raymond James & Associates, Inc. in which we own an approximately one-third interest.

**Table of Contents**

**PROSPECTUS SUMMARY**

*This summary highlights information contained elsewhere in this prospectus, but it does not contain all of the information that you may consider important in making your investment decision. Therefore, you should read the entire prospectus carefully, including, in particular, the Risk Factors section beginning on page 32 of this prospectus, as well as the financial statements and related notes included elsewhere in this prospectus.*

**Overview**

We are an internally managed Maryland real estate investment trust, or 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. Mr. Hughes has over 40 years of experience in the real estate business and a successful track record as co-founder and former chairman and chief executive officer of Public Storage, a REIT listed on the New York Stock Exchange, or the NYSE. We have an integrated operating platform that consists of approximately 270 personnel dedicated to property management, marketing, leasing, financial and administrative functions. Our acquisition and renovation functions are performed by AH LLC, to whom we will continue to pay an acquisition and renovation fee through December 2014.

As of July 31, 2013, we owned 19,825 single-family properties for an estimated total investment of \$3.4 billion and had an additional 458 properties in escrow that we expected to acquire, subject to customary closing conditions, for an estimated total investment of \$76.3 million. As of July 31, 2013, we owned properties in selected sub-markets of metropolitan statistical areas, or MSAs, in 22 states, and we continually evaluate potential new target markets that fit our underwriting criteria and are located where we believe we can achieve sufficient scale for internalized property management.

We intend to become a leader in the single-family home rental industry by aggregating a geographically diversified portfolio of high quality single-family homes and developing American Homes 4 Rent into a nationally recognized brand that is well-known for quality, value and tenant satisfaction and is well respected in our communities. Our objective is to generate attractive, risk-adjusted returns for our shareholders through dividends and capital appreciation.

We intend to use the net proceeds of this offering to continue to acquire and renovate single-family properties, including certain escrow properties, and to repay indebtedness we have incurred or expect to incur under our credit facility. In addition to single-family properties, we also may seek to invest in condominium units, townhouses and real estate-related debt investments. Our investments may be made directly or through investment vehicles with third-party investors. In addition to individual property purchases, we may pursue bulk acquisitions from financial institutions, government agencies and competitors.

We have been organized and operated in conformity with the requirements for qualification and taxation as a REIT under U.S. federal income tax laws, commencing with our taxable year ended December 31, 2012, and we expect to satisfy the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws for our taxable year ending December 31, 2013, and subsequent taxable years.

**Table of Contents****Our Properties**

The table below summarizes certain information with respect to our properties as of July 31, 2013.

**Our Properties<sup>(1)</sup>**

	Properties		Estimated Total Investment <sup>(2)(3)</sup>		Estimated Total Book Value <sup>(3)(4)</sup>		Average per Property	
	Units	% of Total	\$ millions	Avg. per Property	\$ millions	Avg. per Property	Square Footage	Age (years)
Indianapolis, IN	1,718	8.7%	\$ 252.1	\$ 146,731	\$ 246.1	\$ 143,234	1,870	11.6
Dallas-Fort Worth, TX	1,660	8.4%	269.9	162,603	262.2	157,927	2,209	10.2
Greater Chicago area, IL and IN	1,361	6.9%	218.0	160,165	206.7	151,845	1,855	12.4
Atlanta, GA	1,216	6.1%	214.2	176,147	195.3	160,584	2,168	13.2
Houston, TX	1,027	5.2%	179.2	174,472	179.2	174,472	2,295	9.6
Cincinnati, OH	1,005	5.1%	173.7	172,834	169.4	168,545	1,848	11.9
Phoenix, AZ	960	4.8%	149.6	155,883	139.4	145,196	1,812	11.3
Jacksonville, FL	892	4.5%	135.6	151,974	131.7	147,635	1,924	9.8
Charlotte, NC	877	4.4%	152.0	173,271	146.8	167,376	1,948	10.6
Nashville, TN	869	4.4%	181.4	208,743	173.9	200,155	2,193	9.5
All Other <sup>(5)</sup>	8,240	41.6%	1,474.7	178,973	1,435.1	174,166	1,913	10.9
<b>Total / Average</b>	<b>19,825</b>	<b>100.0%</b>	<b>\$ 3,400.4</b>	<b>\$ 171,519</b>	<b>\$ 3,285.7</b>	<b>\$ 165,733</b>	<b>1,972</b>	<b>11.0</b>

- (1) Includes 377 properties owned by the RJ joint ventures in which we hold an approximate one-third interest.
- (2) For properties that we acquired directly, Estimated Total Investment represents our actual purchase price (including closing costs) and estimated renovation costs plus a 5% acquisition and renovation fee, if applicable. Estimated renovation costs represent the total costs we have incurred or expect to incur to renovate a property to prepare it for rental. These costs typically include paint, flooring, appliances, blinds and landscaping. Estimated Total Investment differs from Estimated Total Book Value only with respect to the properties contributed by AH LLC. For properties contributed by AH LLC, Estimated Total Book Value is an estimate of the properties' GAAP book value, which includes estimates for renovation costs we expect to incur. These properties were recorded at the net book value of AH LLC as of the date of contribution. See note 3 below. GAAP means U.S. generally accepted accounting principles.
- (3) Estimated Total Investment and Estimated Total Book Value each include estimated renovation costs in the aggregate of approximately \$204 million, approximately \$168 million of which represents actual renovation costs incurred through July 31, 2013 and approximately \$36 million of which represents estimated remaining costs we expect to incur as of that date to prepare these properties for rental. Estimated renovation costs typically include paint, flooring, appliances, blinds and landscaping.
- (4) Estimated Total Book Value represents the estimated book value on a GAAP basis of all properties. In the case of AH LLC's contribution of properties to us, for GAAP purposes these transactions are considered to be transactions between entities under common control under the provisions of the Accounting Standards Codification, or ASC, 805, *Business Combinations*. As a result, these properties have been reflected at the net carrying cost of AH LLC. For the properties acquired from the Alaska Joint Venture, the \$904.5 million purchase price has been allocated among the properties in accordance with GAAP. For all other properties, Estimated Total Book Value represents the actual purchase price (including closing costs) and estimated renovation costs plus a 5% acquisition and renovation fee, if any.
- (5) Represents 34 markets in 18 states.

**Table of Contents**

The table below summarizes certain information with respect to properties in escrow as of July 31, 2013.

**Properties in Escrow<sup>(1)</sup>**

Market	Properties in Escrow				Estimated Total Investment <sup>(2)</sup>	
	Units	% of Total	Avg. Sq.Ft.	Avg. Age (years)	\$ millions	Avg. per Property
Cincinnati, OH	55	12.0%	1,882	12.1	\$ 8.5	\$ 154,842
Columbus, OH	50	10.9%	1,839	12.3	\$ 6.9	138,878
Raleigh, NC	32	7.0%	1,955	9.1	\$ 4.8	149,401
Charlotte, NC	28	6.1%	2,038	11.1	\$ 4.3	153,718
Houston, TX	24	5.2%	2,698	9.9	\$ 4.9	204,433
Chicago Area, IL and IN						