

Company Analysis Research Project

Bus 342

Table of Contents

Company Overview…….3
Industry Analysis…….5
Factors that Affect Invitation Homes and Industry……..……..…..5
Financial Calculations…..……6
Financial Analysis……..……..7
Stock Performance Quarterly Analysis……9
Conclusion....……..…...12
Stock Tracker Graph……..……13
Appendix A……14
Invitation Homes Inc. Balance Sheet…….14
Appendix B……15
Invitation Homes Inc. Income Statement……..15
Appendix C……16
Invitation Homes Inc. Statement of Cash Flows…..…….16
Appendix D……17
Invitation Homes Inc. Statement of Retained Earnings……...……..17
Appendix E……18
Invitation Homes Inc. and American Homes for Rent Financial Ratio Data……18
References……..19

Company Overview

Invitation Homes (INVH) Inc. is publicly traded on the New York Stock Exchange (NYSE). Invitation Homes' current CEO is Dallas B. Tanner. Other executive officers include Peter DiLello (Senior Vice President), Ernest M. Freedman (Executive Vice President and Chief Financial Officer), Elizabeth A. Galloway (Executive Vice President and Chief Human Resources Officer), John M. Gibson (Executive Vice President and Chief Investment Officer), Timothy J. Lobner (Executive Vice President, Operations Support), Alicia MacPhee (Senior Vice President, Field Division-East), Kimberly K. Norrell (Executive Vice President and Chief Accounting Officer), Jonathan S. Olsen (Executive Vice President, Corporate Strategy and Finance), Mark A. Solls (Executive Vice President, Chief Legal Officer, and Secretary), Virginia L. Suliman (Executive Vice President and Chief Information Officer), Charles D. Young (Executive Vice President and Chief Operating Officer).

Additionally, the following people are on the board of directors; Michael D. Fascitelli (Chairperson of the board), Dallas B. Tanner (President and Chief Executive Officer), with Board members Jana Cohen Barbe , Richard D. Bronson, Jeffrey E. Kelter, Joseph D. Margolis, John B. Rhea J. Heidi Roizen, Janice L. Sears. Jana Cohen Barb previously served as director of the Boler Company, a real estate and manufacturing group, and as Senior Advisor to Blackstone’s real estate group. Richard D. Bronson previously served on the Board of Starwood Waypoint Homes and as Chief Executive Officer of The Bronson Companies. Jeffrey E. Kelter also previously served on the Board of Starwood Waypoint Homes and as chairman of Jack Creek Investment. Joseph D. Margolis who is also the Chief Executive Officer of Extra Space Storage, Inc. Previously, he served as Executive Vice President and Chief Investment Officer of Extra Space Storage, Inc. John B. Rhea formerly was a partner at Centerview Partners, an independent investment banking advisory firm, and in 2021 was elected, Mr. Rhea was elected to the Board of Directors of State Street Corporation. J. Heidi Roizen previously has been a partner with leading venture capital firm Threshold Ventures since 2012 and served as a director for privately held portfolio companies Planet, Zoox, Memphis Meats, and Polarr. And finally, Janice L. Sears, who was previously an independent director of Essex Property Trust Inc (ESS), which owns multi-family rental properties.

Invitation Homes
Key Officers

invitation homes



President and CEO:
Dallas B. Tanner


Peter DiLello (Senior Vice President)

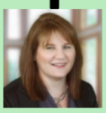

Ernest M. Freedman (Executive Vice President and Chief Financial Officer)


Elizabeth A. Galloway (Executive Vice President and Chief Human Resources Officer)


John M. Gibson (Executive Vice President and Chief Investment Officer)


Timothy J. Lobner (Executive Vice President, Operations Support)


Alicia MacPhee (Senior Vice President, Field Division-East)


Kimberly K. Norrell (Executive Vice President and Chief Accounting Officer)


Jonathan S. Olsen (Executive Vice President, Corporate Strategy and Finance)


Mark A. Solls (Executive Vice President, Chief Legal Officer and Secretary)


Virginia L. Suliman (Executive Vice President and Chief Information Officer)


Charles D. Young (Executive Vice President and Chief Operating Officer)

Invitation Homes
Board of Directors

invitation homes



President and CEO:
Dallas B. Tanner


Michael D. Fascitelli (Board of Directors)


Richard D. Bronson (Director)


Jeffrey E. Kelter (Director)


Joseph D. Margolis (Director)


John B. Rhea (Director)


J. Heidi Roizen (Director)


Janice L. Sears (Director)


Jana Cohen Barbe (Director)

Industry Analysis

Invitations Homes is a nationwide real estate company that buys, renovates, leases, and operates nearly 80,000 single-family homes as rental properties. Invitation Homes operates primarily in the Western U.S., Florida, and the Southeast U.S. Co. Invitation homes operate residential properties in 16 of the country's most popular Metro Areas. Invitation Homes has expanded their Real-Estate portfolio by creating cash flows through acquiring, renovating, and leasing residential properties. Invitation Homes is currently the largest owner of single-family homes in the United States. Invitation Homes Inc. owns all their residential properties, which are then rented out to another party which pays them rent dues. The top three competitors of Invitation Homes are Zillow, American Homes 4 Rent and Sun Communities Inc. Invitation Homes Inc. owns all their residential properties, which are then rented out to another party which pays them rent dues. The 52 week high for Invitation Homes was $45.34 and the low was $28.40.

Factors that Affect Invitation Homes and Industry

Invitation Homes is influenced by a number of elements, including the environment in which it operates, economic issues, a housing crisis and most recently, the COVID-19 pandemic.

At the start of the COVID-19 pandemic individuals realized that they would be stuck in their home for the rest of 2020 due to the epidemic, renovation became more popular, and costs for many projects skyrocketed as demand grew and supply dwindled. One factor that has affected According to Mischa Fisher, chief economist at Angi and HomeAdvisor, certain projects experienced price increases of more than 50% compared to 2019 levels, while the average cost of a renovation increased from roughly $9,000 in 2019 to more than $13,000 in 2020. The 2021 True Cost Report from HomeAdvisor shows that while certain projects witnessed higher price increases than others, expenses increased for virtually every type of renovation last year. (Wichter).

Invitation Homes has confronted a number of obstacles, one of which is overcoming previous mistakes with past criticism. Back in 2019, Invitation Homes CEO, Dallas Tanner, faced bad press after many reports were uncovered exposing the company for the appalling treatment of renters, and fueled the United State’s housing affordability crisis (MacDonald). Dallas Tanner was also condemned by the United Nations for this poor treatment of tenants during this troubling time. More recently, in California, Invitation Homes is pouring thousands of dollars into defeating Proposition 21, a statewide ballot proposal that restricts unjust, sky-high rental prices increase. Due to nationwide increased prices of renovation, Invitation Homes has fought to raise monthly rent on their portion of single family homes.

In 2020, Invitation Homes', like the rest of the globe, had to respond to the evolving nature of COVID-19's health and economic impact. They took many crucial steps early in the

epidemic to keep our associates and residents safe, including implementing protocols to keep their associates and residents safe (The Way We Live Now: The Future of Single-Family Rental Homes Viewpoints 2021) One way they executed these plans were by developing financial assistance programs to aid people suffering economic challenges, and pausing acquisitions. Invitation Homes was not sure what to expect as a consequence of the changing nature of our daily lives and routines, but learned immediately that their product was in higher-than-ever demand. High demand was caused by consumers wanting for more space, much like other businesses. Invitation Homes explained their COVID-19 policies as, "this is the wave of the future – people want a safe, flexible, worry-free lifestyle in a space they can call their own. Invitation Homes stands ready to deliver" (Invitation Homes). Top competitor Zillow, buys, sells, rents, remodels and finances houses across the United States. Zillow is a strong competitor though it lacks the support system Invitation Homes provides (Zillow Corporate). American Homes for Rent, another competitor offers similar services as Invitation Homes including renting and remodel services, but has faced many customer complaints centered around internet scammers pretending to be employees and stealing renters money. This has led to many unhappy customers and decreased trust in the firm. Sun Communities Inc. is a publicly listed real estate investment trust that invests in home estates, RV resorts, and marinas.

Financial Ratios

	Invitation Homes Inc (NYS:INVH)			American Homes 4 Rent (NYS:AMH)		
Ratios	2020	2019	% Change : 2019-2020	2020	2019	% Change : 2019-2020
Liquidity Ratios						
Current Ratio	1.340237929	0.857285331	56.34%	0.872586682	0.662245483	31.76%
Quick Ratio	0.694653929	0.276306765	151.41%	0.451177321	0.151620921	197.57%
Asset Management Ratios						
Inventory Turnover	N/A	N/A	-	N/A	N/A	-
DSO	N/A	N/A	-	N/A	N/A	-
Fixed Asset Turnover	0.106632713	0.103157746	3.37%	0.054452881	0.056015729	-2.79%
Total Asset Turnover	0.104124579	0.10146002	2.63%	0.123293958	0.125644429	-1.87%
Debt Management Ratios						
Debt-to-Capital Ratios	1.058387092	1.117362609	-5.28%	0.657189363	0.705601202	-6.86%
Times-Interest-Earned	1.500727559	1.360026473	10.35%	2.559202994	2.307558569	10.91%
Profitability Ratios						
Basic Earnings Power	0.030340184	0.028710837	5.68%	0.031221149	0.032232911	-3.14%
Operating Margin	0.256272671	0.230266591	11.29%	0.192480614	0.210044272	-8.36%
Profit Margin	0.107641533	0.082430009	30.59%	0.118675793	0.123352907	-3.79%
Return on Assets	0.011208129	0.00836335	34.01%	0.014632008	0.015498606	-5.59%
Return on Equity	0.023070669	0.017708245	30.28%	0.024248008	0.02643444	-8.27%
Return on Invested Capital	0.024995336	0.02352017	6.27%	0.01104769	0.011492076	-3.87%
Market Value Ratios						
Market/book	1.980451647	1.97616247	0.22%	1.640963819	1.477382591	11.07%
Price/Earnings	86.03928547	111.8994711	-23.11%	111.7229863	91.92915605	21.53%

The table shows Financial ratios for and American Homes 4 Rent (AMH) for the years

2019 and 2020. The cells highlighted in green show the percentage of which the company overperformed in comparison to the previous year. The cells highlighted in red show the percentage of which the company underperformed from the previous year. Both Invitation Homes and American Homes 4 Rent are property management firms and neither companies sell physical products, so therefore do not have any inventory. These companies also do not have account receivables, likely due to the fact of rental income being paid upfront. As a result, neither companies have inventory turnover or days sales outstanding values. Calculations for each of the shown ratios can be found in the attached Excel file.

Financial Analysis

After analyzing Invitation Homes Inc's (INVH) financial reports and ratios, we assessed their strength and weaknesses relative to their biggest competitor, American Homes for Rent (AMH). According to the income statement Invitation Homes Inc. experienced an increase in net income of 33.09% from 2020 ($197,449,000) to 2021 ($262,776,000). This drastic increase in net income can be attributed to an increase in total revenue. Invitation Homes Inc observed a total revenue in 2021 of $1,996,615,000, which is an increase of 9.53% from 2020's $1,822,828,000. Over the past five years, Invitation Homes Inc has observed a steadily growing net income. In 2017, they had a net loss of $105,826,000, then in 2019 they finally got out of the hole with a net income of $147,111,000, and as mentioned earlier they had a net income of $262,776,000 in 2021. Total expenses and revenues have been following a similar pattern, however revenues have been growing at a faster rate than expenses. Total assets for the past five years have followed a bell shaped curve. They were at a five-year high in 2017 when they totaled $18,683,638,000, then they decreased for two years and hit a low of $17,392,910,000 in 2019. They started to rise again in subsequent years and were back up to $18,537,846,000 in 2021. The company may have had to sell off some of its assets in 2018 and 2019 to keep cash flows up and revenues increasing.

Our total asset turnover for 2020 was 10.41% which is lower than American Homes for Rent, which had a total asset turnover of 12.56%. This means that their assets are not generating as much revenue as AMH's. Fixed asset turnover was 10.67% which was higher than AMH's level of 5.44%. Our current ratio increased 56.34% from 0.857 in 2019 to 1.340 in 2020, and both 2019 and 2020 were higher than that of American Homes for Rent. This means that they are liquid enough to meet their short term obligations.

Invitation Homes Inc. had good and bad debt-management ratios. Their debt-to-capital ratio in 2019 was 1.117, then it decreased 5.28% to 1.058 in 2020. This means that the company has a fairly even mix of debt and equity funding, a sign of a healthy capital structure. INVH's times-interest-earned ratio may turn some investors away because of how low it is. Their ratio is 1.501, indicating that they are at a higher risk for defaulting on their debt. American Homes for

Rent had a times-interest-earned ratio of 2.559 which is not great itself, but certainly better than that of Invitation Homes.

Now let's discuss the profitability ratios. The firm's profit margin was very average, in 2020 (10.764%) which was a 30.585% increase from 2019 (8.243%). This means that they produce a sufficient profit after their costs. Both INVH and AMH have relatively low return on assets, 1.121% and 1.463% respectively. This means that their assets are not generating as much profit for them as they should be. This can be attributed to the aforementioned increase in total assets since 2019. Return on equity for the two competitors is also very similar: 2.307% for Invitation Homes and 2.425% for American Homes. This is around average for companies in the real estate industry.

Invitation Homes' market/book ratio hasn't changed much from 2019-2020, and it sat at 1.981 in 2020. This is a good sign meaning that the stock is valued relatively high in the market and has been steady for the past two years, meaning it is an attractive stock for investors. INVH's price/earnings ratio decreased 23.11% from 2019 (111.899) to 2020 (86.039). This is alarming because that means investors are projecting less future earnings from their stock. This trend is the opposite of AMH's, as their P/E ratio increased from 91.929 in 2019 to 111.723 in 2020.

Overall Invitation Homes Inc. emerged from the Covid-19 pandemic well. In fact, a good portion of their ratios changed for the better in 2020. This could be because the pandemic forced people into the housing market causing demand to shoot up. Another reason the demand for housing increased is because of the low interest rates that people were trying to take advantage of. The firm took advantage of this and realized increased profits. Housing will always be a large and thriving market, so the firm will always have a large customer base and good demand. However, their biggest threat is their competitors such as American Homes for Rent. AMH kept up with Invitation Homes in most respects and even beat them out in others. Invitation Homes Inc's ability to create and maintain a competitive advantage over its rivals will be essential to its survival and health.

Stock Performance Analysis

Relatively speaking from the information we have researched, we would expect our company's Beta to hover around or lower than 1, meaning that it is a low risk investment. Coming into the project we knew Invitation Homes Inc. as the biggest holder of rental residential properties in the United States. Having seen and known of their success in Real-Estate and knowing the fact that Real-Estate is one of the few fields with Tangible assets, we would assume Invitation Homes Inc. Beta to be on the safer side of investments. Following Controversy surrounding companies such as Zillow(we talk more about this later in the stock price analysis), we would safely assume their Beta to be a lot higher than 1 as they've seen instability in the market. Another Beta which has to be taken into consideration is American Homes for Rent as they are the best direct competitor of Invitation Homes Inc. American Homes for Rent has also seen a recent boom in revenues, but hasn't had quite the success as Invitation Homes Inc. We would expect American Homes for Rent's beta to also be close to the 1 mark, but still overall not as such a low risk investment such as Invitation Homes inc. Our third competitor is Sun Communities Inc. we would expect their Beta to be in a similar position to American Homes for Rent. We would assume their Beta to still be under 1, but possibly ranked higher due to the fact they operate in multiple markets such as the United States and Canada leaving them with possibly more risk when it comes to market volatilility.

Invitation Homes Beta on Yahoo Finance is currently sitting at .90(Yahoo). American Homes for Rent's Beta is currently at .61(Yahoo), which is somewhat of a surprise for us as we would have expected Invitation Homes to have a smaller Beta and therefore less risky stock. One reason for these surprising Beta numbers is the overall idea that Invitation Homes has only been able to provide positive cash flows since the year 2017 leaving room for skepticism as to whether they can maintain their recent success over the long run. Not so much to our surprise is Zillow's Beta which is currently valued at 1.47. As previously mentioned Zillow has had a very strong controversy around it causing decreases in revenues and hence leaving them with a high Beta that is known to be full of risk. The current Beta for Sun Communities Inc. is .70(Yahoo) and this is currently the second best on our list. Only American Homes for Rent can present a lower Beta, but nonetheless this is not too big a surprise for us as Sun Communities Inc. currently has the highest price on a share at $177(Yahoo) leading potential investors to perceive them as a highly reputable company in this industry.

On 1/4/2021 our closing stock price was $28.58, a year later on 1/4/2022 the closing stock price on our stock was $45.13, which would've left any potential investors with an average return on their investment of 57.9%. Our competitors American Homes for Rent(AMH) saw on 1/4/21 a closing cost of $29.08 and after the 52 week period on 1/4/2022 saw a closing cost of $43.35, which ultimately left it with a 49.1% return over the 52 week period. Another competitor of our company which is Zillow saw on 1/4/2021 a closing stock price of $136.51 and after the 52 week period saw a closing price of $60.8, which left potential investors at a loss on their initial investments of -55.5%. Our last competitor Sun Communities Inc. saw on 1/4/2021 a closing cost per share of $146.13, a year later on 1/4/2022 saw a closing cost of $207.64 this time frame would've left investors with a

41.1% return on their investment. Although a very impressive return on stock, our stock still outperformed Sun Communities Inc. When comparing our Company and competitors to the industry average which is the S&P 500 we can see that on 2/16/2021 the S&P 500 saw a closing price of $3700.65 and then after the 52 week period saw a closing price on 2/16/2022 of $4793.54, which left it with a 52 week average return of 29.5%. We can see that our 57.9% return on our stock during the 52 week period has ultimately outperformed the industry average of 29.5% from the S&P 500 which is typically known to give investors about a 10% annual return and is usually the safest bet for potential long term investors. When comparing our stock to other competitors in the industry we can also see that our company stock has outperformed competitors such as Zillow, which saw a devastating return on their stock due to controversy over the last year leaving investors with a negative return of -78.8%. Other companies who have remained relatively uncontroversial and have had consistent growth is American Homes for Rent (AMH) which saw a positive return(49.1%), but still saw a lower return in comparison to Invitation Homes stock that has outperformed AMH by 11.7%(57.9%-49.1%). Another stable competitior is Sun Communities Inc. that saw an overall positive return(41.1%) but still in comparison to Invitation Homes our stock has still outperformed their stock by 16.9% (57.9%-41.1%) and has the added incentive that the price of share is a lot lower.

The performance of our company and its competitors is heavily influenced by financial factors such as company returns and the ability to generate profits. This 1 year time frame in particular has had extremely high growth in almost all aspects of the market. All of the positive stocks we analyzed have demonstrated very high returns well over 10%, which is not always typically seen. When analyzing our own company's financials we can see that since 2018 they have been able to increase and capitalize on their net income due to the companies ability to produce high revenues and keep their expenses down. Competitors such as Zillow have fallen behind the industry in 2021 after reporting bad 3rd quarter earnings and after it "announced it would be shutting down Zillow Offers, the algorithm-fueled home-flipping arm of its company. It also said it would try to offload more than 7,000 homes and exit the iBuying -- or "instant buying" -- business completely. That's $2.8 billion worth of homes.". American Homes for Rent (AMH) has also seen positive growth over the year in their financials and have seen a very similar outcome such as Invitation Homes. When analyzing and comparing their financial statements plus ratios we see that they fall closely in line with our company as they usually fall within a couple points over or under. These similar financial outcomes have led these two direct competitors to fall closely in line on their stocks performances and relatively high yearly stock returns. Sun Communities Inc(SUI) had good news and press relating to their company when they released their 4th quarter earnings for the year 2021: "Home sales volume increased 19.3 percent to 933 homes for the quarter ended December 31, 2021, as compared to 782 homes in the same period in 2020."(Seeking Alpha). This good press has led us to believe that their company is doing well in the market and does not seem to be currently burdened by problems such as the pandemic.

Some of the risk facing our industry directly is fluctuating interest rates. All American Businesses in some form are also affected by this risk set forward by the federal reserve. During the

pandemic the federal government has been very lenient in interest rates making it easier and more efficient for businesses/people to borrow money at a low rate. The risk involved with fluctuating rates is that we are at an all time high inflation rate of 7%, which will force the feds to ultimately raise rates and lower company's abilities to borrow money. Considering the Real-Estate industry is heavily relient on Loans and Mortgages, in the long run this will play a bigger impact as financing new projects will have higher interest cost. Realizing that there is an all time low in rates has had an impact on companies Betas as the market has deemed Real-Estate investments as lower risk because of the fact that Real-Estate companies were able to refinance existing loans and also take out loans for new projects at relatively low rates. This rise in inflation has caused Invitation Homes and other competitors to raise their rents by an 11% average. A recent bloomberg article in 2020 reads, "Invitation Homes Boosts Rents 11% as Housing Crunch Persists", this article goes into detail how the overall market and raised cost of business operations is causing Real-Estate companies to raise their overall rents to offset any future cost in a market that is very unpredictable at the moment.

Our company has taken the opportunity to invest in multiple projects over the last 3 years. One current expansion plans include Invitation Homes' collaboration with Boston property investment firm Rockpoint Group, which has local offices around Dallas, Texas. Their plans include committing $750 million dollars, partially funded through debt, to buy and renovate high priced single-family homes for rent. Invitation's role in the joint venture will be to supply investments, asset management, and property management services in exchange for fees, as well as the chance to earn promotional interest based on specified performance benchmarks. The corporations said they aim to buy single-family houses in "premium communities" with prices and rentals that are 30 percent to 60 percent more than what they typically purchase. This plan aims for Invitation Homes to expand into new markets by targeting upper class families. Both firms plan to look at Texas, Florida, and areas of the Western and Southeastern United States as submarkets.

Another capital project includes Invitation Homes' recent partnership with PulteGroup, who is the third largest homebuilder in the United States. Invitation Homes plans to purchase 7,500 new homes from PulteGroup over the next five years in order to meet soaring demand from tenants looking for more room. According to Invitation homes, the agreement will not result in a substantial shift in the company's strategic plan, but it will increase Invitation Houses' portfolio by over 10%. As of June 2021, Invitation Homes owned over 80,000 homes in the United States. Apart from the Northeast, Invitation Homes' portfolio encompasses most of the country, although Florida, Georgia, Arizona, California, and Washington are among its most concentrated areas. This project is an example of Invitations Homes expanding into existing markets, by extending their inventory.

Our Corporation finances much of their operations through long-term debt. This is a theme consistent with real-estate investors and it is a constant practice to leverage the banks money. The industry standard is a 20% down payment and then financing the rest of the loan. These long-term debts consist of multiple loans with terms typically over 6 years. Our company also uses short-term debt to finance up front costs such as renovation and repair bills on new and existing constructions. The company is also able to raise capital by issuing common stock. The common-stock is currently

equal to approximately $5.49 Million. Under common Equity we can see that stockholder's Equity is valued at approximately $9.48 Billion.

Conclusion

In conclusion, we determine our stock to be a highly viable option in the market as it has outperformed all of its competitors and has even surpassed the market average. Through various means of expansion Invitation Homes has been able to allocate capital for new projects and has been able to sustain previous projects. Recent collaborations with Rockpoint Group are proving to be part of a bigger strategy on Invitation Homes business plans to continue expanding in the market. High ticket expansions are demonstrating to be very familiar undertakings for Invitation Homes as they look to continue growing their grasp on single-family homes for rent in the United States. A company Beta of .90 leads us to believe that our company has a low risk investment in the market. The pandemic has had a boosting effect on Businesses in the Real-Estate industry due to lowered interest rates allowing the industry to take advantage of low rate financing and refinancing. Invitation Homes has been able to prove positive financial statements since 2018 after having a negative year in 2017. This Provides a great investment opportunity for potential investors looking to invest in a company that has turned their financial structure around and continues to be the leading holder on residential properties for rent in the United States. Some of the main risks that continue to plague this industry is the rise in inflation that will ultimately lead to a rise in interest rates. This rise in inflation has also caused Invitation Homes and other competitors to raise their rents by an 11% average. This creates potential backlash in the industry as American renters continue to be burdened by price spikes in sectors such as housing and most recently gas. We highly recommend Invitation Homes for potential investors not only in the short run, but also in the long run as we expect their stock to continue growth in a linear fashion as shown in their stock tracker graph.

Stock Tracker Graph



Appendix A

Invitation Homes Inc. Balance Sheet USD $ (Thousands)

As Reported Annual Balance Sheet

Report Date	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Currency	USD	USD	USD	USD	USD
Audit Status	Not Qualified	Not Qualified	Not Qualified	Not Qualified	Not Qualified
Consolidated	Yes	Yes	Yes	Yes	Yes
Scale	Thousands	Thousands	Thousands	Thousands	Thousands
Investments in single-family residential properties - land	4,737,938	4,539,796	4,499,346	4,561,441	4,646,917
Investments in single-family residential properties - building & improvements	15,270,443	14,261,954	13,747,818	13,668,533	13,740,981
Investments in single-family residential properties, gross	20,008,381	18,801,750	18,247,164	18,229,974	18,387,898
Less: accumulated depreciation	3,073,059	2,513,057	2,003,972	1,543,914	1,075,634
Investments in single-family residential properties, net	16,935,322	16,288,693	16,243,192	16,686,060	17,312,264
Cash & cash equivalents	610,166	213,422	92,258	144,940	179,878
Restricted cash	208,692	198,346	193,987	215,051	236,684
Goodwill	258,207	258,207	258,207	258,207	258,207
Investments in unconsolidated joint ventures	130,395	69,267	-	-	-
Investments in debt securities, net	157,173	245,237	316,991	366,599	378,545
Investments in equity securities	16,337	47,189	-	-	-
Investment in unconsolidated joint venture	-	-	54,778	56,622	57,078
Held for sale assets	20,022	44,163	116,529	154,077	46,814
Prepaid expenses	41,490	41,347	32,106	30,970	37,869
In-place leases, net	-	-	-	-	37,517
Rent & other receivables, net	37,473	35,256	25,244	33,117	24,525
Right of use lease assets - operating & finance, net	16,975	21,705	13,768	-	-
Deferred financing costs, net	8,751	11,637	2,765	6,316	7,504
Corporate fixed assets, net	16,595	9,995	9,825	11,792	16,595
Deferred leasing costs, net	5,837	7,631	7,427	1,010	7,018
Amounts deposited & held by others	62,241	2,852	1,348	5,134	12,598
Derivative instruments	6	1	1,643	75,405	57,612
Other assets	12,164	11,274	22,842	18,128	12,930
Other assets, net	395,064	478,287	605,266	759,170	696,605
Total assets	18,537,846	17,506,222	17,392,910	18,063,428	18,683,638
Mortgage loans, net	3,055,853	4,820,098	6,238,461	7,201,654	7,580,153
Secured term loan, net	401,313	401,095	400,978	-	-
Unsecured notes, net	1,921,974	-	-	-	-
Term loan facility, net	2,478,122	2,470,907	1,493,747	1,490,860	1,487,973
Revolving facility	-	-	-	-	35,000
Convertible senior notes, net	141,397	339,404	334,299	557,301	548,536
Accounts payable & accrued expenses	193,633	149,299	186,110	169,603	193,413
Resident security deposits	165,167	157,936	147,787	148,995	146,689
Other liabilities	341,583	611,410	325,450	125,829	41,999
Total liabilities	8,699,042	8,950,149	9,126,832	9,694,242	10,033,763
Common stock	6,010	5,671	5,416	5,206	5,192
Additional paid-in capital	10,873,539	9,707,258	9,010,194	8,629,462	8,602,603
Retained earnings (accumulated deficit)	(794,869)	(661,162)	(524,588)	(392,594)	(157,595)
Accumulated other comprehensive income (loss)	(286,938)	(546,942)	(276,600)	(12,963)	47,885
Total stockholders' equity	9,797,742	8,504,825	8,214,422	8,229,111	8,498,085
Non-controlling interests	41,062	51,248	51,656	140,075	151,790
Total equity	9,838,804	8,556,073	8,266,078	8,369,186	8,649,875

Appendix B

Invitation Homes Inc. Income Statement USD $ (Thousands)

As Reported Annual Income Statement

Report Date	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Currency	USD	USD	USD	USD	USD
Audit Status	Not Qualified	Not Qualified	Not Qualified	Not Qualified	Not Qualified
Consolidated	Yes	Yes	Yes	Yes	Yes
Scale	Thousands	Thousands	Thousands	Thousands	Thousands
Rental revenues	-	-	-	-	994,921
Other property income	-	-	-	-	59,535
Rental revenues & other property income	1,991,722	1,822,828	1,764,685	1,722,962	-
Joint venture management fees	4,893	-	-	-	-
Total revenues	1,996,615	-	-	-	1,054,456
Property operating & maintenance	706,162	680,543	669,987	655,411	391,495
Property management expense	71,597	58,613	61,614	65,485	43,344
General & administrative	75,815	63,305	74,274	98,764	167,739
Interest expense	322,661	353,923	367,173	-	-
Depreciation & amortization	592,135	552,530	533,719	560,541	309,578
Impairment & other	8,676	696	18,743	20,819	24,093
Total expenses	1,777,046	1,709,610	1,725,510	1,784,615	936,249
Operating income (loss)	-	-	-	-	118,207
Unrealized gains on investments in equity securities	-	29,723	-	-	-
Gains (losses) on investments in equity securities, net	(9,420)	-	-	-	-
Interest expense	-	-	-	383,595	256,970
Other expenses	-	-	-	-	959
Other income (expense), net	(5,835)	(86)	11,600	6,958	-
Total other income (expenses)	-	-	-	-	(257,929)
Income (loss) from continuing operations	-	-	-	-	(139,722)
Gain (loss) on sale of property, net of tax	60,008	54,594	96,336	49,682	33,896
Income (loss) from investments in unconsolidated joint ventures	(1,546)	-	-	-	-
Net income (loss)	262,776	197,449	147,111	(5,013)	(105,826)
Net income (loss) attributable to non-controlling interests	(1,351)	(1,237)	(1,648)	86	489
Net income (loss) attributable to non-controlling interests	(1,351)	(1,237)	(1,648)	86	489
Net income (loss) attributable to common stockholders	261,425	196,212	145,463	(4,927)	(105,337)
Net income available to participating securities	327	448	395	-	-
Net income (loss) available to common stockholders	261,098	195,764	145,068	-	-
Weighted average shares outstanding - basic	577,681.07	553,993.321	531,235.962	520,376.929	339,423.442
Weighted average shares outstanding - diluted	579,209.523	555,458.607	532,499.787	520,376.929	339,423.442
Year end shares outstanding	601,045.438	567,117.666	541,642.725	520,647.977	519,173.142
Net earnings (loss) per share - basic	0.45	0.35	0.27	(0.01)	(0.26)
Net earnings (loss) per share - diluted	0.45	0.35	0.27	(0.01)	(0.26)
Dividends per common share	0.68	0.6	0.52	0.44	0.22
Number of full time employees	1,240	1,149	1,140	1,231	1,445
Number of common stockholders	49	54	67	36	48

Appendix C

Invitation Homes Inc. Statement of Cash Flows USD $ (Thousands)

As Reported Annual Cash Flow

Report Date	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Currency	USD	USD	USD	USD	USD
Audit Status	Not Qualified	Not Qualified	Not Qualified	Not Qualified	Not Qualified
Consolidated	Yes	Yes	Yes	Yes	Yes
Scale	Thousands	Thousands	Thousands	Thousands	Thousands
Net income (loss)	262,776	197,449	147,111	(5,013)	(105,826)
Depreciation & amortization	592,135	552,530	533,719	560,541	309,578
Share-based compensation expense	27,170	17,090	18,158	29,499	81,203
Amortization of deferred leasing costs	10,746	11,733	10,621	11,258	12,143
Amortization of deferred financing costs	13,126	25,828	39,259	27,191	22,271
Amortization of debt discounts	6,244	5,458	7,343	9,124	1,390
Provisions for impairment	650	4,578	14,210	6,709	2,231
Unrealized losses (gains) on investments in equity securities	-	(29,723)	-	-	-
Losses (gains) on investments in equity securities, net	9,420	-	-	-	-
Loss (gain) on sale of property, net of tax	(60,008)	(54,594)	(96,336)	(49,682)	(33,896)
Change in fair value of derivative instruments	14,660	9,129	1,913	12,039	5,845
Loss (income) from investments in unconsolidated joint ventures, net of operating distributions	1,982	-	-	-	-
Other non-cash amounts included in net income (loss)	3,998	3,288	(6,569)	6,342	(2,940)
Restricted cash related to security deposits	-	-	-	-	(4,181)
Restricted cash related to derivative collateral	-	-	-	-	1,000
Other assets, net	(15,095)	(38,012)	(10,890)	(14,083)	(10,605)
Accounts payable & accrued expenses	32,892	(27,040)	5,207	(26,643)	(10,294)
Resident security deposits	7,231	10,149	(1,208)	2,306	3,281
Other liabilities	(267)	8,849	(408)	(8,347)	(11,411)
Net cash flows from operating activities	907,660	696,712	662,130	561,241	259,789
Cash acquired in the mergers	-	-	-	-	84,952
Amounts deposited & held by others	-	(906)	(395)	9,074	2,513
Deposits for acquisition of single-family residential properties	(60,135)	-	-	-	-
Acquisition of single-family residential properties	(1,126,826)	(621,697)	(586,075)	(252,391)	(228,499)
Deposits for acquisition of single-family residential properties	(60,135)	-	-	-	-
Acquisition of single-family residential properties	(1,126,826)	(621,697)	(586,075)	(252,391)	(228,499)
Initial renovations to single-family residential properties	(77,408)	(98,769)	(57,437)	(45,733)	(42,625)
Other capital expenditures for single-family residential properties	(162,832)	(172,284)	(164,244)	(141,688)	(58,456)
Corporate capital expenditures	-	-	-	(4,027)	(4,086)
Proceeds from sale of single-family residential properties	231,676	414,927	855,583	490,699	205,980
Purchases of investments in debt securities	-	-	-	(211,737)	(95,174)
Repayment proceeds from retained debt securities	88,416	72,106	49,960	224,035	79,292
Proceeds from sale of investments in equity securities	31,504	-	-	-	-
Investments in unconsolidated joint ventures	(65,000)	(16,345)	-	-	-
Non-operating distributions from unconsolidated joint ventures	1,890	-	-	-	-
Changes in restricted cash	-	-	-	-	107,145
Other investing activities	(20,843)	(2,188)	4,834	(5,239)	2,240
Net cash flows from investing activities	(1,159,558)	(425,156)	102,226	62,993	53,282
Proceeds from initial public offerings (IPO), net of underwriting discounts	-	-	-	-	1,692,058
IPO costs paid	-	-	-	-	(2,757)
Merger costs paid	-	-	-	-	(3,796)
Payment of dividends & dividend equivalents	(393,812)	(332,151)	(276,681)	(230,072)	(68,997)
Distributions to non-controlling interests	(2,107)	(2,137)	(3,074)	(4,020)	(61)
Payment of taxes related to net share settlement of restricted stock units	(9,411)	(4,427)	(8,164)	(9,245)	(15,884)
Redemption of & dividends paid with respect to series A preferred stock	-	-	-	-	(1,153)
Payments on credit facilities	-	-	-	-	(2,321,585)
Proceeds from mortgage loans	-	-	-	4,234,483	1,861,447
Payments on mortgage loans	(1,766,865)	(1,434,626)	(997,421)	(4,579,594)	(2,951,008)
Proceeds from secured term loan	-	-	403,464	-	-
Payments on secured term loan	-	(101)	-	-	-
Proceeds from unsecured notes	1,938,036	-	-	-	-
Proceeds from term loan facility	-	2,500,000	-	-	1,500,000
Payments on term loan facility	-	(1,500,000)	-	-	-
Proceeds from revolving facility	400,000	320,000	485,000	285,000	135,000

Proceeds from revolving facility	400,000	320,000	485,000	285,000	135,000
Payments on revolving facility	(400,000)	(320,000)	(485,000)	(320,000)	(100,000)
Proceeds from issuance of common stock, net	933,790	686,723	55,263	-	-
Deferred financing costs paid	(16,990)	(41,411)	(2,613)	(55,681)	(54,576)
Other financing activities	(23,653)	(17,903)	(8,876)	(1,676)	-
Net cash flows from financing activities	658,988	(146,033)	(838,102)	(680,805)	(331,312)
Change in cash, cash equivalents & restricted cash	407,090	125,523	(73,746)	(56,571)	(18,241)
Cash, cash equivalents & restricted cash, beginning of period	411,768	286,245	359,991	416,562	198,119
Cash, cash equivalents & restricted cash, end of period	818,858	411,768	286,245	359,991	179,878
Interest paid, net of amounts capitalized	285,501	313,076	322,085	335,973	226,306
Cash paid for income taxes	809	1,284	2,781	2,069	2,525

Appendix D

Invitation Homes Inc. Statement of Retained Earnings USD $ (Thousands)

As Reported Annual Retained Earnings

Report Date	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
Currency	USD	USD	USD	USD	USD
Audit Status	Not Qualified	Not Qualified	Not Qualified	Not Qualified	Not Qualified
Consolidated	Yes	Yes	Yes	Yes	Yes
Scale	Thousands	Thousands	Thousands	Thousands	Thousands
Previous retained earnings (accumulated deficit)	(661,162)	(524,588)	(392,594)	(157,595)	-
Dividends & dividend equivalents declared	395,132	332,786	277,457	230,072	69,137
Retained earnings (accumulated deficit)	(794,869)	(661,162)	(524,588)	(392,594)	(157,595)

Appendix E

Invitation Homes Inc. and American Homes for Rent Financial Ratio Data

	Invitation Homes Inc (NYS:INVH)			American Homes 4 Rent (NYS:AMH)		
Ratios	2020	2019	% Change : 2019-2020	2020	2019	% Change : 2019-2020
Liquidity Ratios						
Current Ratio	1.340237929	0.857285331	56.34%	0.872586682	0.662245483	31.76%
Quick Ratio	0.694653929	0.276306765	151.41%	0.451177321	0.151620921	197.57%
Asset Management Ratios						
Inventory Turnover	N/A	N/A	-	N/A	N/A	-
DSO	N/A	N/A	-	N/A	N/A	-
Fixed Asset Turnover	0.106632713	0.103157746	3.37%	0.054452881	0.056015729	-2.79%
Total Asset Turnover	0.104124579	0.10146002	2.63%	0.123293958	0.125644429	-1.87%
Debt Management Ratios						
Debt-to-Capital Ratios	1.058387092	1.117362609	-5.28%	0.657189363	0.705601202	-6.86%
Times-Interest-Earned	1.500727559	1.360026473	10.35%	2.559202994	2.307558569	10.91%
Profitability Ratios						
Basic Earnings Power	0.030340184	0.028710837	5.68%	0.031221149	0.032232911	-3.14%
Operating Margin	0.256272671	0.230266591	11.29%	0.192480614	0.210044272	-8.36%
Profit Margin	0.107641533	0.082430009	30.59%	0.118675793	0.123352907	-3.79%
Return on Assets	0.011208129	0.00836335	34.01%	0.014632008	0.015498606	-5.59%
Return on Equity	0.023070669	0.017708245	30.28%	0.024248008	0.02643444	-8.27%
Return on Invested Capital	0.024995336	0.02352017	6.27%	0.01104769	0.011492076	-3.87%
Market Value Ratios						
Market/book	1.980451647	1.97616247	0.22%	1.640963819	1.477382591	11.07%
Price/Earnings	86.03928547	111.8994711	-23.11%	111.7229863	91.92915605	21.53%

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