UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2024

OR

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

For the transition period from to

Commission File Number 001-38004

Invitation Homes Inc.

(Exact name of registrant as specified in its charter)

Maryland	**90-0939055**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1717 Main Street, Suite 2000	
Dallas, Texas	**75201**
(Address of principal executive offices)	(Zip Code)

(972) 421-3600
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.01 par value	INVH	New York Stock Exchange

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☑	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☑

As of April 29, 2024, there were 612,535,649 shares of common stock, par value $0.01 per share, outstanding.

INVITATION HOMES INC.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties, including, among others, risks inherent to the single-family rental industry and our business model, macroeconomic factors beyond our control, competition in identifying and acquiring properties, competition in the leasing market for quality residents, increasing property taxes, homeowners' association ("HOA") fees and insurance costs, poor resident selection and defaults and non-renewals by our residents, our dependence on third parties for key services, risks related to the evaluation of properties, performance of our information technology systems, risks related to our indebtedness, risks related to the potential negative impact of unfavorable global and United States economic conditions (including inflation and interest rates), uncertainty in financial markets (including due to bank failures), geopolitical tensions, natural disasters, climate change, and public health crises on our financial condition, results of operations, cash flows, business, associates, and residents. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include but are not limited to, those described under *Part I. Item 1A. "Risk Factors"* in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report on Form 10-K") as such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at https://www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report on Form 10-Q, in the Annual Report on Form 10-K, and in our other periodic filings. The forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q, and we expressly disclaim any obligation or undertaking to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except to the extent otherwise required by law.

DEFINED TERMS

Invitation Homes Inc. ("INVH"), a REIT, conducts its operations through Invitation Homes Operating Partnership LP ("INVH LP"). Through THR Property Management L.P., a wholly owned subsidiary of INVH LP, and its wholly owned subsidiaries (collectively, the "Manager"), we provide all management and other administrative services with respect to the properties we own. The Manager also provides professional property and asset management services to portfolio owners of single-family homes for lease, including our investments in unconsolidated joint ventures. Unless the context suggests otherwise, references in this Quarterly Report on Form 10-Q to "Invitation Homes," the "Company," "we," "our," and "us" refer to INVH and its consolidated subsidiaries.

In this Quarterly Report on Form 10-Q:

- "average monthly rent" represents average monthly rental income per home for occupied properties in an identified population of homes over the measurement period and reflects the impact of non-service rent concessions and contractual rent increases amortized over the life of the related lease. We believe average monthly rent reflects pricing trends that significantly impact rental revenues over time, making average monthly rent useful to management and external stakeholders as a means of evaluating changes in rental revenues across periods;
- "average occupancy" for an identified population of homes represents (i) the total number of days that the homes in such population were occupied during the measurement period, divided by (ii) the total number of days that the homes in such population were owned during the measurement period. We believe average occupancy significantly impacts rental revenues in a given period, making comparisons of average occupancy across different periods helpful to management and external stakeholders in evaluating changes in rental revenues across periods;
- "Carolinas" includes Charlotte-Concord-Gastonia, NC-SC, Greensboro-High Point, NC, Raleigh-Cary, NC, Durham-Chapel Hill, NC, and Winston-Salem, NC;
- "core markets" refers to markets where we have meaningful scale and the ability to conduct business using our existing operating platform. Our current 16 core markets are identified on our portfolio table in Part I. Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations — Our Portfolio;"
- "days to re-resident" for an individual home represents the number of days between (i) the date the prior resident moves out of a home and (ii) the date the next resident is granted access to the same home, which is deemed to be the earlier of the next resident's contractual lease start date and the next resident's move-in date. Days to re-resident impacts our average occupancy and thus our rental revenues, making comparisons of days to re-resident helpful to management and external stakeholders in evaluating changes in rental revenues across periods;
- "in-fill" refers to markets, MSAs, submarkets, neighborhoods, or other geographic areas that are typified by significant population densities and low availability of land suitable for development into competitive properties, resulting in limited opportunities for new construction;
- "Metropolitan Statistical Area" or "MSA" is defined by the United States Office of Management and Budget as a region associated with at least one urbanized area that has a population of at least 50,000 and comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting;
- "net effective rental rate growth" for any home represents the percentage difference between the monthly rent from an expiring lease and the monthly rent from the next lease and, in each case, reflects the impact of non-service rent concessions and contractual rent increases amortized over the life of the related lease. Leases are either renewal leases, where our current resident chooses to stay for a subsequent lease term, or a new lease, where our previous resident moves out and a new resident signs a lease to occupy the same home. Net effective rental rate growth drives changes in our average monthly rent, making net effective rental rate growth useful to management and external stakeholders as a means of evaluating changes in rental revenues across periods;
- "Northern California" includes Sacramento-Roseville-Folsom, CA, San Francisco-Oakland-Berkeley, CA, Stockton, CA, Vallejo, CA, and Yuba City, CA;

- “PSF” means per square foot. When comparing homes or cohorts of homes, we believe PSF calculations help management and external stakeholders normalize metrics for differences in property size, enabling more meaningful comparisons based on characteristics other than property size;
- “Same Store” or “Same Store portfolio” includes, for a given reporting period, wholly owned homes that have been stabilized and seasoned, excluding homes that have been sold, homes that have been identified for sale to an owner occupant and have become vacant, homes that have been deemed inoperable or significantly impaired by casualty loss events or force majeure, homes acquired in portfolio transactions that are deemed not to have undergone renovations of sufficiently similar quality and characteristics as the existing Invitation Homes Same Store portfolio, and homes in markets that we have announced an intent to exit where we no longer operate a significant number of homes for the primary purpose of income generation. Homes are considered stabilized if they have (i) completed an initial renovation and (ii) entered into at least one post-initial renovation lease. An acquired portfolio that is both leased and deemed to be of sufficiently similar quality and characteristics as the existing Invitation Homes Same Store portfolio may be considered stabilized at the time of acquisition. Homes are considered to be seasoned once they have been stabilized for at least 15 months prior to January 1st of the year in which the Same Store portfolio was established. We believe information about the portion of our portfolio that has been fully operational for the entirety of a given reporting period and its prior year comparison period provides management and external stakeholders with meaningful information about the performance of our comparable homes across periods and about trends in our organic business;
- “Southeast United States” includes our Atlanta and Carolinas markets;
- “South Florida” includes Miami-Fort Lauderdale-Pompano Beach, FL, and Port St. Lucie, FL;
- “Southern California” includes Los Angeles-Long Beach-Anaheim, CA, Oxnard-Thousand Oaks-Ventura, CA, Riverside-San Bernardino-Ontario, CA, and San Diego-Chula Vista-Carlsbad, CA;
- “SWH” refers to Starwood Waypoint Homes. On November 16, 2017, INVH and certain of its affiliates entered into a series of transactions with SWH and certain SWH affiliates, which resulted in SWH and its operating partnership being merged into INVH and INVH LP, respectively, with INVH and INVH LP being the surviving entities;
- “total homes” or “total portfolio” refers to the total number of homes we own, whether or not stabilized, and excludes any properties previously acquired in purchases that have been subsequently rescinded or vacated. Unless otherwise indicated, total homes or total portfolio refers to wholly owned homes and excludes homes owned in joint ventures. Additionally, unless the context otherwise requires, all measures in this Quarterly Report on Form 10-Q are presented on a total portfolio basis;
- “turnover rate” represents the number of instances that homes in an identified population become unoccupied in a given period, divided by the number of homes in such population. To the extent the measurement period shown is less than 12 months, the turnover rate may be reflected on an annualized basis. We believe turnover rate impacts average occupancy and thus our rental revenues, making comparisons of turnover rate helpful to management and external stakeholders in evaluating changes in rental revenues across periods. In addition, turnover can impact our cost to maintain homes, making changes in turnover rate useful to management and external stakeholders in evaluating changes in our property operating and maintenance expenses across periods; and
- “Western United States” includes our Southern California, Northern California, Seattle, Phoenix, Las Vegas, and Denver markets.

PART I

ITEM 1. FINANCIAL STATEMENTS

INVITATION HOMES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except shares and per share data)

	March 31, 2024	December 31, 2023
	(unaudited)	
Assets:		
Investments in single-family residential properties:		
Land	$ 4,869,884	$ 4,881,890
Building and improvements	16,735,151	16,670,006
	21,605,035	21,551,896
Less: accumulated depreciation	(4,418,164)	(4,262,682)
Investments in single-family residential properties, net	17,186,871	17,289,214
Cash and cash equivalents	738,125	700,618
Restricted cash	209,281	196,866
Goodwill	258,207	258,207
Investments in unconsolidated joint ventures	238,330	247,166
Other assets, net	579,124	528,896
Total assets	$ 19,209,938	$ 19,220,967
Liabilities:		
Mortgage loans, net	$ 1,622,036	$ 1,627,256
Secured term loan, net	401,569	401,515
Unsecured notes, net	3,306,873	3,305,467
Term loan facilities, net	3,213,904	3,211,814
Revolving facility	—	—
Accounts payable and accrued expenses	240,538	200,590
Resident security deposits	180,197	180,455
Other liabilities	74,732	103,435
Total liabilities	9,039,849	9,030,532
Commitments and contingencies (Note 14)		
Equity:		
Stockholders' equity		
Preferred stock, $0.01 par value per share, 900,000,000 shares authorized, none outstanding as of March 31, 2024 and December 31, 2023	—	—
Common stock, $0.01 par value per share, 9,000,000,000 shares authorized, 612,485,098 and 611,958,239 outstanding as of March 31, 2024 and December 31, 2023, respectively	6,125	6,120
Additional paid-in capital	11,153,703	11,156,736
Accumulated deficit	(1,099,957)	(1,070,586)
Accumulated other comprehensive income	74,826	63,701
Total stockholders' equity	10,134,697	10,155,971
Non-controlling interests	35,392	34,464
Total equity	10,170,089	10,190,435
Total liabilities and equity	$ 19,209,938	$ 19,220,967

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

INVITATION HOMES INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except shares and per share data)
(unaudited)

	For the Three Months Ended March 31,	
	2024	**2023**
Revenues:		
Rental revenues and other property income	$ 632,097	$ 586,515
Management fee revenues	13,942	3,375
Total revenues	646,039	589,890
Expenses:		
Property operating and maintenance	230,397	208,497
Property management expense	31,237	23,584
General and administrative	23,448	17,452
Interest expense	89,845	78,047
Depreciation and amortization	175,313	164,673
Impairment and other	4,137	1,163
Total expenses	554,377	493,416
Gains (losses) on investments in equity securities, net	(209)	88
Other, net	5,973	(1,494)
Gain on sale of property, net of tax	50,498	29,671
Losses from investments in unconsolidated joint ventures	(5,138)	(4,155)
Net income	142,786	120,584
Net income attributable to non-controlling interests	(436)	(342)
Net income attributable to common stockholders	142,350	120,242
Net income available to participating securities	(192)	(171)
Net income available to common stockholders — basic and diluted (Note 12)	$ 142,158	$ 120,071
Weighted average common shares outstanding — basic	612,219,520	611,588,465
Weighted average common shares outstanding — diluted	613,807,166	612,564,298
Net income per common share — basic	$ 0.23	$ 0.20
Net income per common share — diluted	$ 0.23	$ 0.20

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

INVITATION HOMES INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2024	**2023**
Net income	$ 142,786	$ 120,584
Other comprehensive income (loss)		
Unrealized gains (losses) on interest rate swaps	32,737	(18,755)
Gains from interest rate swaps reclassified into earnings from accumulated other comprehensive income (loss)	(21,564)	(12,981)
Other comprehensive income (loss)	11,173	(31,736)
Comprehensive income	153,959	88,848
Comprehensive income attributable to non-controlling interests	(484)	(265)
Comprehensive income attributable to common stockholders	$ 153,475	$ 88,583

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

INVITATION HOMES INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
For the Three Months Ended March 31, 2024 and 2023
(in thousands, except share and per share data)
(unaudited)

	Common Stock							
	Number of Shares	**Amount**	**Additional Paid-in Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Income**	**Total Stockholders' Equity**	**Non-Controlling Interests**	**Total Equity**
Balance as of December 31, 2023	611,958,239	$ 6,120	$ 11,156,736	$ (1,070,586)	$ 63,701	$ 10,155,971	$ 34,464	$ 10,190,435
Capital distributions	—	—	—	—	—	—	(553)	(553)
Net income	—	—	—	142,350	—	142,350	436	142,786
Dividends and dividend equivalents declared ($0.28 per share)	—	—	—	(171,721)	—	(171,721)	—	(171,721)
Issuance of common stock — settlement of RSUs, net of tax	526,859	5	(9,936)	—	—	(9,931)	—	(9,931)
Share-based compensation expense	—	—	6,903	—	—	6,903	997	7,900
Total other comprehensive income	—	—	—	—	11,125	11,125	48	11,173
Balance as of March 31, 2024	612,485,098	$ 6,125	$ 11,153,703	$ (1,099,957)	$ 74,826	$ 10,134,697	$ 35,392	$ 10,170,089

	Common Stock							
	Number of Shares	**Amount**	**Additional Paid-in Capital**	**Accumulated Deficit**	**Accumulated Other Comprehensive Income**	**Total Stockholders' Equity**	**Non-Controlling Interests**	**Total Equity**
Balance as of December 31, 2022	611,411,382	$ 6,114	$ 11,138,463	$ (951,220)	$ 97,985	$ 10,291,342	$ 32,289	$ 10,323,631
Capital distributions	—	—	—	—	—	—	(491)	(491)
Net income	—	—	—	120,242	—	120,242	342	120,584
Dividends and dividend equivalents declared ($0.26 per share)	—	—	—	(158,453)	—	(158,453)	—	(158,453)
Issuance of common stock — settlement of RSUs, net of tax	452,398	5	(7,535)	—	—	(7,530)	—	(7,530)
Share-based compensation expense	—	—	5,529	—	—	5,529	969	6,498
Total other comprehensive loss	—	—	—	—	(31,659)	(31,659)	(77)	(31,736)
Balance as of March 31, 2023	611,863,780	$ 6,119	$ 11,136,457	$ (989,431)	$ 66,326	$ 10,219,471	$ 33,032	$ 10,252,503

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

INVITATION HOMES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2024	**2023**
Operating Activities:		
Net income	$ 142,786	$ 120,584
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	175,313	164,673
Share-based compensation expense	7,900	6,498
Amortization of deferred financing costs	4,200	3,911
Amortization of debt discounts	660	400
Provisions for impairment	60	178
(Gains) losses on investments in equity securities, net	209	(88)
Gain on sale of property, net of tax	(50,498)	(29,671)
Change in fair value of derivative instruments	2,322	2,295
Loss from investments in unconsolidated joint ventures, net of operating distributions	5,740	4,949
Other non-cash amounts included in net income	1,169	1,056
Changes in operating assets and liabilities:		
Other assets, net	(60,793)	(11,033)
Accounts payable and accrued expenses	41,779	45,087
Resident security deposits	(258)	1,145
Other liabilities	(5,004)	7,807
Net cash provided by operating activities	265,585	317,791
Investing Activities:		
Amounts deposited and held by others	4,504	(1,076)
Acquisition of single-family residential properties	(109,988)	(59,869)
Initial renovations to single-family residential properties	(8,469)	(5,319)
Other capital expenditures for single-family residential properties	(44,486)	(50,012)
Proceeds from sale of single-family residential properties	131,945	87,855
Repayment proceeds from retained debt securities	226	158
Investments in equity securities	(388)	(31,131)
Investments in unconsolidated joint ventures	(747)	(250)
Non-operating distributions from unconsolidated joint ventures	3,843	2,966
Other investing activities	(1,336)	(13,163)
Net cash used in investing activities	(24,896)	(69,841)
Financing Activities:		
Payment of dividends and dividend equivalents	(173,235)	(160,287)
Distributions to non-controlling interests	(553)	(491)
Payment of taxes related to net share settlement of RSUs	(9,931)	(7,530)
Payments on mortgage loans	(5,799)	(4,375)
Payments on secured term loan	—	(234)
Other financing activities	(1,249)	(664)
Net cash used in financing activities	(190,767)	(173,581)
Change in cash, cash equivalents, and restricted cash	49,922	74,369
Cash, cash equivalents, and restricted cash, beginning of period (Note 4)	897,484	453,927
Cash, cash equivalents, and restricted cash, end of period (Note 4)	$ 947,406	$ 528,296

INVITATION HOMES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(in thousands)
(unaudited)

	For the Three Months Ended March 31,	
	2024	**2023**
Supplemental cash flow disclosures:		
Interest paid, net of amounts capitalized	$ 89,012	$ 67,677
Interest capitalized as investments in single-family residential properties, net	719	451
Cash refund of income taxes	(52)	(22)
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	1,738	1,523
Financing cash flows from finance leases	1,249	664
Non-cash investing and financing activities:		
Accrued renovation improvements at period end	$ 1,087	$ 990
Accrued residential property capital improvements at period end	5,799	8,041
Transfer of residential property, net to other assets, net for held for sale assets	36,349	35,449
Change in other comprehensive income from cash flow hedges	8,852	(34,046)
ROU assets obtained in exchange for operating lease liabilities	161	31
ROU assets obtained in exchange for finance lease liabilities	3,058	646

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

Note 1—Organization and Formation

Invitation Homes Inc. ("INVH") is a real estate investment trust ("REIT") that conducts its operations through Invitation Homes Operating Partnership LP ("INVH LP"). INVH LP was formed for the purpose of owning, renovating, leasing, and operating single-family residential properties. Through THR Property Management L.P., a wholly owned subsidiary of INVH LP, and its wholly owned subsidiaries (collectively, the "Manager"), we provide all management and other administrative services with respect to the properties we own. The Manager also provides professional property and asset management services to portfolio owners of single-family homes for lease, including our investments in unconsolidated joint ventures.

On February 6, 2017, INVH completed an initial public offering ("IPO"), changed its jurisdiction of incorporation to Maryland, and amended its charter to provide for the issuance of up to 9,000,000,000 shares of common stock and 900,000,000 shares of preferred stock, in each case $0.01 par value per share. In connection with certain pre-IPO reorganization transactions, INVH LP became (1) owned by INVH directly and through Invitation Homes OP GP LLC, a wholly owned subsidiary of INVH (the "General Partner"), and (2) the owner of all of the assets, liabilities, and operations of certain pre-IPO ownership entities. These transactions were accounted for as a reorganization of entities under common control utilizing historical cost basis.

On November 16, 2017, INVH and certain of its affiliates entered into a series of transactions with Starwood Waypoint Homes ("SWH") and certain SWH affiliates which resulted in SWH and its operating partnership being merged into INVH and INVH LP, respectively, with INVH and INVH LP being the surviving entities. These transactions were accounted for as a business combination in accordance with ASC 805, *Business Combinations*, and INVH was designated as the accounting acquirer.

The limited partnership interests of INVH LP consist of common units and other classes of limited partnership interests that may be issued (the "OP Units"). As of March 31, 2024, INVH owns 99.7% of the common OP Units and has the full, exclusive, and complete responsibility for and discretion over the day-to-day management and control of INVH LP.

Our organizational structure includes several wholly owned subsidiaries of INVH LP that were formed to facilitate certain of our financing arrangements (the "Borrower Entities"). These Borrower Entities are used to align the ownership of our single-family residential properties with certain of our debt instruments. Collateral for certain of our individual debt instruments may be in the form of equity interests in the Borrower Entities or in pools of single-family residential properties owned either directly by the Borrower Entities or indirectly by their wholly owned subsidiaries (see Note 7).

References to "Invitation Homes," the "Company," "we," "our," and "us" refer, collectively, to INVH, INVH LP, and the consolidated subsidiaries of INVH LP.

Note 2—Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and with the rules and regulations of the Securities and Exchange Commission (the "SEC") for interim financial information and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with our audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

These condensed consolidated financial statements include the accounts of INVH and its consolidated subsidiaries. All intercompany accounts and transactions have been eliminated in the condensed consolidated financial statements. In the opinion of management, all adjustments that are of a normal recurring nature considered necessary for a fair presentation of our interim financial statements have been included in these condensed consolidated financial statements. Operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2024.

We consolidate wholly owned subsidiaries and entities we are otherwise able to control in accordance with GAAP. We evaluate each investment entity that is not wholly owned to determine whether to follow the variable interest entity ("VIE") or the voting interest entity ("VOE") model. Once the appropriate consolidation model is identified, we then evaluate whether the entity should be consolidated. Under the VIE model, we consolidate an investment if we have control to direct the activities of the entity and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. Under the VOE model, we consolidate an investment if (1) we control the investment through ownership of a majority voting interest if the investment is not a limited partnership or (2) we control the investment through our ability to remove the other partners in the investment, at our discretion, when the investment is a limited partnership.

Based on these evaluations, we account for each of the investments in joint ventures described in Note 5 using the equity method. Our initial investments in the joint ventures are recorded at cost, except for any such interest initially recorded at fair value in connection with a business combination. The investments in these joint ventures are subsequently adjusted for our proportionate share of net earnings or losses and other comprehensive income or loss, cash contributions made and distributions received, and other adjustments, as appropriate. Distributions of operating profit from the joint ventures are reported as part of operating activities while distributions related to a capital transaction, such as a refinancing transaction or sale, are reported as investing activities on our condensed consolidated statements of cash flows. When events or circumstances indicate that our investments in unconsolidated joint ventures may not be recoverable, we assess the investments for and recognize other-than-temporary impairment.

Non-controlling interests represent the OP Units not owned by INVH, including any OP Units resulting from vesting and conversion of units granted in connection with certain share-based compensation awards. Non-controlling interests are presented as a separate component of equity on the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023, and the condensed consolidated statements of operations for the three months ended March 31, 2024 and 2023 include an allocation of the net income attributable to the non-controlling interest holders. OP Units are redeemable for shares of our common stock on a one-for-one basis or, in our sole discretion, cash, and redemptions of OP Units are accounted for as a reduction in non-controlling interests with an offset to stockholders' equity based on the pro rata number of OP Units redeemed.

Significant Risks and Uncertainties

Our financial condition and results of operations are subject to risks related to overall unfavorable global and United States economic conditions (including inflation and high interest rates), high unemployment levels, uncertainty in financial markets (including as a result of events affecting financial institutions, such as recent bank failures), ongoing geopolitical tension, and a general decline in business activity and/or consumer confidence. These factors could adversely affect (i) our ability to acquire, dispose of, or effectively manage single-family homes, (ii) our access to financial markets on attractive terms, or at all, and (iii) the value of our homes and our business that could cause us to recognize impairments in value of our tangible assets or goodwill. High levels of inflation, bank failures, and high interest rates may also negatively impact consumer income, credit availability, and spending, among other factors, which may adversely impact our business, financial condition, cash flows, and results of operations, including the ability of our residents to pay rent. These factors, which include labor shortages and inflationary increases in labor and material costs, have impacted and may continue to impact certain aspects of our business.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. These estimates are inherently subjective in nature and actual results could differ from those estimates.

Accounting Policies

There have been no changes to our significant accounting policies that have had a material impact on our condensed consolidated financial statements and related notes, compared to those policies disclosed in our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023.

Recent Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures,* which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. The updated standard is effective for annual reporting periods beginning after December 15, 2023 and interim periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of this ASU on our consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures,* which enhances the transparency and effectiveness of income tax disclosures. The updated standard is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of this ASU on our consolidated financial statements and disclosures.

Recent SEC Rules

In March 2024, the SEC adopted the final rule under SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*. Unless legal challenges to the rule prevail, this rule will require registrants to disclose certain climate-related information in registration statements and annual reports, and the revisions to Regulation S-X would apply to our financial statements beginning with our fiscal year ending December 31, 2025. We are currently assessing the effect of these new rules on our condensed consolidated financial statements and related disclosures.

Note 3—Investments in Single-Family Residential Properties

The following table sets forth the net carrying amount associated with our properties by component:

	March 31, 2024	December 31, 2023
Land	$ 4,869,884	$ 4,881,890
Single-family residential property	16,041,330	15,977,256
Capital improvements	565,847	565,214
Equipment	127,974	127,536
Total gross investments in the properties	21,605,035	21,551,896
Less: accumulated depreciation	(4,418,164)	(4,262,682)
Investments in single-family residential properties, net	$ 17,186,871	$ 17,289,214

As of March 31, 2024 and December 31, 2023, the carrying amount of the residential properties above includes $135,683 and $135,004, respectively, of capitalized acquisition costs (excluding purchase price), along with $78,553 and $78,073, respectively, of capitalized interest, $30,829 and $30,531, respectively, of capitalized property taxes, $5,072 and $5,037, respectively, of capitalized insurance, and $3,709 and $3,691, respectively, of capitalized homeowners' association ("HOA") fees.

During the three months ended March 31, 2024 and 2023, we recognized $171,918, and $162,084, respectively, of depreciation expense related to the components of the properties, and $3,395 and $2,589, respectively, of depreciation and amortization related to corporate furniture and equipment. These amounts are included in depreciation and amortization in the condensed consolidated statements of operations. Further, during the three months ended March 31, 2024 and 2023, impairments totaling $60 and $178, respectively, have been recognized and are included in impairment and other in the condensed consolidated statements of operations. See Note 11 for additional information regarding these impairments.

Note 4—Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported on the condensed consolidated balance sheets that sum to the total of such amounts shown in the condensed consolidated statements of cash flows:

	March 31, 2024	December 31, 2023
Cash and cash equivalents	$ 738,125	$ 700,618
Restricted cash	209,281	196,866
Total cash, cash equivalents, and restricted cash shown in the condensed consolidated statements of cash flows	$ 947,406	$ 897,484

Pursuant to the terms of the mortgage loans and the Secured Term Loan (as defined in Note 7), we are required to establish, maintain, and fund from time to time (generally, either monthly or at the time borrowings are funded) certain specified reserve accounts. These reserve accounts include, but are not limited to, the following types of accounts: (i) property tax reserves; (ii) insurance reserves; (iii) capital expenditure reserves; and (iv) HOA reserves. The reserve accounts associated with our mortgage loans and Secured Term Loan are under the sole control of the loan servicer. Additionally, we hold security deposits pursuant to resident lease agreements that we are required to segregate. We are also required to hold letters of credit by certain of our insurance policies. Accordingly, amounts funded to these reserve accounts, security deposit accounts, and other restricted accounts have been classified on our condensed consolidated balance sheets as restricted cash.

The amounts funded, and to be funded, to the reserve accounts are subject to formulae included in the mortgage loan and Secured Term Loan agreements and are to be released to us subject to certain conditions specified in the loan agreements being met. To the extent that an event of default were to occur, the loan servicer has discretion to use such funds to either settle the applicable operating expenses to which such reserves relate or reduce the allocated loan amount associated with a residential property of ours.

The balances of our restricted cash accounts, as of March 31, 2024 and December 31, 2023, are set forth in the table below. As of March 31, 2024 and December 31, 2023, no amounts were funded to the insurance accounts as the conditions specified in the mortgage loan and Secured Term Loan agreements that require such funding did not exist.

	March 31, 2024	December 31, 2023
Resident security deposits	$ 180,525	$ 181,097
Collections	12,962	8,278
Property taxes	10,284	2,014
Letters of credit	2,522	2,489
Capital expenditures	2,297	2,297
Special and other reserves	691	691
Total	$ 209,281	$ 196,866

Note 5—Investments In Unconsolidated Joint Ventures

The following table summarizes our investments in unconsolidated joint ventures, which are accounted for using the equity method model of accounting, as of March 31, 2024 and December 31, 2023:

		Number of Properties Owned		Carrying Value	
	Ownership Percentage	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Pathway Property Company[(1)]	100.0%	509	504	$ 117,051	$ 120,639
2020 Rockpoint JV[(1)]	20.0%	2,608	2,609	61,275	62,578
FNMA[(2)]	10.0%	408	426	28,333	32,303
Pathway Operating Company[(3)]	15.0%	N/A	N/A	20,975	21,008
2022 Rockpoint JV[(1)]	16.7%	319	309	10,696	10,638
Total				$ 238,330	$ 247,166

(1) Owns homes in markets within the Western United States, Southeast United States, Florida, and Texas.
(2) Owns homes within the Western United States.
(3) Represents an investment in an operating company that provides a technology platform and asset management services.

In November 2021, we entered into agreements with Pathway Homes and its affiliates, among others, to form a joint venture that will provide unique opportunities for customers to identify a home whereby they are able to first lease and then, if they choose, purchase the home in the future. We have fully funded our capital commitment to the operating company ("Pathway Operating Company") which provides the technology platform and asset management services for the entity that owns and leases the homes ("Pathway Property Company"). Pathway Homes and its affiliates are responsible for the operations and management of Pathway Operating Company, and we do not have a controlling interest in Pathway Operating Company. As of March 31, 2024, we have funded $136,700 to Pathway Property Company, and our remaining equity commitment is $88,300. A wholly owned subsidiary of INVH LP provides property management and renovation oversight services for and earns fees from Pathway Property Company. As the asset manager, Pathway Operating Company is responsible for the operations and management of Pathway Property Company, and we do not have a controlling interest in Pathway Property Company.

In October 2020, we entered into an agreement with Rockpoint Group, L.L.C. ("Rockpoint") to form a joint venture that will acquire homes in markets where we already own homes (the "2020 Rockpoint JV"). The joint venture is funded with a combination of debt and equity, and we have guaranteed the funding of certain tax, insurance, and non-conforming property reserves related to the joint venture's financing. We have fully funded our capital commitment to the 2020 Rockpoint JV. The administrative member of the 2020 Rockpoint JV is a wholly owned subsidiary of INVH LP and is responsible for the operations and management of the properties, subject to Rockpoint's approval of major decisions. We earn property and asset management fees from the 2020 Rockpoint JV.

We acquired our interest in the joint venture with the Federal National Mortgage Association ("FNMA") via the SWH merger. The managing member of the FNMA joint venture is a wholly owned subsidiary of INVH LP and is responsible for the operations and management of the properties, subject to FNMA's approval of major decisions. We earn property and asset management fees from the FNMA joint venture.

In March 2022, we entered into a second agreement with Rockpoint to form a joint venture that will acquire homes in premium locations and at higher price points relative to our other investments in single-family residential properties (the "2022 Rockpoint JV"). As of March 31, 2024, we have funded $10,692 to the 2022 Rockpoint JV, and our remaining equity commitment is $39,308. The joint venture is funded with a combination of debt and equity, and we have guaranteed the funding of certain tax, insurance, and non-conforming property reserves related to the joint venture's financing. The administrative member of the 2022 Rockpoint JV is a wholly owned subsidiary of INVH LP and is responsible for the operations and management of the properties, subject to Rockpoint's approval of major decisions. We earn property and asset management fees from the 2022 Rockpoint JV.

We recorded net losses from these investments for the three months ended March 31, 2024 and 2023, totaling $5,138 and $4,155, respectively, which are included in losses from investments in unconsolidated joint ventures in the condensed consolidated statements of operations.

The fees earned from our joint ventures (as described above) are related party transactions. For the three months ended March 31, 2024 and 2023, we earned $3,512 and $3,375, respectively, of management fees which are included in management fee revenues in the condensed consolidated statements of operations (see Note 6 for additional information regarding total management fee revenues).

Note 6—Other Assets

As of March 31, 2024 and December 31, 2023, the balances in other assets, net are as follows:

	March 31, 2024	December 31, 2023
Amounts deposited and held by others (Note 14)	$ 89,585	$ 92,151
Investments in debt securities, net	86,333	86,471
Derivative instruments (Note 8)	84,339	75,488
Rent and other receivables, net	70,393	60,810
Prepaid expenses	67,736	47,770
Investments in equity securities	56,170	55,991
Held for sale assets[1]	30,923	46,203
Corporate fixed assets, net	30,225	31,474
ROU lease assets — operating and finance, net	14,969	13,532
Deferred financing costs, net	2,241	2,972
Other	46,210	16,034
Total	$ 579,124	$ 528,896

(1) As of March 31, 2024 and December 31, 2023, 124 and 189 properties, respectively, are classified as held for sale.

Investments in Debt Securities, net

In connection with certain of our Securitizations (as defined in Note 7), we have retained and purchased certificates totaling $86,333, net of unamortized discounts of $1,144 as of March 31, 2024. These investments in debt securities are classified as held to maturity investments. As of March 31, 2024, we have not recognized any credit losses with respect to these investments in debt securities, and our retained certificates are scheduled to mature over the next nine months to three years.

Rent and Other Receivables, net

We lease our properties to residents pursuant to leases that generally have an initial contractual term of at least 12 months, provide for monthly payments, and are cancelable by the resident and us under certain conditions specified in the related lease agreements. Rental revenues and other property income and the corresponding rent and other receivables are recorded net of any concessions and bad debt (including actual write-offs, credit reserves, and uncollectible amounts) for all periods presented.

Variable lease payments consist of resident reimbursements for utilities, and various other fees, including late fees and lease termination fees, among others. Variable lease payments are charged based on the terms and conditions included in the resident leases. For the three months ended March 31, 2024 and 2023, rental revenues and other property income includes $41,845 and $35,511 of variable lease payments, respectively.

Future minimum rental revenues and other property income under leases on our single-family residential properties in place as of March 31, 2024 are as follows:

Year	Lease Payments to be Received
Remainder of 2024	$ 1,204,700
2025	416,112
2026	18,130
2027	—
2028	—
Thereafter	—
Total	$ 1,638,942

Management fee revenues and the corresponding receivables related to property and asset management services provided to portfolio owners of single-family homes for lease, including investments in our unconsolidated joint ventures (see Note 5). Our services include resident support, maintenance, marketing, and administrative functions. Revenues are recognized as performance obligations are satisfied in accordance with the underlying agreements, and the performance obligation is the management of the homes, entities, or other defined tasks. While the performance obligations associated with base management fees can vary from day to day, the nature of the overall performance obligation to provide management services is the same and considered by us to be a series of services that have the same pattern of transfer to the customer and the same method to measure progress toward satisfaction of the performance obligation. As of March 31, 2024 and 2023, we provided property and asset management services for 18,122 and 3,570 homes, respectively, of which 3,844 and 3,570 homes were owned by our unconsolidated joint ventures, respectively. For the three months ended March 31, 2024 and 2023, we earned management fees totaling $13,942 and $3,375, respectively, which are included in management fee revenues in the condensed consolidated statements of operations.

Investments in Equity Securities

We hold investments in equity securities both with and without a readily determinable fair value. Investments with a readily determinable fair value are measured at fair value, and those without a readily determinable fair value are measured at cost, less any impairment, plus or minus changes resulting from observable price changes for identical or similar investments in the same issuer. As of March 31, 2024 and December 31, 2023, the values of our investments in equity securities are as follows:

	March 31, 2024	December 31, 2023
Investments without a readily determinable fair value	$ 55,074	$ 54,686
Investments with a readily determinable fair value	1,096	1,305
Total	$ 56,170	$ 55,991

The components of gains (losses) on investments in equity securities, net as of three months ended March 31, 2024 and 2023 are as follows:

	For the Three Months Ended March 31,	
	2024	2023
Net unrealized gains (losses) on investments still held at the reporting date — with a readily determinable fair value	$ (209)	$ 88
Total	$ (209)	$ 88

Right-of-Use ("ROU") Lease Assets — Operating and Finance, net

The following table presents supplemental information related to leases into which we have entered as a lessee as of March 31, 2024 and December 31, 2023:

	March 31, 2024		December 31, 2023	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Other assets	$ 8,425	$ 6,544	$ 9,236	$ 4,296
Other liabilities (Note 14)	10,095	5,606	11,097	3,796
Weighted average remaining lease term	3.4 years	3.8 years	3.3 years	2.9 years
Weighted average discount rate	3.7%	6.0%	3.6%	5.2%

Deferred Financing Costs, net

In connection with the amended and restated Revolving Facility (see Note 7), we incurred $11,846 of financing costs, which have been deferred as other assets, net on our condensed consolidated balance sheets. We amortize deferred financing costs as interest expense on a straight-line basis over the term of the Revolving Facility and accelerate amortization if debt is retired before the maturity date. As of March 31, 2024 and December 31, 2023, the unamortized balances of these deferred financing costs are $2,241 and $2,972, respectively.

Other

Other is primarily comprised of deferred costs related to property and asset management contracts that are being amortized over the estimated lives of the underlying contracts and other deferred costs, including those that will be capitalized as corporate fixed assets upon deployment of the software or commencement of the underlying office lease.

Note 7—Debt

Mortgage Loans

Our securitization transactions (the "Securitizations" or the "mortgage loans") are collateralized by certain homes owned by the respective Borrower Entities. We utilize the proceeds from our Securitizations to fund: (i) repayments of then-outstanding indebtedness; (ii) initial deposits into Securitization reserve accounts; (iii) closing costs in connection with the mortgage loans; and (iv) general costs associated with our operations.

The following table sets forth a summary of our mortgage loan indebtedness as of March 31, 2024 and December 31, 2023:

						Outstanding Principal Balance[1]	
	Origination Date	Maturity Date[2]	Maturity Date if Fully Extended[3]	Interest Rate[4]	Range of Spreads[5]	March 31, 2024	December 31, 2023
IH 2017-1[6]	April 28, 2017	June 9, 2027	June 9, 2027	4.23%	N/A	$ 989,711	$ 990,555
IH 2018-4[7]	November 7, 2018	January 9, 2025	January 9, 2026	6.67%	115-145 bps	638,163	643,030
Total Securitizations						1,627,874	1,633,585
Less: deferred financing costs, net						(5,838)	(6,329)
Total						$ 1,622,036	$ 1,627,256

(1) Outstanding principal balance is net of discounts and does not include deferred financing costs, net.

(2) Represents the maturity dates for all extension options that have been exercised for the mortgage loans.
(3) Represents the maturity date if we exercise each of the remaining one year extension options available, which are subject to certain conditions being met.
(4) IH 2017-1 bears interest at a fixed rate of 4.23% per annum, equal to the market determined pass-through rate payable on the certificates including applicable servicing fees. The interest rate for IH 2018-4 is based on the weighted average spread over a published forward-looking Secured Overnight Financing Rate ("SOFR") for the interest period relevant to such borrower ("Term SOFR") adjusted for an 0.11% credit spread adjustment. As of March 31, 2024, Term SOFR was 5.33%.
(5) Range of spreads is based on outstanding principal balances as of March 31, 2024.
(6) Net of unamortized discount of $1,144 and $1,232 as of March 31, 2024 and December 31, 2023, respectively.
(7) The initial maturity term of IH 2018-4 is two years, subject to five, one year extension options at the Borrower Entity's discretion (provided that there is no continuing event of default under the mortgage loan agreement and the Borrower Entity obtains and delivers to the lender a replacement interest rate cap agreement from an approved counterparty within the required timeframe). Our IH 2018-4 mortgage loan has exercised the fourth extension option. The maturity date above reflects all extensions that have been exercised.

Securitization Transactions

The Borrower Entity for IH 2018-4 executed a loan agreement with a third-party lender. IH 2018-4 originally consisted of six floating rate components. The two year initial term is subject to five, one year extension options at the Borrower Entity's discretion. Such extensions are available provided there is no continuing event of default under the respective mortgage loan agreement and the Borrower Entity obtains and delivers a replacement interest rate cap agreement from an approved counterparty within the required timeframe to the lender. IH 2017-1 is a 10 year, fixed rate mortgage loan comprised of two components, and Component A of IH 2017-1 benefits from FNMA's guaranty of timely payment of principal and interest.

Each mortgage loan is secured by a pledge of the equity in the assets of the respective Borrower Entities, as well as first-priority mortgages on the underlying properties and a grant of security interests in all of the related personal property. As of March 31, 2024 and December 31, 2023, a total of 10,549 and 10,581 homes, respectively, with a gross book value of $2,344,145 and $2,348,044, respectively, and a net book value of $1,756,659 and $1,779,169, respectively, are pledged pursuant to the mortgage loans. Each Borrower Entity has the right, subject to certain requirements and limitations outlined in the respective loan agreements, to substitute properties. We are obligated to make monthly payments of interest for each mortgage loan.

Transactions with Trusts

Concurrent with the execution of each mortgage loan agreement, the respective third-party lender sold each loan it originated to individual depositor entities, which are wholly owned subsidiaries, who subsequently transferred each loan to Securitization-specific trust entities (the "Trusts"). We accounted for the transfers of the individual Securitizations as sales under ASC 860, *Transfers and Servicing*, with no resulting gain or loss as the Securitizations were both originated by the lender and immediately transferred at the same fair market value.

These transactions had no effect on our condensed consolidated financial statements other than with respect to certificates issued by the Trusts (collectively, the "Certificates") that we retained in connection with Securitizations or purchased at a later date.

The Trusts are structured as pass-through entities that receive interest payments from the Securitizations and distribute those payments to the holders of the Certificates. The assets held by the Trusts are restricted and can only be used to fulfill the obligations of those entities. The obligations of the Trusts do not have any recourse to the general credit of any entities in these condensed consolidated financial statements. We have evaluated our interests in certain certificates of the Trusts held by us and determined that they do not create a more than insignificant variable interest in the Trusts.

As the Trusts made Certificates available for sale to both domestic and foreign investors, sponsors of the mortgage loans are required to retain a portion of the risk that represents a material net economic interest in each loan pursuant to Regulation RR (the "Risk Retention Rules") under the Securities Exchange Act of 1934, as amended. As loan sponsors, we are thus required to retain a portion of the credit risk that represents not less than 5% of the aggregate fair value of the loan as of the closing date. Accordingly, we have retained the restricted Class B Certificates issued by IH 2017-1, which bear a stated

annual interest rate of 4.23% (including applicable servicing fees), that were made available exclusively to INVH LP to comply with the Risk Retention Rules.

For IH 2018-4, we retain 5% of each class of certificates to meet the Risk Retention Rules. These retained certificates accrue interest at a floating rate of Term SOFR plus a spread ranging from 1.15% to 1.45%.

The retained certificates, net of discount, total $86,333 and $86,471 as of March 31, 2024 and December 31, 2023, respectively, and are classified as held to maturity investments and recorded in other assets, net on the condensed consolidated balance sheets (see Note 6).

Loan Covenants

The general terms that apply to all of the mortgage loans require each Borrower Entity to maintain compliance with certain affirmative and negative covenants. Affirmative covenants include each Borrower Entity's, and certain of their respective affiliates', compliance with (i) licensing, permitting, and legal requirements specified in the mortgage loan agreements, (ii) organizational requirements of the jurisdictions in which they are organized, (iii) federal and state tax laws, and (iv) books and records requirements specified in the respective mortgage loan agreements. Negative covenants include each Borrower Entity's, and certain of their affiliates', compliance with limitations surrounding (i) the amount of each Borrower Entity's indebtedness and the nature of their investments, (ii) the execution of transactions with affiliates, (iii) the Manager, (iv) the nature of each Borrower Entity's business activities, and (v) the required maintenance of specified cash reserves.

Prepayments

For the mortgage loans, prepayments of amounts owed by us are generally not permitted under the terms of the respective mortgage loan agreements unless such prepayments are made pursuant to the voluntary election or mandatory provisions specified in such agreements. The specified mandatory provisions become effective to the extent that a property becomes characterized as a disqualified property, a property is sold, and/or upon the occurrence of a condemnation or casualty event associated with a property. To the extent either a voluntary election is made, or a mandatory prepayment condition exists, in addition to paying all interest and principal, we must also pay certain breakage costs as determined by the loan servicer and a spread maintenance premium if prepayment occurs before the month following the one or two year anniversary of the closing dates of each of the mortgage loans except for IH 2017-1. For IH 2017-1, prepayments on or before December 2026 will require a yield maintenance premium. For the three months ended March 31, 2024 and 2023, we made voluntary and mandatory prepayments of $5,799 and $4,375, respectively, under the terms of the mortgage loan agreements.

Secured Term Loan

On June 7, 2019, 2019-1 IH Borrower LP, a consolidated subsidiary ("2019-1 IH Borrower" and one of our Borrower Entities), entered into a 12 year loan agreement with a life insurance company (the "Secured Term Loan"). The Secured Term Loan bears interest at a fixed rate of 3.59%, including applicable servicing fees, for the first 11 years and bears interest at a floating rate based on a spread of 147 bps, including applicable servicing fees, over a comparable or successor rate to one month London Interbank Offer Rate ("LIBOR") for the twelfth year as provided for in our loan agreement (subject to certain adjustments as outlined in the loan agreement). The Secured Term Loan is secured by first priority mortgages on a portfolio of single-family rental properties as well as a first priority pledge of the equity interests of 2019-1 IH Borrower. We utilized the proceeds from the Secured Term Loan to fund: (i) repayments of then-outstanding indebtedness; (ii) initial deposits into the Secured Term Loan's reserve accounts; (iii) transaction costs related to the closing of the Secured Term Loan; and (iv) general corporate purposes.

The following table sets forth a summary of our Secured Term Loan indebtedness as of March 31, 2024 and December 31, 2023:

	Maturity Date	Interest Rate(1)	March 31, 2024	December 31, 2023
Secured Term Loan	June 9, 2031	3.59%	$ 403,129	$ 403,129
Deferred financing costs, net			(1,560)	(1,614)
Secured Term Loan, net			$ 401,569	$ 401,515

(1) The Secured Term Loan bears interest at a fixed rate of 3.59% per annum including applicable servicing fees for the first 11 years and for the twelfth year bears interest at a floating rate based on a spread of 147 bps over a comparable or successor rate to one month LIBOR as provided for in our loan agreement, including applicable servicing fees, subject to certain adjustments as outlined in the loan agreement. Interest payments are made monthly.

Collateral

The Secured Term Loan's collateral pool contains 3,332 homes as of March 31, 2024 and December 31, 2023, with a gross book value of $835,244 and $828,570, respectively, and a net book value of $674,560 and $675,075, respectively. 2019-1 IH Borrower has the right, subject to certain requirements and limitations outlined in the loan agreement, to substitute properties representing up to 20% of the collateral pool annually, and to substitute properties representing up to 100% of the collateral pool over the life of the Secured Term Loan. In addition, four times after the first anniversary of the closing date, 2019-1 IH Borrower has the right, subject to certain requirements and limitations outlined in the loan agreement, to execute a special release of collateral representing up to 15% of the then-outstanding principal balance of the Secured Term Loan in order to bring the loan-to-value ratio back in line with the Secured Term Loan's loan-to-value ratio as of the closing date. Any such special release of collateral would not change the then-outstanding principal balance of the Secured Term Loan, but rather would reduce the number of single-family rental homes included in the collateral pool.

Loan Covenants

The Secured Term Loan requires 2019-1 IH Borrower to maintain compliance with certain affirmative and negative covenants. Affirmative covenants include 2019-1 IH Borrower's, and certain of its affiliates', compliance with (i) licensing, permitting and legal requirements specified in the loan agreement, (ii) organizational requirements of the jurisdictions in which they are organized, (iii) federal and state tax laws, and (iv) books and records requirements specified in the loan agreement. Negative covenants include 2019-1 IH Borrower's, and certain of its affiliates', compliance with limitations surrounding (i) the amount of 2019-1 IH Borrower's indebtedness and the nature of its investments, (ii) the execution of transactions with affiliates, (iii) the Manager, (iv) the nature of 2019-1 IH Borrower's business activities, and (v) the required maintenance of specified cash reserves.

Prepayments

Prepayments of the Secured Term Loan are generally not permitted unless such prepayments are made pursuant to the voluntary election or mandatory provisions specified in the loan agreement. The specified mandatory provisions become effective to the extent that a property becomes characterized as a disqualified property, a property is sold, and/or upon the occurrence of a condemnation or casualty event associated with a property. To the extent either a voluntary election is made, or a mandatory prepayment condition exists, in addition to paying all interest and principal, we must also pay certain breakage costs as determined by the loan servicer and a yield maintenance premium if prepayment occurs before June 9, 2030. No such prepayments were made during the three months ended March 31, 2024. During the three months ended March 31, 2023, we made mandatory prepayments of $234 under the terms of the Secured Term Loan agreement.

Unsecured Notes

Our unsecured notes are issued in connection with either an underwritten public offering pursuant to our existing shelf registration statement that automatically became effective upon filing with the SEC in July 2021 and expires in July 2024 or in connection with a private placement transaction with certain institutional investors (collectively, the “Unsecured Notes”). We utilize proceeds from the Unsecured Notes to fund: (i) repayments of then-outstanding indebtedness, including the Securitizations; (ii) closing costs in connection with the Unsecured Notes; and (iii) general costs associated with our operations and other corporate purposes, including acquisitions. Interest on the Unsecured Notes is payable semi-annually in arrears.

The following table sets forth a summary of our Unsecured Notes as of March 31, 2024 and December 31, 2023:

	Interest Rate[1]	March 31, 2024	December 31, 2023
Total Unsecured Notes, net[2]	2.00% — 5.50%	$ 3,330,428	$ 3,329,856
Deferred financing costs, net		(23,555)	(24,389)
Total		$ 3,306,873	$ 3,305,467

(1) Represents the range of contractual rates in place as of March 31, 2024.
(2) Net of unamortized discount of $19,572 and $20,144 as of March 31, 2024 and December 31, 2023. Maturity dates for the Unsecured Notes range from May 2028 through May 2036 (see “Debt Maturities Schedule” for additional information).

Debt Issuances

During the three months ended March 31, 2024 and 2023, no Unsecured Notes were issued.

Prepayments

The Unsecured Notes are redeemable in whole at any time or in part from time to time, at our option, at a redemption price equal to (i) 100% of the principal amount to be redeemed plus accrued and unpaid interest and (ii) a make-whole premium calculated in accordance with the respective loan agreements if the redemption occurs in certain amounts or in certain periods that range from one to three months prior to the maturity date. The privately placed Unsecured Notes require any prepayment to be an amount not less than 5% of the aggregate principal amount then outstanding.

Guarantees

The Unsecured Notes are fully and unconditionally guaranteed, jointly and severally, by INVH and two of its wholly owned subsidiaries, the General Partner and IH Merger Sub, LLC (“IH Merger Sub”).

Loan Covenants

The Unsecured Notes issued publicly under our registration statement contain customary covenants, including, among others, limitations on the incurrence of debt; and they include the following financial covenants related to the incurrence of debt: (i) an aggregate debt test; (ii) a debt service test; (iii) a maintenance of total unencumbered assets; and (iv) a secured debt test.

The privately placed Unsecured Notes contain customary covenants, including, among others, limitations on distributions, fundamental changes, and transactions with affiliates; and they include the following financial covenants, subject to certain qualifications: (i) a maximum total leverage ratio; (ii) a maximum secured leverage ratio; (iii) a maximum unencumbered leverage ratio; (iv) a minimum fixed charge coverage ratio; and (v) a minimum unsecured interest coverage ratio.

The Unsecured Notes contain customary events of default (subject in certain cases to specified cure periods), the occurrence of which would allow the holders of notes to take various actions, including the acceleration of amounts due under the Unsecured Notes.

Term Loan Facilities and Revolving Facility

On December 8, 2020, we entered into an Amended and Restated Revolving Credit and Term Loan Agreement with a syndicate of banks, financial institutions, and institutional lenders for a new credit facility (the "Credit Facility"). The Credit Facility provides $3,500,000 of borrowing capacity and consists of a $1,000,000 revolving facility (the "Revolving Facility") and a $2,500,000 term loan facility (the "2020 Term Loan Facility"), both of which mature on January 31, 2025, with two six month extension options available. The Revolving Facility also includes borrowing capacity for letters of credit. The Credit Facility provides us with the option to enter into additional incremental credit facilities (including an uncommitted incremental facility that provides us with the option to increase the size of the Revolving Facility and/or the 2020 Term Loan Facility such that the aggregate amount does not exceed $4,000,000 at any time), subject to certain limitations. On April 18, 2023, we amended the Credit Facility to convert the applicable interest rate from a LIBOR-based index to a Term SOFR-based index.

On June 22, 2022, we entered into a Term Loan Agreement with a syndicate of banks for new senior unsecured term loans (the "2022 Term Loan Facility"; and together with the 2020 Term Loan Facility, the "Term Loan Facilities"). The 2022 Term Loan Facility provided $725,000 of borrowing capacity, consisting of a $150,000 initial term loan (the "Initial Term Loan") and delayed draw term loans totaling $575,000 (the "Delayed Draw Term Loans") which were fully drawn on December 8, 2022. The Initial Term Loan and the Delayed Draw Term Loans (together, the "2022 Term Loans") mature on June 22, 2029. The 2022 Term Loan Facility also includes an accordion feature providing the option to increase the size of the 2022 Term Loans or enter into additional incremental 2022 Term Loans, such that the aggregate amount of all 2022 Term Loans does not exceed $950,000 at any time, subject to certain limitations.

The following table sets forth a summary of the outstanding principal amounts under the Term Loan Facilities and the Revolving Facility as of March 31, 2024 and December 31, 2023:

	Maturity Date	Interest Rate	March 31, 2024	December 31, 2023
2020 Term Loan Facility[1][2]	January 31, 2025	6.43%	$ 2,500,000	$ 2,500,000
2022 Term Loan Facility[3]	June 22, 2029	6.68%	725,000	725,000
Total Term Loan Facilities			3,225,000	3,225,000
Less: deferred financing costs, net			(11,096)	(13,186)
Term Loan Facilities, net			$ 3,213,904	$ 3,211,814
Revolving Facility[1][2]	January 31, 2025	6.33%	$ —	$ —

(1) Interest rates for the 2020 Term Loan Facility and the Revolving Facility are based on Term SOFR adjusted for a 0.10% credit spread adjustment, plus an applicable margin. As of March 31, 2024, the applicable margins were 1.00% and 0.90% for the 2020 Term Loan Facility and the Revolving Facility, respectively, and Term SOFR was 5.33%.
(2) If we exercise the two six month extension options, the maturity date will be January 31, 2026.
(3) Interest rate for the 2022 Term Loan Facility is based on Term SOFR adjusted for a 0.10% credit spread adjustment, plus the applicable margin. As of March 31, 2024, the applicable margin was 1.25%, and Term SOFR was 5.33%.

Interest Rate and Fees

As a result of the April 18, 2023 amendment to the Credit Facility, borrowings thereunder bear interest, at our option, at a rate equal to (a) a Term SOFR rate determined by reference to the forward-looking SOFR rate published by Reuters (or a comparable or successor rate as provided for in our loan agreement) for the interest period relevant to such borrowing plus 0.10% credit spread adjustment or (b) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 0.50%, (3) the Term SOFR rate that would be payable on such day for a Term SOFR rate loan with a one month interest period plus 1.00%, and (4) 1.00%.

Prior to the April 18, 2023 amendment to the Credit Facility, borrowings thereunder bore interest, at our option, at a rate equal to a margin over either (a) a LIBOR rate determined by reference to the Bloomberg LIBOR rate (or a comparable or successor rate as provided for in our loan agreement) for the interest period relevant to such borrowing or (b) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 0.50%, and (3) the LIBOR rate that would be payable on such day for a LIBOR rate loan with a one month interest period plus 1.00%.

Borrowings under the 2022 Term Loan Facility bear interest, at our option, at a rate equal to a margin over either (a) Term SOFR adjusted for an applicable credit spread adjustment ("Adjusted SOFR") for the interest period relevant to such borrowing or (b) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 0.50%, and (3) Adjusted SOFR for a one month interest period plus 1.00%.

The margins for the Term Loan Facilities and the Revolving Facility as of March 31, 2024 are as follows:

	Base Rate Loans			Adjusted SOFR Rate Loans		
2020 Term Loan Facility	0.00%	—	0.65%	0.80%	—	1.65%
2022 Term Loan Facility	0.15%	—	1.20%	1.15%	—	2.20%
Revolving Facility	0.00%	—	0.45%	0.75%	—	1.45%

The Revolving Facility and the 2022 Term Loan Facility include a sustainability component whereby pricing can improve upon our achievement of certain sustainability ratings, determined via an independent third-party evaluation.

In addition to paying interest on outstanding principal, we are required to pay certain facility and unused commitment fees. Under the Credit Facility, we are required to pay a facility fee ranging from 0.10% to 0.30%. We are also required to pay customary letter of credit fees.

Prepayments and Amortization

No principal reductions are required under the Credit Facility or the 2022 Term Loan Facility. We are permitted to voluntarily repay amounts outstanding under the 2020 Term Loan Facility at any time without premium or penalty, subject to certain minimum amounts and the payment of customary "breakage" costs with respect to Term SOFR loans. We are also permitted to voluntarily repay amounts outstanding under the 2022 Term Loan Facility (a) on or prior to the first anniversary of the closing subject to a 2.0% prepayment fee, (b) on or prior to the second anniversary of the closing subject to a 1.0% prepayment fee, and (c) at any time thereafter without premium or penalty. Once repaid, no further borrowings will be permitted under the Term Loan Facilities.

Loan Covenants

The Credit Facility and the 2022 Term Loan Facility contain certain customary affirmative and negative covenants and events of default. Such covenants will, among other things, restrict, subject to certain exceptions, our ability and that of our subsidiaries to (i) engage in certain mergers, consolidations, or liquidations, (ii) sell, lease, or transfer all or substantially all of their respective assets, (iii) engage in certain transactions with affiliates, (iv) make changes to our fiscal year, (v) make changes in the nature of our business and our subsidiaries, and (vi) enter into certain burdensome agreements.

The Credit Facility and the 2022 Term Loan Facility also require us, on a consolidated basis with our subsidiaries, to maintain a (i) maximum total leverage ratio, (ii) maximum secured leverage ratio, (iii) maximum unencumbered leverage ratio, (iv) minimum fixed charge coverage ratio, (v) minimum unsecured interest coverage ratio, and (vi) maximum secured recourse. If at any time we do not have an investment grade rating, as defined in the Credit Facility agreement, we will also be required to maintain a maximum secured recourse leverage ratio. If an event of default occurs, the lenders under the Credit Facility and the 2022 Term Loan Facility are entitled to take various actions, including the acceleration of amounts due thereunder.

Guarantees

On September 17, 2021, as a result of the execution of a parent guaranty agreement, the obligations under the Credit Facility became guaranteed on a joint and several basis by INVH and two of its wholly owned subsidiaries, the General Partner and IH Merger Sub. In connection with the 2022 Term Loan Facility, we entered into a similar parent guaranty agreement with INVH, the General Partner, and IH Merger Sub.

Debt Maturities Schedule

The following table summarizes the contractual maturities of our debt as of March 31, 2024:

Year	Mortgage Loans[(1)]	Secured Term Loan	Unsecured Notes	Term Loan Facilities[(2)]	Revolving Facility[(2)]	Total
2024	$ —	$ —	$ —	$ —	$ —	$ —
2025	638,163	—	—	2,500,000	—	3,138,163
2026	—	—	—	—	—	—
2027	990,855	—	—	—	—	990,855
2028	—	—	750,000	—	—	750,000
Thereafter	—	403,129	2,600,000	725,000	—	3,728,129
Total	1,629,018	403,129	3,350,000	3,225,000	—	8,607,147
Less: deferred financing costs, net	(5,838)	(1,560)	(23,555)	(11,096)	—	(42,049)
Less: unamortized debt discount	(1,144)	—	(19,572)	—	—	(20,716)
Total	$ 1,622,036	$ 401,569	$ 3,306,873	$ 3,213,904	$ —	$ 8,544,382

(1) The maturity dates of the obligations are reflective of all extensions that have been exercised as of March 31, 2024. If fully extended, we would have no mortgage loans maturing before 2026. Such extensions are available provided there is no continuing event of default under the respective mortgage loan agreement and the Borrower Entity obtains and delivers to the lender a replacement interest rate cap agreement from an approved counterparty within the required timeframe.
(2) If we exercise the two six month extension options, the maturity date for the 2020 Term Loan Facility and the Revolving Facility will be January 31, 2026.

Note 8—Derivative Instruments

From time to time, we enter into derivative instruments to manage the economic risk of changes in interest rates. We do not enter into derivative transactions for speculative or trading purposes. Designated hedges are derivatives that meet the criteria for hedge accounting and that we have elected to designate as hedges. Non-designated hedges are derivatives that do not meet the criteria for hedge accounting or that we did not elect to designate as hedges.

Designated Hedges

We have entered into various interest rate swap agreements, which are used to hedge the variable cash flows associated with variable-rate interest payments. Each of our swap agreements is designated for hedge accounting purposes and is currently indexed to one month Term SOFR. On April 18, 2023, we completed a series of transactions related to certain of our variable rate debt and derivative agreements that were originally indexed to LIBOR to effectuate a transition to Term SOFR. All of our LIBOR-indexed interest rate swap agreements have been amended or modified such that each agreement is now indexed to Term SOFR. See Note 2 for additional information about reference rate reform and our transition from LIBOR. Changes in the fair value of these swaps are recorded in other comprehensive income and are subsequently reclassified into earnings in the period in which the hedged forecasted transactions affect earnings.

The table below summarizes our interest rate swap instruments as of March 31, 2024:

Agreement Date	Forward Effective Date	Maturity Date	Strike Rate	Index		Notional Amount
April 18, 2023	March 31, 2023	January 31, 2025	2.80%	One month Term SOFR	$	400,000
April 18, 2023	March 31, 2023	November 30, 2024	2.83%	One month Term SOFR		400,000
April 18, 2023	April 15, 2023	November 30, 2024	2.78%	One month Term SOFR		400,000
April 18, 2023	April 15, 2023	February 28, 2025	2.79%	One month Term SOFR		400,000
April 18, 2023	April 15, 2023	June 9, 2025	2.94%	One month Term SOFR		325,000
April 18, 2023	April 15, 2023	June 9, 2025	2.95%	One month Term SOFR		595,000
April 18, 2023	April 15, 2023	July 9, 2025	2.83%	One month Term SOFR		1,100,000
April 18, 2023	April 15, 2023	July 31, 2025	3.08%	One month Term SOFR		200,000
March 22, 2023	July 9, 2025	May 31, 2029	2.99%	One month Term SOFR		300,000

During the three months ended March 31, 2023, we terminated interest rate swaps or portions thereof and paid the counterparties $13,292 in connection with these terminations. There were no such terminations during the three months ended March 31, 2024.

During the three months ended March 31, 2024 and 2023, interest rate swap instruments were used to hedge the variable cash flows associated with existing variable-rate interest payments. Amounts reported in accumulated other comprehensive income related to derivatives will be reclassified to interest expense as interest payments are made on our variable-rate debt. During the next 12 months, we estimate that $63,260 will be reclassified to earnings as a decrease in interest expense.

Non-Designated Hedges

Concurrent with entering into certain of the mortgage loan agreements, we entered into or acquired and maintain interest rate cap agreements with terms and notional amounts equivalent to the terms and amounts of the mortgage loans made by the third-party lenders. To the extent that the maturity date of a mortgage loan is extended through an exercise of one or more extension options, a replacement or extension interest rate cap agreement must be executed with terms similar to those associated with the initial interest rate cap agreement and strike prices equal to the greater of the interest rate cap strike price and the interest rate at which the debt service coverage ratio (as defined) is not less than 1.2 to 1.0. The interest rate cap agreement, including all of our rights to payments owed by the counterparties and all other rights, has been pledged as additional collateral for the mortgage loan. Additionally, in certain instances, in order to minimize the cash impact of purchasing required interest rate caps, we simultaneously sell interest rate caps (which have identical terms and notional amounts) such that the purchase price and sales proceeds of the related interest rate caps are intended to offset each other. As of March 31, 2024, the remaining interest rate cap has a strike price of 8.95%.

Fair Values of Derivative Instruments on the Condensed Consolidated Balance Sheets

The table below presents the fair value of our derivative financial instruments as well as their classification on the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023:

	Asset Derivatives			Liability Derivatives		
		Fair Value as of			Fair Value as of	
	Balance Sheet Location	March 31, 2024	December 31, 2023	Balance Sheet Location	March 31, 2024	December 31, 2023
Derivatives designated as hedging instruments:						
Interest rate swaps	Other assets	$ 84,339	$ 75,487	Other liabilities	$ —	$ —
Derivatives not designated as hedging instruments:						
Interest rate caps	Other assets	—	1	Other liabilities	—	—
Total		$ 84,339	$ 75,488		$ —	$ —

Offsetting Derivatives

We enter into master netting arrangements, which reduce risk by permitting net settlement of transactions with the same counterparty. The tables below present a gross presentation, the effects of offsetting, and a net presentation of our derivatives as of March 31, 2024 and December 31, 2023:

	March 31, 2024					
				Gross Amounts Not Offset in the Statement of Financial Position		
	Gross Amounts of Recognized Assets/ Liabilities	Gross Amounts Offset in the Statement of Financial Position	Net Amounts of Assets/ Liabilities Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Received	Net Amount
Offsetting assets:						
Derivatives	$ 84,339	$ —	$ 84,339	$ —	$ —	$ 84,339
Offsetting liabilities:						
Derivatives	$ —	$ —	$ —	$ —	$ —	$ —

	December 31, 2023					
				Gross Amounts Not Offset in the Statement of Financial Position		
	Gross Amounts of Recognized Assets/ Liabilities	Gross Amounts Offset in the Statement of Financial Position	Net Amounts of Assets/ Liabilities Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Received	Net Amount
Offsetting assets:						
Derivatives	$ 75,488	$ —	$ 75,488	$ —	$ —	$ 75,488
Offsetting liabilities:						
Derivatives	$ —	$ —	$ —	$ —	$ —	$ —

Effect of Derivative Instruments on the Condensed Consolidated Statements of Comprehensive Income (Loss) and the Condensed Consolidated Statements of Operations

The tables below present the effect of our derivative financial instruments in the condensed consolidated statements of comprehensive income (loss) and the condensed consolidated statements of operations for the three months ended March 31, 2024 and 2023:

	Amount of Gain (Loss) Recognized in OCI on Derivative		Location of Gain (Loss) Reclassified from Accumulated OCI into Net Income	Amount of Gain (Loss) Reclassified from Accumulated OCI into Net Income		Total Amount of Interest Expense Presented in the Condensed Consolidated Statements of Operations	
	For the Three Months Ended March 31,			For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2024	2023		2024	2023	2024	2023
Derivatives in cash flow hedging relationships:							
Interest rate swaps	$ 32,737	$ (18,755)	Interest expense	$ 21,564	$ 12,981	$ 89,845	$ 78,047

	Location of Gain (Loss) Recognized in Net Income on Derivative	Amount of Gain (Loss) Recognized in Net Income on Derivative	
		For the Three Months Ended March 31,	
		2024	2023
Derivatives not designated as hedging instruments:			
Interest rate caps	Interest expense	$ (1)	$ 15

Credit-Risk-Related Contingent Features

The agreements with our derivative counterparties which govern our interest rate swap agreements contain a provision where we could be declared in default on our derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to our default on the indebtedness.

As of March 31, 2024, we were not in a net liability position with any of our derivative counterparties.

Note 9—Stockholders' Equity

As of March 31, 2024, we have issued 612,485,098 shares of common stock. In addition, we issue OP Units from time to time which, upon vesting, are redeemable for shares of our common stock on a one-for-one basis or, in our sole discretion, cash and are reflected as non-controlling interests on our condensed consolidated balance sheets and statements of equity. As of March 31, 2024, 1,986,509 outstanding OP Units are redeemable.

During the three months ended March 31, 2024 and 2023, we issued 526,859 and 452,398, shares of common stock, respectively.

At the Market Equity Program

On December 20, 2021, we entered into distribution agreements with a syndicate of banks (the "Agents" and the "Forward Sellers"), pursuant to which we may sell, from time to time, up to an aggregate sales price of $1,250,000 of our common stock through the Agents and the Forward Sellers (the "2021 ATM Equity Program"). In addition to the issuance of shares of our common stock, the distribution agreements permit us to enter into separate forward sale transactions with certain forward purchasers who may borrow shares from third parties and, through affiliated Forward Sellers, offer a number of shares of our common stock equal to the number of shares of our common stock underlying the particular forward

transaction. During the three months ended March 31, 2024 and 2023, we did not sell any shares of common stock under the 2021 ATM Equity Program. As of March 31, 2024, $1,150,000 remains available for future offerings under the 2021 ATM Equity Program.

Dividends

To qualify as a REIT, we are required to distribute annually to our stockholders at least 90% of our REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and to pay tax at regular corporate rates to the extent that we annually distribute less than 100% of our net taxable income. We intend to pay quarterly dividends to our stockholders that in the aggregate are approximately equal to or exceed our net taxable income in the relevant year. The timing, form, and amount of distributions, if any, to our stockholders, will be at the sole discretion of our board of directors.

The following table summarizes our dividends paid from January 1, 2023 through March 31, 2024:

	Record Date	Amount per Share	Pay Date	Total Amount Paid
Q1-2024	December 27, 2023	$ 0.28	January 19, 2024	$ 171,721
Q4-2023	November 7, 2023	0.26	November 22, 2023	160,350
Q3-2023	August 8, 2023	0.26	August 25, 2023	160,540
Q2-2023	May 10, 2023	0.26	May 26, 2023	159,493
Q1-2023	February 14, 2023	0.26	February 28, 2023	158,453

On March 14, 2024, our board of directors declared a dividend of $0.28 per share to stockholders of record on March 28, 2024, which was paid on April 19, 2024.

Note 10—Share-Based Compensation

Our board of directors adopted, and our stockholders approved, the Invitation Homes Inc. 2017 Omnibus Incentive Plan (the “Omnibus Incentive Plan”) to provide a means through which to attract and retain key associates and to provide a means whereby our directors, officers, associates, consultants, and advisors can acquire and maintain an equity interest in us, or be paid incentive compensation, including incentive compensation measured by reference to the value of our common stock, and to align their interests with those of our stockholders. Under the Omnibus Incentive Plan, we may issue up to 16,000,000 shares of common stock.

Our share-based awards consist of restricted stock units (“RSUs”), which may be time vesting, performance based vesting, or market based vesting, and Outperformance Awards (defined below). Time-vesting RSUs are participating securities for earnings (loss) per share (“EPS”) purposes, and performance and market based RSUs (“PRSUs”) and Outperformance Awards are not. For a detailed discussion of RSUs and PRSUs issued prior to January 1, 2023, refer to our Annual Report on Form 10-K for the year ended December 31, 2023.

Share-Based Awards

The following summarizes our share-based award activity during the three months ended March 31, 2024.

Annual Long Term Incentive Plan (“LTIP”):

- *Annual LTIP Awards Granted:* During the three months ended March 31, 2024, we granted 795,242 RSUs pursuant to LTIP awards. Each award includes components which vest based on time-vesting conditions, market based vesting conditions, and performance based vesting conditions, each of which is subject to continued employment through the applicable vesting date.

  LTIP time-vesting RSUs vest in three equal annual installments based on an anniversary date of March 1st. LTIP PRSUs may be earned based on the achievement of certain measures over a three year performance period. The number of PRSUs earned will be determined based on performance achieved during the performance period for each measure at certain threshold, target, or maximum levels and corresponding payout ranges. In general, the LTIP PRSUs are earned after the end of the performance period on the date on which the performance results are certified by our compensation and management development committee (the “Compensation Committee”).

All of the LTIP Awards are subject to certain change in control and retirement eligibility provisions that may impact these vesting schedules.

- *PRSU Results:* During the three months ended March 31, 2024, certain LTIP PRSUs vested and achieved performance in excess of the target level, resulting in the issuance of an additional 193,615 shares of common stock. Such awards are reflected as an increase in the number of awards granted and vested in the table below.

Outperformance Awards

On May 1, 2019, the Compensation Committee approved equity based awards in the form of PRSUs and OP Units (the “2019 Outperformance Awards”). The 2019 Outperformance Awards included market based vesting conditions related to absolute and relative total shareholder returns (“TSRs”) over a three year performance period that ended on March 31, 2022. In April 2022, the absolute TSR and the relative TSR were separately calculated, and the Compensation Committee certified achievement of each at maximum achievement. The number of earned 2019 Outperformance Awards was then determined based on the earned dollar value of the awards (at maximum) and the stock price at the performance certification date, resulting in 311,425 earned PRSUs and 498,224 earned OP Units. Earned awards vested 50% on the certification date in April 2022, 25% vested on March 31, 2023, and the remaining 25% vested on March 31, 2024. The estimated fair value of 2019 Outperformance Awards that fully vested during the three months ended March 31, 2024 was an aggregate $2,808. The aggregate $12,160 grant-date fair value of the 2019 Outperformance Awards that were earned was determined based on Monte-Carlo option pricing models which estimated the probability of achievement of the TSR thresholds. The grant-date fair value is amortized ratably over each vesting period.

On April 1, 2022, the Compensation Committee granted equity based awards with market based vesting conditions in the form of PRSUs and OP Units (the “2022 Outperformance Awards” and together with the 2019 Outperformance Awards, the “Outperformance Awards”). The 2022 Outperformance Awards may be earned based on the achievement of rigorous absolute TSR and relative TSR return thresholds over a three year performance period ending March 31, 2025. The 2022 Outperformance Awards provide that upon completion of 75% of the performance period, or June 30, 2024 (the “Interim Measurement Date”), performance achieved as of the Interim Measurement Date will be calculated consistent with the award terms. To the extent performance through the Interim Measurement Date would result in a payout if the performance period had ended on that date, a minimum of 50% of such hypothetical payout amounts will be guaranteed as a minimum level payout for the full performance period, so long as certain minimum levels of relative TSR are achieved for the full performance period. The final award achievement will be equal to the greater of the payouts determined based on the Interim Measurement Date and performance through March 31, 2025. Upon completion of the performance period, the dollar value of the awards earned under the absolute and relative TSR components will be separately calculated, and the number of earned 2022 Outperformance Awards will be determined based on the earned dollar value of the awards and the stock price at the performance certification date. Earned awards will vest 50% on the certification date and 50% on March 31, 2026, subject to continued employment. As of March 31, 2024, 2022 Outperformance Awards with an approximate aggregate $17,500 grant-date fair value have been issued and remain outstanding. The grant-date fair value was determined based on Monte-Carlo option pricing models which estimate the probability of achievement of the TSR thresholds, and it is amortized ratably over each vesting period.

Summary of Total Share-Based Awards

The following table summarizes activity related to non-vested time-vesting RSUs and PRSUs, other than Outperformance Awards, during the three months ended March 31, 2024:

	Time-Vesting Awards		PRSUs		Total Share-Based Awards[1]	
	Number	Weighted Average Grant Date Fair Value (Actual $)	Number	Weighted Average Grant Date Fair Value (Actual $)	Number	Weighted Average Grant Date Fair Value (Actual $)
Balance, December 31, 2023	610,719	$ 33.44	1,364,942	$ 31.48	1,975,661	$ 32.09
Granted	255,613	34.54	733,244	34.25	988,857	34.32
Vested[2]	(198,332)	(32.20)	(625,315)	(28.84)	(823,647)	(29.65)
Forfeited / canceled	(907)	(32.19)	(1,283)	(29.26)	(2,190)	(30.48)
Balance, March 31, 2024	667,093	$ 34.24	1,471,588	$ 33.98	2,138,681	$ 34.06

(1) Total share-based awards excludes Outperformance Awards.
(2) All vested share-based awards are included in basic EPS for the periods after each award's vesting date. The estimated aggregate fair value of share-based awards that fully vested during the three months ended March 31, 2024 was $25,817. During the three months ended March 31, 2024, no RSUs were accelerated pursuant to the terms and conditions of the Omnibus Incentive Plan and related award agreements.

Grant-Date Fair Values

The grant-date fair values of the time-vesting RSUs and PRSUs with performance condition vesting criteria are generally based on the closing price of our common stock on the grant date. However, the grant-date fair values for share-based awards with market condition vesting criteria are based on Monte-Carlo option pricing models. The following table summarizes the significant inputs utilized in these models for such awards granted or modified during the three months ended March 31, 2024:

	For the Three Months Ended March 31, 2024
Expected volatility[1]	20.7% — 24.6%
Risk-free rate	4.25%
Expected holding period (years)	2.83

(1) Expected volatility was estimated based on the historical volatility of INVH's realized returns and of the applicable index.

Summary of Total Share-Based Compensation Expense

During the three months ended March 31, 2024 and 2023, we recognized share-based compensation expense as follows:

	For the Three Months Ended March 31,	
	2024	2023
General and administrative	$ 6,302	$ 4,538
Property management expense	1,598	1,960
Total	$ 7,900	$ 6,498

As of March 31, 2024, there is $48,759 of unrecognized share-based compensation expense related to non-vested share-based awards which is expected to be recognized over a weighted average period of 2.12 years.

Note 11—Fair Value Measurements

The carrying amounts of restricted cash, certain components of other assets, accounts payable and accrued expenses, resident security deposits, and certain components of other liabilities approximate fair value due to the short maturity of these amounts. Our interest rate swap agreements, interest rate cap agreements, and investments in equity securities with a readily determinable fair value are recorded at fair value on a recurring basis within our condensed consolidated financial statements. The fair values of our interest rate caps and swaps, which are classified as Level 2 in the fair value hierarchy, are estimated using market values of instruments with similar attributes and maturities. See Note 8 for the details of the condensed consolidated balance sheet classification and the fair values for the interest rate caps and swaps. The fair values of our investments in equity securities with a readily determinable fair value are classified as Level 1 in the fair value hierarchy. For additional information related to our investments in equity securities as of March 31, 2024 and December 31, 2023, refer to Note 6.

Financial Instrument Fair Value Disclosures

The following table displays the carrying values and fair values of financial instruments as of March 31, 2024 and December 31, 2023:

		March 31, 2024		December 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Assets carried at historical cost on the condensed consolidated balance sheets:					
Investments in debt securities[1]	Level 2	$ 86,333	$ 84,584	$ 86,471	$ 84,591
Liabilities carried at historical cost on the condensed consolidated balance sheets:					
Unsecured Notes — public offering[2]	Level 1	$ 3,030,428	$ 2,714,883	$ 3,029,856	$ 2,725,884
Mortgage loans[3]	Level 2	1,627,874	1,575,141	1,633,585	1,576,813
Unsecured Notes — private placement[4]	Level 2	300,000	245,665	300,000	245,766
Secured Term Loan[5]	Level 3	403,129	360,927	403,129	369,402
Term Loan Facilities[6]	Level 3	3,225,000	3,227,452	3,225,000	3,230,747

(1) The carrying values of investments in debt securities are shown net of discount.
(2) The carrying value of the Unsecured Notes — public offering includes $19,572 and $20,144 of unamortized discount and excludes $22,420 and $23,211 of deferred financing costs as of March 31, 2024 and December 31, 2023, respectively.
(3) The carrying values of the mortgage loans include $1,144 and $1,232 of unamortized discount and exclude $5,838 and $6,329 of deferred financing costs as of March 31, 2024 and December 31, 2023, respectively.
(4) The carrying value of the Unsecured Notes — private placement excludes $1,135 and $1,178 of deferred financing costs as of March 31, 2024 and December 31, 2023, respectively.
(5) The carrying value of the Secured Term Loan excludes $1,560 and $1,614 of deferred financing costs as of March 31, 2024 and December 31, 2023, respectively.
(6) The carrying values of the Term Loan Facilities exclude $11,096 and $13,186 of deferred financing costs as of March 31, 2024 and December 31, 2023, respectively.

We value our Unsecured Notes — public offering using quoted market prices for each underlying issuance, a Level 1 price within the fair value hierarchy. The fair values of our investments in debt securities, Unsecured Notes — private placement, and mortgage loans, which are classified as Level 2 in the fair value hierarchy, are estimated based on market bid prices of comparable instruments at period end.

We review the fair value hierarchy classifications each reporting period. Changes in the observability of the valuation attributes may result in a reclassification of certain financial assets or liabilities. Such reclassifications are reported as transfers in and out of Level 3 at the beginning fair value for the reporting period in which the changes occur. Availability of secondary market activity and consistency of pricing from third-party sources impacts our ability to classify securities as Level 2 or Level 3.

The following table displays the significant unobservable inputs used to develop our Level 3 fair value measurements as of March 31, 2024:

	Quantitative Information about Level 3 Fair Value Measurement[(1)]			
	Fair Value	Valuation Technique	Unobservable Input	Rate
Secured Term Loan	$ 360,927	Discounted Cash Flow	Effective Rate	5.34%
Term Loan Facilities	3,227,452	Discounted Cash Flow	Effective Rate	4.96% — 6.69%

(1) Our Level 3 fair value instruments require interest only payments.

Nonrecurring Fair Value Measurements

Our assets measured at fair value on a nonrecurring basis are those assets for which we have recorded impairments.

Single-Family Residential Properties

The single-family residential properties for which we have recorded impairments, measured at fair value on a nonrecurring basis, are summarized below:

	For the Three Months Ended March 31,	
	2024	2023
Investments in single-family residential properties, net held for sale (Level 3):		
Pre-impairment amount	$ 413	$ 690
Total impairments	(60)	(178)
Fair value	$ 353	$ 512

We did not record any impairments for our investments in single-family residential properties, net held for use during the three months ended March 31, 2024 and 2023. For additional information related to our single-family residential properties as of March 31, 2024 and December 31, 2023, refer to Note 3.

Note 12—Earnings per Share

Basic and diluted EPS are calculated as follows:

	For the Three Months Ended March 31,	
	2024	**2023**
(in thousands, except share and per share data)		
Numerator:		
Net income available to common stockholders — basic and diluted	$ 142,158	$ 120,071
Denominator:		
Weighted average common shares outstanding — basic	612,219,520	611,588,465
Effect of dilutive securities:		
Incremental shares attributed to non-vested share-based awards	1,587,646	975,833
Weighted average common shares outstanding — diluted	613,807,166	612,564,298
Net income per common share — basic	$ 0.23	$ 0.20
Net income per common share — diluted	$ 0.23	$ 0.20

Incremental shares attributed to non-vested share-based awards are excluded from the computation of diluted EPS when they are anti-dilutive. For the three months ended March 31, 2024, 113,454 incremental shares attributed to non-vested share-based awards are excluded from the denominator because they are anti-dilutive. There were no such incremental shares for the three months ended March 31, 2023.

For the three months ended March 31, 2024 and 2023, vested OP Units have been excluded from the computation of EPS because all income attributable to such vested OP Units has been recorded as non-controlling interest and thus excluded from net income available to common stockholders.

Note 13—Income Tax

We account for income taxes under the asset and liability method. For our taxable REIT subsidiaries ("TRSs"), deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. We provide a valuation allowance, from time to time, for deferred tax assets for which we do not consider realization of such assets to be more likely than not. As of March 31, 2024 and December 31, 2023, we have not recorded any deferred tax assets and liabilities or unrecognized tax benefits. We do not anticipate a significant change in unrecognized tax benefits within the next 12 months.

Note 14—Commitments and Contingencies

Lease Commitments

The following table sets forth our fixed lease payment commitments as a lessee as of March 31, 2024, for the periods below:

Year	Operating Leases	Finance Leases
Remainder of 2024	$ 3,472	$ 1,345
2025	3,156	1,597
2026	2,029	1,575
2027	1,341	1,305
2028	661	120
Thereafter	158	—
Total lease payments	10,817	5,942
Less: imputed interest	(722)	(336)
Total lease liability	$ 10,095	$ 5,606

The components of lease expense for the three months ended March 31, 2024 and 2023 are as follows:

	For the Three Months Ended March 31,	
	2024	2023
Operating lease cost:		
Fixed lease cost	$ 837	$ 893
Variable lease cost	475	326
Total operating lease cost	$ 1,312	$ 1,219
Finance lease cost:		
Amortization of ROU assets	$ 919	$ 622
Interest on lease liabilities	152	56
Total finance lease cost	$ 1,071	$ 678

New-Build Commitments

We have entered into binding purchase agreements with certain homebuilders for the purchase of 1,970 homes over the next four years. Remaining commitments under these agreements total $629,351 as of March 31, 2024.

Insurance Policies

Pursuant to the terms of certain of our loan agreements (see Note 7), laws and regulations of the jurisdictions in which our properties are located, and general business practices, we are required to procure insurance on our properties. As of March 31, 2024, there are no material contingent liabilities related to uninsured losses with respect to our properties.

Legal and Other Matters

We are subject to various legal proceedings and claims that arise in the ordinary course of our business as well as congressional and regulatory inquiries and engagements. We accrue a liability when we believe that it is both probable that a liability has been incurred and that we can reasonably estimate the amount of the loss. We do not believe that the final outcome of these proceedings or matters will have a material adverse effect on our condensed consolidated financial statements.

In August 2021, we received a letter from the staff of the Federal Trade Commission ("FTC"), requesting information as to how we conduct our business generally and how business was conducted during the COVID-19 pandemic specifically. We have been cooperating with this request and have commenced preliminary discussions with the FTC related to a potential resolution of their inquiry; however, there can be no assurance that any current or future discussions with the FTC to resolve this inquiry will be successful. We are unable to predict the duration, scope, cost, or outcome of these preliminary discussions with the FTC or the ultimate outcome of the FTC inquiry and its effect on our business, prospects, operating results, and financial condition.

Given the preliminary stage of these discussions and the uncertainty as to their ultimate outcome, we are not currently able to the estimate of the amount or range of possible loss that may be incurred in the resolution of this matter.

Note 15—Subsequent Events

In connection with the preparation of the accompanying condensed consolidated financial statements, we have evaluated events and transactions occurring after March 31, 2024, for potential recognition or disclosure.

Investment in Joint Venture and New Property and Asset Management Agreements

On April 29, 2024, we entered into a new joint venture agreement whereby we made a $37,500 investment, representing a 7.2% ownership interest, in a portfolio of approximately 3,700 single-family residential properties. Beginning in the third quarter of 2024, we will also provide property and asset management services to those homes and an additional 700 homes owned by our joint venture partners.

In March 2024, we entered into a third-party agreement to provide property and asset management services to a portfolio of approximately 3,000 single-family homes for lease. Our direct management responsibilities for these homes is expected to commence on May 15, 2024.

Dividend Payment

On April 19, 2024, we made a dividend payment of $0.28 per share to stockholders of record on March 28, 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the information appearing elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K. This discussion and analysis contains forward-looking statements based upon our current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K.

Capitalized terms used without definition have the meaning provided elsewhere in this Quarterly Report on Form 10-Q.

Overview

Invitation Homes is a leading owner and operator of single-family homes for lease, offering residents high-quality homes in sought-after neighborhoods across the United States. As of March 31, 2024, we own approximately 85,000 homes for lease which are located primarily in 16 core markets across the country. These homes help meet the needs of a growing share of Americans who prefer the ease of a leasing lifestyle over the burden of owning a home. We provide our residents access to updated homes with features they value, as well as close proximity to jobs and access to good schools. The continued demand for our product proves that the choice and flexibility we offer are attractive to many people.

We operate in markets with strong demand drivers, high barriers to entry, and high rent growth potential, primarily in the Western United States, Florida, and the Southeast United States. Through disciplined market and asset selection, as well as through strategic mergers and acquisitions, we designed our owned portfolio to capture the operating benefits of local density as well as economies of scale that we believe cannot be readily replicated. Since our founding in 2012, we have built a proven, vertically integrated operating platform that enables us to effectively and efficiently acquire, renovate, lease, maintain, and manage both the homes we own and those we manage on behalf of others.

The portfolio of homes we own average approximately 1,880 square feet with three bedrooms and two bathrooms, appealing to a resident base that we believe is less transitory than a typical multifamily resident. We invest in the upfront renovation of homes in our portfolio in order to address capital needs, reduce ongoing maintenance costs, and drive resident demand.

At Invitation Homes, we are committed to creating a better way to live and to being a force for positive change, while at the same time advancing efforts that make our company more innovative and our processes more sustainable. Environmental, Social, and Governance initiatives are an important part of our strategic business objectives and are critical to our long-term success.

We also provide comprehensive asset and property management services to portfolio owners of single-family rental homes on a contractual basis. Our services include resident support, maintenance, marketing, and administrative functions. As of March 31, 2024, we provided property and asset management services for 18,122 homes, of which 3,844 homes were owned by our unconsolidated joint ventures.

Our mission statement, "Together with you, we make a house a home," reflects our commitment to high-touch customer service that continuously enhances residents' living experiences and provides homes where individuals and families can thrive. Each aspect of our operations — whether in our corporate headquarters or field offices located in our 16 core markets — is driven by a resident-centric model. Our associates take our values seriously and work hard every day to honor the trust our residents have placed in us to provide clean, safe, and functional homes for them and their loved ones. In turn, we focus on ensuring that our associates are fairly compensated and that we provide a diverse, equitable, and inclusive culture where they are appreciated for who they are and what they bring to the business. We also place a strong emphasis on the impact we have in our communities and to the environment in general, and we continue to develop programs that demonstrate that commitment. In addition, we ensure that we operate under strong, well-defined governance practices and adhere to the highest ethical standards at all times.

Impact of Macroeconomic Trends

Continuing unfavorable global and United States economic conditions (including inflation and high interest rates), high unemployment levels, uncertainty in financial markets (including as a result of events affecting financial institutions, such as

recent bank failures), ongoing geopolitical tension, and a general decline in business activity and/or consumer confidence could adversely affect (i) our ability to acquire, dispose of, or effectively manage single-family homes, (ii) our access to financial markets on attractive terms, or at all, and (iii) the value of our homes and our business that could cause us to recognize impairments in value of our tangible assets or goodwill. High levels of inflation, bank failures, and high interest rates may also negatively impact consumer income, credit availability, and spending, among other factors, which may adversely impact our business, financial condition, cash flows, and results of operations, including the ability of our residents to pay rent. These factors, which include labor shortages and inflationary increases in labor and material costs, have impacted and may continue to impact certain aspects of our business. In addition, consumer confidence and spending can be materially adversely affected in response to changes in fiscal and monetary policy, declines in income or asset values, and other economic factors. For example, we have experienced and continue to expect higher levels of bad debt expense compared to pre-COVID averages, as it continues to take longer to address residents who are not current with their rent.

For further discussion of risks related to general economic conditions, see Part I. Item 1A. "Risk Factors — Risks Related to Our Business Environment and Industry — ***Our operating results are subject to general economic conditions and risks associated with our real estate assets***" of our Annual Report on Form 10-K.

Climate Change

Consequences of global climate change range from more frequent extreme weather events to extensive governmental policy developments and shifts in consumer preferences, which have the potential individually or collectively to disrupt our business as well as negatively affect our suppliers, contractors, and residents. Experiencing or addressing the various physical, regulatory, and transition risks from climate change may significantly reduce our revenues and profitability or cause us to generate losses. Government authorities and various interest groups are promoting laws and regulations relating to climate change, including regulations aimed at drastically increasing reporting and governance related to climate change as well as focused on limiting greenhouse gas emissions and the implementation of "green" building codes. In March 2024, the SEC adopted the final rule under SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*. This rule will require registrants to disclose certain climate-related information in registration statements and annual reports. The disclosure requirements will apply to us beginning with our fiscal year ending December 31, 2025. We are currently assessing the effect of new rules on our condensed consolidated financial statements and related disclosures. Additionally, the State of California recently passed the Climate Corporate Data Accountability Act and the Climate-Related Financial Risk Act that will impose broad climate-related disclosure obligations on certain companies doing business in California, including us, starting in 2026. Unless legal challenges to the foregoing new rules prevail or they are otherwise modified prior to effective dates, we will become subject to the rules as adopted, and they could significantly increase compliance burdens and associated regulatory costs and complexity.

These laws and regulations may require us to make costly improvements to our existing properties beyond our current plans to decrease the impact of our homes on the environment, resulting in increased operating costs. Incorporating greater resource efficiency into our homes, whether to comply with upgraded building codes or recommended practices given a region's particular exposure to climate conditions, or undertaken to satisfy demand from increasingly environmentally conscious residents or to meet our own sustainability goals, could raise our costs to maintain our homes. In evaluating whether to implement voluntary improvements, we also consider that choosing not to enhance our homes' resource efficiency can make them less attractive to municipalities and increase the vulnerability of residents in our communities to rising energy and water expenses and use restrictions. Additionally, choosing not to enhance our homes' resource efficiency could make our portfolio less attractive to residents and investors. If we fail to manage transition risks effectively, our profitability and cash flow could suffer.

We intend to continue to research, evaluate and utilize new or improved products and business practices consistent with our sustainability commitment, and believe our initiatives in this area can help put us in a better position to comply with evolving regulations directed at addressing climate change and similar environmental concerns, and to meet growing resident demand for resource-efficient homes, as further discussed in Part I. Item 1. "Business — Environmental, Social, and Governance" of our Annual Report on Form 10-K.

We recognize that climate change could have a significant impact on our portfolio of homes located in a variety of United States markets and that an increase in the number of acute weather events, natural disasters, and other climate-related events could significantly impact our business, operations, and homes. We actively consider physical risks such as the potential for natural disasters such as hurricanes, floods, droughts, and wildfires when assessing our portfolio of homes and

our business processes. Such extreme climate related events are driving changes in market dynamics and stakeholder expectations and could result in disruptions to us, our suppliers, vendors, and residents. We take a proactive approach to protect our properties against potential risks related to climate change and business interruptions, and we recognize that we must continue to adapt our policies, objectives, and processes to prepare for such events and improve the resiliency of our physical properties and our business. Furthermore, climate change may reduce the availability or increase the cost of insurance for these negative impacts of natural disasters and adverse weather conditions by contributing to an increase in the incidence and severity of such natural disasters.

Our management and the board of directors are focused on managing our business risks, including climate change-related risks. The process to identify, manage, and integrate climate-change risk is part of our enterprise risk management program. For more information on risks related to climate change, see Part I. Item 1A. "Risk Factors — Risks Related to Environmental, Social, and Governance Issues — ***Climate change and related environmental issues, related legislative and regulatory responses to climate change, and the transition to a lower-carbon economy may adversely affect our business***, — ***We are subject to risks from natural disasters such as earthquakes, wildfires, and severe weather,*** and — ***We are subject to increasing scrutiny from investors and others regarding our environmental, social, governance, or sustainability responsibilities, which could result in additional costs or risks and adversely impact our reputation, associate retention, and ability to raise capital from such investors***" of our Annual Report on Form 10-K.

Other Matters

In 2021 and 2022, we received congressional inquiries requesting information and documentation about our eviction practices during the COVID-19 pandemic, including information relating to compliance with federal eviction moratorium requirements, cooperation with impacted residents to use federal assistance funds as an alternative to eviction, and our activities in the housing market. We have responded to and have cooperated with these inquiries and information requests.

In August 2021, we received a letter from the staff of the Federal Trade Commission ("FTC"), requesting information as to how we conduct our business generally and how business was conducted during the COVID-19 pandemic specifically. We have been cooperating with this request and have commenced preliminary discussions with the FTC related to a potential resolution of their inquiry; however, there can be no assurance that any current or future discussions with the FTC to resolve this inquiry will be successful. We are unable to predict the duration, scope, cost, or outcome of these preliminary discussions with the FTC or the ultimate outcome of the FTC inquiry and its effect on our business, prospects, operating results, and financial condition.

In January 2023, we received an inquiry from the staff of the SEC requesting information relating to our compliance with building codes and permitting requirements, related policies and procedures, and other matters. We are in the process of responding, to and cooperating with, this request. We cannot currently predict the timing, outcome, or scope of this inquiry.

Our Portfolio

The following table provides summary information regarding our total and Same Store portfolios as of and for the three months ended March 31, 2024 as noted below:

Market	Number of Homes[1]	Average Occupancy[2]	Average Monthly Rent[3]	Average Monthly Rent PSF[3]	% of Revenue[4]
Western United States:					
Southern California	7,488	96.9%	$3,047	$1.79	11.1 %
Northern California	4,281	97.8%	2,690	1.71	5.9 %
Seattle	4,027	97.8%	2,827	1.47	5.8 %
Phoenix	9,233	97.4%	2,035	1.20	9.7 %
Las Vegas	3,416	97.1%	2,172	1.10	3.8 %
Denver	2,574	97.6%	2,506	1.36	3.3 %
Western United States Subtotal	31,019	97.4%	2,527	1.44	39.6 %
Florida:					
South Florida	8,251	97.0%	2,962	1.58	12.2 %
Tampa	9,247	95.3%	2,263	1.20	10.6 %
Orlando	6,739	96.4%	2,204	1.18	7.5 %
Jacksonville	1,996	96.5%	2,151	1.08	2.2 %
Florida Subtotal	26,233	96.2%	2,462	1.31	32.5 %
Southeast United States:					
Atlanta	12,712	96.3%	2,001	0.97	12.6 %
Carolinas	5,509	96.7%	2,018	0.95	5.5 %
Southeast United States Subtotal	18,221	96.4%	2,006	0.96	18.1 %
Texas:					
Houston	2,340	95.2%	1,890	0.95	2.2 %
Dallas	3,000	95.9%	2,223	1.08	3.4 %
Texas Subtotal	5,340	95.6%	2,077	1.02	5.6 %
Midwest United States:					
Chicago	2,487	97.6%	2,344	1.46	2.9 %
Minneapolis	1,070	96.6%	2,280	1.16	1.2 %
Midwest United States Subtotal	3,557	97.3%	2,325	1.36	4.1 %
Other[5]:	75	65.4%	1,996	0.96	0.1 %
Total / Average	84,445	96.7%	$2,358	$1.25	100.0 %
Same Store Total / Average	78,487	97.6%	$2,363	$1.26	93.9 %

(1) As of March 31, 2024.
(2) Represents average occupancy for the three months ended March 31, 2024.
(3) Represents average monthly rent for the three months ended March 31, 2024.
(4) Represents the percentage of rental revenues and other property income generated in each market for the three months ended March 31, 2024.
(5) Represents homes located outside of our 16 core markets, including those acquired as part of our July 2023 portfolio acquisition that are generally being held for sale or evaluated for disposition once they become vacant.

Factors That Affect Our Results of Operations and Financial Condition

Our results of operations and financial condition are affected by numerous factors, many of which are beyond our control. See Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K for more information regarding factors that could materially adversely affect our results of operations and financial condition. Key factors that impact our results of operations and financial condition include market fundamentals, rental rates and occupancy levels, collection rates, turnover rates and days to re-resident homes, property improvements and maintenance, property acquisitions and renovations, and financing arrangements. Sensitivity to many of these factors has been heightened as a result of current macroeconomic conditions, including rapidly accelerating economic inflation, bank failures, and high interest rates. Additionally, each of these factors may also impact the results of operations and financial condition of our joint venture investments and those of third parties for whom we perform property and asset management services, which would impact the amount of management fee revenues and income (loss) from investments in unconsolidated joint ventures that we earn.

Market Fundamentals: Our results are impacted by housing market fundamentals and supply and demand conditions in our markets, particularly in the Western United States and Florida, which represented 72.1% of our rental revenues and other property income during the three months ended March 31, 2024. We actively monitor the impact of macroeconomic conditions on market fundamentals and quickly implement changes in pricing as market fundamentals shift.

Rental Rates and Occupancy Levels: Rental rates and occupancy levels are primary drivers of rental revenues and other property income. Our rental rates and occupancy levels are affected by macroeconomic factors and local and property-level factors, including market conditions, seasonality, resident defaults, and the amount of time it takes to prepare a home for its next resident and re-lease homes when residents vacate. An important driver of rental rate growth is our ability to increase monthly rents from expiring leases, which typically have a term of one to two years.

Collection Rates: Our rental revenues and other property income are impacted by the rate at which we collect such revenues from our residents. Despite our efforts to assist residents facing financial hardships who need flexibility to fulfill their lease obligations, a portion of amounts receivable may not ultimately be collected. We may also be constrained in our ability to collect resident receivables due to local ordinances restricting residential lease compliance options. Any amounts billed to residents that have been deemed uncollectible along with our estimate of amounts that may ultimately be uncollectible decrease our rental revenues and other property income.

Turnover Rates and Days to Re-Resident: Other drivers of rental revenues and property operating and maintenance expense include the length of stay of our residents, resident turnover rates, and the number of days a home is unoccupied between residents. Our operating results are also impacted by the amount of time it takes to market and lease a property, which is a component of the number of days a home is unoccupied between residents. The period of time to market and lease a property can vary greatly and is impacted by local demand, our marketing techniques, the size of our available inventory, the ability of our suppliers and other business partners to carry out their assigned tasks and/or source labor or supply materials at ordinary levels of performance relative to the conduct of our business, and both current economic conditions and future economic outlook, including the impact of rising inflation, bank failures, and high interest rates which could adversely affect demand for our properties.

Property Improvements and Maintenance: Property improvements and maintenance impact capital expenditures, property operating and maintenance expense, and rental revenues. We actively manage our homes on a total portfolio basis to determine what capital and maintenance needs may be required and what opportunities we may have to generate additional revenues or expense savings from such expenditures. As a result of current inflationary trends, we have experienced, and expect to continue to incur, increased costs for certain materials and services necessary to improve and maintain our homes. We continue to actively manage the impact of inflation on these costs, and we believe we are able to purchase goods and services at favorable prices compared to other purchasers due to our size and scale both nationally and locally.

Property Acquisitions and Renovations: Future growth in rental revenues and other property income may be impacted by our ability to identify and acquire homes, our pace of property acquisitions, and the time and cost required to renovate and lease a newly acquired home. Our ability to identify and acquire single-family homes that meet our investment criteria is impacted by home prices in targeted acquisition locations, the inventory of homes available for sale through our acquisition channels, and competition for our target assets. All of these factors may be negatively impacted by current inflationary trends and high interest rates, potentially reducing the number of homes we acquire.

The acquisition of homes involves expenditures in addition to payment of the purchase price, including payments for acquisition fees, property inspections, closing costs, title insurance, transfer taxes, recording fees, broker commissions,

property taxes, and HOA fees (when applicable). Additionally, we typically incur costs to renovate a home to prepare it for rental. The scope of renovation work varies, but may include paint, flooring, carpeting, cabinetry, appliances, plumbing hardware, roof replacement, HVAC replacement, and other items required to prepare the home for rental. The time and cost involved in accessing our homes and preparing them for rental can significantly impact our financial performance. The time to renovate a newly acquired property can vary significantly among homes for several reasons, including the property's acquisition channel, the condition of the property, whether the property was vacant when acquired, and whether there are any state or local restrictions on our ability to complete renovations as an essential business function. Additionally, the ability of our suppliers and other business partners to carry out their assigned tasks and/or source labor or supply materials at ordinary levels of performance relative to the conduct of our business have increased the time required to renovate our homes. As a result of current inflationary trends, we have experienced, and expect to continue to incur, increased costs for certain materials and services necessary to renovate our homes. We continue to actively manage the impact of inflation on the cost of renovations, and we believe we are able to purchase goods and services at favorable prices compared to other purchasers due to our size and scale both nationally and locally.

Financing Arrangements: Financing arrangements directly impact our interest expense, our various debt instruments, and our ability to acquire and renovate homes. We have historically utilized indebtedness to fund the acquisition and renovation of new homes. Our current financing arrangements contain financial covenants and other terms and conditions, including variable interest rates in some cases, that are impacted by market conditions. Current macroeconomic conditions may continue to negatively affect volatility, availability of funds, and transaction costs (including interest rates) within financial markets. These factors may also negatively affect our ability to access financial markets as well as our business, results of operations, and financial condition. See Part II. Item 7A. "Quantitative and Qualitative Disclosures about Market Risk" of our Annual Report on Form 10-K for further discussion regarding interest rate risk. Our future financing arrangements may not have similar terms with respect to amounts, interest rates, financial covenants, and durations.

Components of Revenues and Expenses

The following is a description of the components of our revenues and expenses.

Revenues

Rental Revenues and Other Property Income

Rental revenues, net of any concessions and bad debt (including write-offs, credit reserves, and uncollectible amounts), consist of rents collected under lease agreements related to our single-family homes for lease. We enter into leases directly with our residents, and the leases typically have a term of one to two years.

Other property income is comprised of: (i) resident reimbursements for utilities, HOA fines, and other charge-backs; (ii) rent and non-refundable deposits associated with pets; (iii) revenues from value-add services such as smart homes and HVAC replacement filters; and (iv) various other fees, including late fees and lease termination fees, among others.

Management Fee Revenues

Management fee revenues consist of fees from property and asset management services provided to portfolio owners of single-family homes for lease, including investments in our unconsolidated joint ventures.

Expenses

Property Operating and Maintenance

Once a property is available for its initial lease, which we refer to as "rent-ready," we incur ongoing property-related expenses, which consist primarily of property taxes, insurance, HOA fees (when applicable), market-level personnel expenses, utility expenses, repairs and maintenance, and property administration. Prior to a property being "rent-ready," certain of these expenses are capitalized as building and improvements. Once a property is "rent-ready," expenditures for ordinary repairs and maintenance thereafter are expensed as incurred, and we capitalize expenditures that improve or extend the life of a home.

Property Management Expense

Property management expense represents personnel and other costs associated with the oversight and management of our portfolio of homes, including those for which we provide property and asset management services through our internal property manager.

General and Administrative

General and administrative expense represents personnel costs, professional fees, and other costs associated with our day-to-day activities. General and administrative expense may also include expenses that are of a non-recurring nature, such as severance.

Share-Based Compensation Expense

We issue share-based awards to align the interests of our associates with those of our investors, and all share-based compensation expense is recognized in our condensed consolidated statements of operations as components of general and administrative expense and property management expense.

Interest Expense

Interest expense includes interest payable on our debt instruments, payments and receipts related to our interest rate swap agreements, amortization of discounts and deferred financing costs, unrealized gains (losses) on non-designated hedging instruments, and non-cash interest expense related to our interest rate swap agreements.

Depreciation and Amortization

We recognize depreciation and amortization expense associated with our homes and other capital expenditures over the expected useful lives of the assets.

Impairment and Other

Impairment and other represents provisions for impairment when the carrying amount of our single-family residential properties is not recoverable and casualty (gains) losses, net of any insurance recoveries.

Gains (Losses) on Investments in Equity Securities, net

Gains (losses) on investments in equity securities, net includes unrealized gains and losses resulting from mark to market adjustments and realized gains and losses recognized upon the sale of such securities.

Other, net

Other, net includes interest income and other miscellaneous income and expenses.

Gain on Sale of Property, net of tax

Gain on sale of property, net of tax consists of net gains and losses resulting from sales of our homes.

Income (Loss) from Investments in Unconsolidated Joint Ventures

Income (loss) from investments in unconsolidated joint ventures consists of our share of net earnings and losses from investments in unconsolidated joint ventures accounted for using the equity method.

Results of Operations

Portfolio Information

As of March 31, 2024 and 2023, we owned 84,445 and 83,010 single-family rental homes, respectively, in our total portfolio. During the three months ended March 31, 2024 and 2023, we acquired 257 and 181 homes, respectively, and sold 379 and 284 homes, respectively. During the three months ended March 31, 2024 and 2023, we owned an average of 84,486 and 83,064 single-family rental homes, respectively. As of March 31, 2024 and 2023, we provided property and asset management services for 18,122 and 3,570 homes, respectively, of which 3,844 and 3,570 homes were owned by our unconsolidated joint ventures, respectively.

We believe presenting information about the portion of our total portfolio that has been fully operational for the entirety of both a given reporting period and its prior year comparison period provides investors with meaningful information about the performance of our comparable homes across periods and about trends in our organic business. To do so, we provide information regarding the performance of our Same Store portfolio.

As of March 31, 2024, our Same Store portfolio consisted of 78,487 single-family rental homes.

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

The following table sets forth a comparison of the results of operations for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,			
($ in thousands)	**2024**	**2023**	**$ Change**	**% Change**
Revenues:				
Rental revenues and other property income	$ 632,097	$ 586,515	$ 45,582	7.8 %
Management fee revenues	13,942	3,375	10,567	313.1 %
Total revenues	646,039	589,890	56,149	9.5 %
Expenses:				
Property operating and maintenance	230,397	208,497	21,900	10.5 %
Property management expense	31,237	23,584	7,653	32.4 %
General and administrative	23,448	17,452	5,996	34.4 %
Interest expense	89,845	78,047	11,798	15.1 %
Depreciation and amortization	175,313	164,673	10,640	6.5 %
Impairment and other	4,137	1,163	2,974	255.7 %
Total expenses	554,377	493,416	60,961	12.4 %
Gains (losses) on investments in equity securities, net	(209)	88	(297)	(337.5)%
Other, net	5,973	(1,494)	7,467	499.8 %
Gain on sale of property, net of tax	50,498	29,671	20,827	70.2 %
Losses from investments in unconsolidated joint ventures	(5,138)	(4,155)	(983)	(23.7)%
Net income	$ 142,786	$ 120,584	$ 22,202	18.4 %

Revenues

For the three months ended March 31, 2024 and 2023, total revenues were $646.0 million and $589.9 million, respectively. Set forth below is a discussion of changes in the individual components of total revenues.

For the three months ended March 31, 2024 and 2023, total portfolio rental revenues and other property income totaled $632.1 million and $586.5 million, respectively, an increase of 7.8%, driven by an increase in average monthly rent per

occupied home and a 1,422 home increase between periods in the average number of homes owned, partially offset by a 50 bps reduction in average occupancy.

Average occupancy for the three months ended March 31, 2024 and 2023 for the total portfolio was 96.7% and 97.2%, respectively. Average monthly rent per occupied home for the total portfolio for the three months ended March 31, 2024 and 2023 was $2,358 and $2,259, respectively, a 4.4% increase. For our Same Store portfolio, average occupancy was 97.6% and 97.8% for the three months ended March 31, 2024 and 2023, respectively, and average monthly rent per occupied home for the three months ended March 31, 2024 and 2023 was $2,363 and $2,260, respectively, a 4.6% increase.

The annualized turnover rate for the Same Store portfolio for the three months ended March 31, 2024 and 2023 was 20.8% and 21.0%, respectively. For the Same Store portfolio, a home remained unoccupied on average for 40 and 39 days between residents for the three months ended March 31, 2024 and 2023, respectively. The slight increase in days to re-resident resulted in an overall decrease in average Same Store occupancy on a year over year basis.

To monitor prospective changes in average monthly rent per occupied home, we compare the monthly rent from an expiring lease to the monthly rent from the next lease for the same home, in each case, net of any amortized non-service concessions, to calculate net effective rental rate growth. Leases are either renewal leases, where our current resident stays for a subsequent lease term, or new leases, where our previous resident moves out and a new resident signs a lease to occupy the same home.

Renewal lease net effective rental rate growth for the total portfolio averaged 5.7% and 7.8% for the three months ended March 31, 2024 and 2023, respectively, and new lease net effective rental rate growth for the total portfolio averaged 0.8% and 5.4% for the three months ended March 31, 2024 and 2023, respectively. For our Same Store portfolio, renewal lease net effective rental rate growth averaged 5.8% and 7.8% for the three months ended March 31, 2024 and 2023, respectively, and new lease net effective rental rate growth averaged 0.8% and 5.3% for the three months ended March 31, 2024 and 2023, respectively.

Other property income for the three months ended March 31, 2024 increased compared to March 31, 2023, primarily due to enhanced value-add revenue programs and increased utility billbacks as new leases are entered into, among other things.

For the three months ended March 31, 2024 and 2023, management fee revenues totaled $13.9 million and $3.4 million, respectively. The increase is due to an increase in the number of homes for which we provide property and asset management services. As of March 31, 2024 and 2023, we provided property and asset management services for 18,122 and 3,570 homes, respectively, of which 3,844 and 3,570 homes were owned by our unconsolidated joint ventures, respectively.

Expenses

For the three months ended March 31, 2024 and 2023, total expenses were $554.4 million and $493.4 million, respectively. Set forth below is a discussion of changes in the individual components of total expenses.

For the three months ended March 31, 2024, property operating and maintenance expense increased to $230.4 million from $208.5 million for the three months ended March 31, 2023. In addition to a 1,422 home increase between periods in the average number of homes owned, increases in property taxes, utilities, HOA, insurance, and property administrative costs, resulted in the overall 10.5% net increase in property operating and maintenance expense.

Property management expense and general and administrative expense increased to $54.7 million from $41.0 million for the three months ended March 31, 2024 and 2023, respectively, primarily due to increased personnel costs related to expansion of our property and asset management platform, including costs incurred to manage 18,122 homes under management as of March 31, 2024.

Interest expense increased to $89.8 million for the three months ended March 31, 2024 from $78.0 million for the three months ended March 31, 2023. The increase in interest expense was primarily due to $778.1 million increase in gross debt outstanding and a 19 bps increase in our weighted average interest rate in each case, as of March 31, 2024 compared to March 31, 2023.

Depreciation and amortization expense increased to $175.3 million for the three months ended March 31, 2024 from $164.7 million for the three months ended March 31, 2023 due to an increase in cumulative capital expenditures and a 1,422 home increase in the average number of homes owned during the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Impairment and other expenses were $4.1 million and $1.2 million for the three months ended March 31, 2024 and 2023, respectively. During the three months ended March 31, 2024, impairment and other expenses were comprised of $4.1 million of net casualty losses. During the three months ended March 31, 2023, impairment and other expenses were comprised of net casualty losses of $1.0 million and impairment losses of $0.2 million on our single-family residential properties.

Gains (losses) on Investments in Equity Securities, net

For the three months ended March 31, 2024 and 2023, gains (losses) on investments in equity securities, net of $0.2 million of net losses and $0.1 million of net gains, respectively, was comprised of net unrealized gains (losses) recognized on investments held as of each respective period end.

Other, net

Other, net increased to $6.0 million of income for the three months ended March 31, 2024 from $1.5 million of expense for the three months ended March 31, 2023, primarily due to an increase in interest income on cash balances.

Gain on Sale of Property, net of tax

Gain on sale of property, net of tax was $50.5 million and $29.7 million for the three months ended March 31, 2024 and 2023, respectively. An increase in the number of homes sold from 284 for the three months ended March 31, 2023 to 379 for the three months ended March 31, 2024 was the primary driver of the increase.

Losses from Investments in Unconsolidated Joint Ventures

Our share of equity in earnings and/or losses from unconsolidated joint ventures was a net loss of $5.1 million and $4.2 million for the three months ended March 31, 2024 and 2023, respectively. The increase in loss is primarily driven by a $0.4 million increase in depreciation expense related to cumulative capital expenditures and the acquisition of 274 homes within our joint ventures since March 31, 2023 and an increase of $0.7 million in interest expense between the respective periods.

Liquidity and Capital Resources

Our liquidity and capital resources as of March 31, 2024 and December 31, 2023 include unrestricted cash and cash equivalents of $738.1 million and $700.6 million, respectively, a 5.4% increase primarily due to an excess of cash flows from operations over investing and financing expenditures during the three months ended March 31, 2024.

As of March 31, 2024, our $1,000.0 million revolving facility (the "Revolving Facility") is undrawn, and there are no restrictions on our ability to draw funds thereunder provided we remain in compliance with all covenants. We have no debt reaching final maturity until January 2026, provided all extension options are exercised.

Investment in Joint Venture and New Property and Asset Management Agreements

As of March 31, 2024, we provided property and asset management services for 18,122 homes, of which 3,844 homes were owned by our unconsolidated joint ventures.

On April 29, 2024, we entered into a new joint venture agreement whereby we made a $37.5 million investment, representing a 7.2% ownership interest, in a portfolio of approximately 3,700 single-family residential properties. Beginning in the third quarter of 2024, we will also provide property and asset management services to those homes and an additional 700 homes owned by our joint venture partners.

In March 2024, we entered into a third-party agreement to provide property and asset management services to a portfolio of approximately 3,000 single-family homes for lease. Our direct management responsibilities for these homes is expected to commence on May 15, 2024.

Other

Our ability to access capital as well as to use cash from operations to continue to meet our liquidity needs, all of which are highly uncertain and cannot be predicted, could be affected by various risks and uncertainties, including, but not limited to, the effects of general economic conditions, including rising inflation and high interest rates, as detailed in Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K.

Long-Term Debt Strategy

The following table summarizes certain information about our debt obligations as of March 31, 2024 ($ in thousands):

Debt Instruments[1]	Balance (Gross of Retained Certificates and Unamortized Discounts)	Balance (Net of Retained Certificates)	Weighted Average Interest Rate[2]	Weighted Average Years to Maturity[3]	Amount Freely Prepayable (Gross)
Secured:					
IH 2017-1[4]	$ 990,855	$ 935,355	4.23%	3.2	$ —
IH 2018-4[5]	638,163	606,186	S + 123 bps	1.8	638,163
Secured Term Loan[6]	403,129	403,129	3.59%	7.2	—
Total secured[7]	2,032,147	$ 1,944,670	4.09%	3.5	638,163
Unsecured:					
2020 Term Loan Facility[8]	$ 2,500,000		S + 100 bps	1.8	$ 2,500,000
2022 Term Loan Facility[8]	725,000		S + 125 bps	5.2	—
Revolving Facility[8]	—		S + 90 bps	1.8	—
Unsecured Notes — May 2028	150,000		2.46%	4.2	—
Unsecured Notes — November 2028	600,000		2.30%	4.6	—
Unsecured Notes — August 2030	450,000		5.45%	6.3	—
Unsecured Notes — August 2031	650,000		2.00%	7.4	—
Unsecured Notes — April 2032	600,000		4.15%	8.0	—
Unsecured Notes — August 2033	350,000		5.50%	9.3	—
Unsecured Notes — January 2034	400,000		2.70%	9.8	—
Unsecured Notes — May 2036	150,000		3.18%	12.2	—
Total unsecured[7]	6,575,000		3.73%	5.1	2,500,000
Total debt[7]	8,607,147		3.82%	4.7	$ 3,138,163
Unamortized discounts	(20,716)				
Deferred financing costs, net	(42,049)				
Total debt per balance sheet	8,544,382				
Retained certificates	(87,477)				
Cash and restricted cash, excluding security deposits and letters of credit	(764,359)				
Deferred financing costs, net	42,049				
Unamortized discounts	20,716				
Net debt	$ 7,755,311				

(1) For detailed information about and definition of each of our financing arrangements see Part I. Item 1. "Financial Statements — Note 7 of Notes to Condensed Consolidated Financial Statements." For information about our derivative instruments that hedge floating rate debt, see Part I. Item 1. "Financial Statements — Note 8 of Notes to Condensed Consolidated Financial Statements."

(2) Variable interest rate loans are indexed to a Secured Overnight Financing Rate ("SOFR") index rate determined by reference to a published forward-looking SOFR rate for the interest period relevant to such borrowing ("Term SOFR"), including any credit spread adjustments provided for in the terms of the underlying agreement ("Adjusted SOFR"), reflected as "S" in the table above.

(3) Weighted average years to maturity assumes all extension options are exercised, which are subject to certain conditions being met.

(4) IH 2017-1 bears interest at a fixed rate of 4.23% per annum, equal to the market determined pass-through rate payable on the certificates including applicable servicing fees.

(5) Effective July 3, 2023, the interest rate for IH 2018-4 is based on the weighted average spread over Term SOFR adjusted for an 0.11% credit spread adjustment. As of March 31, 2024, Term SOFR was 5.33%.
(6) The Secured Term Loan bears interest at a fixed rate of 3.59% per annum including applicable servicing fees for the first 11 years and for the twelfth year bears interest at a floating rate based on a spread of 147 bps over a comparable or successor rate to one month LIBOR as provided for in our loan agreement, including applicable servicing fees, subject to certain adjustments as outlined in the loan agreement.
(7) For secured debt, unsecured debt, and total debt, the weighted average interest rate is calculated based on March 31, 2024, Term SOFR of 5.33% adjusted for either a 0.11% or a 0.10% credit spread adjustment (Adjusted SOFR), as appropriate, and includes the impact of interest rate swap agreements effective as of that date.
(8) Interest rate is based on Term SOFR of 5.33% plus the applicable margin and a 0.10% credit spread adjustment.

As part of our long-term debt strategy, our goal is to improve our credit ratings, and, over time, we generally intend to target net debt that is approximately 5.5 to 6.0 times trailing twelve months Adjusted EBITDA*re* (see "— Non-GAAP Measures — EBITDA, EBITDA*re*, and Adjusted EBITDA*re*"), secured debt that is less than 20% of gross assets, and unencumbered assets that are greater than 70% of gross assets. To facilitate our long-term debt strategy we expect to seek to, among other things, (a) refinance a significant portion of our secured debt maturing in 2026 (assuming all extension options are exercised) with unsecured debt, including potential unsecured bond issuances and/or (b) repay a portion of such debt. There can be no assurance that we will be successful in implementing our long-term debt strategy, improving our credit ratings, or adhering to our targets in the short or medium term or at all, or that we will not change our strategy or targets in the future. We may from time to time fall outside of our target ranges. In addition, we cannot assure you that we will be able to access the capital and credit markets to obtain additional unsecured debt financing or that we will be able to obtain financing on terms favorable to us. For further discussion of risks related to our indebtedness, see Part I. Item 1A. "Risk Factors — Risks Related to Our Indebtedness," including "Risk Factors — Risks Related to Our Indebtedness — **We may be unable to obtain financing through the debt and equity markets, which would have a material adverse effect on our growth strategy and our financial condition and results of operations**" in our Annual Report on Form 10-K.

Short-Term and Long-Term Liquidity Needs

Liquidity is a measure of our ability to meet potential cash requirements, maintain our assets, fund our operations, make dividend payments to our stockholders, and meet other general requirements of our business. Our liquidity, to a certain extent, is subject to general economic, financial, competitive, and other factors beyond our control. Our near-term liquidity requirements consist primarily of:

- acquisition of homes currently under contract;
- renovation of newly-acquired homes;
- HOA fees (as applicable), property taxes, insurance premiums, and the ongoing maintenance of our homes;
- property management and general and administrative expenses;
- interest expense;
- dividend payments to our stockholders; and
- required contributions to our joint ventures.

We believe our rental income, net of total expenses, will generally provide cash flow sufficient to fund operations and dividend payments on a near-term basis. Additionally, we have guaranteed the funding of certain tax, insurance, and non-conforming property reserves related to the financing of certain of our joint ventures. We do not expect these guarantees to have a material current or future effect on our liquidity. See Part I. Item 1. "Financial Statements — Note 5 of Notes to Condensed Consolidated Financial Statements" for additional information about our investments in unconsolidated joint ventures.

Overall macroeconomic conditions, including rising inflation, bank failures, and high interest rates, may negatively impact our operating cash flow such that we are unable to make required debt service payments, which would result in an event of default for any debt instrument under whose loan agreement such payments were not made. Specifically, the collateral within individual borrower entities may underperform, resulting in cash flow shortfalls for debt service while consolidated cash flows are sufficient to fund our operations. If an event of default occurs for a specific mortgage loan or for our secured term loan, our loan agreements provide certain remedies, including our ability to fund shortfalls from consolidated cash flow; and such an event of default would not result in an immediate acceleration of the loan.

Our real estate assets are illiquid in nature. A timely liquidation of assets may not be a viable source of short-term liquidity should a cash flow shortfall arise, and we may need to source liquidity from other financing sources, such as the Revolving Facility which had undrawn balances of $1,000.0 million as of March 31, 2024.

Our long-term liquidity requirements consist primarily of funds necessary to pay for the acquisition of, and non-recurring capital expenditures for, our homes, and principal and interest payments of our indebtedness. We intend to satisfy our long-term liquidity needs through cash provided by operations, long-term secured and unsecured borrowings, the issuance of debt and equity securities, and property dispositions. As a REIT, we are required to distribute to our stockholders at least 90% of our taxable income, excluding net capital gain, on an annual basis. Therefore, as a general matter, it is unlikely that we will be able to retain substantial cash balances from our annual taxable income that could be used to meet our liquidity needs. Instead, we will need to meet these needs from external sources of capital and amounts, if any, by which our cash flow generated from operations exceeds taxable income.

Cash Flows

Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

The following table summarizes our cash flows for the three months ended March 31, 2024 and 2023:

	For the Three Months Ended March 31,			
($ in thousands)	2024	2023	$ Change	% Change
Net cash provided by operating activities	$ 265,585	$ 317,791	$ (52,206)	(16.4)%
Net cash used in investing activities	(24,896)	(69,841)	44,945	64.4 %
Net cash used in financing activities	(190,767)	(173,581)	(17,186)	(9.9)%
Change in cash, cash equivalents, and restricted cash	$ 49,922	$ 74,369	$ (24,447)	(32.9)%

Operating Activities

Our cash flows provided by operating activities depend on numerous factors, including the occupancy level of our homes, the rental rates achieved on our leases, the collection of rent from our residents, and the amount of our operating and other expenses. Net cash provided by operating activities was $265.6 million and $317.8 million for the three months ended March 31, 2024 and 2023, respectively, a decrease of 16.4%. The decrease in cash provided by operating activities is primarily due to a net $67.3 million of cash used by operations between periods from changes in operating assets and liabilities.

Investing Activities

Net cash used in investing activities consists primarily of the acquisition costs of homes, capital improvements, and proceeds from property sales. Net cash used in investing activities was $24.9 million and $69.8 million for the three months ended March 31, 2024 and 2023, respectively, a decrease of $44.9 million. The decrease in net cash used in investing activities resulted primarily from the combined effect of the following significant changes in cash flows during the three months ended March 31, 2024 compared to the three months ended March 31, 2023: (1) an increase in cash used for the acquisition of homes; (2) an increase in cash proceeds received from the sale of single-family homes; and (3) a decrease in cash used for investments in equity securities. Acquisition spend increased by $50.1 million from period to period due to an increase in the number of homes acquired from 181 during the three months ended March 31, 2023 to 257 homes acquired during the three months ended March 31, 2024. Proceeds from the sale of single-family homes increased $44.1 million due to

an increase in the number of homes sold from 284 during the three months ended March 31, 2023 to 379 homes sold during the three months ended March 31, 2024. Cash invested in equity securities decreased $30.7 million due to fewer such investments during the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Financing Activities

Net cash used in financing activities was $190.8 million for the three months ended March 31, 2024 compared to net cash used in financing activities of $173.6 million for the three months ended March 31, 2023. During the three months ended March 31, 2024 and 2023, we made dividend and distribution payments totaling $173.8 million and $160.8 million, respectively, which were funded by cash flows from operations.

Contractual Obligations

Our contractual obligations as of March 31, 2024, consist of the following:

($ in thousands)	Total	2024[1]	2025-2026	2027-2028	Thereafter
Mortgage loans[1][2][3][4]	$ 1,839,353	$ 63,944	$ 766,188	$ 1,009,221	$ —
Secured Term Loan[1][2][3]	507,138	10,848	28,927	28,967	438,396
Unsecured Notes[1][2][3]	4,224,386	86,051	229,470	975,821	2,933,044
Term Loan Facilities[1][2][3][4]	3,781,326	159,759	2,774,977	98,321	748,269
Revolving Facility[1][2][3][4][5]	3,728	1,528	2,200	—	—
Derivative instruments[1][6]	(127,526)	(70,334)	(39,980)	(14,265)	(2,947)
Purchase commitments[7]	629,351	244,638	334,582	50,131	—
Operating leases	10,817	3,472	5,185	2,002	158
Finance leases	5,942	1,345	3,172	1,425	—
Total	$ 10,874,515	$ 501,251	$ 4,104,721	$ 2,151,623	$ 4,116,920

(1) Includes estimated payments for the remaining nine months of 2024.
(2) Includes estimated interest payments through the extended maturity date, as applicable, based on the principal amount outstanding as of March 31, 2024.
(3) Interest is calculated at rates in effect as of March 31, 2024, including the indexed rate, any credit spread adjustment, and any applicable margin, and that rate is held constant until the maturity date. As of March 31, 2024, Term SOFR was 5.33%.
(4) Calculated based on the maturity date if we exercise each of the remaining extension options available, which are subject to certain conditions being met. See Part I. Item 1. "Financial Statements — Note 7 of Notes to Condensed Consolidated Financial Statements" for a description of maturity dates without consideration of extension options.
(5) Includes the related unused commitment fee, as applicable.
(6) Includes payments (receipts) related to interest rate swap and interest rate cap obligations calculated using Term SOFR. As of March 31, 2024, Term SOFR was 5.33%.
(7) Represents commitments pursuant to binding purchase agreements with certain homebuilders for the purchase of 1,970 homes over the next four years. Remaining commitments under these agreements total $629.4 million as of March 31, 2024.

Additionally, we have commitments, which are not reflected in the table above, to make additional capital contributions to our joint ventures. As of March 31, 2024, our remaining equity commitments to our joint ventures total $127.6 million.

Supplemental Guarantor Information

In March 2020, the SEC adopted amendments to Rule 3-10 of Regulation S-X and created Rule 13-01 to simplify disclosure requirements related to certain registered securities. The amendments became effective on January 4, 2021. INVH, INVH LP, the General Partner, and IH Merger Sub, LLC ("IH Merger Sub") have filed a registration statement on Form S-3 with the SEC registering, among other securities, debt securities of INVH LP, fully and unconditionally guaranteed, on a joint and several basis, by INVH, the General Partner, and/or IH Merger Sub. As a result of the amendments to Rule 3-10 of Regulation S-X, subsidiary issuers of obligations guaranteed by the parent are not required to provide separate financial statements, provided that the subsidiary obligor is consolidated into the parent company's consolidated financial statements, the parent guarantee is "full and unconditional" and, subject to certain exceptions as set forth below, the alternative disclosure required by Rule 13-01 is provided, which includes narrative disclosure and summarized financial information. Accordingly, separate consolidated financial statements of INVH LP, the General Partner, and IH Merger Sub have not been presented.

Furthermore, as permitted under Rule 13-01(a)(4)(vi) of Regulation S-X, we have excluded the summarized financial information for the INVH LP, the General Partner, and IH Merger Sub, because the combined assets, liabilities, and results of operations of INVH, INVH LP, the General Partner, and IH Merger Sub are not materially different than the corresponding amounts in our condensed consolidated financial statements, and management believes such summarized financial information would be repetitive and would not provide incremental value to investors.

Purchase of Outstanding Debt Securities or Loans

As market conditions warrant, we may from time to time seek to purchase our outstanding debt or debt securities that we may issue in the future, in privately negotiated or open market transactions, by tender offer or otherwise. Subject to any applicable limitations contained in the agreements governing our indebtedness, any purchases made by us may be funded by the use of cash on our condensed consolidated balance sheet or the incurrence of new secured or unsecured debt, including borrowings under our Credit Facility. The amounts involved in any such purchase transactions, individually or in the aggregate, may be material. Any such purchases may be with respect to a substantial amount of a particular class or series of debt, with the attendant reduction in the trading liquidity of such class or series. In addition, any such purchases made at prices below the "adjusted issue price" (as defined for United States federal income tax purposes) may result in taxable cancellation of indebtedness income to us, which amounts may be material, and in related adverse tax consequences to us.

Critical Accounting Policies and Estimates

Critical accounting policies are those accounting policies that management believes are important to the portrayal of our financial condition and results and require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We believe that our critical accounting policies pertain to our investments in single-family residential properties, including acquisition of real estate assets, related cost capitalization, provisions for impairment, and single-family residential properties held for sale. These critical policies and estimates are summarized in Part II. Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K. There were no material changes to our critical accounting policies during the three months ended March 31, 2024.

For a discussion of recently adopted accounting standards, if any, see Part I. Item 1. "Financial Statements — Note 2 of Notes to Condensed Consolidated Financial Statements."

Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources and in assessing performance. Our CODM is the Chief Executive Officer.

Under the provisions of ASC 280, *Segment Reporting*, we have determined that we have one reportable segment related to acquiring, renovating, leasing, and operating single-family homes as rental properties. The CODM evaluates operating performance and allocates resources on a total portfolio basis. The CODM utilizes AFFO as the primary measure to evaluate performance of the total portfolio.

Non-GAAP Measures

EBITDA, EBITDAre, and Adjusted EBITDAre

EBITDA, EBITDA*re*, and Adjusted EBITDA*re* are supplemental, non-GAAP measures often utilized to evaluate the performance of real estate companies. We define EBITDA as net income or loss computed in accordance with GAAP before the following items: interest expense; income tax expense; depreciation and amortization; and adjustments for unconsolidated joint ventures. The National Association of Real Estate Investment Trusts ("Nareit") recommends as a best practice that REITs that report an EBITDA performance measure also report EBITDA*re*. Consistent with the Nareit definition, we define EBITDA*re* as EBITDA, further adjusted for the following: gain on sale of property, net of tax; and impairment on depreciated real estate investments.

Adjusted EBITDA*re* is defined as EBITDA*re* before the following items: share-based compensation expense; severance; casualty (gains) losses, net; (gains) losses on investments in equity securities, net; and other income and expenses. EBITDA, EBITDA*re*, and Adjusted EBITDA*re* are used as supplemental financial performance measures by management and by external users of our financial statements, such as investors and commercial banks. Where appropriate, EBITDA, EBITDA*re*, and Adjusted EBITDA*re* are adjusted for our share of investments in unconsolidated joint ventures. Set forth below is additional detail on how management uses EBITDA, EBITDA*re*, and Adjusted EBITDA*re* as measures of performance.

Our management uses EBITDA, EBITDA*re*, and Adjusted EBITDA*re* in a number of ways to assess our consolidated financial and operating performance, and we believe these measures are helpful to management and external users in identifying trends in our performance. EBITDA, EBITDA*re*, and Adjusted EBITDA*re* help management identify controllable expenses and make decisions designed to help us meet our current financial goals and optimize our financial performance, while neutralizing the impact of capital structure on results. Accordingly, we believe these metrics measure our financial performance based on operational factors that management can impact in the short-term, namely our cost structure and expenses.

We believe that the presentation of EBITDA, EBITDA*re*, and Adjusted EBITDA*re* provides information useful to investors in assessing our financial condition and results of operations. The GAAP measure most directly comparable to EBITDA, EBITDA*re*, and Adjusted EBITDA*re* is net income or loss. EBITDA, EBITDA*re*, and Adjusted EBITDA*re* are not used as measures of our liquidity and should not be considered alternatives to net income or loss or any other measure of financial performance presented in accordance with GAAP. Our EBITDA, EBITDA*re*, and Adjusted EBITDA*re* may not be comparable to the EBITDA, EBITDA*re*, and Adjusted EBITDA*re* of other companies due to the fact that not all companies use the same definitions of EBITDA, EBITDA*re*, and Adjusted EBITDA*re*. Accordingly, there can be no assurance that our basis for computing these non-GAAP measures is comparable with that of other companies.

The following table presents a reconciliation of net income (as determined in accordance with GAAP) to EBITDA, EBITDA*re*, and Adjusted EBITDA*re* for each of the periods indicated:

($ in thousands)	For the Three Months Ended March 31, 2024	For the Three Months Ended March 31, 2023
Net income available to common stockholders	$ 142,158	$ 120,071
Net income available to participating securities	192	171
Non-controlling interests	436	342
Interest expense	89,845	78,047
Interest expense in unconsolidated joint ventures	5,235	4,578
Depreciation and amortization	175,313	164,673
Depreciation and amortization of investments in unconsolidated joint ventures	2,927	2,475
EBITDA	416,106	370,357
Gain on sale of property, net of tax	(50,498)	(29,671)
Impairment on depreciated real estate investments	60	178
Net gain on sale of investments in unconsolidated joint ventures	(381)	(330)
EBITDA*re*	365,287	340,534
Share-based compensation expense[1]	7,900	6,498
Severance	90	153
Casualty losses, net[2]	4,082	988
(Gains) losses on investments in equity securities, net	209	(88)
Other, net[3]	(5,973)	1,494
Adjusted EBITDA*re*	$ 371,595	$ 349,579

(1) For the three months ended March 31, 2024 and 2023, $1,598 and $1,960 was recorded in property management expense, respectively, and $6,302 and $4,538 was recorded in general and administrative expense, respectively.
(2) Includes our share from unconsolidated joint ventures.
(3) Includes interest income and other miscellaneous income and expenses.

Net Operating Income

NOI is a non-GAAP measure often used to evaluate the performance of real estate companies. We define NOI for an identified population of homes as rental revenues and other property income less property operating and maintenance expense (which consists primarily of property taxes, insurance, HOA fees (when applicable), market-level personnel expenses, utility expenses, repairs and maintenance, and property administration). NOI excludes: interest expense; depreciation and amortization; property management expense; general and administrative expense; impairment and other; gain on sale of property, net of tax; (gains) losses on investments in equity securities, net; other income and expenses; management fee revenues; and losses from investments in unconsolidated joint ventures.

We consider NOI to be a meaningful supplemental financial measure of our performance when considered with the financial statements determined in accordance with GAAP. We believe NOI is helpful to investors in understanding the core performance of our real estate operations. The GAAP measure most directly comparable to NOI is net income or loss. NOI is not used as a measure of liquidity and should not be considered as an alternative to net income or loss or any other measure of financial performance presented in accordance with GAAP. Our NOI may not be comparable to the NOI of other companies due to the fact that not all companies use the same definition of NOI. Accordingly, there can be no assurance that our basis for computing this non-GAAP measure is comparable with that of other companies.

We believe that Same Store NOI is also a meaningful supplemental measure of our operating performance for the same reasons as NOI and is further helpful to investors as it provides a more consistent measurement of our performance across reporting periods by reflecting NOI for homes in our Same Store portfolio.

The following table presents a reconciliation of net income (as determined in accordance with GAAP) to NOI for our total portfolio and NOI for our Same Store portfolio for each of the periods indicated:

	For the Three Months Ended March 31,	
($ in thousands)	**2024**	**2023**
Net income available to common stockholders	$ 142,158	$ 120,071
Net income available to participating securities	192	171
Non-controlling interests	436	342
Interest expense	89,845	78,047
Depreciation and amortization	175,313	164,673
Property management expense[1]	31,237	23,584
General and administrative[2]	23,448	17,452
Impairment and other	4,137	1,163
Gain on sale of property, net of tax	(50,498)	(29,671)
(Gains) losses on investments in equity securities, net	209	(88)
Other, net[3]	(5,973)	1,494
Management fee revenues	(13,942)	(3,375)
Losses from investments in unconsolidated joint ventures	5,138	4,155
NOI (total portfolio)	401,700	378,018
Non-Same Store NOI	(22,082)	(15,515)
NOI (Same Store portfolio)[4]	$ 379,618	$ 362,503

(1) Includes $1,598 and $1,960 of share-based compensation expense for the three months ended March 31, 2024 and 2023, respectively.
(2) Includes $6,302 and $4,538 of share-based compensation expense for the three months ended March 31, 2024 and 2023, respectively.
(3) Includes interest income and other miscellaneous income and expenses.
(4) The Same Store portfolio totaled 78,487 homes for the three months ended March 31, 2024 and 2023.

Funds from Operations, Core Funds from Operations, and Adjusted Funds from Operations

Funds From Operations ("FFO"), Core FFO, and Adjusted FFO are supplemental, non-GAAP measures often utilized to evaluate the performance of real estate companies. FFO is defined by Nareit as net income or loss (computed in accordance with GAAP) excluding gains or losses from sales of previously depreciated real estate assets, plus depreciation, amortization and impairment of real estate assets.

We believe that FFO is a meaningful supplemental measure of the operating performance of our business because historical cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization. Because real estate values have historically risen or fallen with market conditions, management considers FFO an appropriate supplemental performance measure as it excludes historical cost depreciation and amortization, impairment on depreciated real estate investments, gains or losses related to sales of previously depreciated homes, as well non-controlling interests, from net income or loss (computed in accordance with GAAP). By excluding depreciation and amortization and gains or losses on sales of real estate, management uses FFO to measure returns on its investments in homes. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of the homes that result from use or market conditions nor the level of capital expenditures to maintain the operating performance of the homes, all of which have real economic effects and could materially affect our results from operations, the utility of FFO as a measure of our performance is limited.

Management also believes that FFO, combined with the required GAAP presentations, is useful to investors in providing more meaningful comparisons of the operating performance of a company's real estate between periods or as compared to other companies. The GAAP measure most directly comparable to FFO is net income or loss. FFO is not used as a measure of our liquidity and should not be considered an alternative to net income or loss or any other measure of financial performance presented in accordance with GAAP. Our FFO may not be comparable to the FFO of other companies due to the fact that not all companies use the same definition of FFO. Accordingly, there can be no assurance that our basis for computing this non-GAAP measures is comparable with that of other companies.

We believe that Core FFO and Adjusted FFO are also meaningful supplemental measures of our operating performance for the same reasons as FFO and are further helpful to investors as they provide a more consistent measurement of our performance across reporting periods by removing the impact of certain items that are not comparable from period to period. We define Core FFO as FFO adjusted for the following: non-cash interest expense related to amortization of deferred financing costs, loan discounts, and non-cash interest expense from derivatives; share-based compensation expense; legal settlements; severance expense; casualty (gains) losses, net; and (gains) losses on investments in equity securities, net, as applicable. We define Adjusted FFO as Core FFO less recurring capital expenditures that are necessary to help preserve the value, and maintain the functionality, of our homes. Where appropriate, FFO, Core FFO, and Adjusted FFO are adjusted for our share of investments in unconsolidated joint ventures.

The GAAP measure most directly comparable to Core FFO and Adjusted FFO is net income or loss. Core FFO and Adjusted FFO are not used as measures of our liquidity and should not be considered alternatives to net income or loss or any other measure of financial performance presented in accordance with GAAP. Our Core FFO and Adjusted FFO may not be comparable to the Core FFO and Adjusted FFO of other companies due to the fact that not all companies use the same definition of Core FFO and Adjusted FFO. No adjustments were made to the Core FFO and Adjusted FFO per common share — diluted computations for potential shares of common stock related to the Convertible Senior Notes during the periods the notes were outstanding. Accordingly, there can be no assurance that our basis for computing this non-GAAP measures is comparable with that of other companies.

The following table presents a reconciliation of net income (as determined in accordance with GAAP) to FFO, Core FFO, and Adjusted FFO for each of the periods indicated:

	For the Three Months Ended March 31,	
(in thousands, except shares and per share data)	**2024**	**2023**
Net income available to common stockholders	$ 142,158	$ 120,071
Add (deduct) adjustments from net income to derive FFO:		
Net income available to participating securities	192	171
Non-controlling interests	436	342
Depreciation and amortization on real estate assets	171,918	162,084
Impairment on depreciated real estate investments	60	178
Net gain on sale of previously depreciated investments in real estate	(50,498)	(29,671)
Depreciation and net gain on sale of investments in unconsolidated joint ventures	2,519	2,121
FFO	266,785	255,296
Non-cash interest expense related to amortization of deferred financing costs, loan discounts, and non-cash interest expense from derivatives[1]	9,217	9,132
Share-based compensation expense[2]	7,900	6,498
Severance expense	90	153
Casualty losses, net[1]	4,082	988
(Gains) losses on investments in equity securities, net	209	(88)
Core FFO	288,283	271,979
Recurring capital expenditures[1]	(37,122)	(37,293)
Adjusted FFO	$ 251,161	$ 234,686
Net income available to common stockholders		
Weighted average common shares outstanding — diluted[3][4]	613,807,166	612,564,298
Net income per common share — diluted[3][4]	$ 0.23	$ 0.20
FFO, Core FFO, and Adjusted FFO		
Weighted average common shares and OP Units outstanding — diluted[3][4]	615,987,206	614,536,039
FFO per common share — diluted[3][4]	$ 0.43	$ 0.42
Core FFO per common share — diluted[3][4]	$ 0.47	$ 0.44
AFFO per common share — diluted[3][4]	$ 0.41	$ 0.38

(1) Includes our share from unconsolidated joint ventures.
(2) For the three months ended March 31, 2024 and 2023, $1,598 and $1,960 was recorded in property management expense, respectively, and $6,302 and $4,538 was recorded in general and administrative expense, respectively.
(3) Incremental shares attributed to non-vested share-based awards 1,587,646 and 975,833 for the three months ended March 31, 2024 and 2023, respectively, are included in weighted average common shares outstanding in the calculation of net income per common share — diluted. For the computations of FFO, Core FFO, and AFFO per common share — diluted, common share equivalents of 1,894,345 and 1,208,795 for the three months ended March 31, 2024 and 2023, respectively, related to incremental shares attributed to non-vested share-based awards are included in the denominator.
(4) Vested units of partnership interests in INVH LP (“OP Units”) have been excluded from the computation of net income per common share — diluted for the periods above because all net income attributable to the vested OP Units has been recorded as non-controlling interest and thus excluded from net income available to common stockholders. Weighted average vested OP Units of 1,873,341 and 1,738,779 for the three months ended March 31, 2024 and 2023, respectively, are included in the denominator for the computations of FFO, Core FFO, and AFFO per common share — diluted.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our future income, cash flows, and fair values relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in interest rates, seasonality, market prices, commodity prices, and inflation. The primary market risks to which we are exposed are interest rate risk and seasonality. We may in the future use derivative financial instruments to manage, or hedge, interest rate risks related to any borrowings we may have. We may enter into such contracts only with major financial institutions based on their credit ratings and other factors.

Interest Rate Risk

A primary market risk to which we believe we are exposed is interest rate risk, which may result from many factors, including government monetary and tax policies, unfavorable global and United States economic conditions (including inflation, high interest rates, and bank failures), geopolitical tensions, and other factors that are beyond our control. We may incur additional variable rate debt in the future, including additional amounts that we may borrow under the Credit Facility. In addition, decreases in interest rates may lead to additional competition for the acquisition of single-family homes, which may lead to future acquisitions being more costly and resulting in lower yields on single-family homes targeted for acquisition. Significant increases in interest rates may also have an adverse impact on our earnings if we are unable to increase rents on expired leases or acquire single-family homes with rental rates high enough to offset the increase in interest rates on our borrowings.

As of March 31, 2024, our $3,863.2 million of outstanding variable-rate debt was comprised of borrowings on our mortgage loans of $638.2 million and Term Loan Facilities of $3,225.0 million. As of March 31, 2024, we had effectively converted 98.9% of these borrowings to a fixed rate through interest rate swap agreements. Our variable-rate borrowings bear interest at Adjusted SOFR plus the applicable spread. Assuming no change in the outstanding balance of our existing debt, the projected effect of a 100 bps increase or decrease in Adjusted SOFR, collectively, on our annual interest expense would be an estimated increase or decrease of $0.4 million. This estimate considers the impact of our interest rate swap agreements, interest rate cap agreement, and any Term SOFR floors or minimum interest rates stated in the agreements of the respective borrowings.

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

Inflation

Inflation primarily impacts our results of operations as a result of increased repair and maintenance and other costs and wage pressures. Inflation could also impact our cost of capital as a result of changing interest rates on variable rate debt that is not hedged or if our debt instruments are refinanced in a high-inflation environment. Our resident leases typically have a term of one to two years, which generally enables us to compensate for inflationary effects by increasing rents on our homes to current market rates. Although an extreme or sustained escalation in costs could have a negative impact on our residents and their ability to absorb rent increases, we do not believe this had a material impact on our results of operations for the three months ended March 31, 2024.

Seasonality

Our business and related operating results have been, and we believe will continue to be, impacted by seasonal factors throughout the year. In particular, we have experienced higher levels of resident move-outs during the summer months, which impacts both our rental revenues and related turnover costs. Further, our property operating costs are seasonally impacted in certain markets by increases in expenses such as HVAC repairs and costs to re-resident during the summer season.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain a set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) designed to ensure that information required to be disclosed in reports we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. The design of any disclosure controls and procedures is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2024. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2024, the design and operation of our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control

There has been no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

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

ITEM 1A. RISK FACTORS

For a discussion of our potential risks or uncertainties, you should carefully read and consider risk factors previously disclosed under Part I. Item 1A. "Risk Factors" of our Annual Report on Form 10-K. There have been no material changes to the risk factors disclosed in Part I. Item 1A. of the Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

EXHIBIT INDEX

Exhibit number	Description
3.1	Charter of Invitation Homes Inc., dated as of February 6, 2017 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on February 6, 2017).
3.2	Amended and Restated Bylaws of Invitation Homes Inc., dated as of May 17, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 18, 2023).
31.1	Certificate of Dallas B. Tanner, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certificate of Jonathan S. Olsen, Executive Vice President and Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certificate of Dallas B. Tanner, Chief Executive Officer, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certificate of Jonathan S. Olsen, Executive Vice President and Chief Financial Officer, pursuant to Section 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

Certain agreements and other documents filed as exhibits to this Quarterly Report on Form 10-Q contain representations and warranties that the parties thereto made to each other. These representations and warranties have been made solely for the benefit of the other parties to such agreements and may have been qualified by certain information that has been disclosed to the other parties to such agreements and other documents and that may not be reflected in such agreements and other documents. In addition, these representations and warranties may be intended as a way of allocating risks among parties if the statements contained therein prove to be incorrect, rather than as actual statements of fact. Accordingly, there can be no reliance on any such representations and warranties as characterizations of the actual state of facts. Moreover, information concerning the subject matter of any such representations and warranties may have changed since the date of such agreements or other documents.

SIGNATURES

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

Invitation Homes Inc.

By: /s/ Jonathan S. Olsen

Name: Jonathan S. Olsen

Title: Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

Date: May 1, 2024

By: /s/ Kimberly K. Norrell

Name: Kimberly K. Norrell

Title: Executive Vice President and Chief Accounting Officer

(Principal Accounting Officer)

Date: May 1, 2024

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Dallas B. Tanner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Invitation Homes Inc. for the quarterly period ended March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Dallas B. Tanner

Dallas B. Tanner
Chief Executive Officer
(Principal Executive Officer)
May 1, 2024

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Jonathan S. Olsen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Invitation Homes Inc. for the quarterly period ended March 31, 2024;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Jonathan S. Olsen

Jonathan S. Olsen
Chief Financial Officer
(Principal Financial Officer)
May 1, 2024

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Invitation Homes Inc. (the “Company”) for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Dallas B. Tanner, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Dallas B. Tanner

Dallas B. Tanner
Chief Executive Officer
(Principal Executive Officer)
May 1, 2024

A signed original of this certification required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Invitation Homes Inc. (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jonathan S. Olsen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Jonathan S. Olsen
Jonathan S. Olsen
Chief Financial Officer
(Principal Financial Officer)
May 1, 2024

A signed original of this certification required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.