

Single-Family Rental Research

Performance Summary Covering All Morningstar-Rated Securitizations

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Introduction

Vacancies continued to rise across 23 single-borrower, single-family rental transactions as higher monthly lease expirations in the summer pushed the vacancy rate to 4.9% in July from 4.5% in June. This marked the fourth straight monthly increase in vacancy, but the overall level remained low. Beginning this month, Morningstar Credit Ratings, LLC included a geographical review of vacancy by tracking the vacancy rate of securitized properties in the metropolitan statistical areas most typically seen in single-borrower, single-family rental transactions. At 7.4%, Houston had the highest vacancy rate among these MSAs.

Delinquency rates in single-family rental securitizations ticked up to 0.6% in July from 0.5% the prior month. As of June, the most recent data available, retention rates for full-term leases stayed in the mid-70s, as 21 of the 23 transactions reported a retention rate of 70% or above. Because more leases expire in the summer months, the turnover rate rose, marking a six-month trend. The PRD 2014-SFR1 transaction was paid in full as of the most recent remittance report and has been removed from the performance summary. Rents for properties backing single-family rental securitizations rose by 5.2% from their prior contractual rents, continuing to outpace the year-over-year increases of three- and four-bedroom RentRange, LLC median rents; however, the margin narrowed. In addition, average contractual rents in the top single-family rental MSAs are mostly higher than their property-level RentRange estimates.

Morningstar publishes its performance summary to provide market participants detailed property-level information on each securitization. The data below summarizes issuer-reported property-level information through July. Page 4 includes a brief summary

of the six multiborrower transactions. For deals seasoned at least one year, we provide Morningstar DealView® Surveillance Analysis reports, available on our website, www.morningstarcreditratings.com.

Table of Contents

Introduction	1
Single-Borrower Performance	4
Multiborrower Performance	4
Single-Borrower Charts and Tables	5
Chart 1 – Single-Family Rental Rent Change Versus RentRange Year-Over-Year Rent Change	5
Chart 2 – Rental Changes for Renewals Versus Vacant-to-Occupied Properties	6
Chart 3 – July 2016 Average Contractual Rent Versus Property-Level RentRange Estimate by MSA	6
Chart 4 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)*	7
Table 1a – Month-End Vacancy (by Count)	8
Table 1b – Month-End Vacancy (by Percentage)	9
Table 1c – Month-End Vacancy (by Percentage) – Top MSAs	10
Table 2a – Lease Expiration (by Count)	11
Table 2b – Lease Expiration (by Percentage)	12
Table 2c – Lease Expiration (by Percentage) – Top MSAs	13
Table 3a – Historical Months of Vacancy for July Vacancies (by Count)	14
Table 3b – Historical Months of Vacancy for July Vacancies (by Percentage)	15
Table 4 – Delinquency Definition	16
Table 5a – Month-End Delinquency (by Count)	17
Table 5b – Month-End Delinquency (by Percentage)	18
Table 6 – Monthly Retention Rate of Expiring Leases	19
Table 7 – Monthly Retention Rate of MTM Leases	20
Table 8a – MTM Tenants (by Count)	21
Table 8b – MTM Tenants (by Percentage)	22
Table 9 – Monthly Turnover Rate	23
Appendix I – Vacancy Versus Lease Expiration	24
Appendix II – Description of Analysis	26
Chart 1 – Single-Family Rental Rent Change Versus RentRange Year-Over-Year Rent Change	26
Chart 2 – Rental Changes for Renewals Versus Vacant-to-Occupied Properties	26
Chart 3 – July 2016 Average Contractual Rent Versus Property-Level RentRange Estimate by MSA	27
Chart 4 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)	27
Tables 1a, 1b, and 1c – Month-End Vacancy	27
Tables 2a, 2b, and 2c – Lease Expiration	27
Tables 3a and 3b – Historical Months of Vacancy	28
Table 4 – Delinquency Definition	28
Tables 5a and 5b – Month-End Delinquency	28
Table 6 – Monthly Retention Rate of Expiring Leases	28
Table 7 – Monthly Retention Rate of MTM Leases	29
Tables 8a and 8b – MTM Tenants	29
Table 9 – Monthly Turnover Rate	29

Single-Borrower Performance

With the payoff of PRD 2014-SFR1, our rental change analysis aggregated rent changes across 23 single-borrower transactions and nearly 90,000 properties. Chart 1 shows the rental change of securitized properties against the year-over-year change on three- and four-bedroom median rents from RentRange, weighted by MSA to match the geographic concentration of the Morningstar database. In July, the securitized rental change was 5.2%, down from 5.4% the prior month, but still higher than the RentRange benchmarks. Chart 2 shows the rental change of renewals versus vacant-to-occupied properties. The seasonality of rent changes was driven by the vacant-to-occupied properties, where the yearly rent increase was 5.9% this month. This metric had been above 6.0% for the prior three months. Renewal rent increases have continued to hover around 4.5% for almost a year. Chart 3 shows that the average contractual rents by MSA have been largely in line with or slightly higher than their property-level RentRange estimates.

Lease expirations across all single-family rental transactions were down to 7.8% in July, compared with 8.1% in June, but remain elevated. More lease expirations can contribute to higher vacancy, and vacancy climbed for the fourth straight month. Chart 4 is new to this month's performance summary and shows the MSA-level vacancy rate in single-borrower transactions. MSAs with vacancy above the 4.9% average are red, while those below are blue. The size of the circle indicates the percentage of lease expirations in the given MSA over the last three months. Tables 1c and 2c have been added to show the vacancy percentage and lease expiration percentage by MSA over the last 12 months. The relationship between lease expirations and vacancy generally remains at the MSA level and can be seen in Houston and Chicago. Houston and Chicago have historically had higher than average vacancy rates. However, Houston and Chicago had July rental changes of 2.9% and 2.8%, respectively. While this is lower than the overall average rent change of 5.2%, it demonstrates that these MSAs are still experiencing rental increases despite their higher than average vacancy. At the deal level, the vacancy rate for PRD 2015-SFR3 was 7.6% in July, which was higher than other transactions. However, this transaction had 43.9% of leases expiring over the past three months, a higher percentage than any other single-borrower deal. The overall turnover rate continued to increase and now stands at 3.8% for June, but we expected this given that tenants prefer to move in summer. Delinquency rates in single-family rental securitizations remained low in July, with the average rate among all transactions at 0.6%. Only HPA 2016-1, at 1.2%, and SWAY 2014-1, at 1.0%, had a delinquency rate of at least 1.0%. Retention rates in June were mostly at 70.0% or above, with the average across all 23 transactions at 75.0%.

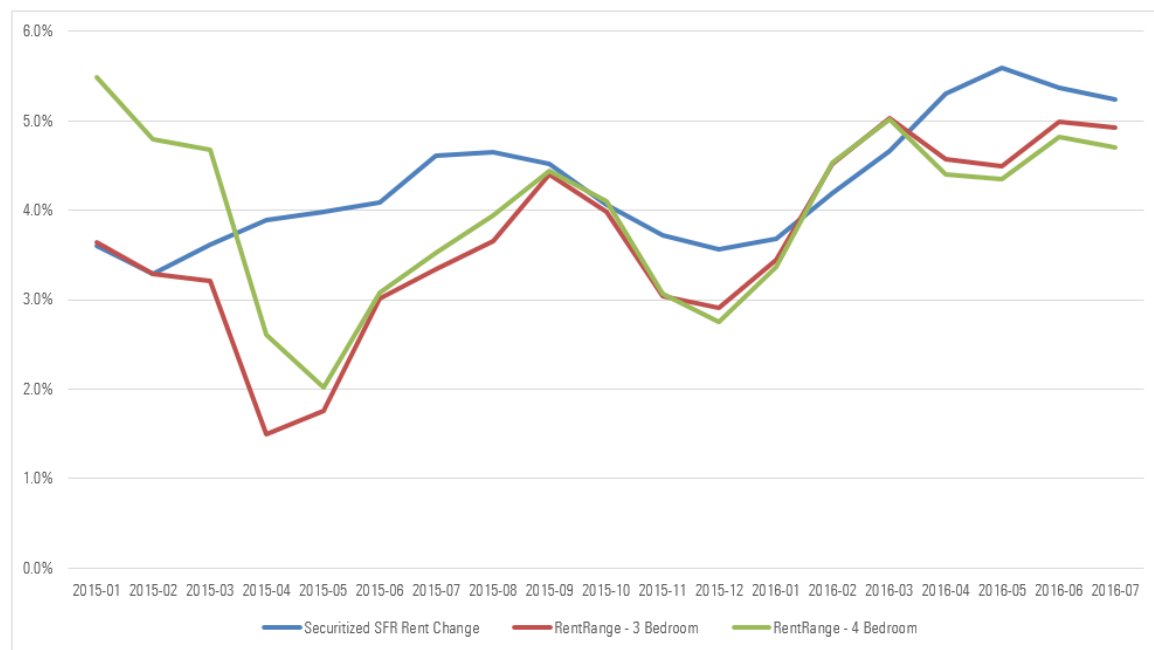
Multiborrower Performance

There have been six multiborrower transactions in the single-family rental sector: B2R 2015-1, B2R 2015-2, B2R 2016-1, FKL 2015-SFR1, CAF 2015-1, and CAF 2016-1. As of the most recent remittance report, B2R 2015-1 had one loan that is 30 days delinquent

and two loans that are 90 or more days delinquent, one of which is in foreclosure. This loan, 0.4% of the total transaction balance, was transferred to special servicing in January. In June, the borrower of this loan filed for bankruptcy. The other loan that was 90 or more days delinquent in B2R 2015-1 was transferred to special servicing in June because of payment default. B2R 2015-2 had three loans that were 30 days delinquent, one of which was 60 days delinquent last month. In May 2016, this loan was transferred to special servicing, and according to last month's distribution date statement, the borrower hoped to have past due payments made by the end of July 2016. However, the loan is past due for the July payment. B2R 2015-2 also had one newly 60 days delinquent loan that was transferred to special servicing in August. B2R 2016-1 first reported remittance data in August, and the transaction had one loan that was 30 days delinquent. All of the loans in CAF 2015-1 and CAF 2016-1 are current. Finally, all borrowers in FKL 2015-SFR1 are current. However, one loan that is approximately 1.7% of the total transaction balance has been listed on the servicer's watchlist report since November. The latest report noted that the borrower is now seeking to complete necessary capital expenditures to improve occupancy.

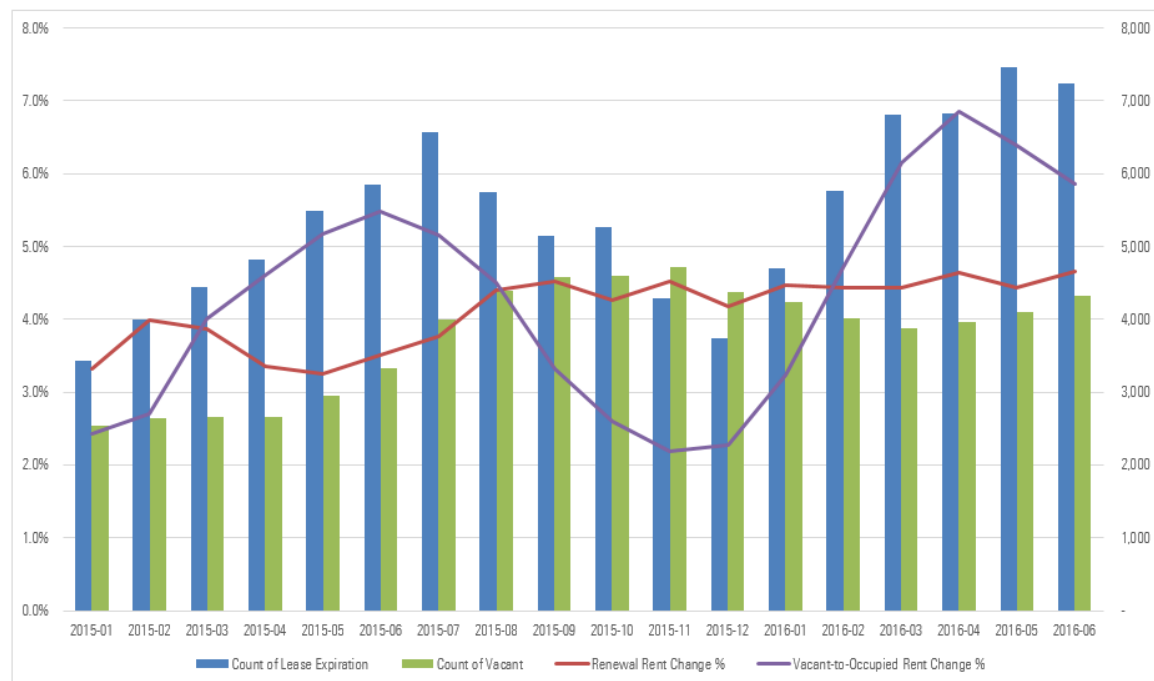
Single-Borrower Charts and Tables

Chart 1 – Single-Family Rental Rent Change Versus RentRange Year-Over-Year Rent Change



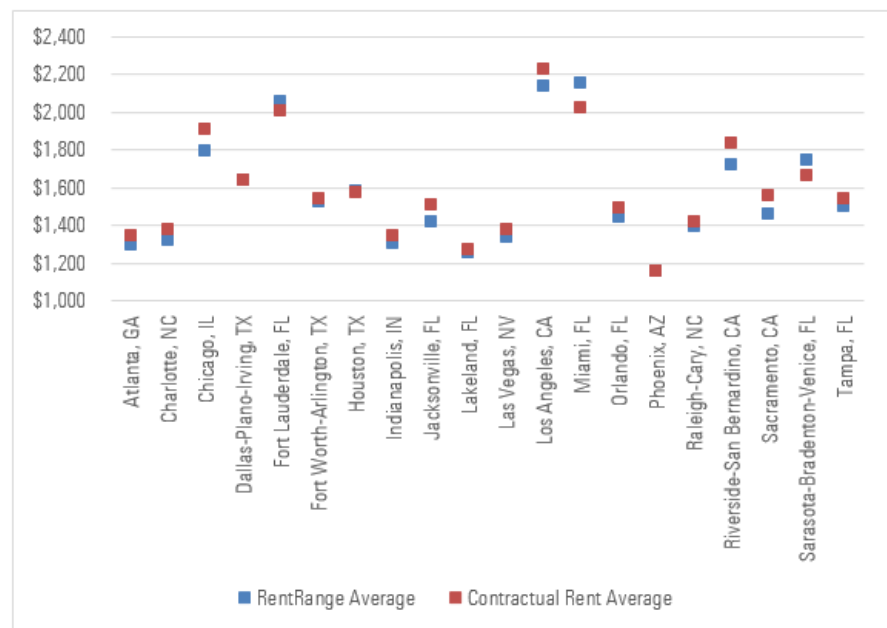
Sources: Morningstar Credit Ratings, LLC; RentRange

Chart 2 – Rental Changes for Renewals Versus Vacant-to-Occupied Properties



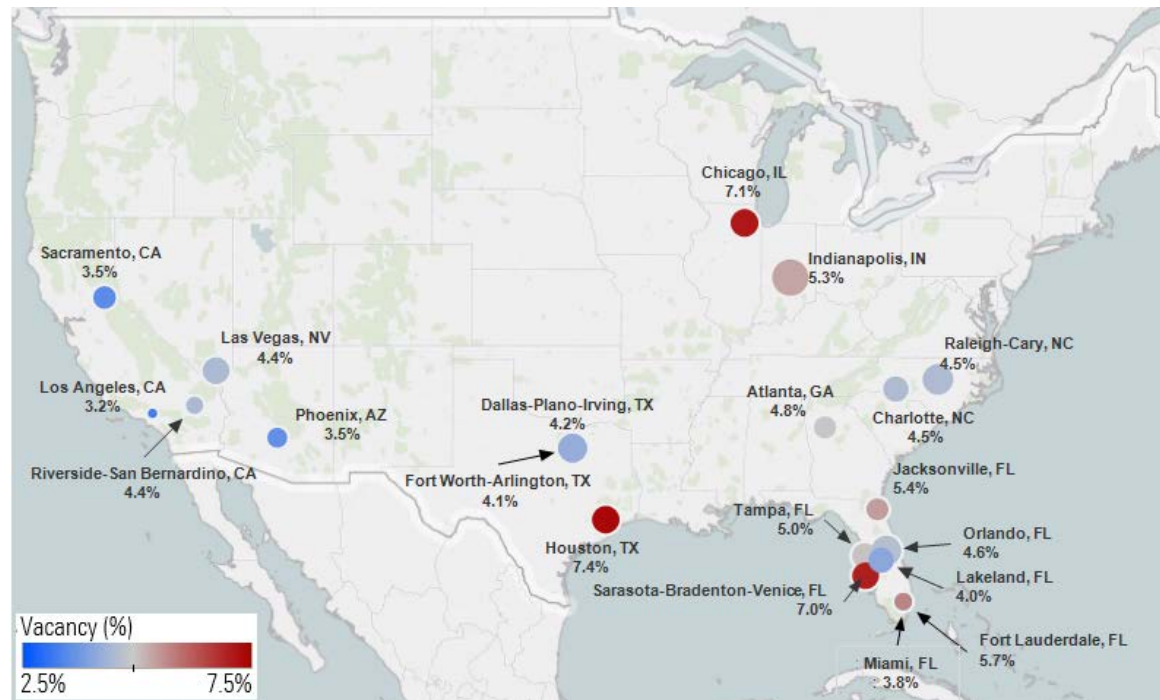
Source: Morningstar Credit Ratings, LLC

Chart 3 – July 2016 Average Contractual Rent Versus Property-Level RentRange Estimate by MSA



Sources: Morningstar Credit Ratings, LLC; RentRange

Chart 4 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)*



Sources: Morningstar Credit Ratings, LLC; Tableau Software

*The size of the circles represent the last three months of lease expirations by count as a percentage of each MSA, ranging from 16% to 34%. Because of their proximity, the Fort Worth-Arlington, TX MSA is hidden behind Dallas-Plano-Irving, TX, and the Fort Lauderdale, FL MSA is behind Miami, FL.

Table 1a – Month-End Vacancy (by Count)

		Year 2015					Year 2016							Total Count
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
AH4R 2014-SFR1		200	177	187	219	206	184	151	135	174	170	145	155	3,852
AH4R 2014-SFR2		244	203	227	232	212	212	153	159	202	225	233	201	4,484
AH4R 2014-SFR3		283	281	287	273	226	215	173	179	191	185	208	221	4,503
AH4R 2015-SFR1		330	387	388	418	374	323	249	184	171	187	197	205	4,660
AH4R 2015-SFR2				98	120	146	157	176	212	269	286	254	194	4,124
ARP 2014-SFR1		181	199	208	194	147	148	181	150	166	150	139	120	2,875
CAH 2014-1		230	225	219	205	157	127	114	117	110	109	116	160	3,366
CAH 2014-2		146	162	163	165	154	173	184	187	188	150	168	159	3,698
CAH 2015-1		181	191	206	203	187	175	161	167	145	139	170	224	3,872
HPA 2016-1								37	44	47	40	52	76	2,161
IH 2013-SFR1		92	87	95	95	97	136	129	124	117	101	108	118	3,191
IH 2014-SFR1		325	298	267	199	183	203	228	213	238	282	321	326	6,363
IH 2014-SFR2		203	180	145	154	127	138	140	127	113	137	156	160	3,688
IH 2014-SFR3		186	190	169	157	145	141	125	125	113	151	176	191	4,011
IH 2015-SFR1		135	162	157	160	138	141	146	134	105	112	108	137	3,026
IH 2015-SFR2		172	201	203	204	153	138	151	129	115	116	123	160	3,521
IH 2015-SFR3		354	397	385	365	348	317	314	304	254	246	266	321	7,192
PRD 2015-SFR1		318	295	273	258	233	203	163	155	155	153	205	275	3,978
PRD 2015-SFR2		110	153	209	242	219	213	220	224	198	162	134	123	3,305
PRD 2015-SFR3					75	77	83	83	88	112	160	211	239	3,162
SBY 2014-1		151	156	154	154	146	116	107	95	99	92	107	129	3,006
SWAY 2014-1		254	293	286	284	294	293	268	239	229	242	238	246	4,080
TAH 2015-SFR1		149	195	207	238	229	236	231	179	190	189	200	212	3,501
Overall SFR		4,244	4,432	4,533	4,614	4,198	4,072	3,884	3,670	3,701	3,784	4,035	4,352	89,619

Table 1b – Month-End Vacancy (by Percentage)

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		5.2	4.6	4.9	5.7	5.3	4.8	3.9	3.5	4.5	4.4	3.8	4.0
AH4R 2014-SFR2		5.4	4.5	5.1	5.2	4.7	4.7	3.4	3.5	4.5	5.0	5.2	4.5
AH4R 2014-SFR3		6.3	6.2	6.4	6.1	5.0	4.8	3.8	4.0	4.2	4.1	4.6	4.9
AH4R 2015-SFR1		7.1	8.3	8.3	9.0	8.0	6.9	5.3	3.9	3.7	4.0	4.2	4.4
AH4R 2015-SFR2				2.4	2.9	3.5	3.8	4.3	5.1	6.5	6.9	6.2	4.7
ARP 2014-SFR1		6.3	6.9	7.2	6.7	5.1	5.1	6.3	5.2	5.8	5.2	4.8	4.2
CAH 2014-1		6.8	6.6	6.5	6.1	4.7	3.8	3.4	3.5	3.3	3.2	3.4	4.8
CAH 2014-2		3.9	4.4	4.4	4.5	4.2	4.7	5.0	5.0	5.1	4.0	4.5	4.3
CAH 2015-1		4.7	4.9	5.3	5.2	4.8	4.5	4.2	4.3	3.7	3.6	4.4	5.8
HPA 2016-1								1.7	2.0	2.1	1.8	2.4	3.5
IH 2013-SFR1		2.9	2.7	3.0	3.0	3.0	4.2	4.0	3.9	3.7	3.2	3.4	3.7
IH 2014-SFR1		5.0	4.6	4.1	3.1	2.8	3.1	3.5	3.3	3.7	4.4	5.0	5.1
IH 2014-SFR2		5.4	4.8	3.9	4.1	3.4	3.7	3.7	3.4	3.1	3.7	4.2	4.3
IH 2014-SFR3		4.6	4.7	4.2	3.9	3.6	3.5	3.1	3.1	2.8	3.8	4.4	4.8
IH 2015-SFR1		4.4	5.3	5.1	5.2	4.5	4.6	4.8	4.4	3.5	3.7	3.6	4.5
IH 2015-SFR2		4.9	5.7	5.8	5.8	4.3	3.9	4.3	3.7	3.3	3.3	3.5	4.5
IH 2015-SFR3		4.9	5.5	5.3	5.1	4.8	4.4	4.4	4.2	3.5	3.4	3.7	4.5
PRD 2015-SFR1		8.0	7.4	6.8	6.5	5.8	5.1	4.1	3.9	3.9	3.8	5.1	6.9
PRD 2015-SFR2		3.3	4.6	6.3	7.3	6.6	6.4	6.6	6.8	6.0	4.9	4.1	3.7
PRD 2015-SFR3					2.4	2.4	2.6	2.6	2.8	3.5	5.1	6.7	7.6
SBY 2014-1		4.9	5.2	5.1	5.1	4.8	3.9	3.6	3.2	3.3	3.1	3.6	4.3
SWAY 2014-1		6.2	7.2	7.0	7.0	7.2	7.2	6.6	5.9	5.6	5.9	5.8	6.0
TAH 2015-SFR1		4.3	5.6	5.9	6.8	6.5	6.7	6.6	5.1	5.4	5.4	5.7	6.1
Overall SFR		5.3	5.5	5.4	5.3	4.8	4.6	4.3	4.1	4.1	4.2	4.5	4.9

Table 1c – Month-End Vacancy (by Percentage) – Top MSAs

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Atlanta, GA		5.3	5.5	5.4	5.4	4.9	4.5	4.1	4.1	4.0	4.2	4.1	4.8
Charlotte, NC		5.4	6.0	6.0	5.6	5.0	5.4	5.3	5.0	4.3	4.3	4.4	4.5
Chicago, IL		8.6	8.2	8.1	8.3	7.5	6.8	5.7	5.5	5.7	5.4	5.9	7.1
Dallas-P plano-Irving, TX		3.7	4.3	4.8	4.9	4.4	4.2	4.0	3.3	3.6	4.8	4.2	4.2
Fort Lauderdale, FL		5.4	4.4	4.5	4.6	4.7	4.7	4.8	4.1	4.2	3.9	3.8	5.7
Fort Worth-Arlington, TX		4.9	4.9	5.2	4.7	4.5	4.6	4.6	4.5	4.9	4.5	4.6	4.1
Houston, TX		6.7	7.5	7.4	7.1	6.3	6.2	5.9	5.2	6.1	6.8	6.3	7.4
Indianapolis, IN		8.7	8.7	6.5	6.1	5.5	5.3	4.5	4.2	5.0	5.3	6.1	5.3
Jacksonville, FL		6.4	6.4	7.4	6.2	6.1	5.1	4.8	4.3	4.9	5.2	5.1	5.4
Lakeland, FL		4.4	4.7	3.6	4.6	4.0	4.7	4.7	4.0	4.9	3.9	3.8	4.0
Las Vegas, NV		4.6	4.5	4.6	4.7	4.4	3.7	3.7	3.8	3.6	3.5	4.2	4.4
Los Angeles, CA		3.3	3.8	3.8	3.3	2.3	3.3	2.9	3.3	2.8	3.5	3.9	3.2
Miami, FL		3.4	4.5	4.2	4.1	5.0	5.0	4.5	4.4	3.3	4.0	4.0	3.8
Orlando, FL		4.7	4.7	4.2	4.4	4.1	4.4	4.8	3.9	3.3	3.9	3.8	4.6
Phoenix, AZ		4.1	4.0	4.2	4.2	3.6	3.5	3.2	2.9	2.8	2.9	3.5	3.5
Raleigh-Cary, NC		5.9	7.7	5.3	5.1	4.6	4.3	3.0	4.2	5.3	4.8	4.4	4.5
Riverside-San Bernardino, CA		3.9	4.8	4.8	5.3	4.4	4.4	4.2	4.4	4.3	4.4	5.2	4.4
Sacramento, CA		2.7	2.9	3.2	2.3	2.2	2.1	2.5	2.3	1.7	2.7	3.2	3.5
Sarasota-Bradenton-Venice, FL		5.9	5.7	6.6	5.0	4.5	4.6	5.3	5.8	5.2	5.4	6.0	7.0
Tampa, FL		5.6	5.6	5.4	5.4	5.1	4.7	4.6	4.6	4.3	4.0	4.9	5.0

Table 2a – Lease Expiration (by Count)



		Year 2015					Year 2016							Total Count
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
AH4R 2014-SFR1		296	251	267	205	172	226	256	287	284	341	322	326	3,852
AH4R 2014-SFR2		196	216	207	183	129	223	299	434	487	551	388	358	4,484
AH4R 2014-SFR3		372	295	219	119	155	230	237	280	331	461	556	432	4,503
AH4R 2015-SFR1		564	470	465	375	260	128	120	131	190	232	420	540	4,660
AH4R 2015-SFR2				108	93	130	312	496	592	621	620	421	165	4,124
ARP 2014-SFR1		101	123	107	164	122	188	248	202	226	229	185	181	2,875
CAH 2014-1		401	371	297	217	105	131	145	178	189	214	260	349	3,366
CAH 2014-2		176	161	229	256	234	278	425	372	336	276	240	234	3,698
CAH 2015-1		387	360	329	252	187	127	153	187	230	321	393	404	3,872
HPA 2016-1								71	137	186	170	263	310	2,161
IH 2013-SFR1		116	100	152	139	178	289	312	279	269	237	178	158	3,191
IH 2014-SFR1		377	304	247	134	133	237	342	505	608	630	601	509	6,363
IH 2014-SFR2		267	163	187	197	164	199	200	247	241	281	301	279	3,688
IH 2014-SFR3		239	198	174	200	183	225	198	226	249	302	366	323	4,011
IH 2015-SFR1		236	193	224	210	224	286	234	215	138	125	142	180	3,026
IH 2015-SFR2		231	254	280	268	213	252	277	235	180	155	188	222	3,521
IH 2015-SFR3		491	488	561	498	482	527	574	478	377	292	353	427	7,192
PRD 2015-SFR1		464	340	181	77	32	36	61	146	210	389	370	462	3,978
PRD 2015-SFR2		133	245	397	201	77	137	263	496	280	130	105	113	3,305
PRD 2015-SFR3					21	7	16	31	115	224	501	446	442	3,162
SBY 2014-1		184	172	192	158	125	163	169	192	178	207	232	169	3,006
SWAY 2014-1		157	99	57	61	176	142	254	312	311	268	253	204	4,080
TAH 2015-SFR1		248	233	232	132	168	211	229	212	208	215	253	222	3,501
Overall SFR		5,636	5,036	5,112	4,160	3,656	4,563	5,594	6,458	6,553	7,147	7,236	7,009	89,619

Table 2b – Lease Expiration (by Percentage)

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		7.7	6.5	6.9	5.3	4.5	5.9	6.6	7.5	7.4	8.9	8.4	8.5
AH4R 2014-SFR2		4.4	4.8	4.6	4.1	2.9	5.0	6.7	9.7	10.9	12.3	8.6	8.0
AH4R 2014-SFR3		8.3	6.6	4.9	2.6	3.4	5.1	5.3	6.2	7.4	10.2	12.3	9.6
AH4R 2015-SFR1		12.1	10.1	10.0	8.0	5.6	2.7	2.6	2.8	4.1	5.0	9.0	11.6
AH4R 2015-SFR2				2.6	2.3	3.2	7.6	12.0	14.4	15.1	15.0	10.2	4.0
ARP 2014-SFR1		3.5	4.3	3.7	5.7	4.2	6.5	8.6	7.0	7.9	8.0	6.4	6.3
CAH 2014-1		11.8	11.0	8.8	6.4	3.1	3.9	4.3	5.3	5.6	6.4	7.7	10.4
CAH 2014-2		4.7	4.3	6.2	6.9	6.3	7.5	11.5	10.0	9.1	7.5	6.5	6.3
CAH 2015-1		10.0	9.3	8.5	6.5	4.8	3.3	3.9	4.8	5.9	8.3	10.1	10.4
HPA 2016-1								3.2	6.1	8.4	7.7	12.1	14.3
IH 2013-SFR1		3.6	3.1	4.7	4.3	5.6	9.0	9.7	8.7	8.4	7.4	5.6	5.0
IH 2014-SFR1		5.8	4.7	3.8	2.1	2.1	3.7	5.3	7.9	9.6	9.9	9.4	8.0
IH 2014-SFR2		7.1	4.3	5.0	5.3	4.4	5.3	5.3	6.7	6.5	7.6	8.2	7.6
IH 2014-SFR3		6.0	4.9	4.3	5.0	4.6	5.6	4.9	5.6	6.2	7.5	9.1	8.1
IH 2015-SFR1		7.7	6.3	7.3	6.9	7.3	9.4	7.7	7.1	4.6	4.1	4.7	5.9
IH 2015-SFR2		6.6	7.2	7.9	7.6	6.0	7.2	7.9	6.7	5.1	4.4	5.3	6.3
IH 2015-SFR3		6.8	6.8	7.8	6.9	6.7	7.3	8.0	6.6	5.2	4.1	4.9	5.9
PRD 2015-SFR1		11.6	8.5	4.5	1.9	0.8	0.9	1.5	3.7	5.3	9.7	9.3	11.6
PRD 2015-SFR2		4.0	7.4	12.0	6.1	2.3	4.1	7.9	15.0	8.5	3.9	3.2	3.4
PRD 2015-SFR3					0.7	0.2	0.5	1.0	3.6	7.1	15.8	14.1	14.0
SBY 2014-1		6.0	5.7	6.4	5.2	4.2	5.4	5.6	6.4	5.9	6.9	7.7	5.6
SWAY 2014-1		3.8	2.4	1.4	1.5	4.3	3.5	6.2	7.6	7.6	6.6	6.2	5.0
TAH 2015-SFR1		7.1	6.6	6.6	3.8	4.8	6.0	6.5	6.0	5.9	6.1	7.2	6.3
Overall SFR		7.0	6.3	6.0	4.7	4.2	5.2	6.2	7.2	7.3	8.0	8.1	7.8

Table 2c – Lease Expiration (by Percentage) – Top MSAs

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Atlanta, GA		6.3	5.9	5.8	4.3	4.2	4.1	5.7	7.4	7.2	8.4	6.9	6.9
Charlotte, NC		9.0	8.0	6.0	4.4	4.5	5.3	5.8	6.7	6.4	6.8	9.3	8.0
Chicago, IL		6.8	5.8	5.7	4.0	3.8	4.5	6.4	7.9	8.6	8.7	8.9	8.0
Dallas-Plano-Irving, TX		6.6	5.1	6.5	6.2	4.4	5.9	5.2	7.4	6.9	8.2	8.5	9.9
Fort Lauderdale, FL		4.9	4.8	6.9	4.6	5.1	8.3	6.4	8.7	7.8	5.5	7.8	6.4
Fort Worth-Arlington, TX		5.0	6.0	6.0	3.8	3.7	6.3	6.4	9.1	8.0	9.3	8.0	7.5
Houston, TX		6.9	5.4	4.6	3.5	3.4	4.7	5.5	6.7	7.9	9.1	8.3	8.1
Indianapolis, IN		8.7	7.8	5.1	1.9	1.9	3.0	3.9	7.6	10.6	12.1	11.2	9.3
Jacksonville, FL		7.8	6.7	9.3	5.9	3.8	4.7	4.9	7.0	7.5	8.1	6.7	7.2
Lakeland, FL		7.2	6.8	6.0	4.6	4.6	4.0	6.5	7.1	7.6	7.2	8.4	8.6
Las Vegas, NV		8.1	6.7	7.1	5.7	2.7	4.9	5.0	7.5	7.2	8.3	7.9	8.8
Los Angeles, CA		6.1	5.7	4.3	4.9	4.3	5.6	5.7	6.6	6.9	5.5	5.9	5.7
Miami, FL		5.9	6.6	6.1	5.9	6.6	5.6	7.1	6.5	6.5	6.3	7.3	6.2
Orlando, FL		6.7	4.9	5.9	4.9	4.8	5.5	5.8	6.2	6.3	9.3	8.6	9.4
Phoenix, AZ		6.0	6.2	6.3	5.5	5.0	6.5	7.7	7.7	6.6	7.6	6.4	7.0
Raleigh-Cary, NC		9.7	8.1	6.5	3.5	2.9	4.8	6.3	8.7	7.8	9.8	9.7	8.3
Riverside-San Bernardino, CA		6.4	5.7	5.8	5.3	4.3	5.9	7.0	7.2	6.9	6.4	6.3	7.1
Sacramento, CA		8.1	5.4	4.1	3.7	3.5	5.7	6.6	8.0	7.9	8.6	7.5	6.3
Sarasota-Bradenton-Venice, FL		7.9	7.4	6.5	4.1	3.6	4.1	5.7	7.4	6.9	7.3	8.5	9.1
Tampa, FL		7.3	5.8	6.7	5.2	4.5	4.3	6.3	6.0	6.1	7.4	8.1	8.7

**Table 3a – Historical Months of Vacancy for July Vacancies (by Count)**

		1	2	3	4	5	6	7	8	9	10	11	12+	Total
AH4R 2014-SFR1		69	37	12	15	4	4	4	1	1	4	3	1	155
AH4R 2014-SFR2		75	56	34	20	8	5	1	2	0	0	0	0	201
AH4R 2014-SFR3		98	60	32	17	9	3	0	0	0	0	1	1	221
AH4R 2015-SFR1		110	44	33	11	3	2	1	1	0	0	0	0	205
AH4R 2015-SFR2		115	54	19	5	0	0	0	1	0	0			194
ARP 2014-SFR1		36	30	18	5	15	4	7	4	1	0	0	0	120
CAH 2014-1		60	41	22	14	5	4	6	3	1	1	0	3	160
CAH 2014-2		58	36	24	17	14	7	1	2	0	0	0	0	159
CAH 2015-1		143	58	15	4	1	0	0	1	0	1	1	0	224
HPA 2016-1		50	19	3	3	0	1							76
IH 2013-SFR1		33	24	26	10	14	8	1	1	0	0	0	1	118
IH 2014-SFR1		96	85	86	31	17	8	1	0	0	1	0	1	326
IH 2014-SFR2		67	46	22	15	4	4	1	0	0	0	0	1	160
IH 2014-SFR3		86	61	22	8	6	4	1	1	0	0	1	1	191
IH 2015-SFR1		70	37	17	3	2	3	1	0	3	0	0	1	137
IH 2015-SFR2		75	44	26	9	4	0	0	1	0	0	0	1	160
IH 2015-SFR3		154	100	30	13	6	5	5	1	0	1	0	6	321
PRD 2015-SFR1		119	59	48	26	14	3	2	0	0	0	0	4	275
PRD 2015-SFR2		52	41	15	4	4	1	0	0	2	4	0	0	123
PRD 2015-SFR3		151	68	15	1	1	1	1	0	0	1			239
SBY 2014-1		53	33	18	10	7	4	3	1	0	0	0	0	129
SWAY 2014-1		87	51	40	24	21	6	6	2	0	1	0	8	246
TAH 2015-SFR1		87	52	31	19	5	8	5	1	3	1	0	0	212
Overall SFR		1,944	1,136	608	284	164	85	47	23	11	15	6	29	4,352

Table 3b – Historical Months of Vacancy for July Vacancies (by Percentage)

		1	2	3	4	5	6	7	8	9	10	11	12+	Total
AH4R 2014-SFR1		44.5	23.9	7.7	9.7	2.6	2.6	2.6	0.6	0.6	2.6	1.9	0.6	100.0
AH4R 2014-SFR2		37.3	27.9	16.9	10.0	4.0	2.5	0.5	1.0	0.0	0.0	0.0	0.0	100.0
AH4R 2014-SFR3		44.3	27.1	14.5	7.7	4.1	1.4	0.0	0.0	0.0	0.0	0.5	0.5	100.0
AH4R 2015-SFR1		53.7	21.5	16.1	5.4	1.5	1.0	0.5	0.5	0.0	0.0	0.0	0.0	100.0
AH4R 2015-SFR2		59.3	27.8	9.8	2.6	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	100.0
ARP 2014-SFR1		30.0	25.0	15.0	4.2	12.5	3.3	5.8	3.3	0.8	0.0	0.0	0.0	100.0
CAH 2014-1		37.5	25.6	13.8	8.8	3.1	2.5	3.8	1.9	0.6	0.6	0.0	1.9	100.0
CAH 2014-2		36.5	22.6	15.1	10.7	8.8	4.4	0.6	1.3	0.0	0.0	0.0	0.0	100.0
CAH 2015-1		63.8	25.9	6.7	1.8	0.4	0.0	0.0	0.4	0.0	0.4	0.4	0.0	100.0
HPA 2016-1		65.8	25.0	3.9	3.9	0.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	100.0
IH 2013-SFR1		28.0	20.3	22.0	8.5	11.9	6.8	0.8	0.8	0.0	0.0	0.0	0.8	100.0
IH 2014-SFR1		29.4	26.1	26.4	9.5	5.2	2.5	0.3	0.0	0.0	0.3	0.0	0.3	100.0
IH 2014-SFR2		41.9	28.8	13.8	9.4	2.5	2.5	0.6	0.0	0.0	0.0	0.0	0.6	100.0
IH 2014-SFR3		45.0	31.9	11.5	4.2	3.1	2.1	0.5	0.5	0.0	0.0	0.5	0.5	100.0
IH 2015-SFR1		51.1	27.0	12.4	2.2	1.5	2.2	0.7	0.0	2.2	0.0	0.0	0.7	100.0
IH 2015-SFR2		46.9	27.5	16.3	5.6	2.5	0.0	0.0	0.6	0.0	0.0	0.0	0.6	100.0
IH 2015-SFR3		48.0	31.2	9.3	4.0	1.9	1.6	1.6	0.3	0.0	0.3	0.0	1.9	100.0
PRD 2015-SFR1		43.3	21.5	17.5	9.5	5.1	1.1	0.7	0.0	0.0	0.0	0.0	1.5	100.0
PRD 2015-SFR2		42.3	33.3	12.2	3.3	3.3	0.8	0.0	0.0	1.6	3.3	0.0	0.0	100.0
PRD 2015-SFR3		63.2	28.5	6.3	0.4	0.4	0.4	0.4	0.0	0.0	0.4	0.0	0.0	100.0
SBY 2014-1		41.1	25.6	14.0	7.8	5.4	3.1	2.3	0.8	0.0	0.0	0.0	0.0	100.0
SWAY 2014-1		35.4	20.7	16.3	9.8	8.5	2.4	2.4	0.8	0.0	0.4	0.0	3.3	100.0
TAH 2015-SFR1		41.0	24.5	14.6	9.0	2.4	3.8	2.4	0.5	1.4	0.5	0.0	0.0	100.0
Overall SFR		44.7	26.1	14.0	6.5	3.8	2.0	1.1	0.5	0.3	0.3	0.1	0.7	100.0

Table 4 – Delinquency Definition

Issuer	Definition
American Homes 4 Rent	Past due one calendar month or more (not dependent on day count) and owing \$200 or more
American Residential Properties	Past due one calendar month or more (not dependent on day count) and owing \$200 or more ¹
Colony American Homes/Colony Starwood Homes	Past due one calendar month or more (not dependent on day count) and owing \$200 or more
Home Partners of America	Past due 30 days or more (not dependent on calendar month) and owing \$500 or more
Invitation Homes	Past due 30 days or more (not dependent on calendar month) and owing 25% of one month's rent or more
Progress Residential	Past due 30 days or more (not dependent on calendar month) and owing \$200 or more ²
Silver Bay Realty	Past due 30 days or more (not dependent on calendar month) and owing \$500 or more ³
SWAY Residential	Past due one calendar month or more (not dependent on day count) and owing \$200 or more ⁴
Tricon American Homes	Past due 30 days or more (not dependent on calendar month) and owing \$500 or more ³

¹As of March 2016, American Residential Properties reporting was converted to the American Homes 4 Rent delinquency definition. Previously, ARP defined delinquencies as past due 30 days or more (not dependent on calendar month) and owing \$500 or more based on total receivables.

²Includes Section 8 rent, pet fees, and MTM fees, but excludes late fees and damage fees.

³Based on total receivables.

⁴As of January 2016, SWAY Residential reporting was converted to the Colony American Homes delinquency definition. Previously, SWAY defined delinquencies as past due 30 days or more following a calendar month grace period, and owing \$500 or more.

Table 5a – Month-End Delinquency (by Count)

		Year 2015					Year 2016							Total Count
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
AH4R 2014-SFR1		30	36	18	21	34	22	9	8	9	12	13	15	3,852
AH4R 2014-SFR2		33	25	26	30	36	31	16	12	14	15	13	16	4,484
AH4R 2014-SFR3		18	17	22	22	30	20	13	5	5	13	13	10	4,503
AH4R 2015-SFR1		33	32	24	26	27	23	17	10	16	18	15	16	4,660
AH4R 2015-SFR2				18	23	26	30	13	14	9	12	20	19	4,124
ARP 2014-SFR1*		62	58	55	49	48	63	62	24	48	34	18	12	2,875
CAH 2014-1		20	20	17	16	17	29	18	16	14	19	17	22	3,366
CAH 2014-2		34	35	20	22	27	34	27	30	18	21	20	28	3,698
CAH 2015-1		28	27	25	27	25	19	19	16	14	19	23	20	3,872
HPA 2016-1								9	28	17	19	19	27	2,161
IH 2013-SFR1		28	26	30	32	36	9	9	9	8	16	14	10	3,191
IH 2014-SFR1		46	59	46	67	81	45	26	14	14	15	23	34	6,363
IH 2014-SFR2		33	28	24	25	33	22	18	14	15	17	19	15	3,688
IH 2014-SFR3		31	34	28	32	32	23	25	8	5	14	9	24	4,011
IH 2015-SFR1		39	36	30	33	37	22	17	11	10	13	15	22	3,026
IH 2015-SFR2		30	27	31	30	35	21	10	7	8	17	16	21	3,521
IH 2015-SFR3		87	100	93	86	113	70	40	21	25	36	36	57	7,192
PRD 2015-SFR1		30	32	43	47	41	45	27	22	15	26	28	28	3,978
PRD 2015-SFR2		38	43	40	52	55	40	32	26	28	23	14	20	3,305
PRD 2015-SFR3					16	26	31	20	21	11	14	19	19	3,162
SBY 2014-1		35	29	29	31	26	32	18	18	10	12	13	24	3,006
SWAY 2014-1**		24	29	29	20	15	42	53	53	49	46	49	39	4,080
TAH 2015-SFR1		68	80	74	61	50	46	34	41	30	22	22	19	3,501
Overall SFR		747	773	722	768	850	719	532	428	392	453	448	517	89,619

*Using American Residential Properties' new delinquency definition March 2016 and beyond as well as its old delinquency definition before March 2016.

**Using SWAY Residential's new delinquency definition January 2016 and beyond as well as its old delinquency definition before January 2016.

Table 5b – Month-End Delinquency (by Percentage)

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		0.8	0.9	0.5	0.5	0.9	0.6	0.2	0.2	0.2	0.3	0.3	0.4
AH4R 2014-SFR2		0.7	0.6	0.6	0.7	0.8	0.7	0.4	0.3	0.3	0.3	0.3	0.4
AH4R 2014-SFR3		0.4	0.4	0.5	0.5	0.7	0.4	0.3	0.1	0.1	0.3	0.3	0.2
AH4R 2015-SFR1		0.7	0.7	0.5	0.6	0.6	0.5	0.4	0.2	0.3	0.4	0.3	0.3
AH4R 2015-SFR2				0.4	0.6	0.6	0.7	0.3	0.3	0.2	0.3	0.5	0.5
ARP 2014-SFR1*		2.2	2.0	1.9	1.7	1.7	2.2	2.2	0.8	1.7	1.2	0.6	0.4
CAH 2014-1		0.6	0.6	0.5	0.5	0.5	0.9	0.5	0.5	0.4	0.6	0.5	0.7
CAH 2014-2		0.9	0.9	0.5	0.6	0.7	0.9	0.7	0.8	0.5	0.6	0.5	0.8
CAH 2015-1		0.7	0.7	0.6	0.7	0.6	0.5	0.5	0.4	0.4	0.5	0.6	0.5
HPA 2016-1								0.4	1.3	0.8	0.9	0.9	1.2
IH 2013-SFR1		0.9	0.8	0.9	1.0	1.1	0.3	0.3	0.3	0.3	0.5	0.4	0.3
IH 2014-SFR1		0.7	0.9	0.7	1.0	1.3	0.7	0.4	0.2	0.2	0.2	0.4	0.5
IH 2014-SFR2		0.9	0.7	0.6	0.7	0.9	0.6	0.5	0.4	0.4	0.5	0.5	0.4
IH 2014-SFR3		0.8	0.8	0.7	0.8	0.8	0.6	0.6	0.2	0.1	0.3	0.2	0.6
IH 2015-SFR1		1.3	1.2	1.0	1.1	1.2	0.7	0.6	0.4	0.3	0.4	0.5	0.7
IH 2015-SFR2		0.9	0.8	0.9	0.9	1.0	0.6	0.3	0.2	0.2	0.5	0.5	0.6
IH 2015-SFR3		1.2	1.4	1.3	1.2	1.6	1.0	0.6	0.3	0.3	0.5	0.5	0.8
PRD 2015-SFR1		0.8	0.8	1.1	1.2	1.0	1.1	0.7	0.6	0.4	0.7	0.7	0.7
PRD 2015-SFR2		1.1	1.3	1.2	1.6	1.7	1.2	1.0	0.8	0.8	0.7	0.4	0.6
PRD 2015-SFR3					0.5	0.8	1.0	0.6	0.7	0.3	0.4	0.6	0.6
SBY 2014-1		1.1	1.0	1.0	1.0	0.9	1.1	0.6	0.6	0.3	0.4	0.4	0.8
SWAY 2014-1**		0.6	0.7	0.7	0.5	0.4	1.0	1.3	1.3	1.2	1.1	1.2	1.0
TAH 2015-SFR1		1.9	2.3	2.1	1.7	1.4	1.3	1.0	1.2	0.9	0.6	0.6	0.5
Overall SFR		0.9	1.0	0.9	0.9	1.0	0.8	0.6	0.5	0.4	0.5	0.5	0.6

*Using American Residential Properties' new delinquency definition March 2016 and beyond as well as its old delinquency definition before March 2016.

**Using SWAY Residential's new delinquency definition January 2016 and beyond as well as its old delinquency definition before January 2016

Table 6 – Monthly Retention Rate of Expiring Leases

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		75.7	80.9	74.5	76.1	76.7	78.8	78.1	73.9	76.1	81.5	77.6	TBD
AH4R 2014-SFR2		73.5	69.0	72.5	76.5	76.0	78.5	79.6	77.0	73.9	77.7	78.9	TBD
AH4R 2014-SFR3		71.2	71.5	73.1	67.2	73.5	77.4	73.0	77.9	73.4	77.0	74.6	TBD
AH4R 2015-SFR1		72.2	69.1	76.1	75.2	76.5	71.9	74.2	77.9	70.0	74.1	73.6	TBD
AH4R 2015-SFR2				79.6	72.0	78.5	80.1	76.8	75.0	73.6	72.7	71.0	TBD
ARP 2014-SFR1		76.2	74.8	78.5	79.3	77.9	73.4	64.5	76.7	79.6	75.1	81.6	TBD
CAH 2014-1		75.1	75.5	75.8	75.6	76.2	80.2	75.9	74.7	78.3	81.8	79.2	TBD
CAH 2014-2		76.7	73.9	83.8	78.9	85.0	77.7	77.4	82.8	74.7	78.6	73.3	TBD
CAH 2015-1		72.6	73.9	76.0	71.8	75.9	70.9	73.2	77.5	80.0	76.3	76.1	TBD
HPA 2016-1								83.1	82.5	81.7	77.6	85.9	TBD
IH 2013-SFR1		72.4	79.0	78.9	78.4	80.9	80.6	77.2	77.8	76.6	77.2	80.9	TBD
IH 2014-SFR1		76.7	73.4	79.4	79.1	82.0	80.6	80.1	80.8	77.0	74.0	77.5	TBD
IH 2014-SFR2		77.5	77.3	77.5	78.2	78.0	76.9	79.0	80.2	75.1	77.6	74.4	TBD
IH 2014-SFR3		72.8	73.7	79.9	79.5	79.2	80.4	80.3	80.5	78.7	77.5	72.4	TBD
IH 2015-SFR1		74.6	72.5	76.3	77.1	81.3	78.3	78.2	77.2	76.8	66.4	71.1	TBD
IH 2015-SFR2		68.8	68.9	75.4	81.7	79.3	81.0	77.6	74.5	75.6	78.7	73.4	TBD
IH 2015-SFR3		77.2	74.0	78.6	79.9	79.0	83.3	78.7	78.7	77.7	74.3	73.9	TBD
PRD 2015-SFR1		76.5	72.1	75.1	71.4	59.4	77.8	68.9	78.1	76.2	72.8	70.0	TBD
PRD 2015-SFR2		82.0	74.3	76.8	73.1	81.8	73.7	77.2	73.4	72.5	70.0	64.8	TBD
PRD 2015-SFR3					66.7	85.7	87.5	77.4	74.8	75.9	73.1	68.6	TBD
SBY 2014-1		81.5	83.1	80.7	80.4	80.0	83.4	77.5	80.2	84.3	82.1	77.6	TBD
SWAY 2014-1		78.3	77.8	73.7	75.4	75.0	76.1	77.6	76.6	74.0	69.0	70.4	TBD
TAH 2015-SFR1		83.9	84.1	83.6	88.6	83.3	85.8	90.8	83.5	85.1	85.6	79.8	TBD
Overall SFR		75.4	74.2	77.4	77.3	78.7	79.2	77.5	77.7	76.3	75.9	75.0	TBD

TBD – To Be Determined

**Table 7 – Monthly Retention Rate of MTM Leases**

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		88.4	84.9	88.3	85.0	91.1	94.8	89.6	87.6	88.4	84.1	83.8	TBD
AH4R 2014-SFR2		81.2	83.6	83.2	90.5	86.4	90.7	86.7	87.8	82.9	82.3	79.8	TBD
AH4R 2014-SFR3		80.4	82.9	80.0	85.5	84.6	86.2	86.7	84.9	89.7	82.8	78.9	TBD
AH4R 2015-SFR1		80.3	82.5	81.8	86.1	86.1	88.6	85.3	87.9	83.7	80.8	81.8	TBD
AH4R 2015-SFR2				84.3	82.0	87.5	83.8	86.7	82.1	80.1	73.9	79.5	TBD
ARP 2014-SFR1		88.1	84.2	90.7	88.9	88.6	85.3	86.1	88.1	89.9	87.6	85.5	TBD
CAH 2014-1		73.3	75.0	81.9	70.3	82.0	81.3	83.0	89.8	92.7	81.7	82.8	TBD
CAH 2014-2		72.4	80.4	89.1	65.5	86.3	81.5	88.7	72.6	75.0	74.3	72.7	TBD
CAH 2015-1		76.9	67.2	83.8	80.3	81.0	84.3	77.1	72.9	84.4	74.5	74.6	TBD
HPA 2016-1								N/A	N/A	100.0	0.0	N/A	TBD
IH 2013-SFR1		76.7	91.9	88.6	88.1	82.0	87.7	77.6	87.0	85.9	78.3	76.1	TBD
IH 2014-SFR1		78.7	74.6	85.0	86.4	80.4	84.5	80.4	82.1	80.5	71.2	65.7	TBD
IH 2014-SFR2		85.7	73.3	75.6	76.5	87.9	90.9	90.7	90.2	80.6	78.1	76.1	TBD
IH 2014-SFR3		73.2	76.2	79.1	78.0	80.0	87.1	84.2	83.3	69.8	84.8	81.4	TBD
IH 2015-SFR1		87.5	68.6	78.1	76.3	91.9	87.5	85.7	79.1	89.1	86.3	78.0	TBD
IH 2015-SFR2		82.8	79.4	71.9	71.4	82.9	65.8	77.3	82.2	66.7	75.7	63.8	TBD
IH 2015-SFR3		83.3	83.1	83.1	80.9	83.7	73.7	78.7	82.5	80.8	77.1	78.8	TBD
PRD 2015-SFR1		70.0	67.3	80.2	73.9	85.9	80.4	76.9	85.4	75.9	76.3	73.1	TBD
PRD 2015-SFR2		75.0	71.4	76.9	57.1	69.0	75.0	78.6	80.0	67.7	59.4	78.0	TBD
PRD 2015-SFR3					84.6	75.0	70.0	83.3	85.7	71.4	71.4	64.2	TBD
SBY 2014-1		85.1	87.8	91.3	90.7	92.3	93.7	89.5	86.4	91.6	89.5	87.5	TBD
SWAY 2014-1		77.9	84.8	86.5	88.1	87.8	89.6	89.2	85.4	85.8	77.7	82.7	TBD
TAH 2015-SFR1		94.0	93.6	93.6	95.5	93.8	91.1	95.3	94.9	95.0	92.5	93.7	TBD
Overall SFR		83.9	83.8	86.4	86.1	88.1	87.9	87.5	86.8	85.7	81.7	81.4	TBD

TBD – To Be Determined

Table 8a – MTM Tenants (by Count)

		Year 2015				Year 2016								Total Count
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
AH4R 2014-SFR1		212	231	244	258	248	248	260	258	248	239	268	254	3,852
AH4R 2014-SFR2		190	173	183	169	172	153	166	176	223	257	257	261	4,484
AH4R 2014-SFR3		203	193	191	159	145	147	172	177	186	225	250	284	4,503
AH4R 2015-SFR1		209	224	257	266	287	275	240	208	203	200	207	242	4,660
AH4R 2015-SFR2				53	64	65	93	134	204	262	323	320	282	4,124
ARP 2014-SFR1		265	235	216	206	193	177	164	204	218	248	249	250	2,875
CAH 2014-1		133	122	79	82	61	48	47	50	55	60	64	74	3,366
CAH 2014-2		78	82	59	66	62	54	53	73	76	70	66	64	3,698
CAH 2015-1		126	128	99	92	78	51	48	48	45	47	63	74	3,872
HPA 2016-1								0	0	1	1	0	0	2,161
IH 2013-SFR1		52	44	56	51	71	78	99	88	102	110	80	56	3,191
IH 2014-SFR1		125	87	77	71	75	83	95	94	134	165	169	181	6,363
IH 2014-SFR2		65	55	47	52	51	54	58	69	80	80	88	100	3,688
IH 2014-SFR3		79	57	57	62	50	58	63	56	67	75	86	92	4,011
IH 2015-SFR1		39	45	52	55	61	59	64	63	64	74	61	63	3,026
IH 2015-SFR2		39	46	50	56	61	68	72	53	59	58	62	73	3,521
IH 2015-SFR3		109	110	118	128	149	131	144	139	133	135	131	141	7,192
PRD 2015-SFR1		117	115	102	89	65	56	58	52	56	74	99	114	3,978
PRD 2015-SFR2		22	34	42	53	36	28	44	75	94	75	46	54	3,305
PRD 2015-SFR3					13	12	10	9	26	51	106	121	133	3,162
SBY 2014-1		242	212	235	237	223	211	213	218	217	223	236	220	3,006
SWAY 2014-1		217	186	171	154	143	134	148	178	169	166	156	154	4,080
TAH 2015-SFR1		557	544	585	538	533	542	522	480	450	445	444	474	3,501
Overall SFR		3,079	2,923	2,973	2,921	2,841	2,758	2,873	2,989	3,193	3,456	3,523	3,640	89,619

Table 8b – MTM Tenants (by Percentage)

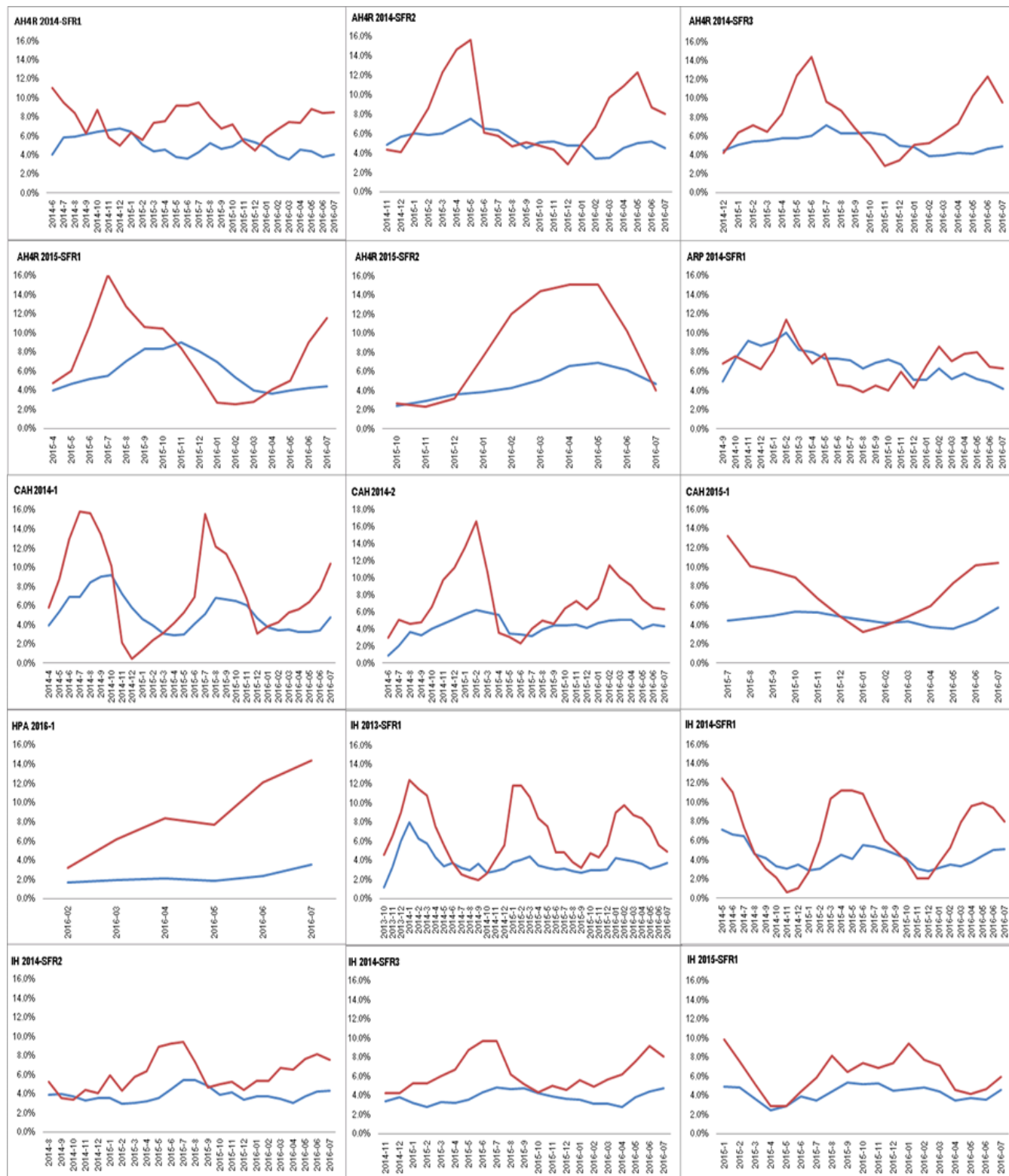
		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		5.5	6.0	6.3	6.7	6.4	6.4	6.7	6.7	6.4	6.2	7.0	6.6
AH4R 2014-SFR2		4.2	3.9	4.1	3.8	3.8	3.4	3.7	3.9	5.0	5.7	5.7	5.8
AH4R 2014-SFR3		4.5	4.3	4.2	3.5	3.2	3.3	3.8	3.9	4.1	5.0	5.6	6.3
AH4R 2015-SFR1		4.5	4.8	5.5	5.7	6.2	5.9	5.1	4.5	4.4	4.3	4.4	5.2
AH4R 2015-SFR2				1.3	1.6	1.6	2.3	3.2	4.9	6.4	7.8	7.8	6.8
ARP 2014-SFR1		9.2	8.2	7.5	7.2	6.7	6.2	5.7	7.1	7.6	8.6	8.7	8.7
CAH 2014-1		3.9	3.6	2.3	2.4	1.8	1.4	1.4	1.5	1.6	1.8	1.9	2.2
CAH 2014-2		2.1	2.2	1.6	1.8	1.7	1.5	1.4	2.0	2.1	1.9	1.8	1.7
CAH 2015-1		3.2	3.3	2.6	2.4	2.0	1.3	1.2	1.2	1.2	1.2	1.6	1.9
HPA 2016-1								0.0	0.0	0.0	0.0	0.0	0.0
IH 2013-SFR1		1.6	1.4	1.7	1.6	2.2	2.4	3.1	2.8	3.2	3.4	2.5	1.8
IH 2014-SFR1		1.9	1.3	1.2	1.1	1.2	1.3	1.5	1.5	2.1	2.6	2.7	2.8
IH 2014-SFR2		1.7	1.5	1.3	1.4	1.4	1.4	1.5	1.9	2.2	2.2	2.4	2.7
IH 2014-SFR3		2.0	1.4	1.4	1.5	1.2	1.4	1.6	1.4	1.7	1.9	2.1	2.3
IH 2015-SFR1		1.3	1.5	1.7	1.8	2.0	1.9	2.1	2.1	2.1	2.4	2.0	2.1
IH 2015-SFR2		1.1	1.3	1.4	1.6	1.7	1.9	2.0	1.5	1.7	1.6	1.8	2.1
IH 2015-SFR3		1.5	1.5	1.6	1.8	2.1	1.8	2.0	1.9	1.8	1.9	1.8	2.0
PRD 2015-SFR1		2.9	2.9	2.6	2.2	1.6	1.4	1.5	1.3	1.4	1.9	2.5	2.9
PRD 2015-SFR2		0.7	1.0	1.3	1.6	1.1	0.8	1.3	2.3	2.8	2.3	1.4	1.6
PRD 2015-SFR3					0.4	0.4	0.3	0.3	0.8	1.6	3.4	3.8	4.2
SBY 2014-1		7.9	7.0	7.8	7.9	7.4	7.0	7.1	7.2	7.2	7.4	7.8	7.3
SWAY 2014-1		5.3	4.6	4.2	3.8	3.5	3.3	3.6	4.4	4.1	4.1	3.8	3.8
TAH 2015-SFR1		15.9	15.5	16.7	15.3	15.2	15.5	14.9	13.7	12.8	12.7	12.7	13.5
Overall SFR		3.8	3.6	3.5	3.3	3.2	3.1	3.2	3.3	3.6	3.9	3.9	4.1

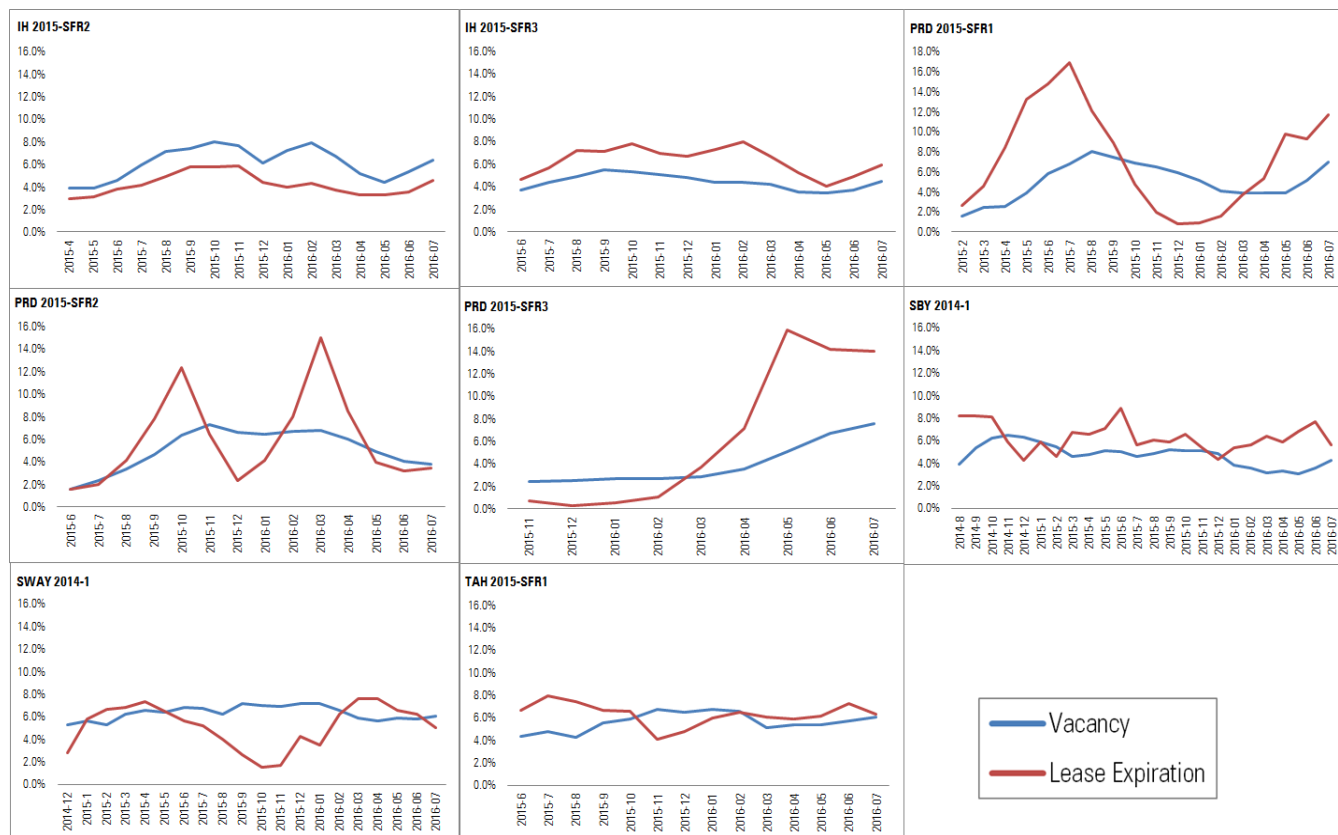
Table 9 – Monthly Turnover Rate

		Year 2015					Year 2016						
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
AH4R 2014-SFR1		2.7	3.0	3.4	2.6	2.8	2.4	2.7	3.2	3.2	3.5	4.0	TBD
AH4R 2014-SFR2		3.0	3.6	2.9	2.3	1.8	2.5	2.5	3.1	4.8	4.6	3.6	TBD
AH4R 2014-SFR3		4.3	3.3	3.0	2.2	2.6	2.5	2.6	3.0	3.4	3.7	5.5	TBD
AH4R 2015-SFR1		6.1	4.3	4.2	3.4	3.1	2.9	2.2	2.0	2.8	3.5	4.5	TBD
AH4R 2015-SFR2					1.9	2.1	2.9	4.0	4.9	5.6	6.2	5.6	TBD
ARP 2014-SFR1		2.9	3.1	3.1	2.6	2.7	3.0	4.3	3.6	2.7	3.9	3.3	TBD
CAH 2014-1		4.8	4.3	3.6	2.6	1.9	1.3	1.4	1.8	2.3	2.2	3.2	TBD
CAH 2014-2		3.0	2.6	2.8	2.4	2.3	2.8	3.2	3.2	3.7	3.4	3.3	TBD
CAH 2015-1		3.8	3.8	3.4	3.2	2.3	2.2	1.9	2.3	2.5	3.5	4.0	TBD
HPA 2016-1									1.4	1.9	2.6	2.0	TBD
IH 2013-SFR1		2.6	2.1	2.4	2.2	2.1	3.0	3.3	3.4	3.2	2.8	3.1	TBD
IH 2014-SFR1		3.3	2.5	2.5	1.5	1.7	2.1	2.4	2.8	3.4	4.2	4.4	TBD
IH 2014-SFR2		3.7	2.8	2.3	2.3	1.9	2.2	2.3	2.6	2.8	3.3	4.0	TBD
IH 2014-SFR3		3.9	2.9	2.7	2.2	2.1	1.9	1.9	2.8	2.6	3.2	3.9	TBD
IH 2015-SFR1		3.1	3.2	3.2	3.0	2.7	2.9	3.5	2.9	2.3	2.5	3.0	TBD
IH 2015-SFR2		3.8	3.7	3.1	3.3	2.2	2.0	3.2	2.9	2.5	2.7	3.0	TBD
IH 2015-SFR3		3.3	3.1	3.2	2.7	2.6	2.3	3.1	2.9	2.4	2.7	2.8	TBD
PRD 2015-SFR1		4.4	4.2	2.6	2.1	1.7	1.2	1.4	2.5	2.5	3.7	4.4	TBD
PRD 2015-SFR2		2.2	3.7	3.9	3.0	1.9	2.2	2.7	4.7	3.9	2.8	2.6	TBD
PRD 2015-SFR3						1.0	1.1	1.0	1.7	2.6	5.4	6.2	TBD
SBY 2014-1		3.0	3.1	3.0	2.4	2.4	2.2	2.4	2.2	2.5	2.5	3.4	TBD
SWAY 2014-1		2.8	2.9	2.4	1.9	2.6	2.3	2.5	3.2	3.2	3.7	3.7	TBD
TAH 2015-SFR1		2.0	2.3	2.6	2.8	2.0	2.3	3.5	2.2	2.3	2.6	2.7	TBD
Overall SFR		3.5	3.2	2.9	2.4	2.2	2.3	2.6	2.9	3.1	3.5	3.8	TBD

TBD – To Be Determined

Appendix I – Vacancy Versus Lease Expiration





Appendix II – Description of Analysis

Morningstar tracks key metrics to gauge the performance of single-borrower, single-family rental transactions. There are a number of ways to view these metrics. For example, the vacancy rate might be calculated based on property count, by cash flow, or by days of occupancy. To account for different reporting across issuers, Morningstar seeks commonality across the single-borrower issuers' monthly reporting to derive its calculations.

Multiborrower deals are similar to single-borrower transactions in that the underlying collateral is generally single-family rental properties. They differ, though, in that single-borrower deals are backed by one loan, while multiborrower deals have many loans. B2R 2015-1 is secured by 142 loans; B2R 2015-2, 211 loans; B2R 2016-1, 163 loans; FKL 2015-SFR1, 16 loans; CAF 2015-1, 69 loans; and CAF 2016-1, 85 loans. As such, the monthly reporting for multiborrower deals is different from the data reported in the single-borrower sector. For example, delinquency reported in Tables 5a and 5b are tenants that are past due on rental payments at a property level. For multiborrower transactions, delinquency is measured by borrowers that are past due on payments at the loan level.

Chart 1 – Single-Family Rental Rent Change Versus RentRange Year-Over-Year Rent Change

To calculate the rent change across 23 single-family rental transactions, Morningstar isolated the leases starting in a given period and compared the contractual rent in that period to the prior occupied contractual rent. Morningstar then compared this rent change with the year-over-year change in three- and four-bedroom median rents from RentRange. Morningstar weighted the RentRange median rents by geography to match the MSA concentration of the Morningstar single-family rental database.

Chart 2 – Rental Changes for Renewals Versus Vacant-to-Occupied Properties

For Chart 2, Morningstar calculated the rent change using the contractual rent for the corresponding period versus the prior occupied contractual rent. To determine the lease expiration sample, Morningstar used the logic outlined below in the section, Tables 2a, 2b, and 2c – Lease Expiration. Morningstar then looked at the property tape to determine the renewed properties, and compared that contractual rent to the prior contractual rent. For vacant properties subsequently occupied by new tenants, Morningstar isolated those properties that were vacant in a given month and occupied in the next month, and again compared the current contractual rent to the prior contractual rent.

Chart 3 – July 2016 Average Contractual Rent Versus Property-Level RentRange Estimate by MSA

Chart 3, which shows some of the MSAs most frequently found in single-family rental securitizations, takes a snapshot of the July contractual rents in the Morningstar single-family rental database and compares these rents with their property-specific rent estimates from RentRange.

Chart 4 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)

Chart 4 shows the vacancy rate of some of the MSAs most frequently found in single-family rental securitizations. The size of each circle represents the percentage of leases expiring in the last three months. MSAs in red are above the overall average vacancy percentage for the month, while those in blue are below. Typically the more leases expiring, the higher the vacancy rate.

Tables 1a, 1b, and 1c – Month-End Vacancy

Table 1a displays deal-level vacancy by the month-end count of empty properties. Table 1b shows the deal-level vacancy as a percentage of the total properties in each pool. Table 1c shows the MSA-level vacancy percentage for some of the MSAs most frequently found in single-family rental securitizations. The vacancy rate is heavily influenced by the number of lease expirations in a given month. Generally, the more leases expiring in a given month, the higher the vacancy rate will be. Because each transaction or MSA has a distinct lease expiration schedule, the vacancy rate should not be viewed at one point in time, but rather in the context of its lease expiration cycle, as reported in Tables 2a, 2b, and 2c and as seen in the charts in Appendix I.

Tables 2a, 2b, and 2c – Lease Expiration

Because lease expiration profiles change over time as previous tenants renew or new tenants occupy vacant properties, Morningstar seeks to rely on more recently published reporting of lease expirations, rather than solely using the lease expiration schedule from the cutoff date. To determine July lease expirations, Morningstar looks for all July lease expirations in the April property tape. Morningstar looks three months back to set a lease expiration sample that more accurately captures tenants who renew their leases in months before their scheduled lease expiration. Certain issuers have indicated that they proactively work to renew tenants a few months before the lease expiration date. Because Morningstar is looking three months back to determine its sample, there are instances when tenants vacate properties between the time Morningstar determines its sample and the month in which the tenant must make a decision to stay in the property. Morningstar excludes those vacated properties from its lease expiration sample and its retention rate calculation in Table 6. In the current example, properties that become vacant or that have move out dates in either May or June are removed from the July lease expiration count.

Tables 3a and 3b – Historical Months of Vacancy

Tables 3a and 3b show the number of months of vacancy the July unoccupied properties have experienced. In other words, if a property is unoccupied as of the July property tape, these tables summarize the number of total months the property has been vacant since the transaction cutoff date. Depending on the length of performance history, the overall vacancy may be in line with the number of consecutive vacant months, but this might not always be the case for those properties that have gone through multiple leasing cycles. Table 3a shows historical months of vacancy by count, and Table 3b is as a percentage of the July vacancies.

Table 4 – Delinquency Definition

Morningstar's calculation of delinquency is based on the number of properties flagged as delinquent in the monthly property-level data. Each issuer uses its own criteria for classifying a tenant as delinquent. Table 4 summarizes the delinquency definition for each issuer and contains details on the length of time that must pass from a tenant's due date to be considered delinquent. The length of time is either based on a count of 30 days or is based on the calendar month. The slight distinction, for example, either results in a property with payment due on March 1 considered as delinquent after 30 days or as delinquent on April 1. None of the issuers factor a grace period into their delinquency definition, meaning their respective measures of past due begin if payment has not been received by the stated due date. In addition to timing, these conditions can also differ by the total dollar threshold an issuer uses to classify a tenant as delinquent and by the types of overdue payments that the issuer uses to count toward that threshold. For example, most issuers use only base rent to determine the dollar amount of delinquency. However, Silver Bay Realty and Tricon American Homes each count total receivables to determine the past due amount. Progress Residential includes certain fees above base rent but not total receivables.

Tables 5a and 5b – Month-End Delinquency

Table 5a shows the month-end count of delinquencies based on the definition in Table 4, and Table 5b shows delinquency as a percentage of the total number of properties in each pool. Any review of delinquency should be viewed within the context of the delinquency definitions in Table 4.

Table 6 – Monthly Retention Rate of Expiring Leases

When evaluating an issuer's ability to keep tenants in a property, Morningstar considers a retention rate. Once again, differences in monthly reporting affect the calculation that Morningstar uses. Typically, a renewal rate would review those tenants who signed a full-term lease. Considering the different methods issuers use to designate tenants with either a renewal or an MTM status, Morningstar opted to report the retention rate instead of the renewal rate. The retention rate is defined as those properties that retained previous

tenants, whether on full-term or MTM leases, divided by the total number of leases due to expire in that period, as reported in Table 2a and explained in Appendix II. If there is not enough seasoning in the deal to look three months back to determine the lease expiration sample, Morningstar relies on the cutoff tape lease expiration profile. As a result, the first three months of retention rate reported in Table 6 will use the cutoff tape to find the sample of lease expirations. After isolating the applicable lease expiration sample, Morningstar looks at the most recent property tape to determine the lease status of the properties. In this report, Morningstar uses the July property tape to determine the lease status for June expirations. Morningstar continues to rely on the issuer's labeling of vacant, renewal, new lease, or MTM, to the extent that these notations are available in each tape.

Table 7 – Monthly Retention Rate of MTM Leases

In Table 7, Morningstar reviews the retention rate of those properties in an MTM status. This table looks at previous tenants who went to an MTM status and either renewed or remained in the property on an MTM basis. For the MTM retention rate, Morningstar looks for MTM tenants in the previous month's property tape, and then looks to the current month for their occupancy status. For example, the June 2016 retention rates are the July statuses of June MTM tenants.

Tables 8a and 8b – MTM Tenants

In Tables 8a and 8b, Morningstar shows the count and percentage of properties with MTM tenants. Securitizations with higher concentrations of MTM tenants typically report higher retention rates of their MTM leases. MTM tenants are usually subject to a monthly fee, which may encourage them to eventually sign full-term leases.

Table 9 – Monthly Turnover Rate

In evaluating how effective an issuer is at retaining tenants, Morningstar also considers the monthly turnover rate. For this metric, Morningstar strives to apply a consistent calculation given the differences in issuers' monthly reporting. Morningstar considers a property turned over if it meets one of three criteria:

- The property is vacant but was occupied in the previous month and the move-out date, if available, is on or after the first day of the current month;
- The move-out date is on or after the first day of the current month including the last day of the current month; and
- Or the property was occupied in the prior month and a tenant has signed a new lease that starts on or after the second day of the current month.

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