

Single-Family Rental Research

Performance Summary Covering All Morningstar-Rated Securitizations

May 2017

Authors:

Brian Alan | brian.alan@morningstar.com | +1 646 560-4516

Yash Agarwal | yash.agarwal@morningstar.com | +91 22 61217208

Srikar Polasanapalli | srikar.polasanapalli@morningstar.com | +91 22 61217213

Analytical Manager:

Brian Grow | Managing Director | brian.grow@morningstar.com | +1 646 560-4513

Introduction

The vacancy rate across single-borrower, single-family rental securitizations rated by Morningstar Credit Ratings, LLC ticked up slightly this month to 4.3% from a revised 4.2% the month prior, but high retention rates for full-term leases continued to keep performance in the sector within our expectations as the average retention rate rose for the fourth-straight month and now stands at 79.8% for the most recent data available. Among the top 20 metropolitan statistical areas, vacancy rates in the Florida MSAs of Fort Lauderdale and Sarasota-Bradenton-Venice are notably above average. However, vacancy rates have gradually improved in Houston, Indianapolis, and Memphis from rates that were at or above 8.0% in October 2016. Meanwhile, rents for properties backing single-family rental transactions rose by 4.1% from their prior contractual rents, which is an increase from 3.6% prior. The IH 2014-SFR1 and SBY 2014-1 transactions paid off in May, bringing this performance summary report to an analysis of 24 single-borrower deals and over 91,000 properties.

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 April. Page 4 includes a summary of the seven 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	3
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	5
Chart 3 – April Average Contractual Rent Versus Property-Level RentRange Estimate by MSA	6
Chart 4 – MSA-Level Blended Rent Change*	7
Table 1 – Blended Rent Change (by Percentage) - Top MSAs	8
Table 2a – Month-End Vacancy (by Count)	9
Table 2b – Month-End Vacancy (by Percentage)	10
Table 2c – Month-End Vacancy (by Percentage) – Top MSAs	11
Chart 5 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)*	12
Table 3a – Lease Expiration (by Count)	13
Table 3b – Lease Expiration (by Percentage)	14
Table 3c – Lease Expiration (by Percentage) – Top MSAs	15
Table 4a – Historical Months of Vacancy for April Vacancies (by Count)	16
Table 4b – Historical Months of Vacancy for April Vacancies (by Percentage)	17
Table 5 – Delinquency Definition	18
Table 6a – Month-End Delinquency (by Count)	19
Table 6b – Month-End Delinquency (by Percentage)	20
Table 7 – Monthly Retention Rate of Expiring Leases	21
Table 8 – Monthly Retention Rate of MTM Leases	22
Table 9a – MTM Tenants (by Count)	23
Table 9b – MTM Tenants (by Percentage)	24
Table 10 – Monthly Turnover Rate	25
Appendix I – Vacancy Versus Lease Expiration	26
Appendix II – Description of Analysis	28
Chart 1 – Single-Family Rental Rent Change Versus RentRange Year-Over-Year Rent Change	28
Chart 2 – Rental Changes for Renewals Versus Vacant-to-Occupied Properties	28
Chart 3 – December Average Contractual Rent Versus Property-Level RentRange Estimate by MSA	29
Chart 4 – MSA-Level Blended Rent Change	29
Table 1 – Blended Rent Change (by Percentage) – Top MSAs	29
Tables 2a, 2b, and 2c – Month-End Vacancy	29
Chart 5 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)	29
Tables 3a, 3b, and 3c – Lease Expiration	29
Tables 4a and 4b – Historical Months of Vacancy	30
Table 5 – Delinquency Definition	30
Tables 6a and 6b – Month-End Delinquency	31
Table 7 – Monthly Retention Rate of Expiring Leases	31
Table 8 – Monthly Retention Rate of MTM Leases	31
Tables 9a and 9b – MTM Tenants	31
Table 10 – Monthly Turnover Rate	32

Single-Borrower Performance

The average retention rates on full-term leases continue to improve. All single-borrower, single-family rental securitizations posted retention rates above 70.0%, and 10 deals had retention rates at or above 80.0% for March, the latest month available. The overall turnover rate increased for the first time this year to 2.9%, as of the most recent data available. The vacancy rate increased to 4.3% in April, and additional lease expirations could increase the rate in coming months. At the deal level, HPA 2016-2 had a vacancy rate that was among the lowest at 2.3%. However, at cutoff, HPA 2016-2 reported a lease expiration schedule where 93.9% of leases by count were set to expire from March through July 2017, which is likely to lead to higher near-term vacancies for this transaction. Chart 5 shows the MSA-level vacancy rate in single-borrower transactions. MSAs with vacancy rates above the 4.3% average are red, while those below are blue.

The average delinquency rate dropped to 0.6% from a revised 0.7% in March, and only three deals had delinquency rates at or above 1.0%, an improvement from four the month prior. Any review of delinquency should be viewed within the context of the delinquency definitions in Table 5.

As mentioned, rents rose 4.1% in April. Chart 1 shows that the rent gains for securitized properties were slightly higher than their RentRange benchmarks, which track the year-over-year change on three- and four-bedroom median rents, weighted by MSA to match the geographic concentration of the Morningstar database. As predicted, based on the historical rent changes shown in Chart 1, the rent gains for securitized properties increased through spring. That said, the increases are still lower than they were one year prior when rent increases averaged 5.3%. Lower rent increases appear to be driven by properties occupied by new tenants.

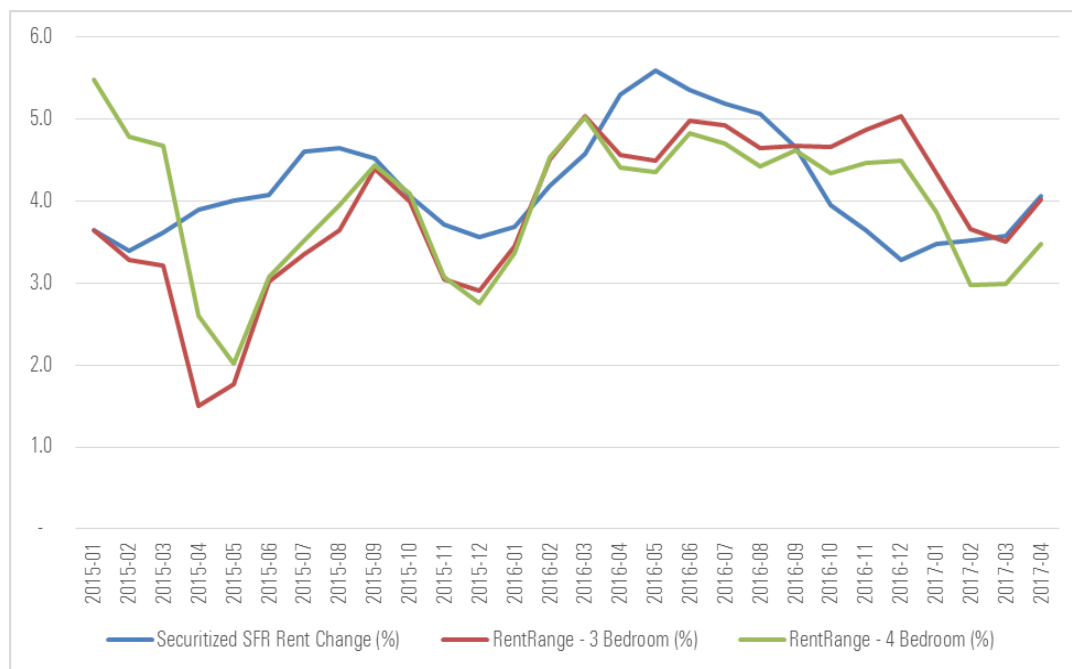
Chart 2 shows the rental change of renewals versus vacant-to-occupied properties. For March, the latest month for which data is available, the rent change for vacant-to-occupied properties was 3.5%, while the rent change for renewal properties was at 4.1%. Chart 3 shows that the average contractual rents by MSA have been largely in line with or slightly higher than their property-level RentRange estimates. Exceptions are most notable in the Florida MSAs of Sarasota-Bradenton-Venice and Fort Lauderdale. Chart 4 shows the MSA-level blended rent change. MSAs with rent changes above the 4.1% average are blue, while those below are red. The size of the circle indicates the percentage of properties from a given MSA in Morningstar's database. Table 1 shows the MSA-level blended rent change for the past 12 months.

Multiborrower Performance

There have been seven multiborrower transactions: B2R 2015-1, B2R 2015-2, B2R 2016-1, FKL 2015-SFR1, CAF 2015-1, CAF 2016-1, and CAF 2016-2. As of the most recent remittance report, B2R 2015-1 had five loans that were 30 days delinquent and one loan that was at least 90 days delinquent. The loan that is at least 90 days delinquent is 0.2% of the transaction balance and was transferred to special servicing in June for payment default. Additionally, one of the 30 days past due loans in B2R 2015-1 that makes up 0.3% of the deal balance is in foreclosure. The loan remains in special servicing. In all, four loans from B2R 2015-1, totaling 0.9% of the transaction balance, have been transferred to special servicing. Separately, one loan in B2R 2015-2 was 30 days delinquent, one loan was 60 days past due, and three were more than 90 days delinquent. Four of the delinquent loans, which were transferred to special servicing, account for 0.7% of the deal balance. B2R 2016-1 has three loans that were 30 days delinquent, one loan that was 60 days past due, and three that were more than 90 days delinquent. The past due loans in B2R 2016-1 make up a combined 1.8% of the deal balance. Four loans in B2R 2016-1 have been transferred to special servicing, up from two last month. CAF 2015-1 had one loan that was 30 days past due and two other loans that were transferred to special servicing in November. All of the loans in CAF 2016-1 are current, while CAF 2016-2 has one loan that is 30 days delinquent and one loan at least 90 days delinquent in special servicing. Finally, all borrowers in FKL 2015-SFR1 are current. However, one loan that is approximately 1.7% of the deal balance was transferred to special servicing in October for imminent default.

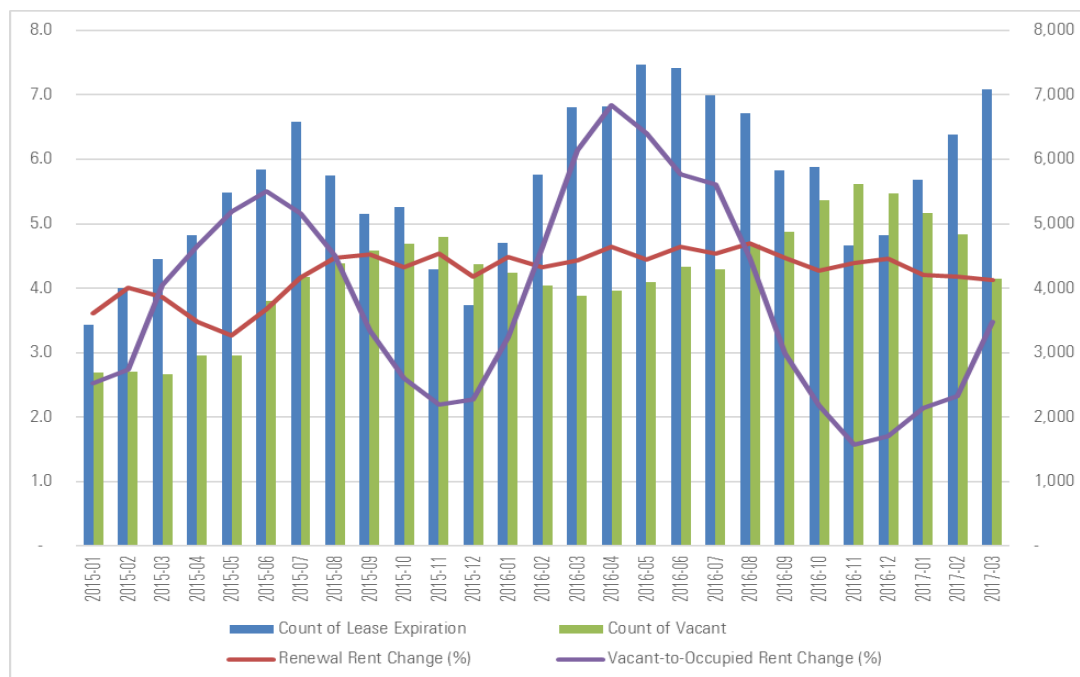
Single-Borrower Charts and Tables

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



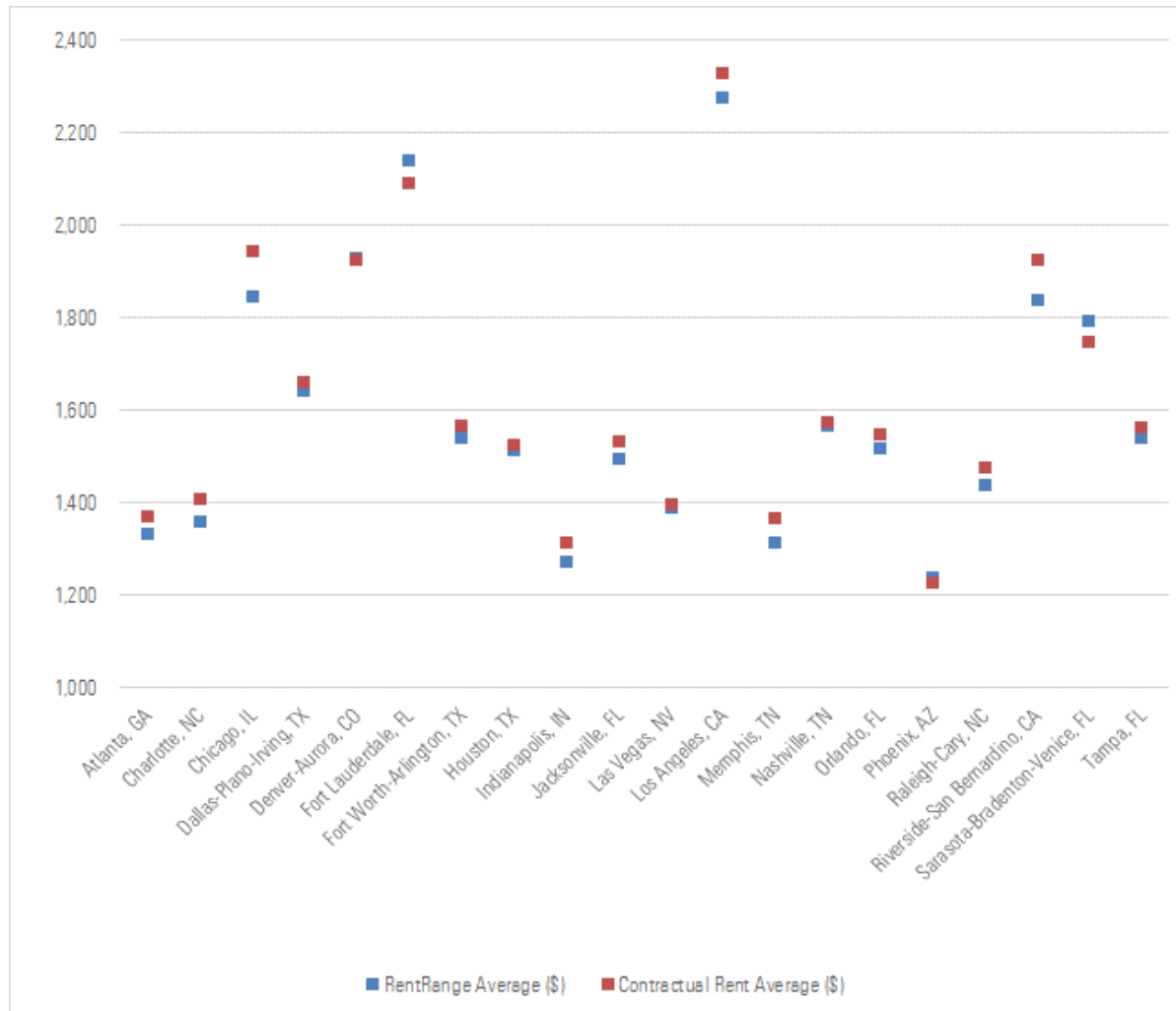
Sources: Morningstar Credit Ratings, LLC; RentRange

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



Source: Morningstar Credit Ratings, LLC

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



Sources: Morningstar Credit Ratings, LLC; RentRange

Chart 4 – MSA-Level Blended Rent Change*



Sources: Morningstar Credit Ratings, LLC; Tableau Software

*The size of the circles represents the total percentage (by count) of properties in each MSA, ranging from 1.5% to 13.1%. Because of their proximity, the Fort Worth-Arlington, Texas, MSA is hidden behind the Dallas-Plano-Irving, Texas, MSA.

Table 1 – Blended Rent Change (by Percentage) - Top MSAs

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Atlanta, GA		5.6	5.7	5.4	5.7	5.0	4.4	4.3	3.7	3.8	3.9	3.9	4.4
Charlotte, NC		7.2	5.8	5.1	5.3	5.2	4.0	3.4	3.2	2.2	2.7	2.9	4.1
Chicago, IL		3.7	3.3	2.4	2.6	1.8	1.8	0.4	0.4	0.8	1.4	1.9	1.9
Dallas-Plano-Irving, TX		5.9	5.2	4.8	5.0	4.5	4.0	3.7	2.9	2.7	3.6	3.8	4.4
Fort Lauderdale, FL		7.9	11.3	10.4	8.5	7.8	6.2	6.5	4.1	6.3	5.4	6.3	6.7
Fort Worth-Arlington, TX		4.2	4.9	4.3	4.5	3.4	3.7	3.3	2.6	3.6	2.8	2.8	3.9
Houston, TX		5.9	5.7	5.2	4.5	3.9	3.8	3.9	3.0	3.4	3.8	4.1	4.5
Indianapolis, IN		4.0	3.4	2.8	2.1	3.1	-0.2	-0.3	-0.1	0.7	-0.1	0.5	1.9
Jacksonville, FL		1.7	1.5	3.2	2.7	2.1	1.8	-0.2	-1.0	-2.8	0.4	0.7	1.6
Las Vegas, NV		4.8	4.5	3.9	3.7	3.3	3.0	2.2	1.9	1.5	2.0	1.7	2.2
Los Angeles, CA		5.2	5.2	4.9	4.9	4.8	4.8	4.4	4.2	4.4	4.4	4.6	4.8
Memphis, TN		8.0	7.3	8.1	7.9	7.3	6.3	7.0	7.0	6.1	8.2	7.1	7.4
Nashville, TN		3.7	4.2	3.6	3.2	3.6	3.0	3.2	2.2	1.9	0.5	0.2	0.5
Orlando, FL		5.6	4.7	4.9	4.4	3.9	4.0	3.9	3.0	3.0	2.4	2.5	4.1
Phoenix, AZ		4.7	5.2	5.4	5.5	5.3	4.4	3.9	3.7	4.1	4.1	4.1	4.8
Raleigh-Cary, NC		8.0	7.6	8.0	6.4	6.4	5.8	5.5	5.2	5.9	6.1	5.7	6.4
Riverside-San Bernardino, CA		5.3	4.6	4.3	3.7	3.6	2.4	2.9	2.5	2.0	3.0	3.1	4.2
Sacramento, CA		6.1	5.9	5.4	5.5	4.7	4.5	4.5	5.1	4.6	5.1	4.8	4.9
Sarasota-Bradenton-Venice, FL		5.1	4.9	4.7	4.1	3.8	3.7	3.8	2.0	2.9	1.8	2.3	2.3
Tampa, FL		4.7	4.7	4.7	4.6	4.1	3.2	3.6	3.5	2.9	2.7	2.7	3.4

Table 2a – Month-End Vacancy (by Count)



		Year 2016												Year 2017				Total Count
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr					
AH4R 2014-SFR2		225	233	200	193	199	191	201	179	162	193	164	165	4,484				
AH4R 2014-SFR3		185	208	221	204	256	259	248	215	206	236	223	219	4,500				
AH4R 2015-SFR1		187	197	205	225	274	260	268	264	258	239	198	183	4,660				
AH4R 2015-SFR2		286	254	194	150	136	150	167	156	182	198	195	226	4,124				
AMSR 2016-SFR1							335	345	306	291	288	251	222	4,262				
CAH 2014-1		109	116	160	178	175	178	193	182	155	125	125	140	3,333				
CAH 2014-2		150	168	159	182	187	178	185	171	160	152	152	164	3,673				
CAH 2015-1		139	170	224	220	198	210	195	194	184	164	160	194	3,863				
CSH 2016-1					143	148	169	190	180	161	153	155	183	3,563				
CSH 2016-2									177	193	168	173	186	3,993				
HPA 2016-1		40	52	76	89	99	93	79	65	59	52	46	48	2,067				
HPA 2016-2						9	14	17	18	22	20	29	37	1,367				
IH 2014-SFR2		137	156	155	183	193	197	184	158	155	158	138	151	3,632				
IH 2014-SFR3		151	176	188	188	194	192	197	180	192	174	168	169	3,945				
IH 2015-SFR1		112	108	130	155	164	144	146	142	151	153	124	122	3,019				
IH 2015-SFR2		116	123	152	179	178	176	213	186	183	155	144	142	3,520				
IH 2015-SFR3		246	266	308	344	381	375	397	384	389	346	315	311	7,154				
PRD 2015-SFR2		162	134	123	125	137	194	234	274	255	201	140	139	3,296				
PRD 2015-SFR3		160	211	239	263	251	259	226	206	191	149	86	93	3,159				
PRD 2016-SFR1					210	254	310	364	397	414	346	232	238	5,568				
PRD 2016-SFR2									195	186	140	84	101	3,744				
SWAY 2014-1		242	238	246	226	208	213	202	175	172	185	211	247	4,045				
TAH 2015-SFR1		189	200	212	189	206	189	179	153	130	135	118	119	3,273				
TAH 2016-SFR1								157	184	175	188	183	164	3,439				
Overall SFR		2,836	3,010	3,192	3,646	3,847	4,286	4,587	4,741	4,626	4,318	3,814	3,963	91,683				

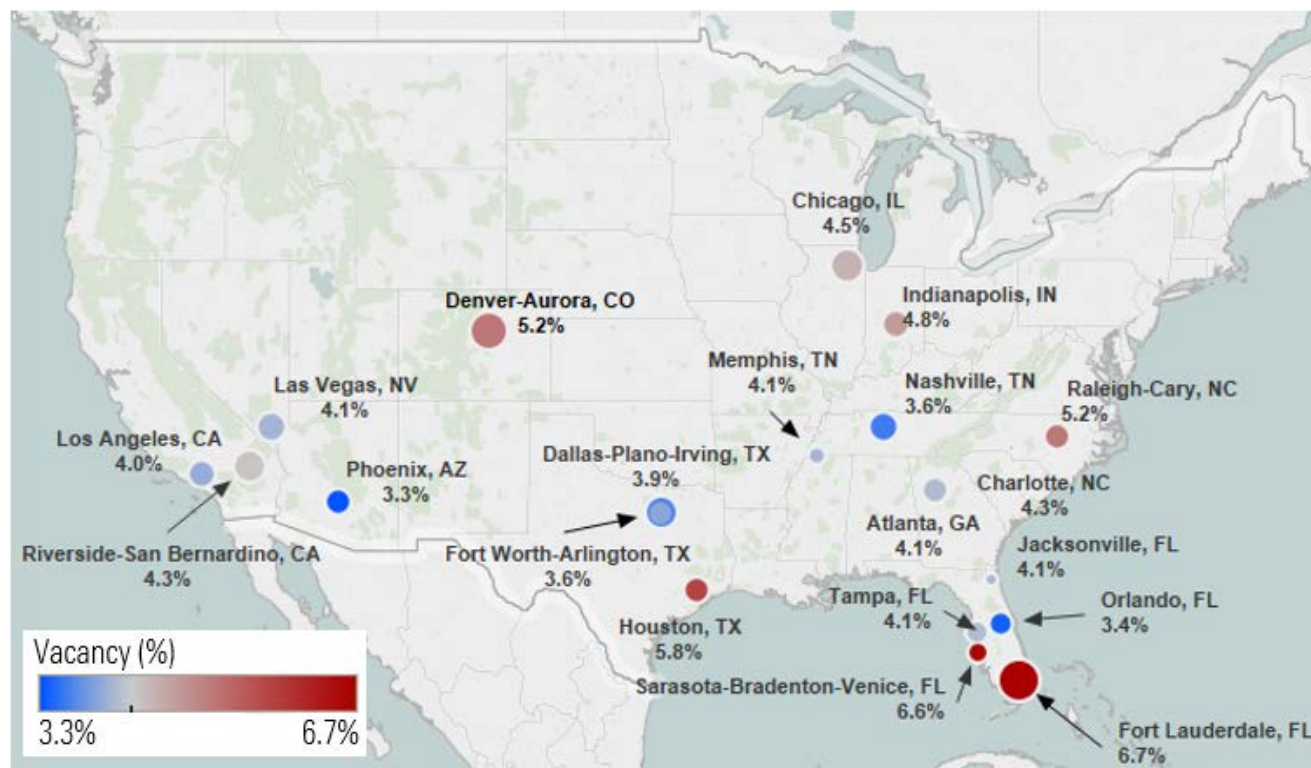
Table 2b – Month-End Vacancy (by Percentage)

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
AH4R 2014-SFR2		5.0	5.2	4.5	4.3	4.4	4.3	4.5	4.0	3.6	4.3	3.7	3.7
AH4R 2014-SFR3		4.1	4.6	4.9	4.5	5.7	5.8	5.5	4.8	4.6	5.2	5.0	4.9
AH4R 2015-SFR1		4.0	4.2	4.4	4.8	5.9	5.6	5.8	5.7	5.5	5.1	4.2	3.9
AH4R 2015-SFR2		6.9	6.2	4.7	3.6	3.3	3.6	4.0	3.8	4.4	4.8	4.7	5.5
AMSR 2016-SFR1							7.9	8.1	7.2	6.8	6.8	5.9	5.2
CAH 2014-1		3.2	3.4	4.8	5.3	5.2	5.3	5.8	5.4	4.6	3.7	3.7	4.2
CAH 2014-2		4.0	4.5	4.3	4.9	5.1	4.8	5.0	4.6	4.3	4.1	4.1	4.5
CAH 2015-1		3.6	4.4	5.8	5.7	5.1	5.4	5.0	5.0	4.8	4.2	4.1	5.0
CSH 2016-1					4.0	4.2	4.7	5.3	5.1	4.5	4.3	4.4	5.1
CSH 2016-2									4.4	4.8	4.2	4.3	4.7
HPA 2016-1		1.8	2.4	3.5	4.2	4.7	4.4	3.7	3.1	2.8	2.5	2.2	2.3
HPA 2016-2						0.6	1.0	1.2	1.3	1.6	1.4	2.1	2.7
IH 2014-SFR2		3.7	4.2	4.2	5.0	5.2	5.3	5.0	4.3	4.2	4.3	3.8	4.2
IH 2014-SFR3		3.8	4.4	4.7	4.7	4.8	4.8	4.9	4.5	4.8	4.4	4.3	4.3
IH 2015-SFR1		3.7	3.6	4.3	5.1	5.4	4.8	4.8	4.7	5.0	5.1	4.1	4.0
IH 2015-SFR2		3.3	3.5	4.3	5.1	5.1	5.0	6.1	5.3	5.2	4.4	4.1	4.0
IH 2015-SFR3		3.4	3.7	4.3	4.8	5.3	5.2	5.5	5.3	5.4	4.8	4.4	4.3
PRD 2015-SFR2		4.9	4.1	3.7	3.8	4.1	5.9	7.1	8.3	7.7	6.1	4.2	4.2
PRD 2015-SFR3		5.1	6.7	7.6	8.3	7.9	8.2	7.1	6.5	6.0	4.7	2.7	2.9
PRD 2016-SFR1					3.8	4.6	5.6	6.5	7.1	7.4	6.2	4.2	4.3
PRD 2016-SFR2									5.2	5.0	3.7	2.2	2.7
SWAY 2014-1		5.9	5.8	6.0	5.5	5.1	5.2	5.0	4.3	4.2	4.6	5.2	6.1
TAH 2015-SFR1		5.4	5.7	6.1	5.4	5.9	5.6	5.3	4.6	3.9	4.1	3.6	3.6
TAH 2016-SFR1								4.6	5.4	5.1	5.5	5.3	4.8
Overall SFR		4.3	4.5	4.8	4.8	5.0	5.3	5.4	5.2	5.0	4.7	4.2	4.3

Table 2c – Month-End Vacancy (by Percentage) – Top MSAs

		Year 2016					Year 2017						
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Atlanta, GA		4.1	4.0	4.9	4.9	4.5	4.8	4.8	4.6	5.1	4.5	4.1	4.1
Charlotte, NC		4.3	4.3	4.3	4.5	5.1	5.5	6.0	5.6	5.2	4.6	3.7	4.3
Chicago, IL		5.4	5.9	6.9	6.4	6.1	6.4	5.5	5.4	4.7	4.5	4.3	4.5
Dallas-Plano-Irving, TX		5.1	4.2	4.0	4.3	4.4	5.4	5.3	4.4	4.2	3.9	3.5	3.9
Denver-Aurora, CO		4.0	4.9	5.8	4.2	5.1	4.4	6.8	5.7	5.4	4.2	5.3	5.2
Fort Lauderdale, FL		4.2	4.0	5.9	6.2	7.2	6.9	6.6	6.0	6.6	6.7	5.8	6.7
Fort Worth-Arlington, TX		4.6	4.6	4.0	3.4	3.4	4.0	4.6	5.0	5.1	4.5	4.1	3.6
Houston, TX		6.8	6.6	7.8	7.5	7.8	8.0	7.7	7.1	6.2	6.2	6.0	5.8
Indianapolis, IN		5.1	6.4	5.8	6.7	6.9	8.7	8.1	6.8	6.2	5.2	4.3	4.8
Jacksonville, FL		5.4	5.2	4.9	5.4	6.4	6.9	7.3	7.6	6.6	4.8	3.5	4.1
Las Vegas, NV		3.5	4.0	4.3	3.8	3.7	4.1	3.7	4.3	3.4	3.3	3.0	4.1
Los Angeles, CA		3.5	3.9	3.1	3.3	3.9	3.2	3.0	2.9	2.4	2.7	3.2	4.0
Memphis, TN		5.8	6.1	6.5	5.3	6.6	8.3	8.7	8.8	8.1	7.8	5.0	4.1
Nashville, TN		3.7	2.5	2.9	2.8	3.5	4.8	5.8	5.5	5.5	5.9	4.3	3.6
Orlando, FL		3.9	3.8	4.2	4.5	4.7	4.7	5.0	4.5	4.0	3.8	3.3	3.4
Phoenix, AZ		2.8	3.5	3.5	3.8	4.3	4.4	4.6	4.2	3.6	3.0	2.9	3.3
Raleigh-Cary, NC		4.8	4.4	4.0	4.1	5.2	4.6	4.8	5.0	5.1	5.8	4.6	5.2
Riverside-San Bernardino, CA		4.4	5.2	4.1	5.1	4.0	3.8	4.0	3.6	4.0	4.5	4.3	4.3
Sarasota-Bradenton-Venice, FL		5.4	6.2	7.1	7.0	6.8	7.2	7.2	6.6	7.4	6.1	5.1	6.6
Tampa, FL		4.1	4.9	4.9	4.9	4.8	5.1	5.0	5.2	5.3	4.4	4.0	4.1

Chart 5 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)*



Sources: Morningstar Credit Ratings, LLC; Tableau Software

*The size of the circles represents the past three months of lease expirations by count as a percentage of each MSA, ranging from 17.7% to 23.6%. Because of their proximity, the Fort Worth-Arlington, Texas, MSA is hidden behind Dallas-Plano-Irving, Texas, MSA.

Table 3a – Lease Expiration (by Count)



		Year 2016								Year 2017				Total Count
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
AH4R 2014-SFR2		551	388	358	297	221	190	195	150	290	334	362	387	4,484
AH4R 2014-SFR3		461	556	432	396	288	216	146	169	295	287	306	273	4,500
AH4R 2015-SFR1		232	420	540	430	361	341	293	266	319	272	242	215	4,660
AH4R 2015-SFR2		620	421	165	82	99	116	122	124	245	355	466	407	4,124
AMSR 2016-SFR1							217	174	156	200	294	314	355	4,262
CAH 2014-1		214	260	349	390	322	290	210	154	175	189	190	214	3,333
CAH 2014-2		276	240	234	262	238	245	221	222	269	286	322	328	3,673
CAH 2015-1		321	393	404	421	313	286	241	210	220	178	200	268	3,863
CSH 2016-1					271	257	230	182	184	174	253	294	331	3,563
CSH 2016-2									217	242	266	308	324	3,993
HPA 2016-1		170	263	298	263	262	141	62	48	64	71	116	166	2,067
HPA 2016-2						4	8	10	5	6	2	139	212	1,367
IH 2014-SFR2		281	301	279	278	194	203	154	153	191	187	222	258	3,632
IH 2014-SFR3		302	366	323	245	209	184	203	171	213	214	241	262	3,945
IH 2015-SFR1		125	142	180	191	183	200	207	196	255	213	192	166	3,019
IH 2015-SFR2		155	188	222	219	218	247	270	219	221	247	258	192	3,520
IH 2015-SFR3		292	353	427	460	449	532	480	445	522	530	520	395	7,154
PRD 2015-SFR2		130	105	113	150	177	304	165	149	179	217	266	215	3,296
PRD 2015-SFR3		501	446	442	412	210	74	27	27	42	55	68	164	3,159
PRD 2016-SFR1					170	263	420	242	312	353	358	502	470	5,568
PRD 2016-SFR2									115	70	79	87	101	3,744
SWAY 2014-1		268	253	204	170	105	71	60	202	182	273	346	361	4,045
TAH 2015-SFR1		215	253	222	173	239	235	144	142	145	227	265	237	3,273
TAH 2016-SFR1								93	85	122	218	190	309	3,439
Overall SFR		5,114	5,348	5,192	5,280	4,612	4,750	3,901	4,121	4,994	5,605	6,416	6,610	91,683

Table 3b – Lease Expiration (by Percentage)

























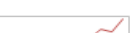


		Year 2016					Year 2017							
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
AH4R 2014-SFR2		12.3	8.6	8.0	6.6	4.9	4.2	4.3	3.3	6.5	7.4	8.1	8.6	
AH4R 2014-SFR3		10.2	12.3	9.6	8.8	6.4	4.8	3.2	3.8	6.6	6.4	6.8	6.1	
AH4R 2015-SFR1		5.0	9.0	11.6	9.2	7.7	7.3	6.3	5.7	6.8	5.8	5.2	4.6	
AH4R 2015-SFR2		15.0	10.2	4.0	2.0	2.4	2.8	3.0	3.0	5.9	8.6	11.3	9.9	
AMSR 2016-SFR1								5.1	4.1	3.7	4.7	6.9	8.3	
CAH 2014-1		6.4	7.7	10.4	11.6	9.6	8.6	6.3	4.6	5.2	5.7	5.7	6.4	
CAH 2014-2		7.5	6.5	6.3	7.1	6.4	6.6	6.0	6.0	7.3	7.8	8.8	8.9	
CAH 2015-1		8.3	10.1	10.4	10.9	8.1	7.4	6.2	5.4	5.7	4.6	5.2	6.9	
CSH 2016-1					7.6	7.2	6.5	5.1	5.2	4.9	7.1	8.3	9.3	
CSH 2016-2									5.4	6.1	6.7	7.7	8.1	
HPA 2016-1		7.7	12.1	13.8	12.3	12.3	6.7	2.9	2.3	3.1	3.4	5.6	8.0	
HPA 2016-2						0.3	0.6	0.7	0.4	0.4	0.1	10.0	15.5	
IH 2014-SFR2		7.6	8.2	7.6	7.5	5.3	5.5	4.2	4.2	5.2	5.1	6.1	7.1	
IH 2014-SFR3		7.5	9.1	8.1	6.1	5.2	4.6	5.1	4.3	5.3	5.4	6.1	6.6	
IH 2015-SFR1		4.1	4.7	5.9	6.3	6.0	6.6	6.9	6.5	8.4	7.1	6.4	5.5	
IH 2015-SFR2		4.4	5.3	6.3	6.2	6.2	7.0	7.7	6.2	6.3	7.0	7.3	5.5	
IH 2015-SFR3		4.1	4.9	5.9	6.4	6.2	7.4	6.7	6.2	7.3	7.4	7.3	5.5	
PRD 2015-SFR2		3.9	3.2	3.4	4.5	5.4	9.2	5.0	4.5	5.4	6.6	8.1	6.5	
PRD 2015-SFR3		15.8	14.1	14.0	13.0	6.6	2.3	0.9	0.9	1.3	1.7	2.2	5.2	
PRD 2016-SFR1					3.0	4.7	7.5	4.3	5.6	6.3	6.4	9.0	8.4	
PRD 2016-SFR2									3.1	1.9	2.1	2.3	2.7	
SWAY 2014-1		6.6	6.2	5.0	4.2	2.6	1.7	1.5	5.0	4.5	6.7	8.5	8.9	
TAH 2015-SFR1		6.1	7.2	6.3	4.9	6.8	6.9	4.3	4.2	4.3	6.8	8.0	7.2	
TAH 2016-SFR1								2.7	2.5	3.5	6.3	5.5	9.0	
Overall SFR		7.7	8.1	7.8	7.0	6.0	5.9	4.6	4.5	5.4	6.1	7.0	7.2	

Table 3c – Lease Expiration (by Percentage) – Top MSAs

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Atlanta, GA		8.1	7.1	7.0	5.7	5.7	5.9	4.5	5.0	5.5	5.9	6.8	7.2
Charlotte, NC		6.9	9.1	8.2	8.4	6.8	6.0	4.9	4.0	4.6	4.8	6.0	6.9
Chicago, IL		8.7	8.9	7.9	6.0	5.7	4.9	3.4	3.3	5.6	6.2	7.5	7.6
Dallas-Plano-Irving, TX		8.8	8.5	9.2	7.3	5.1	6.9	4.0	4.6	5.1	5.7	6.9	7.2
Denver-Aurora, CO		9.9	10.6	12.3	9.6	9.2	4.4	5.5	3.4	4.7	5.0	7.6	9.8
Fort Lauderdale, FL		5.3	8.0	6.0	6.3	7.0	5.7	4.8	4.6	7.9	6.4	8.8	8.5
Fort Worth-Arlington, TX		9.9	7.9	7.7	6.4	4.9	5.2	3.7	3.7	4.7	5.2	7.6	8.0
Houston, TX		9.3	9.0	8.3	6.6	5.5	5.0	3.6	4.4	4.2	6.4	6.5	6.9
Indianapolis, IN		12.9	12.0	9.3	7.1	6.2	3.5	1.4	1.1	4.9	4.5	6.3	9.1
Jacksonville, FL		8.3	7.7	7.1	6.9	6.9	6.5	6.3	5.0	5.7	5.9	6.3	5.9
Las Vegas, NV		7.9	8.4	8.6	7.9	6.5	7.8	4.2	4.9	5.7	6.3	6.5	7.8
Los Angeles, CA		5.5	5.9	5.7	6.8	6.5	4.1	4.4	4.1	4.9	5.0	7.1	7.9
Memphis, TN		7.4	7.1	9.0	7.8	7.6	5.4	3.3	4.2	4.7	5.2	7.0	6.3
Nashville, TN		10.4	9.8	8.1	7.0	6.8	6.6	5.7	4.2	4.7	5.3	7.2	7.9
Orlando, FL		9.2	8.9	9.7	7.4	5.7	6.1	4.4	4.7	5.0	6.0	6.5	6.9
Phoenix, AZ		7.6	6.6	7.0	6.9	6.5	6.4	4.8	5.2	6.4	6.9	7.1	5.8
Raleigh-Cary, NC		9.5	9.3	8.3	7.9	5.3	6.4	4.2	3.6	4.4	7.1	6.5	6.1
Riverside-San Bernardino, CA		6.4	6.4	7.1	6.6	5.4	6.3	5.7	4.9	6.0	6.4	7.9	6.7
Sarasota-Bradenton-Venice, FL		7.6	8.4	9.1	8.6	6.6	6.4	4.9	4.6	5.2	5.0	7.4	6.5
Tampa, FL		7.4	8.1	8.4	7.4	5.8	6.2	4.7	5.3	5.3	5.9	6.2	7.1

**Table 4a – Historical Months of Vacancy for April Vacancies (by Count)**

		1	2	3	4	5	6	7	8	9	10	11	12+	Total
AH4R 2014-SFR2		41	29	34	19	22	7	9	3	0	1	0	0	165
AH4R 2014-SFR3		40	44	38	27	28	18	12	6	4	2	0	0	219
AH4R 2015-SFR1		46	34	31	31	16	13	6	3	3	0	0	0	183
AH4R 2015-SFR2		80	66	45	16	10	8	0	0	1	0	0	0	226
AMSR 2016-SFR1		88	77	29	15	7	5	0	1	0	0	0	0	222
CAH 2014-1		26	24	28	14	12	11	8	7	3	3	2	2	140
CAH 2014-2		37	39	39	19	5	6	8	4	2	2	2	1	164
CAH 2015-1		51	59	25	26	11	9	3	2	2	5	0	1	194
CSH 2016-1		86	59	21	7	1	3	1	2	3	0	0	0	183
CSH 2016-2		97	59	18	5	7	0	0	0	0	0	0	0	186
HPA 2016-1		24	14	4	4	2	0	0	0	0	0	0	0	48
HPA 2016-2		16	8	9	1	0	2	0	1	0	0	0	0	37
IH 2014-SFR2		34	39	38	16	8	6	4	0	1	0	2	3	151
IH 2014-SFR3		53	40	25	22	11	5	7	2	2	0	0	2	169
IH 2015-SFR1		31	33	21	20	3	3	4	1	1	0	0	5	122
IH 2015-SFR2		36	49	26	6	15	4	2	1	0	1	1	1	142
IH 2015-SFR3		97	101	55	19	20	5	3	1	0	3	1	6	311
PRD 2015-SFR2		54	42	14	13	7	2	3	1	2	1	0	0	139
PRD 2015-SFR3		54	18	9	3	3	2	2	1	0	0	1	0	93
PRD 2016-SFR1		142	57	25	8	2	0	0	0	3	1	0	0	238
PRD 2016-SFR2		68	24	7	1	1	0	0	0	0	0	0	0	101
SWAY 2014-1		60	51	38	35	22	10	6	7	5	1	2	10	247
TAH 2015-SFR1		34	34	14	11	7	5	3	3	3	0	0	5	119
TAH 2016-SFR1		73	50	23	4	7	7	0	0	0	0	0	0	164
Overall SFR		1,368	1,050	616	342	227	131	81	46	35	20	11	36	3,963

**Table 4b – Historical Months of Vacancy for April Vacancies (by Percentage)**

		1	2	3	4	5	6	7	8	9	10	11	12+	Total
AH4R 2014-SFR2		24.8	17.6	20.6	11.5	13.3	4.2	5.5	1.8	0.0	0.6	0.0	0.0	100.0
AH4R 2014-SFR3		18.3	20.1	17.4	12.3	12.8	8.2	5.5	2.7	1.8	0.9	0.0	0.0	100.0
AH4R 2015-SFR1		25.1	18.6	16.9	16.9	8.7	7.1	3.3	1.6	1.6	0.0	0.0	0.0	100.0
AH4R 2015-SFR2		35.4	29.2	19.9	7.1	4.4	3.5	0.0	0.0	0.4	0.0	0.0	0.0	100.0
AWSR 2016-SFR1		39.6	34.7	13.1	6.8	3.2	2.3	0.0	0.5	0.0	0.0	0.0	0.0	100.0
CAH 2014-1		18.6	17.1	20.0	10.0	8.6	7.9	5.7	5.0	2.1	2.1	1.4	1.4	100.0
CAH 2014-2		22.6	23.8	23.8	11.6	3.0	3.7	4.9	2.4	1.2	1.2	1.2	0.6	100.0
CAH 2015-1		26.3	30.4	12.9	13.4	5.7	4.6	1.5	1.0	1.0	2.6	0.0	0.5	100.0
CSH 2016-1		47.0	32.2	11.5	3.8	0.5	1.6	0.5	1.1	1.6	0.0	0.0	0.0	100.0
CSH 2016-2		52.2	31.7	9.7	2.7	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
HPA 2016-1		50.0	29.2	8.3	8.3	4.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
HPA 2016-2		43.2	21.6	24.3	2.7	0.0	5.4	0.0	2.7	0.0	0.0	0.0	0.0	100.0
IH 2014-SFR2		22.5	25.8	25.2	10.6	5.3	4.0	2.6	0.0	0.7	0.0	1.3	2.0	100.0
IH 2014-SFR3		31.4	23.7	14.8	13.0	6.5	3.0	4.1	1.2	1.2	0.0	0.0	1.2	100.0
IH 2015-SFR1		25.4	27.0	17.2	16.4	2.5	2.5	3.3	0.8	0.8	0.0	0.0	4.1	100.0
IH 2015-SFR2		25.4	34.5	18.3	4.2	10.6	2.8	1.4	0.7	0.0	0.7	0.7	0.7	100.0
IH 2015-SFR3		31.2	32.5	17.7	6.1	6.4	1.6	1.0	0.3	0.0	1.0	0.3	1.9	100.0
PRD 2015-SFR2		38.8	30.2	10.1	9.4	5.0	1.4	2.2	0.7	1.4	0.7	0.0	0.0	100.0
PRD 2015-SFR3		58.1	19.4	9.7	3.2	3.2	2.2	2.2	1.1	0.0	0.0	1.1	0.0	100.0
PRD 2016-SFR1		59.7	23.9	10.5	3.4	0.8	0.0	0.0	0.0	1.3	0.4	0.0	0.0	100.0
PRD 2016-SFR2		67.3	23.8	6.9	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
SWAY 2014-1		24.3	20.6	15.4	14.2	8.9	4.0	2.4	2.8	2.0	0.4	0.8	4.0	100.0
TAH 2015-SFR1		28.6	28.6	11.8	9.2	5.9	4.2	2.5	2.5	2.5	0.0	0.0	4.2	100.0
TAH 2016-SFR1		44.5	30.5	14.0	2.4	4.3	4.3	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Overall SFR		34.5	26.5	15.5	8.6	5.7	3.3	2.0	1.2	0.9	0.5	0.3	0.9	100.0

Table 5 – 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
Amherst	Past due one calendar month or more (not dependent on day count) and owing \$500 or more
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 ¹
SWAY Residential	Past due one calendar month or more (not dependent on day count) and owing \$200 or more
Tricon American Homes	Past due 30 days or more (not dependent on calendar month) and owing \$500 or more ²

¹Includes Section 8 rent, pet fees, and MTM fees, but excludes late fees and damage fees.

²Based on total receivables.

Table 6a – Month-End Delinquency (by Count)

		Year 2016								Year 2017					Total Count
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr		
AH4R 2014-SFR2		15	13	16	18	22	12	23	27	16	28	21	14	4,484	
AH4R 2014-SFR3		13	13	10	14	17	17	18	10	15	15	12	11	4,500	
AH4R 2015-SFR1		18	15	16	15	16	15	24	17	16	12	20	12	4,660	
AH4R 2015-SFR2		12	20	19	21	23	20	19	18	19	15	12	3	4,124	
AMSR 2016-SFR1							81	99	109	106	94	56	67	4,262	
CAH 2014-1		19	17	22	20	21	24	26	23	39	28	17	18	3,333	
CAH 2014-2		21	20	28	29	42	41	32	41	44	47	37	27	3,673	
CAH 2015-1		19	23	20	26	35	19	23	28	40	27	23	17	3,863	
CSH 2016-1					29	26	20	22	32	35	29	22	17	3,563	
CSH 2016-2									43	33	42	40	21	3,993	
HPA 2016-1		19	19	27	30	36	22	21	24	19	16	12	12	2,067	
HPA 2016-2						14	13	10	14	20	20	11	8	1,367	
IH 2014-SFR2		17	19	14	16	21	26	18	24	32	26	26	33	3,632	
IH 2014-SFR3		14	9	26	20	24	18	32	32	25	39	36	26	3,945	
IH 2015-SFR1		13	15	22	15	13	15	18	25	23	28	25	22	3,019	
IH 2015-SFR2		17	16	21	26	22	42	35	37	22	25	33	38	3,520	
IH 2015-SFR3		36	36	57	56	48	60	64	65	74	82	63	75	7,154	
PRD 2015-SFR2		23	14	20	18	24	31	26	22	19	20	13	18	3,296	
PRD 2015-SFR3		14	19	19	19	20	18	17	10	15	17	4	8	3,159	
PRD 2016-SFR1					47	51	45	38	44	40	42	24	26	5,568	
PRD 2016-SFR2									26	27	16	11	10	3,744	
SWAY 2014-1		46	49	39	42	36	41	54	58	72	66	41	34	4,045	
TAH 2015-SFR1		22	22	19	17	17	15	18	16	35	38	22	20	3,273	
TAH 2016-SFR1								20	67	68	59	31	29	3,439	
Overall SFR		338	339	395	478	528	595	657	812	854	831	612	566	91,683	

Table 6b – Month-End Delinquency (by Percentage)

		Year 2016					Year 2017							
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
AH4R 2014-SFR2		0.3	0.3	0.4	0.4	0.5	0.3	0.5	0.6	0.4	0.6	0.5	0.3	
AH4R 2014-SFR3		0.3	0.3	0.2	0.3	0.4	0.4	0.4	0.2	0.3	0.3	0.3	0.2	
AH4R 2015-SFR1		0.4	0.3	0.3	0.3	0.3	0.3	0.5	0.4	0.3	0.3	0.4	0.3	
AH4R 2015-SFR2		0.3	0.5	0.5	0.5	0.6	0.5	0.5	0.4	0.5	0.4	0.3	0.1	
AMSR 2016-SFR1							1.9	2.3	2.6	2.5	2.2	1.3	1.6	
CAH 2014-1		0.6	0.5	0.7	0.6	0.6	0.7	0.8	0.7	1.2	0.8	0.5	0.5	
CAH 2014-2		0.6	0.5	0.8	0.8	1.1	1.1	0.9	1.1	1.2	1.3	1.0	0.7	
CAH 2015-1		0.5	0.6	0.5	0.7	0.9	0.5	0.6	0.7	1.0	0.7	0.6	0.4	
CSH 2016-1						0.7	0.6	0.6	0.9	1.0	0.8	0.6	0.5	
CSH 2016-2									1.1	0.8	1.1	1.0	0.5	
HPA 2016-1		0.9	0.9	1.2	1.4	1.7	1.0	1.0	1.1	0.9	0.8	0.6	0.6	
HPA 2016-2						1.0	0.9	0.7	1.0	1.4	1.4	0.8	0.6	
IH 2014-SFR2		0.5	0.5	0.4	0.4	0.6	0.7	0.5	0.7	0.9	0.7	0.7	0.9	
IH 2014-SFR3		0.3	0.2	0.6	0.5	0.6	0.4	0.8	0.8	0.6	1.0	0.9	0.7	
IH 2015-SFR1		0.4	0.5	0.7	0.5	0.4	0.5	0.6	0.8	0.8	0.9	0.8	0.7	
IH 2015-SFR2		0.5	0.5	0.6	0.7	0.6	1.2	1.0	1.1	0.6	0.7	0.9	1.1	
IH 2015-SFR3		0.5	0.5	0.8	0.8	0.7	0.8	0.9	0.9	1.0	1.1	0.9	1.0	
PRD 2015-SFR2		0.7	0.4	0.6	0.5	0.7	0.9	0.8	0.7	0.6	0.6	0.4	0.5	
PRD 2015-SFR3		0.4	0.6	0.6	0.6	0.6	0.6	0.5	0.3	0.5	0.5	0.1	0.3	
PRD 2016-SFR1					0.8	0.9	0.8	0.7	0.8	0.7	0.8	0.4	0.5	
PRD 2016-SFR2									0.7	0.7	0.4	0.3	0.3	
SWAY 2014-1		1.1	1.2	1.0	1.0	0.9	1.0	1.3	1.4	1.8	1.6	1.0	0.8	
TAH 2015-SFR1		0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.5	1.0	1.1	0.7	0.6	
TAH 2016-SFR1								0.6	1.9	2.0	1.7	0.9	0.8	
Overall SFR		0.5	0.5	0.6	0.6	0.7	0.7	0.8	0.9	0.9	0.9	0.7	0.6	

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

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
AH4R 2014-SFR2		77.7	78.9	72.6	75.1	76.9	77.9	80.5	74.7	74.8	78.4	84.8	TBD
AH4R 2014-SFR3		77.0	74.6	77.3	73.2	74.7	79.6	72.6	74.6	78.0	78.7	73.9	TBD
AH4R 2015-SFR1		74.1	73.6	76.1	73.7	77.8	80.4	81.9	77.1	77.4	76.1	75.6	TBD
AH4R 2015-SFR2		72.7	71.0	75.8	70.7	77.8	72.4	69.7	69.4	78.8	74.1	77.9	TBD
AMSR 2016-SFR1							72.8	81.6	81.4	79.5	83.0	83.8	TBD
CAH 2014-1		81.8	79.2	76.8	80.0	78.6	77.2	77.6	76.0	80.6	77.2	80.0	TBD
CAH 2014-2		78.6	73.3	72.2	76.7	75.2	78.0	76.9	81.5	80.7	79.7	82.9	TBD
CAH 2015-1		76.3	76.1	76.0	75.1	78.0	79.7	82.2	76.7	80.5	80.3	80.0	TBD
CSH 2016-1					76.4	79.4	76.1	73.1	78.3	85.1	78.3	82.0	TBD
CSH 2016-2									76.0	75.2	79.3	75.6	TBD
HPA 2016-1		77.6	85.9	80.5	86.3	87.0	84.4	80.6	70.8	82.8	88.7	78.4	TBD
HPA 2016-2						75.0	75.0	70.0	100.0	100.0	100.0	88.5	TBD
IH 2014-SFR2		77.6	74.4	72.0	72.3	75.3	75.9	74.0	79.7	78.5	78.1	76.6	TBD
IH 2014-SFR3		77.5	72.4	75.5	75.5	78.0	78.3	78.3	76.0	80.3	73.8	78.0	TBD
IH 2015-SFR1		66.4	71.1	65.6	67.5	78.7	78.5	80.2	77.6	78.4	80.3	82.3	TBD
IH 2015-SFR2		78.7	73.4	70.3	70.8	73.4	73.3	77.4	79.9	78.3	84.6	79.8	TBD
IH 2015-SFR3		74.3	73.9	72.4	75.4	73.9	79.5	75.0	80.4	77.6	81.3	79.4	TBD
PRD 2015-SFR2		70.0	64.8	65.5	75.3	74.0	77.0	77.6	79.2	78.8	77.4	77.8	TBD
PRD 2015-SFR3		73.1	68.6	72.9	74.3	75.7	78.4	70.4	81.5	69.0	72.7	73.5	TBD
PRD 2016-SFR1					77.6	77.9	78.3	76.9	72.8	76.5	77.9	81.9	TBD
PRD 2016-SFR2									66.1	75.7	78.5	72.4	TBD
SWAY 2014-1		69.0	70.4	66.2	71.8	66.7	59.2	60.0	82.2	81.3	78.4	78.0	TBD
TAH 2015-SFR1		85.6	79.8	83.3	82.1	82.8	83.0	77.1	85.9	80.7	87.2	86.0	TBD
TAH 2016-SFR1								86.0	80.0	86.9	80.7	78.9	TBD
Overall SFR		75.8	74.4	74.3	75.4	77.2	77.8	77.4	77.6	78.8	79.3	79.8	TBD

TBD – To Be Determined

**Table 8 – Monthly Retention Rate of MTM Leases**

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
AH4R 2014-SFR2		82.3	79.8	83.0	77.9	86.6	86.4	86.0	82.6	89.9	86.3	85.9	TBD
AH4R 2014-SFR3		82.8	78.9	75.7	74.4	79.6	82.0	84.1	87.5	83.6	79.6	88.2	TBD
AH4R 2015-SFR1		80.8	81.8	85.4	76.0	81.3	80.7	80.6	80.9	89.5	86.3	82.5	TBD
AH4R 2015-SFR2		73.9	79.5	81.9	80.7	82.5	85.2	76.6	84.5	85.9	84.8	81.4	TBD
AMSR 2016-SFR1							91.7	95.3	93.1	96.0	93.6	95.5	TBD
CAH 2014-1		81.7	82.8	75.7	81.0	69.0	79.4	81.5	75.4	84.2	66.1	79.5	TBD
CAH 2014-2		74.3	72.7	71.9	54.7	63.6	77.8	79.5	65.8	88.9	72.9	53.7	TBD
CAH 2015-1		74.5	74.6	63.5	74.1	63.6	69.6	82.6	81.1	77.3	71.1	80.0	TBD
CSH 2016-1					79.5	61.7	72.2	76.7	77.4	76.7	67.9	68.8	TBD
CSH 2016-2									69.2	70.5	64.4	72.7	TBD
HPA 2016-1		0.0											TBD
HPA 2016-2													TBD
IH 2014-SFR2		78.1	74.6	79.1	67.6	74.1	81.4	83.3	90.5	92.9	85.4	85.4	TBD
IH 2014-SFR3		84.8	81.4	75.0	76.7	76.4	76.9	82.0	80.9	91.1	88.0	83.3	TBD
IH 2015-SFR1		86.3	78.0	87.2	79.6	80.0	88.6	81.3	88.9	78.3	81.3	68.5	TBD
IH 2015-SFR2		75.7	63.8	79.1	86.7	75.5	78.7	87.8	81.1	85.4	89.1	86.7	TBD
IH 2015-SFR3		77.1	78.8	76.8	82.4	81.6	84.0	78.0	82.7	83.3	74.4	86.7	TBD
PRD 2015-SFR2		59.4	78.0	78.9	80.6	75.0	79.5	76.3	74.6	80.7	77.8	73.8	TBD
PRD 2015-SFR3		71.4	64.2	67.6	70.0	70.6	73.0	76.3	84.1	92.7	90.9	75.5	TBD
PRD 2016-SFR1					79.0	83.1	80.8	76.4	84.0	80.2	82.1	79.3	TBD
PRD 2016-SFR2									78.8	91.1	84.0	82.2	TBD
SWAY 2014-1		77.7	82.7	83.8	81.1	77.1	87.7	87.3	88.9	88.2	73.3	78.1	TBD
TAH 2015-SFR1		92.5	93.7	96.7	92.9	93.8	92.4	93.0	96.8	95.5	96.9	97.5	TBD
TAH 2016-SFR1								92.6	96.9	90.6	92.9	95.3	TBD
Overall SFR		81.0	81.4	82.7	79.9	80.7	84.8	86.0	87.1	89.0	86.0	86.7	TBD

TBD – To Be Determined

Table 9a – MTM Tenants (by Count)



		Year 2016								Year 2017				Total Count
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
AH4R 2014-SFR2		257	257	261	249	209	187	178	170	140	159	176	216	4,484
AH4R 2014-SFR3		225	250	284	284	246	209	185	164	159	174	174	190	4,500
AH4R 2015-SFR1		200	207	242	272	210	215	202	199	181	206	208	202	4,660
AH4R 2015-SFR2		323	320	282	217	173	142	132	114	111	133	171	186	4,124
AMSR 2016-SFR1							368	383	402	393	421	433	482	4,262
CAH 2014-1		60	64	74	63	71	68	65	65	57	56	44	37	3,333
CAH 2014-2		70	66	64	53	44	36	39	38	36	48	41	39	3,673
CAH 2015-1		47	63	74	58	66	56	46	53	44	45	45	42	3,863
CSH 2016-1					44	47	36	30	31	30	28	32	39	3,563
CSH 2016-2									39	44	45	44	37	3,993
HPA 2016-1		1	0	0	0	0	0	0	0	0	0	0	0	2,067
HPA 2016-2						0	0	0	0	0	0	0	0	1,367
IH 2014-SFR2		80	88	97	109	71	56	58	58	57	64	69	83	3,632
IH 2014-SFR3		75	86	92	87	73	70	64	67	69	64	70	70	3,945
IH 2015-SFR1		74	61	63	70	59	67	74	61	76	67	66	64	3,019
IH 2015-SFR2		58	62	73	63	68	76	69	72	61	64	86	90	3,520
IH 2015-SFR3		135	131	141	131	140	156	175	159	164	173	169	162	7,154
PRD 2015-SFR2		75	46	54	47	60	65	79	75	85	94	96	97	3,296
PRD 2015-SFR3		106	121	133	127	107	80	61	50	51	55	60	67	3,159
PRD 2016-SFR1					76	98	113	109	111	142	163	182	203	5,568
PRD 2016-SFR2									65	58	61	54	58	3,744
SWAY 2014-1		166	156	154	127	105	81	71	63	68	60	64	70	4,045
TAH 2015-SFR1		445	444	474	439	389	363	329	294	302	299	306	300	3,273
TAH 2016-SFR1								237	231	249	258	278	287	3,439
Overall SFR		2,397	2,422	2,562	2,516	2,236	2,444	2,586	2,581	2,577	2,737	2,868	3,021	91,683

Table 9b – MTM Tenants (by Percentage)

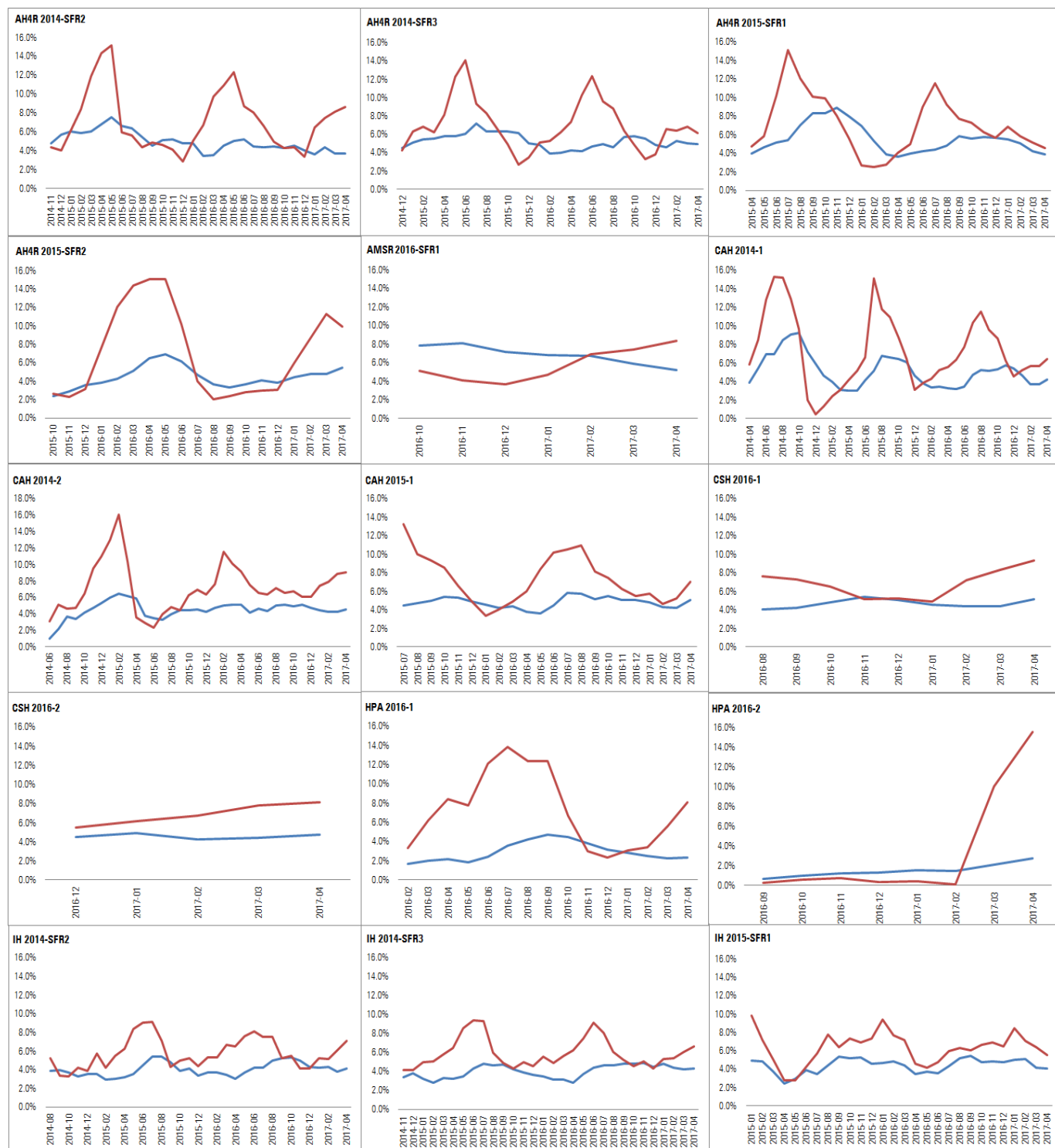
		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
AH4R 2014-SFR2		5.7	5.7	5.8	5.6	4.7	4.2	4.0	3.8	3.1	3.5	3.9	4.8
AH4R 2014-SFR3		5.0	5.6	6.3	6.3	5.5	4.6	4.1	3.6	3.5	3.9	3.9	4.2
AH4R 2015-SFR1		4.3	4.4	5.2	5.8	4.5	4.6	4.3	4.3	3.9	4.4	4.5	4.3
AH4R 2015-SFR2		7.8	7.8	6.8	5.3	4.2	3.4	3.2	2.8	2.7	3.2	4.1	4.5
AMSR 2016-SFR1								9.0	9.4	9.2	9.9	10.2	11.3
CAH 2014-1		1.8	1.9	2.2	1.9	2.1	2.0	1.9	1.9	1.7	1.7	1.3	1.1
CAH 2014-2		1.9	1.8	1.7	1.4	1.2	1.0	1.1	1.0	1.0	1.3	1.1	1.1
CAH 2015-1		1.2	1.6	1.9	1.5	1.7	1.4	1.2	1.4	1.1	1.2	1.2	1.1
CSH 2016-1						1.3	1.0	0.8	0.9	0.8	0.8	0.9	1.1
CSH 2016-2									1.0	1.1	1.1	1.1	0.9
HPA 2016-1		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HPA 2016-2						0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IH 2014-SFR2		2.2	2.4	2.6	3.0	1.9	1.5	1.6	1.6	1.6	1.8	1.9	2.3
IH 2014-SFR3		1.9	2.1	2.3	2.2	1.8	1.7	1.6	1.7	1.7	1.6	1.8	1.8
IH 2015-SFR1		2.4	2.0	2.1	2.3	1.9	2.2	2.4	2.0	2.5	2.2	2.2	2.1
IH 2015-SFR2		1.6	1.8	2.1	1.8	1.9	2.2	2.0	2.0	1.7	1.8	2.4	2.6
IH 2015-SFR3		1.9	1.8	2.0	1.8	1.9	2.2	2.4	2.2	2.3	2.4	2.4	2.3
PRD 2015-SFR2		2.3	1.4	1.6	1.4	1.8	2.0	2.4	2.3	2.6	2.9	2.9	2.9
PRD 2015-SFR3		3.4	3.8	4.2	4.0	3.4	2.5	1.9	1.6	1.6	1.7	1.9	2.1
PRD 2016-SFR1					1.4	1.8	2.0	2.0	2.0	2.5	2.9	3.3	3.6
PRD 2016-SFR2									1.7	1.5	1.6	1.4	1.5
SWAY 2014-1		4.1	3.8	3.8	3.1	2.6	2.0	1.7	1.5	1.7	1.5	1.6	1.7
TAH 2015-SFR1		12.7	12.7	13.5	12.5	11.1	10.7	9.7	8.8	9.0	9.0	9.2	9.2
TAH 2016-SFR1								6.9	6.7	7.2	7.5	8.1	8.3
Overall SFR		3.6	3.6	3.9	3.3	2.9	3.0	3.1	2.8	2.8	3.0	3.1	3.3

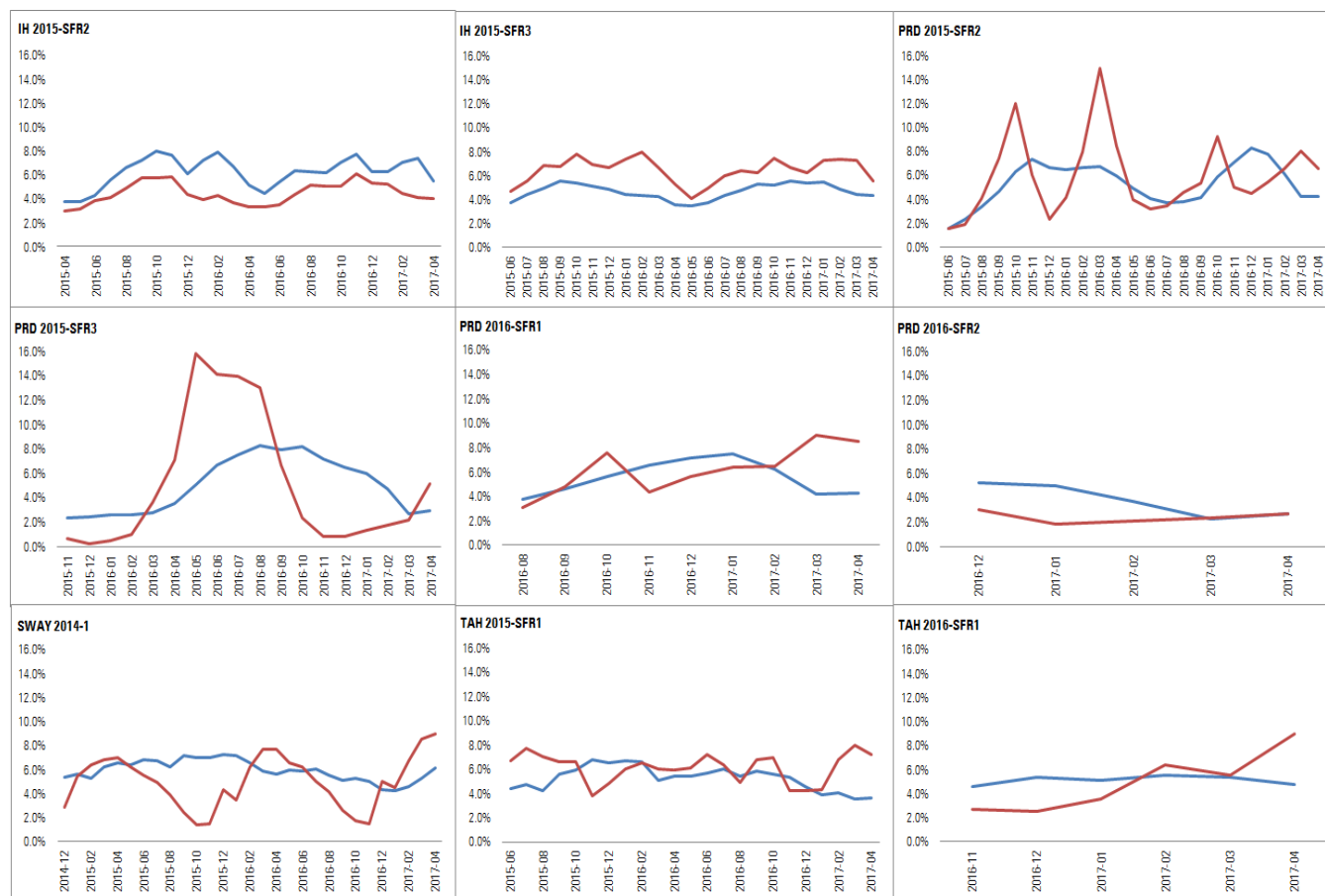
Table 10 – Monthly Turnover Rate

		Year 2016								Year 2017			
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
AH4R 2014-SFR2		4.6	3.6	4.1	4.3	2.8	2.9	2.5	2.3	2.5	3.0	2.5	TBD
AH4R 2014-SFR3		3.7	5.5	5.3	4.8	3.6	2.6	2.6	2.2	2.9	2.9	3.2	TBD
AH4R 2015-SFR1		3.5	4.5	5.1	5.0	3.6	3.4	2.9	3.0	3.1	2.6	2.9	TBD
AH4R 2015-SFR2		6.2	5.6	4.0	3.2	2.1	2.4	2.4	3.0	2.5	3.3	4.3	TBD
AMSR 2016-SFR1								2.4	1.7	2.6	2.5	2.7	TBD
CAH 2014-1		2.2	3.2	3.6	4.3	3.7	3.3	3.3	2.3	2.5	2.3	2.7	TBD
CAH 2014-2		3.4	3.3	2.9	3.5	3.5	2.9	2.4	2.1	2.4	2.9	3.0	TBD
CAH 2015-1		3.5	4.0	4.7	4.6	3.6	3.1	2.6	2.3	2.3	2.2	2.3	TBD
CSH 2016-1					3.6	3.2	3.2	2.6	2.2	2.0	3.0	2.8	TBD
CSH 2016-2									3.5	3.1	2.5	3.5	TBD
HPA 2016-1		2.6	2.0	4.7	3.2	2.5	2.5	1.6	1.8	1.7	1.4	2.2	TBD
HPA 2016-2							1.0	0.7	0.9	0.8	1.0	2.1	TBD
IH 2014-SFR2		3.3	4.0	3.4	3.7	3.1	2.8	2.6	1.8	2.2	2.3	2.6	TBD
IH 2014-SFR3		3.2	3.9	4.0	3.4	2.7	2.5	2.4	2.0	2.5	2.0	2.8	TBD
IH 2015-SFR1		2.5	3.0	3.8	3.8	2.7	2.2	2.6	2.7	2.9	2.8	2.7	TBD
IH 2015-SFR2		2.7	3.0	3.3	3.7	2.8	3.4	3.5	2.4	2.7	2.0	2.9	TBD
IH 2015-SFR3		2.7	2.8	3.2	3.6	3.0	2.9	3.0	2.6	2.7	2.7	3.1	TBD
PRD 2015-SFR2		2.8	2.6	2.3	2.6	2.7	3.8	2.8	2.9	2.6	2.5	3.6	TBD
PRD 2015-SFR3		5.4	6.2	5.7	5.6	3.7	2.4	1.6	1.5	1.6	1.4	2.4	TBD
PRD 2016-SFR1					2.5	2.7	2.8	2.8	2.7	3.0	2.5	3.6	TBD
PRD 2016-SFR2									5.5	1.8	1.3	2.1	TBD
SWAY 2014-1		3.7	3.7	3.7	2.9	3.0	2.8	1.7	2.0	2.1	3.0	3.3	TBD
TAH 2015-SFR1		2.6	2.7	4.0	1.8	2.8	3.6	3.1	1.6	1.4	1.7	2.2	TBD
TAH 2016-SFR1									1.9	1.5	2.4	2.8	TBD
Overall SFR		3.5	3.8	4.0	3.7	3.0	2.7	2.5	2.4	2.4	2.4	2.9	TBD

TBD – To Be Determined
25

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 several 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 136 loans; B2R 2015-2, 205 loans; B2R 2016-1, 161 loans; FKL 2015-SFR1, 16 loans; CAF 2015-1, 69 loans; CAF 2016-1, 85 loans; and CAF 2016-2, 71 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 6a and 6b 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 single-borrower, single-family rental transactions, Morningstar isolated the leases starting in a given period and compared the contractual rent in that period with 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

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 in the section, Tables 3a, 3b, and 3c – Lease Expiration. Morningstar then looked at the property tape to determine the renewed properties and compared that contractual rent with 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 with the prior contractual rent.

Chart 3 – April 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 April 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 Blended Rent Change

Chart 4 shows the blended rent change of some of the MSAs frequently found in single-family rental securitizations. The size of each circle represents the percentage of properties in each MSA from Morningstar’s database. MSAs in red are below the overall average rent change for the month, while those in blue are above.

Table 1 – Blended Rent Change (by Percentage) – Top MSAs

Table 1 shows the MSA-level blended rent change for the past 12 months using the same rent change calculation used in Chart 1 and Chart 4.

Tables 2a, 2b, and 2c – Month-End Vacancy

Table 2a displays deal-level vacancy by the month-end count of empty properties. Table 2b shows the deal-level vacancy as a percentage of the total properties in each pool. Table 2c shows the MSA-level vacancy percentage for some of the MSAs frequently found in single-family rental securitizations. The vacancy rate is heavily influenced by the number of lease expirations in each 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 3a, 3b, and 3c and as seen in the charts in Appendix I.

Chart 5 – MSA-Level Vacancy and Lease Expiration Percentage (by Count)

Chart 5 shows the vacancy rate of some of the MSAs frequently found in single-family rental securitizations. The size of each circle represents the percentage of leases expiring in the past 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 3a, 3b, and 3c – Lease Expiration

Because lease expiration profiles change over time as 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 April lease expirations, Morningstar looks for all April lease expirations in the January 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 7. In the current example, properties that become vacant or that have move out dates in either February or March are removed from the April lease expiration count.

Tables 4a and 4b – Historical Months of Vacancy

Tables 4a and 4b show the number of months of vacancy the April unoccupied properties have experienced. In other words, if a property is unoccupied as of the April 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 4a shows historical months of vacancy by count, and Table 4b is as a percentage of the April vacancies.

Table 5 – 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 5 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, Tricon American Homes counts total receivables to determine the past due amount. Progress Residential includes certain fees above base rent but not total receivables.

Tables 6a and 6b – Month-End Delinquency

Table 6a shows the month-end count of delinquencies based on the definition in Table 5, and Table 6b 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 5.

Table 7 – 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 3a 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 7 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 April property tape to determine the lease status for March expirations. Morningstar relies on the issuer's labeling of vacant, renewal, new lease, or MTM, to the extent that these notations are available in each tape.

Table 8 – Monthly Retention Rate of MTM Leases

In Table 8, 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 March 2017 retention rates are the April statuses of March MTM tenants.

Tables 9a and 9b – MTM Tenants

In Tables 9a and 9b, 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 10 – Monthly Turnover Rate

In evaluating how effective an issuer is at retaining tenants, Morningstar considers the monthly turnover rate. For this metric, Morningstar strives to apply a consistent calculation given the differences in issuers' 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; 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.

Disclaimer

Copyright © 2017 by Morningstar Credit Ratings, LLC ("Morningstar"). Reproduction or transmission in whole or in part is prohibited except by permission. All rights reserved. The opinions expressed herein are solely those of the authors as of the date hereof and do not necessarily represent the opinions of Morningstar or its affiliates. The content and analysis contained herein are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. THE CONTENT AND ANALYSIS IS PROVIDED "AS IS" AND NOT SUBJECT TO ANY GUARANTEES OR ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

To reprint, translate, or use the data or information other than as provided herein, contact Vanessa Sussman (+1 646 560-4541) or by email to: vanessa.sussman@morningstar.com.