

Earnings Press Release

Invitation Homes Reports Fourth Quarter 2023 and Full Year 2023 Results

Dallas, TX, February 13, 2024 — Invitation Homes Inc. (NYSE: INVH) (“Invitation Homes” or the “Company”), the nation's premier single-family home leasing and management company, today announced its Fourth Quarter 2023 and Full Year (“FY”) 2023 financial and operating results.

Fourth Quarter 2023 and FY 2023 Highlights

- Year over year, in Q4 2023, total revenues increased 7.7% to \$624 million, and property operating and maintenance costs increased 9.0% to \$229 million. In FY 2023, total revenues increased 8.7% to \$2,432 million, and property operating and maintenance costs increased 12.0% to \$880 million.
- In Q4 2023, net income available to common stockholders totaled \$129 million or \$0.21 per diluted common share. In FY 2023, net income available to common stockholders totaled \$519 million or \$0.85 per diluted common share.
- Year over year, in Q4 2023, Core FFO per share increased 4.6% to \$0.45, and AFFO per share increased 5.8% to \$0.38. In FY 2023, Core FFO per share increased 6.0% to \$1.77, and AFFO per share increased 6.3% to \$1.50.
- In Q4 2023, Same Store NOI increased 5.6% year over year on 5.9% Same Store Core Revenues growth and 6.6% Same Store Core Operating Expenses growth. In FY 2023, Same Store NOI grew 4.8% year over year on 6.5% Same Store Core Revenues growth and 10.3% Same Store Core Operating Expenses growth.
- In Q4 2023, Same Store Bad Debt was 1.2% of gross rental revenue, representing three consecutive quarters of improvement and a year over year improvement of approximately 50 basis points.
- In Q4 2023, Same Store Average Occupancy was 97.1%, down 20 basis points year over year. In FY 2023, Same Store Average Occupancy was 97.4%, down 30 basis points year over year.
- In Q4 2023, Same Store renewal rent growth of 6.8% and flat Same Store new lease rent growth drove Same Store blended rent growth of 4.6%. In FY 2023, Same Store renewal rent growth of 7.0% and Same Store new lease rent growth of 4.5% drove Same Store blended rent growth of 6.3%.
- In Q4 2023, acquisitions by the Company and the Company's joint ventures totaled 460 homes for \$159 million while dispositions totaled 398 homes for \$146 million. In FY 2023, acquisitions by the Company and the Company's joint ventures totaled 3,221 homes for \$1,168 million while dispositions totaled 1,489 homes for \$547 million.
- As previously announced, and subsequent to year end, the Company has begun a new era of providing professional property and asset management services to portfolio owners of single-family homes for lease. This was launched through an inaugural agreement with a third-party portfolio owner that has brought over 14,000 single family homes onto the Company's industry-leading platform. The agreement provides Invitation Homes with property and asset management fees that the Company believes are commensurate with its expertise and unmatched scale. Substantially all of the homes are located within the Company's existing markets, predominantly Atlanta, Phoenix, Dallas, Carolinas, Orlando, and Tampa.

Chief Executive Officer Dallas Tanner comments:

“I’m pleased once again by the outstanding performance of our business and the extraordinary delivery of customer service by our teams. During 2023, we successfully navigated a dynamic real estate market, pursued prudent growth initiatives and strategic developments, and continued to further enhance the resident experience. I’m very proud that our teams have continued this great momentum into 2024, including our announcement to provide our industry-leading brand of professional property and asset management services to an inaugural 14,000 additional households across the country. We are honored to be the nation’s premier single-family leasing and management company and are excited to continue raising the bar for individuals and families who desire the choice, flexibility, and convenience of leasing a home.”

Glossary & Reconciliations of Non-GAAP Financial and Other Operating Measures

Financial and operating measures found in the Earnings Release and Supplemental Information include certain measures used by Invitation Homes management that are measures not defined under accounting principles generally accepted in the United States (“GAAP”). These measures are defined herein and, as applicable, reconciled to the most comparable GAAP measures.

Financial Results

Net Income, FFO, Core FFO, and AFFO Per Share — Diluted				
	Q4 2023	Q4 2022	FY 2023	FY 2022
Net income	\$ 0.21	\$ 0.16	\$ 0.85	\$ 0.63
FFO	0.41	0.40	1.64	1.51
Core FFO	0.45	0.43	1.77	1.67
AFFO	0.38	0.36	1.50	1.41

Net Income

Net income per common share — diluted for Q4 2023 was \$0.21, compared to net income per common share — diluted of \$0.16 for Q4 2022. Total revenues and total property operating and maintenance expenses for Q4 2023 were \$624 million and \$229 million, respectively, compared to \$580 million and \$210 million, respectively, in Q4 2022.

Net income per common share — diluted for FY 2023 was \$0.85, compared to net income per common share — diluted of \$0.63 for FY 2022. Total revenues and total property operating and maintenance expenses for FY 2023 were \$2,432 million and \$880 million, respectively, compared to \$2,238 million and \$786 million, respectively, for FY 2022.

Core FFO

Year over year, Core FFO per share for Q4 2023 increased 4.6% to \$0.45, primarily due to NOI growth. Year over year, Core FFO per share for FY 2023 increased 6.0% to \$1.77, primarily due to NOI growth.

AFFO

Year over year, AFFO per share for Q4 2023 increased 5.8% to \$0.38, primarily due to the increase in Core FFO per share described above. Year over year, AFFO per share for FY 2023 increased 6.3% to \$1.50, primarily due to the increase in Core FFO per share described above.

Operating Results

Same Store Operating Results Snapshot				
Number of homes in Same Store Portfolio:	75,775			
	Q4 2023	Q4 2022	FY 2023	FY 2022
Core Revenues growth (year over year)	5.9 %		6.5 %	
Core Operating Expenses growth (year over year)	6.6 %		10.3 %	
NOI growth (year over year)	5.6 %		4.8 %	
Average Occupancy	97.1 %	97.3 %	97.4 %	97.7 %
Bad Debt % of gross rental revenue	1.2 %	1.7 %	1.4 %	1.3 %
Turnover Rate	5.5 %	5.4 %	23.9 %	22.3 %
Rental Rate Growth (lease-over-lease):				
Renewals	6.8 %	9.9 %	7.0 %	10.0 %
New Leases	— %	7.1 %	4.5 %	13.1 %
Blended	4.6 %	9.0 %	6.3 %	10.8 %

Same Store NOI

For the Same Store Portfolio of 75,775 homes, Same Store NOI for Q4 2023 increased 5.6% year over year on Same Store Core Revenues growth of 5.9% and Same Store Core Operating Expenses growth of 6.6%. FY 2023 Same Store NOI increased 4.8% year over year on Same Store Core Revenues growth of 6.5% and Same Store Core Operating Expenses growth of 10.3%.

Same Store Core Revenues

Same Store Core Revenues growth for Q4 2023 of 5.9% year over year was primarily driven by a 5.3% increase in Average Monthly Rent, a 50 basis point year over year improvement in Bad Debt as a percentage of gross rental revenue, and an 11.2% increase in other income, net of resident recoveries, partially offset by a 20 basis point year over year decline in Average Occupancy.

FY 2023 Same Store Core Revenues growth of 6.5% year over year was primarily driven by a 6.9% increase in Average Monthly Rent and a 10.3% increase in other income, net of resident recoveries, partially offset by a 30 basis point year over year decline in Average Occupancy and a 10 basis point year over year increase in Bad Debt as a percentage of gross rental revenue.

Same Store Core Operating Expenses

Same Store Core Operating Expenses for Q4 2023 increased 6.6% year over year, primarily attributable to a 7.9% increase in fixed expenses and a 4.2% increase in controllable expenses.

FY 2023 Same Store Core Operating Expenses increased 10.3% year over year, primarily driven by a 10.4% increase in fixed expenses and a 10.2% increase in controllable expenses.

Investment Management Activity

Acquisitions for Q4 2023 totaled 460 homes for \$159 million through the Company's various acquisition channels. This included 251 wholly owned homes for \$88 million in addition to 209 homes for \$71 million in the Company's joint ventures. Dispositions for Q4 2023 included 381 wholly owned homes for gross proceeds of \$138 million and 17 homes for gross proceeds of \$8 million in the Company's joint ventures.

In FY 2023, the Company acquired 3,221 homes for \$1,168 million, including 2,877 wholly owned homes for \$1,054 million and 344 homes for \$114 million in the Company's joint ventures. The company also sold 1,489 homes for \$547 million, including 1,423 wholly owned homes for \$517 million and 66 homes for \$30 million in the Company's joint ventures.

As previously announced, and subsequent to year end, the Company has begun a new era of providing professional property and asset management services to portfolio owners of single-family homes for lease. This was launched through an inaugural agreement with a third-party portfolio owner that has brought over 14,000 single family homes onto the Company's industry-leading platform. The agreement provides Invitation Homes with property and asset management fees that the Company believes are commensurate with its expertise and unmatched scale. Substantially all of the homes are located within the Company's existing markets, predominantly Atlanta, Phoenix, Dallas, Carolinas, Orlando, and Tampa.

Balance Sheet and Capital Markets Activity

As of December 31, 2023, the Company had \$1,701 million in available liquidity through a combination of unrestricted cash and undrawn capacity on its revolving credit facility. The Company's total indebtedness as of December 31, 2023 was \$8,613 million, consisting of \$6,575 million of unsecured debt and \$2,038 million of secured debt. Net debt / TTM adjusted EBITDA_{re} was 5.5x at December 31, 2023, down from 5.7x as of December 31, 2022. The Company has no debt reaching final maturity until 2026, and in addition, 99.4% of its total debt is fixed rate or swapped to fixed rate, and over 75% of its total debt is unsecured.

FY 2024 Guidance Details

The Company does not provide guidance for the most comparable GAAP financial measures of net income (loss), total revenues, and property operating and maintenance expense. Additionally, a reconciliation of the forward-looking non-GAAP financial measures of Core FFO per share, AFFO per share, Same Store Core Revenues growth, Same Store Core Operating Expenses growth, and Same Store NOI growth to the comparable GAAP financial measures cannot be provided without unreasonable effort because the Company is unable to reasonably predict certain items contained in the GAAP measures, including non-recurring and infrequent items that are not indicative of the Company's ongoing operations. Such items include, but are not limited to, impairment on depreciated real estate assets, net (gain)/loss on sale of previously depreciated real estate assets, share-based compensation, casualty loss, non-Same Store revenues, and non-Same Store operating expenses. These items are uncertain, depend on various factors, and could have a material impact on the Company's GAAP results for the guidance period.

FY 2024 Guidance

	FY 2024 Guidance Ranges	FY 2023 Actual
Core FFO per share — diluted	\$1.82 to \$1.90	\$1.77
AFFO per share — diluted	\$1.54 to \$1.62	\$1.50
Same Store Core Revenues growth ⁽¹⁾	4.5% to 5.5%	6.5%
Same Store Core Operating Expenses growth ⁽²⁾	5.5% to 7.0%	10.3%
Same Store NOI growth	3.5% to 5.5%	4.8%
Wholly owned acquisitions	\$600 million to \$1,000 million	\$1,054 million
JV acquisitions	\$100 million to \$300 million	\$114 million
Wholly owned dispositions	\$400 million to \$600 million	\$517 million

(1) Guidance assumes FY 2024 Average Occupancy is a similar result to FY 2023. Guidance assumes average Bad Debt for FY 2024 in a range of 65 to 95 basis points.

(2) Guidance assumes FY 2024 property tax expense growth in a range of 8% to 10% and insurance expense growth in the mid- to high teens.

Bridge from FY 2023 Results to FY 2024 Guidance Midpoint

	Core FFO Per Share
FY 2023 reported result	\$1.77
Impact from changes in:	
Same Store NOI ⁽³⁾	\$0.10
Non-Same Store NOI	0.02
Management fee revenues, net ⁽⁴⁾	0.02
Interest expense ⁽⁵⁾	(0.03)
Other ⁽⁶⁾	(0.02)
Total change	\$0.09
FY 2024 guidance midpoint	\$1.86

(3) Based on the 2024 Same Store pool, consisting of 78,823 homes as of January 2024.

(4) Contribution from management fee revenues, net, is primarily related to the Company's recently announced agreement to provide professional property and asset management services to over 14,000 homes, net of associated expenses.

(5) Increase in cash interest expense primarily related to the Company's \$800 million aggregate public bond offering in August 2023, partially offset by other potential capital markets activities.

(6) Incremental increase in Other primarily related to additional investment in technology and administrative costs.

Earnings Conference Call Information

Invitation Homes has scheduled a conference call at 11:00 a.m. Eastern Time on February 14, 2024, to discuss results for the fourth quarter of 2023. The domestic dial-in number is 1-888-330-2384, and the international dial-in number is 1-240-789-2701. The conference ID is 7714113. A live audio webcast may be accessed at www.invh.com. A replay of the call will be available through March 14, 2024, and can be accessed by calling 1-800-770-2030 (domestic) or 1-647-362-9199 (international) and using the playback ID 7714113, or by using the link at www.invh.com.

Supplemental Information

The full text of the Earnings Release and Supplemental Information referenced in this release are available on Invitation Homes' Investor Relations website at www.invh.com.

About Invitation Homes

Invitation Homes, an S&P 500 company, is the nation's premier single-family home leasing and management company, meeting changing lifestyle demands by providing access to high-quality, updated homes with valued features such as close proximity to jobs and access to good schools. The company's mission, "Together with you, we make a house a home," reflects its commitment to providing homes where individuals and families can thrive and high-touch service that continuously enhances residents' living experiences.

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Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which include, but are not limited to, statements related to the Company's expectations regarding the performance of the Company's business, its financial results, its liquidity and capital resources, and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "guidance," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties, including, among others, risks inherent to the single-family rental industry and the Company's business model, macroeconomic factors beyond the Company's control, competition in identifying and acquiring properties, competition in the leasing market for quality residents, increasing property taxes, homeowners' association and insurance costs, poor resident selection and defaults and non-renewals by the Company's residents, the Company's dependence on third parties for key services, risks related to the evaluation of properties, performance of the Company's information technology systems, risks related to the Company's indebtedness, and risks related to the potential negative impact of unfavorable global and United States economic conditions (including inflation and rising interest rates), uncertainty in financial markets (including as a result of events affecting financial institutions), geopolitical tensions, natural disasters, climate change, and public health crises, on the Company's financial condition, results of operations, cash flows, business, associates, and residents. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. The Company believes these factors include, but are not limited to, those described under Part I. Item 1A. "Risk Factors" of its Annual Report on Form 10-K for the year ended December 31, 2022 (the "Annual Report"), as such factors may be updated from time to time in the Company's periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release, in the Annual Report, and in the Company's other periodic filings. The forward-looking statements speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except to the extent otherwise required by law.

Consolidated Balance Sheets

(\$ in thousands, except shares and per share data)

	December 31, 2023 (unaudited)	December 31, 2022
Assets:		
Investments in single-family residential properties, net	\$ 17,289,214	\$ 17,030,374
Cash and cash equivalents	700,618	262,870
Restricted cash	196,866	191,057
Goodwill	258,207	258,207
Investments in unconsolidated joint ventures	247,166	280,571
Other assets, net	528,896	513,629
Total assets	\$ 19,220,967	\$ 18,536,708
Liabilities:		
Mortgage loans, net	\$ 1,627,256	\$ 1,645,795
Secured term loan, net	401,515	401,530
Unsecured notes, net	3,305,467	2,518,185
Term loan facilities, net	3,211,814	3,203,567
Revolving facility	—	—
Accounts payable and accrued expenses	200,590	198,423
Resident security deposits	180,455	175,552
Other liabilities	103,435	70,025
Total liabilities	9,030,532	8,213,077
Equity:		
Stockholders' equity		
Preferred stock, \$0.01 par value per share, 900,000,000 shares authorized, none outstanding as of December 31, 2023 and 2022	—	—
Common stock, \$0.01 par value per share, 9,000,000,000 shares authorized, 611,958,239 and 611,411,382 outstanding as of December 31, 2023 and 2022, respectively	6,120	6,114
Additional paid-in capital	11,156,736	11,138,463
Accumulated deficit	(1,070,586)	(951,220)
Accumulated other comprehensive income	63,701	97,985
Total stockholders' equity	10,155,971	10,291,342
Non-controlling interests	34,464	32,289
Total equity	10,190,435	10,323,631
Total liabilities and equity	\$ 19,220,967	\$ 18,536,708

Consolidated Statements of Operations

(\$ in thousands, except shares and per share amounts)

	Q4 2023	Q4 2022	FY 2023	FY 2022
	(unaudited)	(unaudited)	(unaudited)	
Revenues:				
Rental revenues	\$ 563,844	\$ 524,330	\$ 2,197,516	\$ 2,028,931
Other property income	57,057	52,180	221,115	197,710
Management fee revenues	3,420	3,326	13,647	11,480
Total revenues	624,321	579,836	2,432,278	2,238,121
Expenses:				
Property operating and maintenance	228,542	209,615	880,335	786,351
Property management expense	25,246	22,770	95,809	87,936
General and administrative	22,387	16,921	82,344	74,025
Interest expense	90,049	78,409	333,457	304,092
Depreciation and amortization	173,159	163,318	674,287	638,114
Impairment and other	3,069	5,823	8,596	28,697
Total expenses	542,452	496,856	2,074,828	1,919,215
Gains (losses) on investments in equity securities, net	237	61	350	(3,939)
Other, net	5,533	344	(2,435)	(11,261)
Gain on sale of property, net of tax	49,092	21,213	183,540	90,699
Losses from investments in unconsolidated joint ventures	(6,790)	(3,736)	(17,877)	(9,606)
Net income	129,941	100,862	521,028	384,799
Net income attributable to non-controlling interests	(395)	(290)	(1,558)	(1,470)
Net income attributable to common stockholders	129,546	100,572	519,470	383,329
Net income available to participating securities	(178)	(146)	(696)	(661)
Net income available to common stockholders — basic and diluted	\$ 129,368	\$ 100,426	\$ 518,774	\$ 382,668
Weighted average common shares outstanding — basic	612,026,090	611,427,853	611,893,784	609,770,610
Weighted average common shares outstanding — diluted	613,688,569	612,206,225	613,288,708	611,112,396
Net income per common share — basic	\$ 0.21	\$ 0.16	\$ 0.85	\$ 0.63
Net income per common share — diluted	\$ 0.21	\$ 0.16	\$ 0.85	\$ 0.63
Dividends declared per common share	\$ 0.54	\$ 0.22	\$ 1.32	\$ 0.88

Glossary and Reconciliations

Average Monthly Rent

Average monthly rent represents average monthly rental income per home for occupied properties in an identified population of homes over the measurement period, and reflects the impact of non-service rental concessions and contractual rent increases amortized over the life of the lease.

Average Occupancy

Average occupancy for an identified population of homes represents (i) the total number of days that the homes in such population were occupied during the measurement period, divided by (ii) the total number of days that the homes in such population were owned during the measurement period.

Bad Debt

Bad debt represents the Company's reserves for residents' accounts receivables balances that are aged greater than 30 days, under the rationale that a resident's security deposit should cover approximately the first 30 days of receivables. For all resident receivables balances aged greater than 30 days, the amount reserved as bad debt is 100% of outstanding receivables from the resident, less the amount of the resident's security deposit on hand. For the purpose of determining age of receivables, charges are considered to be due based on the terms of the original lease, not based on a payment plan if one is in place. All rental revenues and other property income, in both Total Portfolio and Same Store Portfolio presentations, are reflected net of bad debt.

Core Operating Expenses

Core operating expenses for an identified population of homes reflect property operating and maintenance expenses, excluding any expenses recovered from residents.

Core Revenues

Core revenues for an identified population of homes reflects total revenues, net of any resident recoveries.

EBITDA, EBITDAre, and Adjusted EBITDAre

EBITDA, EBITDAre, and Adjusted EBITDAre are supplemental, non-GAAP measures often utilized to evaluate the performance of real estate companies. The Company defines EBITDA as net income or loss computed in accordance with accounting principles generally accepted in the United States ("GAAP") before the following items: interest expense; income tax expense; depreciation and amortization; and adjustments for unconsolidated joint ventures. National Association of Real Estate Investment Trusts ("Nareit") recommends as a best practice that REITs that report an EBITDA performance measure also report EBITDAre. The Company defines EBITDAre, consistent with the Nareit definition, as EBITDA, further adjusted for gain on sale of property, net of tax, impairment on depreciated real estate investments, and adjustments for unconsolidated joint ventures. Adjusted EBITDAre is defined as EBITDAre before the following items: share-based compensation expense; severance; casualty losses, net; (gains) losses on investments in equity securities, net; and other income and expenses. EBITDA, EBITDAre, and Adjusted EBITDAre are used as supplemental financial performance measures by management and by external users of the Company's financial statements, such as investors and commercial banks. Set forth below is additional detail on how management uses EBITDA, EBITDAre, and Adjusted EBITDAre as measures of performance.

The GAAP measure most directly comparable to EBITDA, EBITDAre, and Adjusted EBITDAre is net income or loss. EBITDA, EBITDAre, and Adjusted EBITDAre are not used as measures of the Company's liquidity and should not be considered alternatives to net income or loss or any other measure of financial performance presented in accordance with GAAP. The Company's EBITDA, EBITDAre, and Adjusted EBITDAre may not be comparable to the EBITDA, EBITDAre, and Adjusted EBITDAre of other companies due to the fact that not all companies use the same definitions of EBITDA, EBITDAre, and Adjusted EBITDAre. Accordingly, there can be no assurance

that the Company's basis for computing these non-GAAP measures is comparable with that of other companies. See below for a reconciliation of GAAP net income to EBITDA, EBITDA_{re}, and Adjusted EBITDA_{re}.

Funds from Operations (FFO), Core Funds from Operations (Core FFO), and Adjusted Funds from Operations (AFFO)

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

The Company believes that FFO is a meaningful supplemental measure of the operating performance of its business because historical cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time, as reflected through depreciation and amortization. Because real estate values have historically risen or fallen with market conditions, management considers FFO an appropriate supplemental performance measure as it excludes historical cost depreciation and amortization, impairment on depreciated real estate investments, gains or losses related to sales of previously depreciated homes, as well non-controlling interests, from GAAP net income or loss.

The GAAP measure most directly comparable to Core FFO and Adjusted FFO is net income or loss. Core FFO and Adjusted FFO are not used as measures of the Company's liquidity and should not be considered alternatives to net income or loss or any other measure of financial performance presented in accordance with GAAP. The Company's Core FFO and Adjusted FFO may not be comparable to the Core FFO and Adjusted FFO of other companies due to the fact that not all companies use the same definition of Core FFO and Adjusted FFO. Accordingly, there can be no assurance that the Company's basis for computing these non-GAAP measures is comparable with that of other companies. See "Reconciliation of FFO, Core FFO, and Adjusted FFO" for a reconciliation of GAAP net income to FFO, Core FFO, and Adjusted FFO.

Net Operating Income (NOI)

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

The GAAP measure most directly comparable to NOI is net income or loss. NOI is not used as a measure of liquidity and should not be considered as an alternative to net income or loss or any other measure of financial performance presented in accordance with GAAP. The Company's NOI may not be comparable to the NOI of other companies due to the fact that not all companies use the same definition of NOI. Accordingly, there can be no assurance that the Company's basis for computing this non-GAAP measure is comparable with that of other companies.

The Company believes that Same Store NOI is also a meaningful supplemental measure of the Company's operating performance for the same reasons as NOI and is further helpful to investors as it provides a more consistent measurement of the Company's performance across reporting periods by reflecting NOI for homes in its Same Store Portfolio.

See below for a reconciliation of GAAP net income to NOI for the Company's total portfolio and NOI for its Same Store Portfolio.

Recurring Capital Expenditures or Recurring CapEx

Recurring Capital Expenditures or Recurring CapEx represents general replacements and expenditures required to preserve and maintain the value and functionality of a home and its systems as a single-family rental.

Rental Rate Growth

Rental rate growth for any home represents the percentage difference between the monthly rent from an expiring lease and the monthly rent from the next lease, and, in each case, reflects the impact of any amortized non-service rent concessions and amortized contractual rent increases. Leases are either renewal leases, where the Company's current resident chooses to stay for a subsequent lease term, or a new lease, where the Company's previous resident moves out and a new resident signs a lease to occupy the same home.

Same Store / Same Store Portfolio

Same Store or Same Store portfolio includes, for a given reporting period, wholly owned homes that have been stabilized and seasoned, excluding homes that have been sold, homes that have been identified for sale to an owner occupant and have become vacant, homes that have been deemed inoperable or significantly impaired by casualty loss events or force majeure, homes acquired in portfolio transactions that are deemed not to have undergone renovations of sufficiently similar quality and characteristics as the existing Invitation Homes Same Store portfolio, and homes in markets that the Company has announced an intent to exit where the Company no longer operates a significant number of homes.

Homes are considered stabilized if they have (i) completed an initial renovation and (ii) entered into at least one post-initial renovation lease. An acquired portfolio that is both leased and deemed to be of sufficiently similar quality and characteristics as the existing Invitation Homes Same Store portfolio may be considered stabilized at the time of acquisition.

Homes are considered to be seasoned once they have been stabilized for at least 15 months prior to January 1st of the year in which the Same Store portfolio was established.

The Company believes presenting information about the portion of its portfolio that has been fully operational for the entirety of a given reporting period and its prior year comparison period provides investors with meaningful information about the performance of the Company's comparable homes across periods and about trends in its organic business.

Total Homes / Total Portfolio

Total homes or total portfolio refers to the total number of homes owned, whether or not stabilized, and excludes any properties previously acquired in purchases that have been subsequently rescinded or vacated. Unless otherwise indicated, total homes or total portfolio refers to the wholly owned homes and excludes homes owned in joint ventures.

Turnover Rate

Turnover rate represents the number of instances that homes in an identified population become unoccupied in a given period, divided by the number of homes in such population.

Reconciliation of FFO, Core FFO, and AFFO

(\$ in thousands, except shares and per share amounts) (unaudited)

FFO Reconciliation	Q4 2023	Q4 2022	FY 2023	FY 2022
Net income available to common stockholders	\$ 129,368	\$ 100,426	\$ 518,774	\$ 382,668
Net income available to participating securities	178	146	696	661
Non-controlling interests	395	290	1,558	1,470
Depreciation and amortization on real estate assets	170,371	161,029	663,398	629,301
Impairment on depreciated real estate investments	85	72	427	310
Net gain on sale of previously depreciated investments in real estate	(49,092)	(21,213)	(183,540)	(90,699)
Depreciation and net gain on sale of investments in unconsolidated joint ventures	2,279	2,051	8,704	4,907
FFO	\$ 253,584	\$ 242,801	\$ 1,010,017	\$ 928,618
Core FFO Reconciliation	Q4 2023	Q4 2022	FY 2023	FY 2022
FFO	\$ 253,584	\$ 242,801	\$ 1,010,017	\$ 928,618
Non-cash interest expense related to amortization of deferred financing costs, loan discounts, and non-cash interest expense from derivatives ⁽¹⁾	10,194	6,819	36,069	24,326
Share-based compensation expense	8,010	6,397	29,503	28,962
Legal settlements	—	—	2,000	7,400
Severance expense	61	61	977	314
Casualty losses, net ⁽¹⁾⁽²⁾	2,986	5,849	8,200	28,485
(Gains) losses on investments in equity securities, net	(237)	(61)	(350)	3,939
Core FFO	\$ 274,598	\$ 261,866	\$ 1,086,416	\$ 1,022,044
AFFO Reconciliation	Q4 2023	Q4 2022	FY 2023	FY 2022
Core FFO	\$ 274,598	\$ 261,866	\$ 1,086,416	\$ 1,022,044
Recurring capital expenditures ⁽¹⁾	(40,351)	(41,090)	(163,051)	(156,147)
AFFO	\$ 234,247	\$ 220,776	\$ 923,365	\$ 865,897
Net income available to common stockholders				
Weighted average common shares outstanding — diluted	613,688,569	612,206,225	613,288,708	611,112,396
Net income per common share — diluted	\$ 0.21	\$ 0.16	\$ 0.85	\$ 0.63
FFO, Core FFO, and AFFO				
Weighted average common shares and OP Units outstanding — diluted	615,843,083	614,172,679	615,367,734	613,669,133
FFO per share — diluted	\$ 0.41	\$ 0.40	\$ 1.64	\$ 1.51
Core FFO per share — diluted	\$ 0.45	\$ 0.43	\$ 1.77	\$ 1.67
AFFO per share — diluted	\$ 0.38	\$ 0.36	\$ 1.50	\$ 1.41

(1) Includes the Company's share from unconsolidated joint ventures.

(2) FY 2022 includes \$24,000 of net estimated losses and damages related to Hurricanes Ian and Nicole.

Reconciliation of Total Revenues to Same Store Core Revenues, Quarterly
(in thousands) (unaudited)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>
Total revenues (Total Portfolio)	\$ 624,321	\$ 617,695	\$ 600,372	\$ 589,890	\$ 579,836
Management fee revenues	(3,420)	(3,404)	(3,448)	(3,375)	(3,326)
Total portfolio resident recoveries	(35,050)	(36,641)	(32,776)	(31,966)	(32,639)
Total Core Revenues (Total Portfolio)	585,851	577,650	564,148	554,549	543,871
Non-Same Store Core Revenues	(55,663)	(53,564)	(45,825)	(45,509)	(43,208)
Same Store Core Revenues	<u>\$ 530,188</u>	<u>\$ 524,086</u>	<u>\$ 518,323</u>	<u>\$ 509,040</u>	<u>\$ 500,663</u>

Reconciliation of Total Revenues to Same Store Core Revenues, FY
(in thousands) (unaudited)

	<u>FY 2023</u>	<u>FY 2022</u>
Total revenues (Total Portfolio)	\$2,432,278	\$2,238,121
Management fee revenues	(13,647)	(11,480)
Total portfolio resident recoveries	(136,433)	(122,055)
Total Core Revenues (Total Portfolio)	2,282,198	2,104,586
Non-Same Store Core Revenues	(200,561)	(150,251)
Same Store Core Revenues	<u>\$2,081,637</u>	<u>\$1,954,335</u>

Reconciliation of Property Operating and Maintenance Expenses to Same Store Core Operating Expenses, Quarterly
(in thousands) (unaudited)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>
Property operating and maintenance expenses (Total Portfolio)	\$ 228,542	\$ 229,488	\$ 213,808	\$ 208,497	\$ 209,615
Total Portfolio resident recoveries	(35,050)	(36,641)	(32,776)	(31,966)	(32,639)
Core Operating Expenses (Total Portfolio)	193,492	192,847	181,032	176,531	176,976
Non-Same Store Core Operating Expenses	(18,966)	(18,497)	(15,296)	(15,126)	(13,255)
Same Store Core Operating Expenses	<u>\$ 174,526</u>	<u>\$ 174,350</u>	<u>\$ 165,736</u>	<u>\$ 161,405</u>	<u>\$ 163,721</u>

Reconciliation of Property Operating and Maintenance Expenses to Same Store Core Operating Expenses, FY
(in thousands) (unaudited)

	<u>FY 2023</u>	<u>FY 2022</u>
Property operating and maintenance expenses (Total Portfolio)	\$ 880,335	\$ 786,351
Total Portfolio resident recoveries	(136,433)	(122,055)
Core Operating Expenses (Total Portfolio)	743,902	664,296
Non-Same Store Core Operating Expenses	(67,885)	(51,639)
Same Store Core Operating Expenses	<u>\$ 676,017</u>	<u>\$ 612,657</u>

Reconciliation of Net Income to Same Store NOI, Quarterly
(in thousands) (unaudited)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>
Net income available to common stockholders	\$ 129,368	\$ 131,637	\$ 137,698	\$ 120,071	\$ 100,426
Net income available to participating securities	178	181	166	171	146
Non-controlling interests	395	403	418	342	290
Interest expense	90,049	86,736	78,625	78,047	78,409
Depreciation and amortization	173,159	170,696	165,759	164,673	163,318
Property management expense	25,246	23,399	23,580	23,584	22,770
General and administrative	22,387	22,714	19,791	17,452	16,921
Impairment and other	3,069	2,496	1,868	1,163	5,823
Gain on sale of property, net of tax	(49,092)	(57,989)	(46,788)	(29,671)	(21,213)
(Gains) losses on investments in equity securities, net	(237)	499	(524)	(88)	(61)
Other, net ⁽¹⁾	(5,533)	2,533	3,941	1,494	(344)
Management fee revenues	(3,420)	(3,404)	(3,448)	(3,375)	(3,326)
Losses from investments in unconsolidated joint ventures	6,790	4,902	2,030	4,155	3,736
NOI (Total Portfolio)	392,359	384,803	383,116	378,018	366,895
Non-Same Store NOI	(36,697)	(35,067)	(30,529)	(30,383)	(29,953)
Same Store NOI	\$ 355,662	\$ 349,736	\$ 352,587	\$ 347,635	\$ 336,942

Reconciliation of Net Income to Same Store NOI, FY
(in thousands) (unaudited)

	<u>FY 2023</u>	<u>FY 2022</u>
Net income available to common stockholders	\$ 518,774	\$ 382,668
Net income available to participating securities	696	661
Non-controlling interests	1,558	1,470
Interest expense	333,457	304,092
Depreciation and amortization	674,287	638,114
Property management expense	95,809	87,936
General and administrative	82,344	74,025
Impairment and other ⁽²⁾	8,596	28,697
Gain on sale of property, net of tax	(183,540)	(90,699)
(Gains) losses on investments in equity securities, net	(350)	3,939
Other, net ⁽¹⁾	2,435	11,261
Management fee revenues	(13,647)	(11,480)
Losses from investments in unconsolidated joint ventures	17,877	9,606
NOI (Total Portfolio)	1,538,296	1,440,290
Non-Same Store NOI	(132,676)	(98,612)
Same Store NOI	\$1,405,620	\$1,341,678

(1) Includes interest income and other miscellaneous income and expenses.

(2) FY 2022 includes \$24,000 of net estimated losses and damages related to Hurricanes Ian and Nicole.

Reconciliation of Net Income to Adjusted EBITDAre
(in thousands, unaudited)

	Q4 2023	Q4 2022	FY 2023	FY 2022
Net income available to common stockholders	\$ 129,368	\$ 100,426	\$ 518,774	\$ 382,668
Net income available to participating securities	178	146	696	661
Non-controlling interests	395	290	1,558	1,470
Interest expense	90,049	78,409	333,457	304,092
Interest expense in unconsolidated joint ventures	5,481	2,743	18,255	3,581
Depreciation and amortization	173,159	163,318	674,287	638,114
Depreciation and amortization of investments in unconsolidated joint ventures	2,783	2,372	10,469	5,838
EBITDA	401,413	347,704	1,557,496	1,336,424
Gain on sale of property, net of tax	(49,092)	(21,213)	(183,540)	(90,699)
Impairment on depreciated real estate investments	85	72	427	310
Net gain on sale of investments in unconsolidated joint ventures	(480)	(298)	(1,668)	(865)
EBITDAre	351,926	326,265	1,372,715	1,245,170
Share-based compensation expense	8,010	6,397	29,503	28,962
Severance	61	61	977	314
Casualty losses, net ⁽¹⁾⁽²⁾	2,986	5,849	8,200	28,485
(Gains) losses on investments in equity securities, net	(237)	(61)	(350)	3,939
Other, net ⁽³⁾	(5,533)	(344)	2,435	11,261
Adjusted EBITDAre	\$ 357,213	\$ 338,167	\$ 1,413,480	\$ 1,318,131

(1) Includes the Company's share from unconsolidated joint ventures.

(2) FY 2022 includes \$24,000 of net estimated losses and damages related to Hurricanes Ian and Nicole.

(3) Includes interest income and other miscellaneous income and expenses.

Reconciliation of Net Debt / Trailing Twelve Months (TTM) Adjusted EBITDAre
(in thousands, except for ratio) (unaudited)

	As of December 31, 2023	As of December 31, 2022
Mortgage loans, net	\$ 1,627,256	\$ 1,645,795
Secured term loan, net	401,515	401,530
Unsecured notes, net	3,305,467	2,518,185
Term loan facility, net	3,211,814	3,203,567
Revolving facility	—	—
Total Debt per Balance Sheet	8,546,052	7,769,077
Retained and repurchased certificates	(87,703)	(88,564)
Cash, ex-security deposits and letters of credit ⁽¹⁾	(713,898)	(275,989)
Deferred financing costs, net	45,518	51,076
Unamortized discounts on note payable	21,376	13,518
Net Debt (A)	\$ 7,811,345	\$ 7,469,118
	For the TTM Ended December 31, 2023	For the TTM Ended December 31, 2022
Adjusted EBITDAre (B)	\$ 1,413,480	\$ 1,318,131
Net Debt / TTM Adjusted EBITDAre (A / B)	5.5x	5.7x

(1) Represents cash and cash equivalents and the portion of restricted cash that excludes security deposits and letters of credit