American Homes 4 Rent (AMH)

Updated March 10th, 2026, by Nathan Parsh

Key Metrics

Current Price:	$29	**5 Year Annual Expected Total Return:**	15.8%	**Market Cap:**	$10.7 B
Fair Value Price:	$40	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	03/13/26
% Fair Value:	72%	**5 Year Valuation Multiple Estimate:**	6.8%	**Dividend Payment Date:**	03/31/26
Dividend Yield:	4.6%	**5 Year Price Target**	$51	**Years Of Dividend Growth:**	6
Dividend Risk Score:	D	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

Based in Maryland, American Homes 4 Rent is an internally managed real estate investment trust which focuses on acquiring, developing, renovating, operating, and leasing single-family homes as rental properties. The trust holds nearly 59,000 single-family properties in sub-markets of metropolitan statistical areas in more than 20 states. AMH formed in August of 2013, has a market capitalization of more than $13 billion, and generates annual revenues of close to $1.9 billion.

On February 12th, 2026, AMH announced it was increasing its quarterly dividend 10.0% to $0.33 per share. This follows the trust's 15.4%, 18.2%, 22.2%, 80%, and 100% raises over the last five years.

On February 19th, 2026, AMH released fourth quarter and full year results for the period ending December 31st, 2025. For the quarter, revenue grew 4.2% to $455 million, but this was $4 million below estimates. FFO of $0.47 matched the prior year's result and was in-line with expectations. For the year, revenue grew 7% to $1.85 billion while FFO of $1.87 per share compared to $1.77 in 2024.

For the quarter, AMH had a same-home average occupied day percentage of 95.0%, which was down from 95.4% in Q4 2024. New leases signed had rental rate of -0.3% while renewal rental rates increased 4.2%, leading to a blended growth rate of 2.8%. Occupied homes of 57,573 compared to 56,402 in the fourth quarter of 2024. Average monthly rents per property were up 3.0% while property expenses increased 2.0% to $116.5 million.

AMH provided guidance for 2026 as well. The trust expects core FFO in a range of $1.89 to $1.95 per share for the year. At the midpoint, this would represent a 2.7% from last year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FFO	$0.97	$1.02	$1.06	$1.11	$1.16	$1.36	$1.54	$1.66	$1.77	$1.87	***$1.92***	***$2.45***
DPS	$0.20	$0.20	$0.20	$0.20	$0.20	$0.40	$0.72	$0.88	$1.04	$1.20	***$1.32***	***$2.13***
Shares[1]	243	287	297	301	317	336	354	364	369	370	***370***	***375***

AMH has a short history as a publicly traded REIT, but funds-from-operation growth was extensive at the beginning of the trust's existence. AMH's funds-from-operation grew at a rate of 7.6% per year for the 2016 to 2025 period, though this has slowed somewhat to 7.1% annually over the last five years. We continue to forecast annual growth of 5% for funds-from-operation through 2031.

AMH's quarterly dividend had amounted to $0.05 per share for much of the trust's existence. That changed when the trust doubled its dividend for the March 31st, 2021, payment date and has followed that up with sizeable increases ever since. Given the aggressive growth recently and the reasonable payout ratio, we project dividend growth will be 10% per year moving forward.

[1] Share count in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Avg. P/FFO	19.3	21.8	19.6	21.9	23.5	32.1	19.6	21.7	20.3	17.2	***15.1***	***21.0***
Avg. Yld.	1.1%	0.9%	1.0%	0.8%	0.7%	0.9%	2.4%	2.4%	2.8%	3.7%	***4.6%***	***4.1%***

Shares of the trust have decreased $3, or 9.4%, since our November 4th, 2026 report. AMH has enjoyed a rich valuation since the beginning of its existence. The stock's average P/FFO is 21.7 over the last decade and 22.4 over the last five years. With the stock trading at just over 15 times funds-from-operations, AMH's valuation is well below our target P/FFO of 21. Reaching this valuation by 2031 would add 6.8% to annual returns over this period.

Investors often hold shares of REITs for the high yields. AMH has typically been the rare name in the sector that has a lower yield. At 4.6%, however, the current yield is much closer to that of the typical REIT stock, thanks in large part to a dividend growth rate that exceeds much of AMH's peer group.

Safety, Quality, Competitive Advantage, & Recession Resiliency

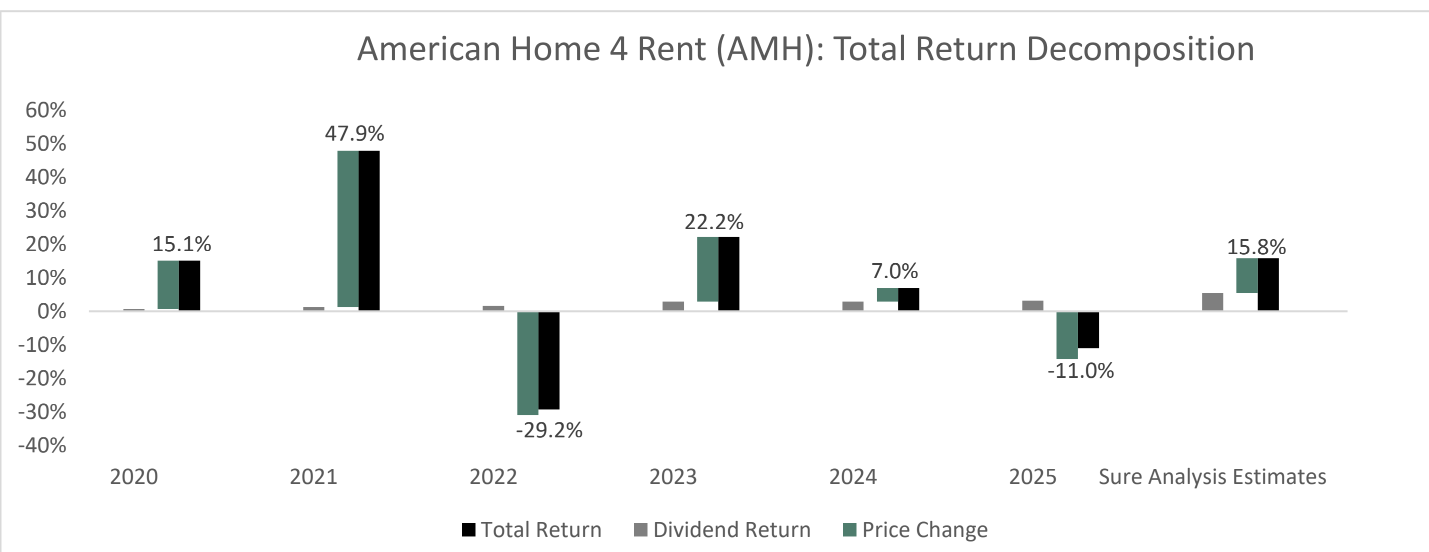
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	21%	20%	19%	18%	17%	29%	47%	53%	59%	64%	***69%***	***87%***

AMH was not publicly traded during the 2007 to 2009 recession so understanding the trust's ability to withstand an economic downturn is not possible. Even so, we believe that the trust would encounter some difficulty. Consumers would still need places to live, so occupancy rates could well remain high. We fear that rental rates would probably decline. AMH is one of the largest operators of single-family in the U.S., giving it a size and scale that is above most of its peer group.

Final Thoughts & Recommendation

American Homes 4 Rent is expected to see total annual returns of 15.8% through 2031, up from our prior estimate of 12.7%. Our projected return stems from a 5% funds-from-operation growth rate, a starting yield of 4.6%, and a mid-single-digit contribution from multiple expansion. The trust continues to produce solid growth metrics throughout much of its business. American Homes 4 Rent continues to benefit from a high occupancy rate, an increase in rent agreements, and a larger portfolio of houses. We have raised our five-year price target $1 to $51 due to estimates for the year. However, we reaffirm our hold rating on shares of American Homes 4 Rent due to a weak dividend risk score.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	879	957	1,073	1,152	1,183	1,327	1,507	1,643	1,746	1,866
Gross Profit	194	124	145	177	184	370	419	468	519	567
Gross Margin	22.0%	13.0%	13.5%	15.3%	15.6%	27.9%	27.8%	28.5%	29.7%	30.4%
SG&A Exp.	299	297	319	329	343	373	427	457	477	504
Operating Profit	129	75	87	113	88	272	308	353	401	452
Op. Margin	14.6%	7.8%	8.1%	9.8%	7.5%	20.5%	20.4%	21.5%	22.9%	24.2%
Net Profit	10	64	97	156	128	244	309	431	467	512
Net Margin	1.2%	6.7%	9.0%	13.5%	10.8%	18.4%	20.5%	26.2%	26.7%	27.4%
Free Cash Flow	207	250	338	381	463	460	447	573	772	784

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	8,107	8,609	9,001	9,100	9,594	10,962	12,175	12,688	13,381	13,242
Cash & Equivalents	250	183	175	164	265	192	218	222	350	231
Acc. Receivable	118	115	110	112	125	133	131	128	133	130
Goodwill & Int.	3,170	2,733	3,028	3,081	3,121	4,224	5,000	5,035	5,533	5,533
Total Liabilities	2,923	2,476	2,804	2,833	2,817	3,880	4,516	4,462	5,023	5,109
Accounts Payable	4,193	5,149	5,252	5,335	5,789	6,059	6,496	6,967	7,160	7,034
Long-Term Debt	0.70	0.48	0.53	0.53	0.49	0.64	0.70	0.64	0.70	0.73
Total Equity	8,107	8,609	9,001	9,100	9,594	10,962	12,175	12,688	13,381	13,242
LTD/E Ratio	250	183	175	164	265	192	218	222	350	231

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.1%	0.8%	1.1%	1.7%	1.4%	2.4%	2.7%	3.5%	3.6%	3.8%
Return on Equity	0.2%	1.2%	1.6%	2.6%	2.0%	3.7%	4.4%	5.8%	6.0%	6.6%
ROIC	0.1%	0.8%	1.1%	1.8%	1.4%	2.4%	2.8%	3.6%	3.7%	4.0%
Shares Out.	243	287	297	301	317	336	354	364	369	370
Revenue/Share	3.76	3.62	3.65	3.84	3.85	4.08	4.31	4.53	4.75	5.03
FCF/Share	0.88	0.94	1.15	1.27	1.51	1.41	1.28	1.58	2.10	2.11

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.