LANDandBUILDINGS

Land and Buildings Issues Letter to American Residential Properties Chairman and CEO

- Believes American Residential Properties has approximately 45% upside to its net asset value -

- Land and Buildings owns 7.4% of ARPI outstanding shares -

- Land and Buildings anticipates nominating director candidates to ARPI Board if clear path to NAV realization is not outlined or achieved -

Stamford, CT (November 30, 2015) – Land and Buildings Investment Management, LLC ("Land and Buildings") today issued the following letter to American Residential Properties, Inc. (NYSE: ARPI) ("American Residential", "ARPI" or the "Company") Chairman and CEO Stephen G. Schmitz:

November 30, 2015

Stephen G. Schmitz
Chairman and Chief Executive Officer
American Residential Properties, Inc.
7047 E Greenway Parkway Suite 350
Scottsdale, AZ 85254

Dear Mr. Schmitz:

On Friday, November 27th, 2015, Land and Buildings filed a Schedule 13D with the Securities and Exchange Commission, disclosing a 7.4% ownership of American Residential Properties (NYSE: ARPI). As we have communicated to you, and you have agreed, ARPI trades at a substantial discount to net asset value (NAV). We believe ARPI stock has approximately 45% upside to a $24 NAV and that upside grows every day as home prices continue to rise. However, we are disappointed by both the Company's poor operational performance and its lack of a clear strategic plan. Our numerous discussions with you, your management team and members of the Board of Directors have not yielded satisfactory results to date. If a clear path to NAV realization is not outlined or achieved, we anticipate nominating a slate of director candidates for the Board of ARPI.

ARPI has consistently traded at a steep discount to NAV since its initial public offering in 2013. The large and persistent discount, which we believe would be materially larger if not for the perceived possibility of a sale of the Company, is rooted in the following issues:

1) Inferior operating performance, including poor operating margins

2) Insufficient scale to operate efficiently

3) Inability to access the public equity markets and achieve appropriate scale

4) Inadequate and poorly outlined strategic plan

On the Company's first quarter 2015 earnings conference call, management "laid out a plan for stabilization that really takes us to the end of 2015" and would see the Company's "NOI margin going into the first quarter of 2016 improving to the low 60% range." You stated that once year-end came and the results were in, you thought the Company would be in a better position to evaluate all available paths to maximize shareholder value. The results are in and they are discouraging.

ARPI's Net Operating Income (NOI) margin deteriorated 450 basis points year-over-year in the third quarter to 47.9%[1] while ARPI's public peers reported margins of 59.1%, up 110 basis points[2]. This sharp deterioration is occurring despite a concerted effort by management to stabilize the portfolio and despite a lack of acquisitions diluting the margin or taking attention away from the existing portfolio. Guidance for 2016 is now for margins to trend towards the low to mid 50% range, far below where the Company's peers are today and the Company's prior margin guidance. ARPI's share price and investor sentiment suffered due to this worse than expected execution. In this context, it is imperative that the Company provide enhanced disclosure on the components of expenses and the margin improvement opportunity. Without a credible roadmap to a stabilized NOI, we believe ARPI will likely continue to trade below its intrinsic value.

At the heart of the issue is an inefficient corporate structure that appears to lack scale to effectively compete, in our view. As your peer American Homes 4 Rent (NYSE: AMH) eloquently put it on its third quarter 2015 earnings conference call, "there is simply no way to operate efficiently in this industry without scale." We concur. It is a concern that the Company only owns over 1,000 homes in 4 out of the more than 17 MSAs/Metro Divisions in which it operates. That number only rises to 10 markets when lowering the threshold to 300 homes.

Laurie A. Hawkes, President and Chief Operating Officer of ARPI, said on the Company's second quarter 2013 earnings conference call that it is "critical" to get to 300 to 500 homes in a market, looking to eventually reach a 1,000 homes. On that same call, you stated, "we believe that we need to have at least 300 to 500 homes in a market to fully leverage the efficiencies that come with critical mass. We are well on our way toward achieving this goal."

Given ARPI's current high cost of capital and high leverage, it is unclear how the Company can grow its way out of the problem. On ARPI's first earnings conference call after the Company's initial public offering, first quarter 2013, you stated that "access to public equity markets is critical to the success of single-family REITs." While your stock has languished, essentially blocking ARPI from access to the public equity markets, we have not seen the sense of urgency on your part that is needed to remedy the situation and consider broader strategic options, including a merger, to gain an improved cost of capital and scale.

We are now one month away from your self-imposed timeline by which you will make larger decisions about whether or not American Residential can remain a public company in its current form. We believe management missteps and a lack of effective Board oversight are at the root of the inferior operating performance, inadequate strategic plan and poor total shareholder returns. Accordingly, we anticipate nominating a slate of director candidates for the ARPI Board later this year if a clear path to NAV realization is not outlined or achieved.

Sincerely,

Jonathan Litt

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[1] ARPI Self-managed net operating income margin as disclosed by the Company and calculated by Land and Buildings

[2] Straight average of American Homes 4 Rent (NYSE: AMH), Silver Bay Realty (NYSE: SBY) and Starwood Waypoint Residential (NYSE: SWAY); AMH margin defined as initially leased property core NOI margin as defined by AMH; SBY margin defined as NOI margin as calculated by Land and Buildings based on consolidated financial results; SWAY margin defined as stabilized net operating income margin as defined by SWAY

Founder & CIO

Land and Buildings Investment Management, LLC

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About Land and Buildings:

Land and Buildings is a registered investment manager specializing in publicly traded real estate and real estate related securities. Land and Buildings seeks to deliver attractive risk adjusted returns by opportunistically investing in securities of global real estate and real estate related companies, leveraging its investment professionals' deep experience, research expertise and industry relationships.

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