

Reven Housing REIT, Inc.
Form 8-K
January 02, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): December 29, 2017

REVEN HOUSING REIT, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	001-37865	84-1306078
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

875 Prospect Street, Suite 304

La Jolla, CA 92037
(Address of principal executive offices)

(858) 459-4000

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On December 29, 2017, Reven Housing Alabama, LLC (the “Borrower” or “Company”), a Delaware limited liability company and a wholly-owned subsidiary of Reven Housing REIT, Inc., a Maryland corporation (the “Registrant”), issued a Promissory Note Secured by a Mortgage and Security Agreement (the “Note”) to SouthPoint Bank, an Alabama corporation (“Lender”), in the principal amount of \$3,793,920 (the “Principal Amount”). Principal and accrued interest are payable monthly based on a 20-year amortization period with the remaining unpaid principal due on January 5, 2023 (the “Maturity Date”). Interest accrues and is payable monthly on the Loan at the rate equal to four and one-quarter percent (4.25%) per annum until maturity. The Note is secured by those certain Mortgage, Assignments of Leases and Rents, Security Agreements and Fixture Filings dated December 29, 2017 executed by Borrower for the benefit of Lender (the “Mortgage and Security Agreement”).

The Note and the Mortgage and Security Agreement contain customary terms and conditions, including, without limitation, customary events of default and acceleration upon default, including defaults in the payment of principal or interest, defaults in compliance with the covenants and bankruptcy or other insolvency events.

Additionally, in connection with the Loan, Registrant entered into that certain Guarantee, dated December 29, 2017, with Lender (the “Guarantee”). The Guarantee provides that if Borrower were to default under the Loan, the Registrant would pay any amounts due to the Lender.

Item 2.01 Completion of Acquisition or Disposition of Assets.

Birmingham 50 Purchase and Sale Agreement

On September 6, 2017, the Company entered into a Single Family Homes Real Estate Purchase and Sale Agreement (the “Birmingham 50 Agreement”) with A&J Investments, LLC, an Alabama limited liability company, and MFJ, LLC, an Alabama limited liability company (collectively the “Birmingham 50 Sellers”), as amended, for the Company’s purchase of a portfolio of up to 50 single-family homes located in the Birmingham, Alabama, metropolitan area. On December 29, 2017, the Company closed on the purchase of 48 homes in the portfolio. The Seller is unaffiliated with the Company.

The contract purchase price for the 48 acquired properties was approximately \$3,127,708, exclusive of closing costs and was subject to a credit of \$352,875 for deferred maintenance. The Company funded the purchase with proceeds

from the loan mentioned In Item 1.01 above.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information reported under Item 1.01 above regarding the description of the Loan and the material terms and conditions related thereto is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REVEN HOUSING REIT, INC.

Dated: January 2, 2018 /s/ Chad M. Carpenter
Chad M. Carpenter,
Chief Executive Officer