NexPoint Residential Trust, Inc.
Form 10-Q
August 14, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2015

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number 001-36663

NexPoint Residential Trust, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	47-1881359
(State or other Jurisdiction of	(I.R.S. Employer
Incorporation or Organization	Identification No.)

300 Crescent Court, Suite 700, Dallas, Texas	75201
(Address or Principal Executive Offices)	(Zip Code)

(972) 628-4100

(Telephone Number, Including Area Code)

None

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation ST (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer o		Accelerated Filer	o
Non-Accelerated Filer x	(Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b2 of the Exchange Act). Yes o No x

As of August 7, 2015, the registrant had 21,293,825 shares of common stock, $0.01 par value, outstanding.

NEXPOINT RESIDENTIAL TRUST, INC.

Form 10-Q

June 30, 2015

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Cautionary Statement Regarding Forward-Looking Statements

This quarterly report contains forward-looking statements that are subject to risks and uncertainties. In particular, statements relating to our liquidity and capital resources, the performance of our properties and results of operations contain forward-looking statements. Furthermore, all of the statements regarding future financial performance (including market conditions and demographics) are forward-looking statements. We caution investors that any forward-looking statements presented in this quarterly report are based on management's beliefs and assumptions made by, and information currently available to, management. When used, the words "anticipate," "believe," "expect," "intend," "may," "might," "plan," "estimate," "project," "should," "will," "would," "result" and similar expressions that do not to historical matters are intended to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. We caution you therefore against relying on any of these forward-looking statements.

Some of the risks and uncertainties that may cause our actual results, performance, liquidity or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- unfavorable changes in market and economic conditions in the United States and globally and in the specific markets where our properties are located;
- risks associated with ownership of real estate;
- limited ability to dispose of assets because of the relative illiquidity of real estate investments;
- the risk that we may fail to consummate our pending property acquisitions;
- intense competition in the real estate market that, combined with low residential mortgage rates that could encourage potential renters to purchase residences rather than lease them, may limit our ability to acquire or lease and re-lease property or increase or maintain rent;
- failure of acquisitions and development projects to yield anticipated results;
- risks associated with our strategy for acquiring value-enhancement multifamily properties, which involves greater risks than more conservative investment strategies;
- the lack of experience of NexPoint Real Estate Advisors, L.P. (our "Adviser") in operating under the constraints imposed by REIT requirements;
- loss of key personnel;
- the risk that we may not replicate the historical results achieved by other entities managed or sponsored by affiliates of our Adviser, members of our Adviser's management team or by Highland Capital Management (our "Sponsor") or its affiliates;
- risks associated with our Adviser's ability to terminate the Advisory Agreement;
- our ability to change our major policies, operations and targeted investments without stockholder consent;
- substantial fees and expenses we will pay to our Adviser and its affiliates;
- risks associated with the potential internalization of our management functions;
- the risk that we may compete with other entities affiliated with our Sponsor or property manager for tenants;
- conflicts of interest and competing demands for time faced by our Adviser, our Sponsor and their officers and employees;
- our dependence on information systems;
- lack of or insufficient amounts of insurance;
- contingent or unknown liabilities related to properties or businesses that we have acquired or may acquire;
- high costs associated with the investigation or remediation of environmental contamination, including asbestos, lead-based paint, chemical vapor, subsurface contamination and mold growth;

- the risk that our environmental assessments may not identify all potential environmental liabilities and our remediation actions may be insufficient;

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- high costs associated with the compliance with various accessibility, environmental, building and health and safety laws and regulations, such as the ADA and FHA;
- risks associated with our high concentrations of investments in the Southeastern United States and Texas;
- risks associated with limited warranties we may obtain when purchasing properties;
- exposure to decreases in market rents due to our short-term leases;
- risks associated with operating through joint ventures and funds;
- potential reforms to Fannie Mae and Freddie Mac;
- risks associated with our reduced public company reporting requirements as an “emerging growth company”;
- costs associated with being a public company, including compliance with securities laws;
- risks associated with breaches of our data security;
- the risk that our business could be adversely impacted if there are deficiencies in our disclosure controls and procedures or internal control over financial reporting;
- risks associated with our substantial current indebtedness and indebtedness we may incur in the future;
- risks associated with derivatives or hedging activity;
- the risk that we may be unable to achieve some or all of the benefits that we expect to achieve from the spin-off;
- failure to qualify as or to maintain our status as a REIT;
- compliance with REIT requirements, which may limit our ability to hedge our liabilities effectively and cause us to forgo otherwise attractive opportunities, liquidate certain of our investments or incur tax liabilities;
- failure of our operating partnership to qualify as a partnership for federal income tax purposes, causing us to fail to qualify for or to maintain REIT status;
- the ineligibility of dividends payable by REITs for the reduced tax rates available for some dividends;
- risks associated with the stock ownership restrictions of the Code for REITs and the stock ownership limit imposed by our charter;
- the ability of the NXRT board to revoke our REIT qualification without stockholder approval;
- potential legislative or regulatory tax changes or other actions affecting REITs;
- risks associated with the market for our common stock and the general volatility of the capital and credit markets;
- failure to generate sufficient cash flows to service our outstanding indebtedness or pay distributions at expected levels;
- risks associated with our ability to issue additional debt or equity securities in the future;
- risks associated with limitations of liability for and our indemnification of our directors and officers; or
- any of the other risks included under the heading “Risk Factors,” in our Registration Statement on Form 10, as amended (Registration No. 001-36663), which was declared effective on March 18, 2015.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. They are based on estimates and assumptions only as of the date of this quarterly report. We undertake no obligation to update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes, except as required by law.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

NEXPOINT RESIDENTIAL TRUST, INC. AND SUBSIDIARIES

COMBINED CONSOLIDATED BALANCE SHEETS

	June 30, 2015 (Unaudited)	December 31, 2014
ASSETS		
Operating Real Estate Investments		
Land (including from VIEs of $163,630,000 and $127,740,000, respectively)	$165,210,000	$129,320,000
Buildings and improvements (including from VIEs of $631,369,109 and $479,904,527, respectively)	639,751,506	488,260,399
Intangible lease assets (including from VIEs of $4,832,000 and $17,594,000, respectively)	4,832,000	17,884,000
Construction in progress (including from VIEs of $9,703,550 and $6,529,884, respectively)	9,754,658	6,529,884
Furniture, fixtures, and equipment (including from VIEs of $14,336,658 and $7,886,210, respectively)	14,818,049	8,319,564
Total Gross Operating Real Estate Investments	834,366,213	650,313,847
Accumulated depreciation and amortization (including from VIEs of $25,035,193 and $21,109,832, respectively)	(25,564,246)	(21,787,940)
Total Net Operating Real Estate Investments	808,801,967	628,525,907
Cash and cash equivalents (including from VIEs of $21,754,567 and $11,868,779, respectively)	24,156,124	12,661,535
Restricted cash (including from VIEs of $56,832,772 and $47,192,578, respectively)	57,627,898	47,817,342
Accounts receivable (including from VIEs of $1,789,384 and $1,134,869, respectively)	1,818,624	1,151,225
Prepaid and other assets (including from VIEs of $3,008,256 and $2,545,660, respectively)	5,064,393	2,568,933
Deferred financing costs, net (including from VIEs of $5,453,716 and $4,535,381, respectively)	5,611,170	4,632,429
TOTAL ASSETS	$903,080,176	$697,357,371
LIABILITIES AND EQUITY		

Mortgages payable (including from VIEs of $615,120,482 and $480,976,130, respectively)	$623,520,482	$486,976,130
Accounts payable and other accrued liabilities (including from VIEs of $4,609,615 and $5,322,045, respectively)	4,697,373	5,642,297
Accrued real estate taxes payable (including from VIEs of $5,144,153 and $3,858,836, respectively)	5,227,337	3,858,836
Accrued interest payable (including from VIEs of $1,246,261 and $1,030,962, respectively)	1,263,089	1,030,962
Security deposit liability (including from VIEs of $1,465,732 and $1,484,004, respectively)	1,496,363	1,513,431
Prepaid rents (including from VIEs of $1,090,643 and $760,046, respectively)	1,100,986	791,810
Dividend payable	4,386,528	—
Due to affiliates (including from VIEs of $474,286 and $20,000, respectively)	474,286	20,000
Total Liabilities	642,166,444	499,833,466
Invested Equity	—	176,549,066
NexPoint Residential Trust, Inc. stockholders' equity:		
Preferred Stock: 100,000,000 shares authorized and 0 shares issued at par value $0.01	—	—
Common Stock: 500,000,000 shares authorized and 21,293,825 shares issued at par value $0.01	212,938	—
Additional paid-in capital	240,775,201	—
Accumulated deficit	(6,639,149)	—
Accumulated other comprehensive loss	(701,491)	(305,860)
Noncontrolling interests	27,266,233	21,280,699
Total Equity	260,913,732	197,523,905
TOTAL LIABILITIES AND EQUITY	$903,080,176	$697,357,371

See Notes to Combined Consolidated Financial Statements

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NEXPOINT RESIDENTIAL TRUST, INC. AND SUBSIDIARIES

COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

AND COMPREHENSIVE LOSS

(UNAUDITED)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues				
Rental income	$25,527,979	$6,103,787	$48,218,515	$9,663,992
Other	3,219,317	714,114	6,066,250	1,147,855
Total revenues	28,747,296	6,817,901	54,284,765	10,811,847
Expenses				
Property operating expenses	8,292,668	1,900,815	15,611,964	2,938,565
Acquisition costs	237,664	851,627	2,169,262	2,746,524
Real estate taxes and insurance	3,577,214	953,721	6,955,140	1,486,301
Property management fees (related party)	857,687	206,688	1,616,499	329,311
Management and administrative fees (related party)	1,438,667	115,562	2,715,354	240,720
Corporate general and administrative expenses	830,984	—	830,984	—
Property general and administrative expenses	1,488,568	224,688	2,635,155	379,698
Depreciation and amortization	10,050,017	3,568,030	21,660,310	5,579,220
Total expenses	26,773,469	7,821,131	54,194,668	13,700,339
Operating income (loss)	1,973,827	(1,003,230)	90,097	(2,888,492)
Interest expense	(4,238,816)	(1,332,289)	(8,247,661)	(2,069,858)
Net loss	(2,264,989)	(2,335,519)	(8,157,564)	(4,958,350)
Net loss attributable to noncontrolling interests	(12,368)	(354,142)	(506,066)	(672,171)
Net loss attributable to common shareholders	$(2,252,621)	$(1,981,377)	$(7,651,498)	$(4,286,179)
Other comprehensive loss				
Net losses related to interest rate cap valuations	(125,873)	—	(395,631)	—
Total comprehensive loss	(2,390,862)	(2,335,519)	(8,553,195)	(4,958,350)
Comprehensive loss attributable to noncontrolling interest	(24,666)	(354,142)	(542,668)	(672,171)
Comprehensive loss attributable to common shareholders	$(2,366,196)	$(1,981,377)	$(8,010,527)	$(4,286,179)
Weighted average common shares outstanding - basic and diluted	21,293,825	$21,293,825	21,293,825	$21,293,825
Dividends declared per common share	$0.206	—	$0.206	—
Loss per share: Basic and diluted (See Footnote 2)	$(0.11)	$(0.11)	$(0.38)	$(0.23)

See Notes to Combined Consolidated Financial Statements

NEXPOINT RESIDENTIAL TRUST, INC. AND SUBSIDIARIES

COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	For the Six Months Ended June 30, 2015	2014
Cash flows from operating activities		
Net loss	$(8,157,564)	$(4,958,350)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	21,660,310	5,579,220
Amortization of deferred financing fees	540,527	81,949
Change in fair value on derivative instruments included in interest expense	165,599	449,538
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(667,405)	(420,688)
Prepaid and other assets	(417,536)	(904,822)
Restricted cash	(4,252,810)	(2,868,958)
Accounts payable and other accrued liabilities	(1,477,904)	2,207,248
Net cash provided by (used in) operating activities	7,393,217	(834,863)
Cash flows from investing activities		
Change in restricted cash	(5,557,746)	(6,229,712)
Prepaid acquisition deposits	(2,088,362)	—
Additions to operating real estate investments	(17,230,421)	(2,483,625)
Acquisitions of operating real estate investments	(164,577,909)	(187,864,183)
Net cash used in investing activities	(189,454,438)	(196,577,520)
Cash flows from financing activities		
Mortgage proceeds received	124,990,032	157,120,000
Mortgage payments	(6,445,680)	—
Deferred financing fees paid	(1,519,268)	(1,726,155)
Interest rate cap fees paid	(253,110)	(114,838)
Due to affiliates	454,286	8,459
Distributions to noncontrolling interest	(1,136,055)	—
Distributions	—	(6,049,933)
Contributions from noncontrolling interest	7,627,655	7,563,370
Contributions	69,837,950	46,322,438
Net cash provided by financing activities	193,555,810	203,123,341

Net increase in cash	11,494,589	5,710,958
Cash, beginning of period	12,661,535	189,868
Cash, end of period	$24,156,124	$5,900,826

See Notes to Combined Consolidated Financial Statements

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NEXPOINT RESIDENTIAL TRUST, INC. AND SUBSIDIARIES

COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

Supplemental Disclosure of Cash Flow Information		
Interest paid	$7,309,408	$1,191,095
Supplemental Disclosure of Noncash Investing and Financing Activities		
Capitalized construction costs included in accounts payable and other accrued liabilities	1,321,945	1,067,836
Capitalized construction costs included in due to affiliates	—	84,755
Change in fair value on hedging derivative instruments	395,631	—
Liabilities assumed from acquisitions	1,103,771	1,073,524
Dividend declared and payable	4,386,528	—
Other assets acquired from acquisitions	297,682	387,704
Assumed debt on acquisitions of operating real estate investments	18,000,000	—

See Notes to Combined Consolidated Financial Statements

NEXPOINT RESIDENTIAL TRUST, INC. AND SUBSIDIARIES

COMBINED CONSOLIDATED STATEMENT OF EQUITY

(UNAUDITED)

	Preferred Stock		Common Stock							
	Number of Shares	Par Value	Number of Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Invested Equity	Noncontrolling Interest	Total
Balances, December 31, 2014	—	$—	—	$—	$—	$—	$(305,860)	$176,549,066	$21,280,699	$197,523,905
Contributions					—	—	—	69,837,950	7,627,655	77,465,605
Distributions / Dividends					—	(4,386,528)	—	—	(1,136,055)	(5,522,583)
Other comprehensive loss					—	—	(395,631)	—	—	(395,631)

Interest and penalties associated with tax positions are recorded in the period assessed as general and administrative expenses. The Company files tax returns in the United States and in the states in which it conducts its business operations. The tax years 2012 through 2015 remain open to examination in the taxing jurisdictions to which the Company is subject.

Stock-based Compensation

The Company uses the Black-Scholes pricing model as a method for determining the estimated grant date fair value for all stock options awarded to employees, independent consultants, officers, and directors. The expected term of the options is based upon evaluation of historical and expected further exercise behavior. The risk-free interest rate is based upon U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life of the grant. Volatility is determined upon historical volatility of our stock and adjusted if future volatility is expected to vary from historical experience. The dividend yield is assumed to be none as we have not paid dividends nor do we anticipate paying any dividends in the foreseeable future.

We also use the Black-Scholes valuation model to determine the fair value of warrants. Expected volatility is based upon the weighted average of historical volatility over the contractual term of the warrant and implied volatility. The risk-free interest rate is basis upon implied yield on a U.S. Treasury zero-coupon issue with a remaining term equal to the contractual term of the warrants. The dividend yield is assumed to be none.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

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ITEM 4. CONTROLS AND PROCEDURES

<u>Disclosure Controls and Procedures</u>

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the "1934 Act"), as of March 31, 2016, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial officer). Based upon and as of the date of that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2016.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the 1934 Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the 1934 Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were not any changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) promulgated by the SEC under the 1934 Act) during the quarter ended March 31, 2016, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

In October 2014, the Company was served with a complaint filed in the United States District Court for the Northern District of Texas, Dallas Division (Civil Action No. 3:14-cv-03631) by Heat-On-The-Fly, LLC (“HOTF”), naming Enservco Corporation (“Enservco”) and its subsidiary Heat Waves Hot Oil Service LLC (“Heat Waves”) as defendants. The complaint alleges that Enservco and Heat Waves, in offering and selling frac water heating services, infringed and induced others to infringe two patents owned by HOTF (U.S. Patent Nos. 8,171,993 (“the ‘993 Patent”) and 8,739,875 (“the ‘875 Patent”)). The complaint seeks various remedies including injunctive relief and unspecified damages and relates to only a portion of Heat Waves’ frac water heating services. In May 2015, the case was transferred to the U.S. District Court for the District of Colorado, Civil Action No. 1:15-cv-00983-RBJ (“Colorado Case”). Heat Waves has answered the complaint, denied HOTF’s allegations of infringement and asserted counterclaims asking the Court to find, among other things, that it does not infringe either patent and that both patents are invalid. HOTF has replied to and denied those counterclaims. In July 2015, the Company and HOTF jointly asked the Colorado Court to stay the case pending any appeal by HOTF of the partial summary judgment ruling invalidating the ‘993 Patent referenced below, and on July 20, 2015, the Court granted the parties’ joint request. The Colorado case is now stayed pending resolution of appeal by HOTF of the North Dakota Court’s invalidity ruling.

HOTF is currently involved in another litigation with a group of energy companies (which does not include Enservco or Heat Waves) that sought, among other things, to invalidate the ‘993 Patent (“North Dakota Case”). In March 2015, the North Dakota Court granted the energy companies’ partial summary judgment motion, finding that the ‘993 Patent was invalid and later entered a judgment on this issue. In September 2015, a jury trial was conducted. While it did not find that HOTF committed the tort of deceit, the jury found that HOTF represented to a customer of one of the accused energy companies that HOTF had a valid patent and this representation was made in bad faith. The jury also found, among other things, that HOTF unlawfully interfered with a contract and prospective business relationship with that customer and as such, awarded the energy company $750,000 in damages. Lastly, the Court also held a bench trial on the energy companies' claim that the '993 Patent is unenforceable due to inequitable conduct by the inventor of the '993 Patent before the U.S. Patent and Trademark Office ("USPTO"). In January 2016, the Court ruled that the '993 Patent is unenforceable due to inequitable conduct by the inventor and/or HOTF. In February 2016, HOTF filed a notice of its intent to appeal to the U.S. Court of Appeals for the Federal Circuit ("Federal Circuit") all judgments and adverse orders related to those judgments issued by the North Dakota Court.

Although the first 12 claims of the ‘993 Patent survived a prior reexamination, the USPTO granted a second request in July 2014 to reexamine the ‘993 Patent in its entirety (all 99 claims, including the prior 12 claims that survived the prior, limited reexamination) based on different reasoning. In February 2015, the USPTO issued initial findings in the second reexamination proceeding and rejected all 99 claims of the ‘993 Patent as being unpatentable. In April 2015, HOTF filed a response with the USPTO seeking to overcome these pending rejections. In May 2016, the USPTO reversed its decision and confirmed all 99 claims as being patentable over the prior art in the ‘993 Patent Reexamination proceeding. Further, HOTF has at least two additional pending patent applications based on the ‘993 and ‘875 Patents, which, if granted, could be asserted against the Company. As the ‘993 Patent and the ‘875 Patent are based on the same subject matter, management believes that a final finding of invalidity and/or unenforceability of the ‘993 Patent by the Federal Circuit could serve as a basis to affect the validity of the ‘875

Patent. If these Patents are ultimately held to be invalid, the Colorado Case would become moot.

As noted above, the Colorado Case has been stayed. However, in the event that HOTF's appeal is successful and the '993 Patent is found to be valid and/or enforceable in the North Dakota Case, the Colorado Case may resume. To the extent that Enservco and Heat Waves are unsuccessful in their defense of the Colorado Case, they could be liable for damages (which may be significant) and Heat Waves could possibly be enjoined from using any technology that is determined to be infringing. Either result could negatively impact Heat Waves' business and operations. At this time, the Company is unable to predict the outcome of this case, and accordingly has not recorded an accrual for any potential loss.

ITEM 1A. RISK FACTORS

See the risk factors set forth in the Company's annual report on Form 10-K for the year ended December 31, 2015 filed on March 30, 2016, which is incorporated herein by reference. There have been no material changes to the risk factors set forth in that Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the period from March 19, 2016 through May 5, 2016, there were no sales of unregistered securities.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibit No.	Title
3.01	Second Amended and Restated Certificate of Incorporation. (1)
3.02	Certificate of Amendment of Second Amended and Restated Certificate of Incorporation (2)
3.03	Amended and Restated Bylaws. (3)
11.1	Statement of Computation of per share earnings (contained in Note 2 to the Condensed Consolidated Financial Statements).
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rick D. Kasch, Principal Executive Officer). Filed herewith.
31.2	Certification Pursuant to Section 302 of the

	Sarbanes-Oxley Act of 2002 (Robert J. Devers, Principal Financial Officer). Filed herewith.
32	Certification Pursuant to 18 U.S.C. §1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Rick D. Kasch, Chief Executive Officer, and Robert J. Devers, Chief Financial Officer). Filed herewith.
101.INS	XBRL Instance Document
101.SCH	XBRL Schema Document
101.CAL	XBRL Calculation Linkbase Document
101.LAB	XBRL Label Linkbase Document
101.PRE	XBRL Presentation Linkbase Document
101.DEF	XBRL Definition Linkbase Document

(1) Incorporated by reference from the Company's Current Report on Form 8-K dated December 30,

2010, and filed on January 4, 2011.

(2) Incorporated by reference from the Company's Current Report on Form 8-K dated June 20, 2014, and filed on June 25, 2014.

(3) Incorporated by reference from the Company's Current Report on Form 8-K dated July 27, 2010, and filed on July 28, 2010.

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SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, we have duly caused this report to be signed on our behalf by the undersigned, thereunto duly authorized.

ENSERVCO CORPORATION

Date: May 12, 2016	/s/ Rick D. Kasch
	Rick D. Kasch, Principal Executive Officer and Chief Executive Officer
Date: May 12, 2016	/s/ Robert J. Devers
	Robert J. Devers, Principal Financial Officer and Principal Accounting Officer

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