

AFFORDABLE RESIDENTIAL COMMUNITIES INC
 Form 4
 February 01, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FORD GERALD J

2. Issuer Name and Ticker or Trading Symbol
AFFORDABLE RESIDENTIAL COMMUNITIES INC [ARC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 200 CRESCENT COURT, SUITE 1350
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 01/30/2007

Director 10% Owner
 Officer (give title below) Other (specify below)

DALLAS, TX 75201

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | |
| Common Stock par value \$0.01 | 01/30/2007 | | A | | 593 | A | \$ 8 3,486 ⁽¹⁾ | D |
| Common Stock par value \$0.01 | 01/30/2007 | | A | | 1,758,807 | A | \$ 8 9,026,607 ⁽¹⁾ | I |
| Common Stock par value | 01/30/2007 | | A | | 391,549 | A | \$ 8 391,549 ⁽¹⁾ ⁽²⁾ ⁽³⁾ | I |

By ARC Diamond, LP
 By Hunter's Glen/Ford, Ltd.

\$0.01

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 3, 4, and 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| FORD GERALD J 200 CRESCENT COURT, SUITE 1350 DALLAS, TX 75201 | X | X | | |

Signatures

/s/ Gerald J. Ford
01/31/2007

**Signature of Reporting Person
Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This statement is filed on behalf of Gerald J. Ford (the "Reporting Person") in respect of shares of common stock, par value \$0.01 per share ("Common Stock"), of Affordable Residential Communities, Inc., a Maryland corporation (the "Issuer"). The Reporting Person disclaims beneficial ownership of the securities reported in this filing in excess of the pecuniary interest of the Reporting Person in such securities, if any, and this filing shall not be deemed an admission that the Reporting Person is, for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise, the beneficial owner of such securities. The general partner of ARC Diamond, LP ("ARC Diamond") is ARC Diamond GP, Inc., and Mr. Ford is the sole shareholder of ARC Diamond GP, Inc. Mr. Ford is a

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general partner of Hunter's Glen/Ford, Ltd. ("Hunter's Glen/Ford"), and Mr. Ford is the sole shareholder of Ford Diamond Corporation, the other general partner of Hunter's Glen/Ford.

On October 13, 2006, Hunter's Glen/Ford entered into a certain Investment Agreement (the "Investment Agreement") with the Issuer. Under the terms of the Investment Agreement, Hunter's Glen/Ford agreed to purchase a number of shares of Common Stock equal to the number of shares of Common Stock that were not subscribed for by stockholders of the Issuer (other than Mr. Ford and ARC Diamond)

- (2) as soon as reasonably practicable after the expiration of the rights offering of the Issuer (the "Rights Offering"). Pursuant to the Rights Offering, the Issuer distributed pro rata to its stockholders subscription rights ("Rights") to purchase shares of Common Stock at a purchase price of \$8.00 per share. Following the expiration of the Rights Offering, Rights to acquire 391,549 shares of Common Stock were unsubscribed for by stockholders of the Issuer (other than Mr. Ford and ARC Diamond).

On January 30, 2007, after stockholder approval of the issuance of shares to Hunter's Glen/Ford pursuant to the Investment Agreement

- (3) and pursuant to its obligations under the Investment Agreement, Hunter's Glen/Ford purchased 391,549 shares of Common Stock at a purchase price of \$8.00 per share from the Issuer in a private placement.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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