

AFFORDABLE RESIDENTIAL COMMUNITIES INC  
 Form 4  
 November 29, 2004

**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 \*  
**HACK RANDALL**

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)  
**600 GRANT STREET, SUITE 900**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**11/24/2004**

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

**DENVER, CO 80203**  
 (City) (State) (Zip)

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

**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) |   |                                      |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|---|--------------------------------------|
|  |                                      |  |                                | (A) or (D)  | Price   |  |   |   |                                      |
|  |                                      |  |                                | Code  | V   | Amount   |   |   |                                      |
| Common stock par value \$.01 per share | 11/24/2004                           |  | S                              | D   | 59,700  | \$ 12.81   | 1,017,480   | I | Nassau Capital L.L.C. <sup>(1)</sup> |
| Common stock par value \$.01 per share |                                      |  |                                |   |   |  | 3,577   | I | NAS Partners I L.L.C. <sup>(2)</sup> |

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

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**required to respond unless the form displays a currently valid OMB control number.**

**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 Following Transaction (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|  |  |                                      |  | 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 |
| HACK RANDALL<br>600 GRANT STREET, SUITE 900<br>DENVER, CO 80203 |               | X         |         |       |

## Signatures

Randall A. Hack                      11/29/2004  
 \_\_Signature of                      Date  
 Reporting Person

## 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) 1,017,480 of the shares that Mr. Hack may be deemed to beneficially own are held indirectly through his affiliation with Nassau Capital L.L.C. of which he is a managing member. Nassau Capital Funds L.L.C. may be deemed to beneficially own 1,077,180 shares indirectly as the general partner for each of Nassau Capital Partners II LP, which holds 575,368 shares and Nassau Capital Funds, LP which holds 442,112 shares, after the sales reported on this form of 59,700 shares. Mr. Hack disclaims beneficial ownership of the shares reported herein, except to the extent of a pecuniary interest therein.
- (2) 3577 of the shares Mr. Hack may be deemed to beneficially own are held indirectly through his affiliation with NAS Partners I L.L.C. of which he is the managing member.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.