

ModernGraham Valuation

Cominar Real Estate
Investment Trust



Company Name:

Company Ticker TSE:CUF.UN

Date of Analysis

3/14/2017

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,598,005,706	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.55	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	61.48%	Pass
6. Moderate PEmg Ratio	PEmg < 20	9.11	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.63	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.55	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-79.01	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Fail

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.54
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$22.32
MG Value based on 0% Growth	\$13.08
Market Implied Growth Rate	0.31%

MG Opinion

Current Price	\$14.03
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	B+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$25.54
Graham Number	\$27.01
PEmg	9.11
Current Ratio	0.55
PB Ratio	0.63
Current Dividend	\$1.47
Dividend Yield	10.49%
Number of Consecutive Years of Dividend Growth	1

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.55	Next Fiscal Year Estimate	\$1.54
Dec2016	\$1.40	Dec2016	\$1.65
Dec2015	\$1.62	Dec2015	\$1.87
Dec2014	\$1.45	Dec2014	\$2.03
Dec2013	\$1.98	Dec2013	\$2.19
Dec2012	\$2.91	Dec2012	\$2.08
Dec2011	\$2.45	Dec2011	\$1.51
Dec2010	\$1.72	Dec2010	\$0.99
Dec2009	\$0.57	Dec2009	\$0.67
Dec2008	\$0.54	Dec2008	\$0.75
Dec2007	\$0.69	Dec2007	\$0.89
Dec2006	\$0.98	Dec2006	\$1.00
Dec2005	\$0.95	Dec2005	\$1.03
Dec2004	\$0.98	Dec2004	\$1.07
Dec2003	\$1.14	Dec2003	\$1.10
Dec2002	\$1.14	Dec2002	\$1.04
Dec2001	\$1.08	Dec2001	\$0.91
Dec2000	\$1.03	Balance Sheet Information 12/1/2016	
Dec1999	\$1.01	Total Current Assets	\$66,510,000
Dec1998	\$0.56	Total Current Liabilities	\$121,576,000
Dec1997	\$0.00	Long-Term Debt	\$4,350,696,000
		Total Assets	\$8,287,785,000
		Intangible Assets	\$166,971,000
		Total Liabilities	\$4,472,272,000
		Shares Outstanding (Diluted Average)	172,505,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company #N/A

- Other ModernGraham posts about related companies
- [Caretrust REIT Inc Valuation – Initial Coverage \\$CTRE](#)
 - [Federal Realty Investment Trust Valuation – Initial Coverage \\$FRT](#)
 - [Extra Space Storage Inc Valuation – Initial Coverage \\$EXR](#)
 - [UDR Inc Valuation – Initial Coverage \\$UDR](#)
 - [Digital Realty Trust Inc Valuation – Initial Coverage \\$DLR](#)
 - [Mid-America Apartment Communities Inc Valuation – Initial Coverage \\$MAA](#)
 - [American Tower Corp Valuation – February 2017 \\$AMT](#)
 - [Chartwell Retirement Residences Valuation – Initial Coverage \\$TSE:CSH.UN](#)
 - [Equity Residential Valuation – February 2017 \\$EQR](#)
 - [Communications Sales & Leasing Valuation – Initial Coverage \\$CSAL](#)