

ModernGraham Valuation



Company Name:

American Campus
Communities, Inc.

Company Ticker ACC

Date of Analysis

11/20/2016

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	\$5,673,762,373	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.02	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-492.96%	Fail
5. Earnings Growth	PEmg < 20	47.08	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.74	Pass
7. Moderate Price to Assets			

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	1.02	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1,719.23	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		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.96
MG Growth Estimate	15.00%
MG Value	\$36.91
MG Value based on 3% Growth	\$13.90
MG Value based on 0% Growth	\$8.15
Market Implied Growth Rate	19.29%

MG Opinion

Current Price	\$45.13
% of Intrinsic Value	122.27%
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$20.71
Graham Number	\$26.61
PEmg	47.08
Current Ratio	1.02
PB Ratio	1.74
Current Dividend	\$1.64
Dividend Yield	3.63%
Number of Consecutive Years of Dividend Growth	4

Useful Links:

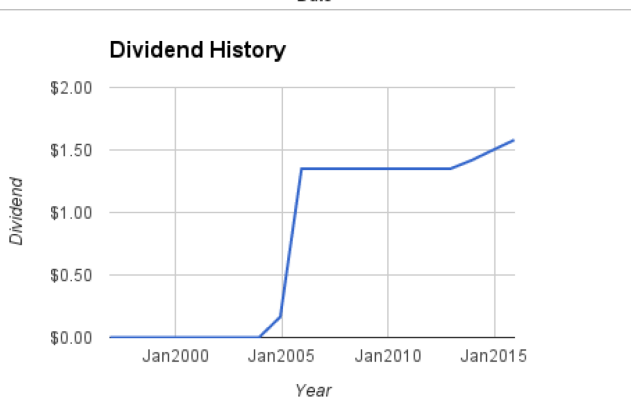
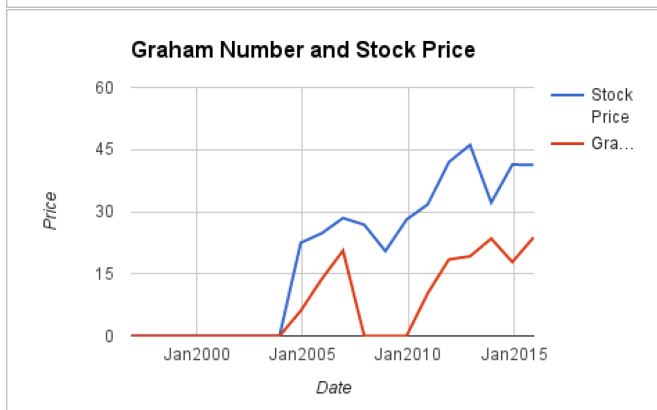
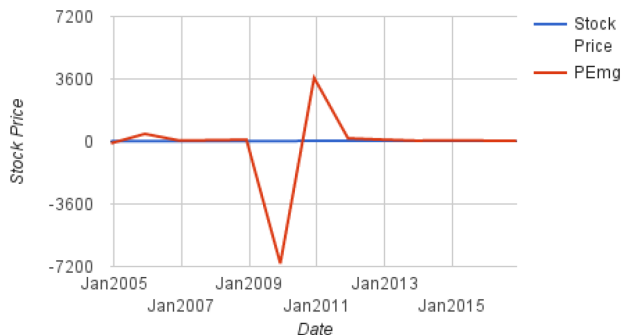
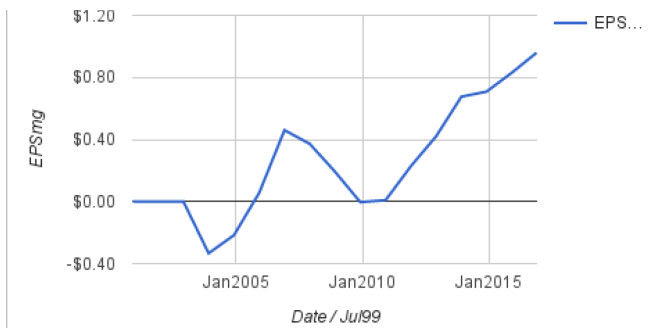
ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.19	Next Fiscal Year Estimate	\$0.96
Dec2015	\$1.02	Dec2015	\$0.83
Dec2014	\$0.58	Dec2014	\$0.71
Dec2013	\$0.98	Dec2013	\$0.68
Dec2012	\$0.65	Dec2012	\$0.42
Dec2011	\$0.80	Dec2011	\$0.23
Dec2010	\$0.26	Dec2010	\$0.01
Dec2009	-\$0.28	Dec2009	\$0.00
Dec2008	-\$0.36	Dec2008	\$0.19
Dec2007	-\$0.07	Dec2007	\$0.37
Dec2006	\$1.17	Dec2006	\$0.46
Dec2005	\$0.65	Dec2005	\$0.06
Dec2004	\$0.15	Dec2004	-\$0.22
Dec2003	-\$1.00	Dec2003	-\$0.33
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$78,692,000
Dec1997	\$0.00	Total Current Liabilities	\$77,247,000
Dec1996	\$0.00	Long-Term Debt	\$2,484,292,000
		Total Assets	\$6,279,375,000
		Intangible Assets	\$0
		Total Liabilities	\$2,829,269,000
		Shares Outstanding (Diluted Average)	132,790,000



EPSmg

Price and PEmg



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 [American Campus Communities Inc. Analysis – Initial Coverage \\$ACC](#)

Other ModernGraham posts about related companies [SL Green Realty Corp Valuation – August 2016 \\$SLG](#)
[Starwood Property Trust Inc Valuation – August 2016 \\$STWD](#)
[Kimco Realty Corp Valuation – August 2016 \\$KIM](#)
[Equity Residential Valuation – August 2016 \\$EQR](#)
[Host Hotels and Resorts Inc Valuation – July 2016 \\$HST](#)
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