

ModernGraham Valuation

Company Name:

Company Ticker TSE:CSH.UN

Date of Analysis

2/27/2017

Chartwell Retirement
Residences



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	\$3,019,830,731	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.15	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	-183.89%	Fail
5. Earnings Growth	PEmg < 20	30.00	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.61	Fail
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	0.15	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-6.98	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.53
MG Growth Estimate	15.00%
MG Value	\$20.30
MG Value based on 3% Growth	\$7.65
MG Value based on 0% Growth	\$4.48
Market Implied Growth Rate	10.75%

MG Opinion

Current Price	\$15.82
% of Intrinsic Value	77.92%
Opinion	Fairly Valued
MG Grade	C-

Stage 3: Information for Further Research

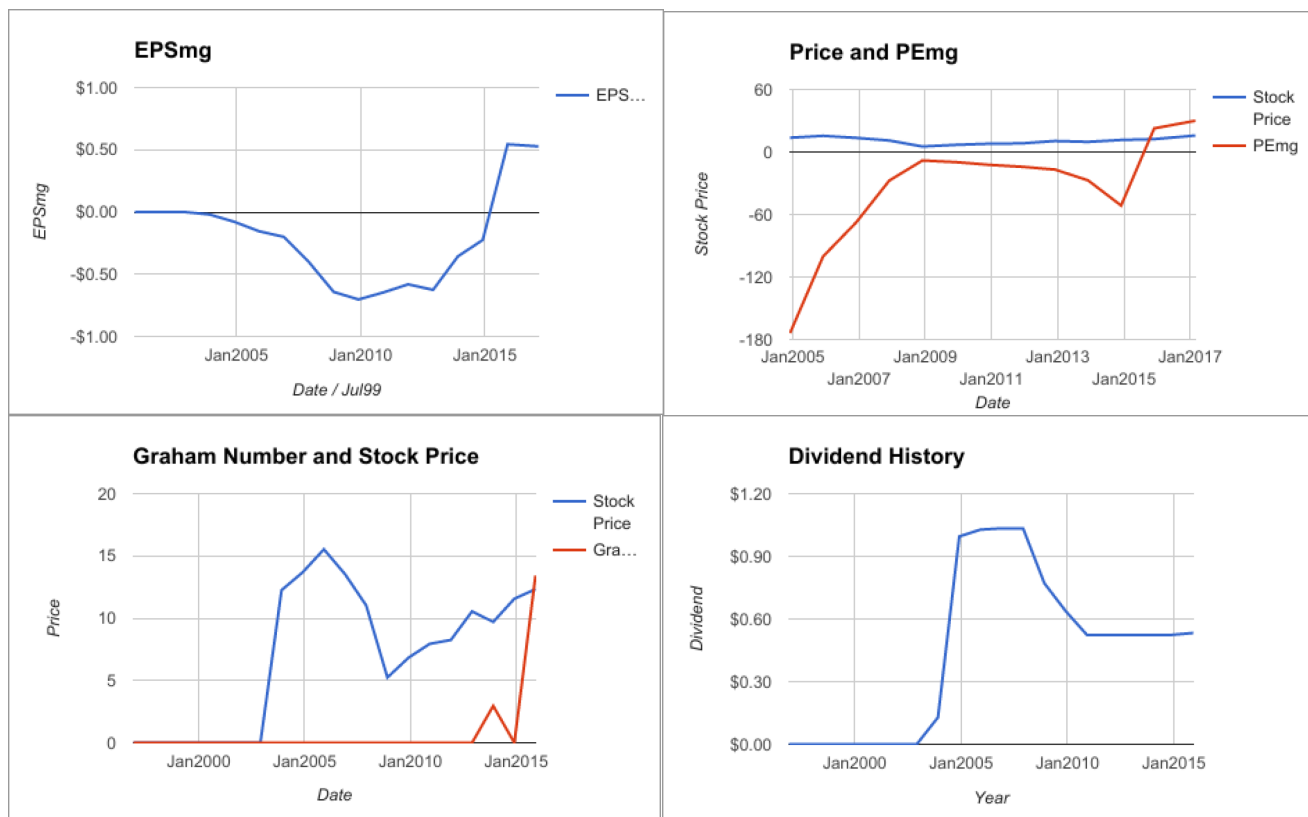
Net Current Asset Value (NCAV)	-\$9.97
Graham Number	\$3.44
PEmg	30.00
Current Ratio	0.15
PB Ratio	3.61
Current Dividend	\$0.55
Dividend Yield	3.46%
Number of Consecutive Years of Dividend Growth	2

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	\$0.12	Next Fiscal Year Estimate	\$0.53
Dec2015	\$1.99	Dec2015	\$0.54
Dec2014	-\$0.05	Dec2014	-\$0.22
Dec2013	\$0.14	Dec2013	-\$0.36
Dec2012	-\$0.80	Dec2012	-\$0.63
Dec2011	-\$0.43	Dec2011	-\$0.58
Dec2010	-\$0.43	Dec2010	-\$0.65
Dec2009	-\$0.68	Dec2009	-\$0.70
Dec2008	-\$1.03	Dec2008	-\$0.64
Dec2007	-\$0.76	Dec2007	-\$0.40
Dec2006	-\$0.24	Dec2006	-\$0.20
Dec2005	-\$0.28	Dec2005	-\$0.15
Dec2004	-\$0.19	Dec2004	-\$0.08
Dec2003	-\$0.06	Dec2003	-\$0.02
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	\$41,926,000
Dec1997	\$0.00	Total Current Liabilities	\$275,355,000
Dec1996	\$0.00	Long-Term Debt	\$1,629,628,000
		Total Assets	\$2,764,873,000
		Intangible Assets	\$57,573,000
		Total Liabilities	\$1,933,918,000
		Shares Outstanding (Diluted Average)	189,701,000





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

[Equity Residential Valuation – February 2017 \\$EQR](#)
[Communications Sales & Leasing Valuation – Initial Coverage \\$CSAL](#)
[Kite Realty Group Trust Valuation – Initial Coverage \\$KRG](#)
[Kilroy Realty Corp Valuation – Initial Coverage \\$KRC](#)
[Crombie Real Estate Investment Trust Valuation – Initial Coverage \\$TSE:CRR.UN](#)
[Smart REIT Valuation – Initial Coverage \\$TSE:SRU.UN](#)
[Prologis Inc Valuation – February 2017 \\$PLD](#)
[Camden Property Trust Valuation – Initial Coverage \\$CPT](#)
[CoreSite Realty Corp Valuation – Initial Coverage \\$COR](#)
[Senior Housing Properties Trust Valuation – Initial Coverage \\$SNH](#)