

ModernGraham Valuation

Apartment Investment
and Management Co



Company Name:

Company Ticker AIV

Date of Analysis

3/20/2018

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	\$6,310,517,506	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.66	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	-257.31%	Fail
5. Earnings Growth	PEmg < 20	28.75	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.78	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	0.66	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-51.84	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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.39
MG Growth Estimate	6.02%
MG Value	\$28.66
MG Value based on 3% Growth	\$20.23
MG Value based on 0% Growth	\$11.86
Market Implied Growth Rate	10.13%

MG Opinion

Current Price	\$40.11
% of Intrinsic Value	139.96%
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$27.17
Graham Number	\$0.00
PEmg	28.75
Current Ratio	0.66
PB Ratio	3.78
Current Dividend	\$1.44
Dividend Yield	3.59%
Number of Consecutive Years of Dividend Growth	7

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EPS History		EPSmg History	
Next Fiscal Year Estimate	-\$0.01	Next Fiscal Year Estimate	\$1.39
Dec2017	\$1.96	Dec2017	\$2.04
Dec2016	\$2.67	Dec2016	\$1.93
Dec2015	\$1.52	Dec2015	\$1.36
Dec2014	\$2.06	Dec2014	\$1.00
Dec2013	\$1.40	Dec2013	\$0.25
Dec2012	\$0.61	Dec2012	-\$0.11
Dec2011	-\$0.86	Dec2011	-\$0.26
Dec2010	-\$1.08	Dec2010	\$0.19
Dec2009	-\$1.00	Dec2009	\$0.79
Dec2008	\$3.96	Dec2008	\$1.51
Dec2007	-\$0.26	Dec2007	\$0.36
Dec2006	\$0.95	Dec2006	\$0.69
Dec2005	-\$0.12	Dec2005	\$0.57
Dec2004	\$1.28	Dec2004	\$0.84
Dec2003	\$0.67	Dec2003	\$0.60
Dec2002	\$0.87	Dec2002	\$0.56
Dec2001	\$0.23	Balance Sheet Information 12/1/2017	
Dec2000	\$0.52	Total Current Assets	\$153,958,000
Dec1999	\$0.38	Total Current Liabilities	\$232,839,000
Dec1998	\$0.80	Long-Term Debt	\$4,088,911,000
		Total Assets	\$6,079,040,000
		Intangible Assets	\$38,701,000
		Total Liabilities	\$4,415,896,000
		Shares Outstanding (Diluted Average)	156,880,000





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.

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