ModernGraham Valuation

Company Name:

Apartment Investment and Management Co



Company Ticker 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.

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		
5. Earnings Growth	beginning and end	-257.31% Fail	
Moderate PEmg Ratio	PEmg < 20	28.75 Fail	
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.78 Fail	

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

 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	Pass
	Score	

Score

Suitability

Defensive No Enterprising Nο

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

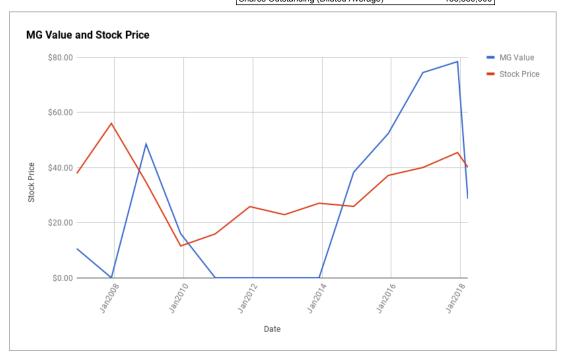
Net Current Asset Value (NCAV)	-\$27.17
Graham Number	\$0.00
PEmg	28.75
Current Ratio	0.66
PB Ratio	3.78
Current Dividend	\$1.44
Dividend Yield	3.59%
Number of Consecutive Years of Dividend	7
Growth	/

Morningstar

Useful Links: ModernGraham tagged articles

> Google Finance MSN Money Yahoo Finance Seeking Alpha **GuruFocus SEC Filings**

EPS History		EPSmg History	
Next Fiscal Year			
Estimate		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.

Recommended Reading:

Other ModernGraham Apartment Investment and Management Company Annual Valuation – 2015 \$AIV

ModernGraham posts about the 14 Companies in the Spotlight This Week – 1/4/14

company

ModernGraham Valuation: Apartment Investment & Management Co. (AIV)

Other ModernGraham posts about related companies Crown Castle International Corp Valuation - March 2018 \$CCI

GGP Inc Valuation - March 2018 \$GGP

<u>Starwood Property Trust Inc Valuation – March 2018 \$STWD</u>

Simon Property Group Inc Valuation - March 2018 \$SPG

Welltower Inc Valuation - March 2018 \$WELL

Boston Properties Inc Valuation - March 2018 \$BXP

AvalonBay Communities Inc Valuation – February 2018 \$AVB

Weyerhauser Co Valuation - February 2018 \$WY

Alexandria Real Estate Equities Inc Valuation – February 2018 \$ARE

Education Realty Trust Inc Valuation - Initial Coverage \$EDR