

ModernGraham Valuation

Company Name:

Caretrust REIT Inc

Company Ticker CTRE

Date of Analysis

8/29/2018



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	\$1,476,340,335	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.89	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	5133.33%	Pass
5. Earnings Growth	PEmg < 20	41.78	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.20	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	0.89	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-169.63	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	\$0.44
MG Growth Estimate	15.00%
MG Value	\$16.99
MG Value based on 3% Growth	\$6.40
MG Value based on 0% Growth	\$3.75
Market Implied Growth Rate	16.64%

MG Opinion

Current Price	\$18.44
% of Intrinsic Value	108.53%
Opinion	Fairly Valued
MG Grade	C-

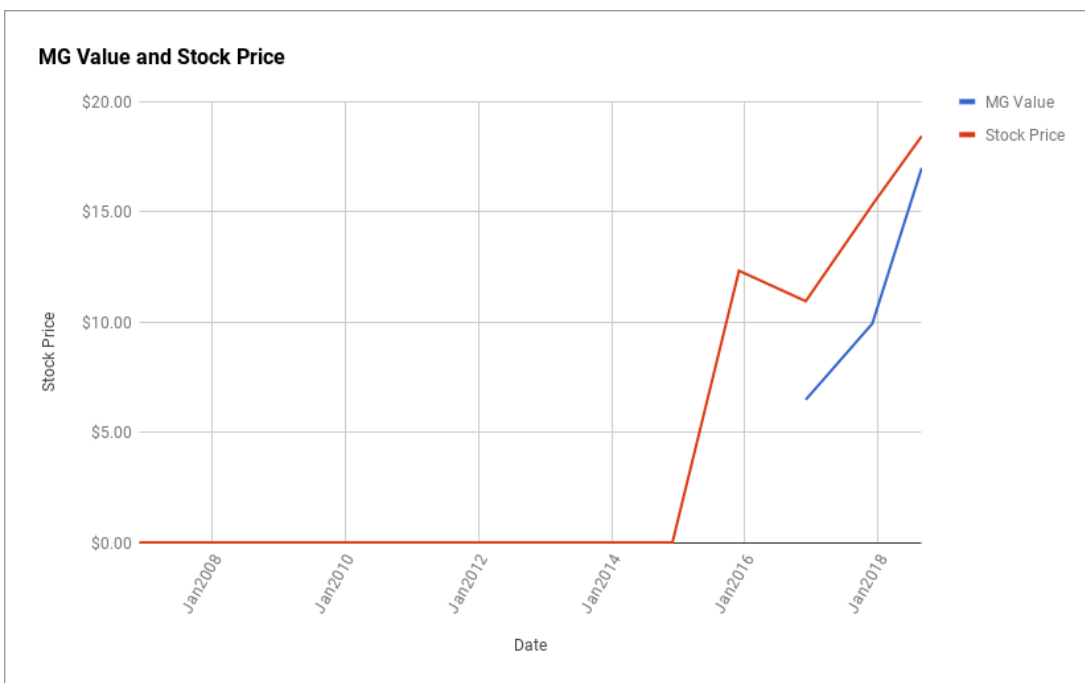
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$7.17
Graham Number	\$11.14
PEmg	41.78
Current Ratio	0.89
PB Ratio	2.20
Current Dividend	\$0.74
Dividend Yield	4.01%
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		Next Fiscal Year Estimate	
	\$0.70		\$0.44
Dec2017	\$0.35	Dec2017	\$0.26
Dec2016	\$0.52	Dec2016	\$0.17
Dec2015	\$0.26	Dec2015	-\$0.01
Dec2014	-\$0.36	Dec2014	-\$0.12
Dec2013	-\$0.02	Dec2013	-\$0.01
Dec2012	\$0.01	Dec2012	\$0.00
Dec2011	\$0.00	Dec2011	\$0.00
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information	
Dec2000	\$0.00	6/1/2018	
Dec1999	\$0.00	Total Current Assets	\$25,555,000
Dec1998	\$0.00	Total Current Liabilities	\$28,764,000
		Long-Term Debt	\$544,338,000
		Total Assets	\$1,211,840,000
		Intangible Assets	\$0
		Total Liabilities	\$573,102,000
		Shares Outstanding (Diluted Average)	76,374,000





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:

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ModernGraham
posts about the
company

[Caretrust REIT Inc Valuation – Initial Coverage \\$CTRE](#)

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ModernGraham
posts about related
companies

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[Uniti Group Inc Valuation – August 2018 \\$UNIT](#)

[Kite Realty Group Trust Valuation – August 2018 \\$KRG](#)

[Kilroy Realty Corp Valuation – August 2018 \\$KRC](#)

[Crombie Real Estate Investment Trust Valuation – August 2018 \\$TSE-CRR.UN](#)

[Charles River Laboratories International Inc Valuation – August 2018 \\$CRL](#)

[SmartCentres Real Estate Investment Trust Valuation – August 2018 \\$TSE-SRU.UN](#)

[Camden Property Trust Valuation – August 2018 \\$CPT](#)

[Senior Housing Properties Trust Valuation – August 2018 \\$SNH](#)

[CoreSite Realty Corp Valuation – August 2018 \\$COR](#)