

# ModernGraham Valuation

Apartment Investment  
and Management Co



## Company Name:

Company Ticker AIV

Date of Analysis

1/19/2019

## 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	\$7,313,721,219	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.43	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		
5. Earnings Growth		-385.71%	Fail
6. Moderate PEmg Ratio	PEmg < 20	17.71	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.36	Fail

*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	0.43	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-26.33	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 Score		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.65
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$102.15</b>
MG Value based on 3% Growth	\$38.47
MG Value based on 0% Growth	\$22.55
Market Implied Growth Rate	4.60%

### MG Opinion

Current Price	\$46.99
% of Intrinsic Value	46.00%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

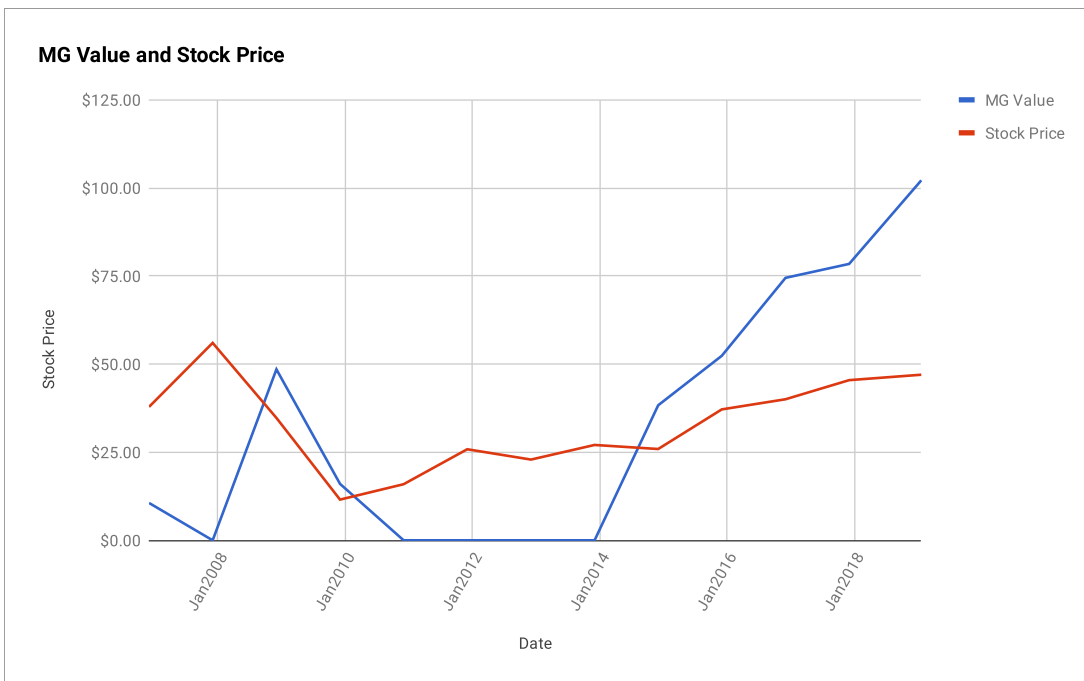
Net Current Asset Value (NCAV)	-\$24.77
Graham Number	\$28.81
PEmg	17.71
Current Ratio	0.43
PB Ratio	3.36
Current Dividend	\$1.44
Dividend Yield	3.06%
Number of Consecutive Years of Dividend Growth	7

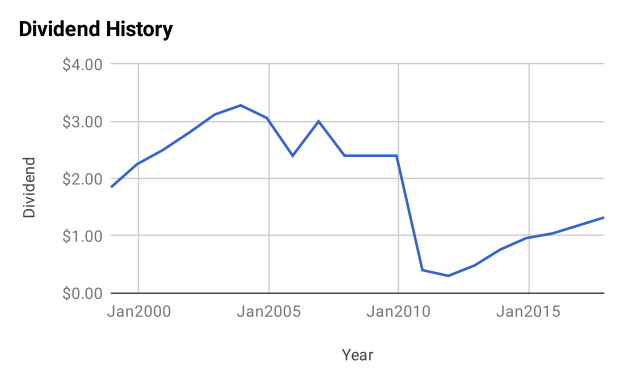
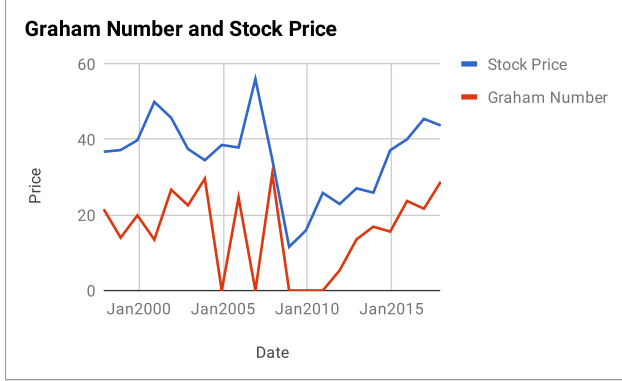
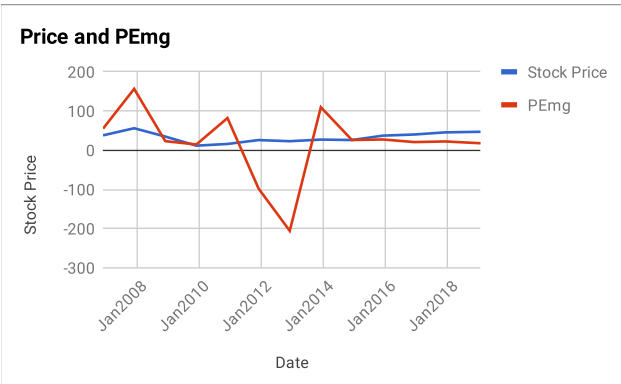
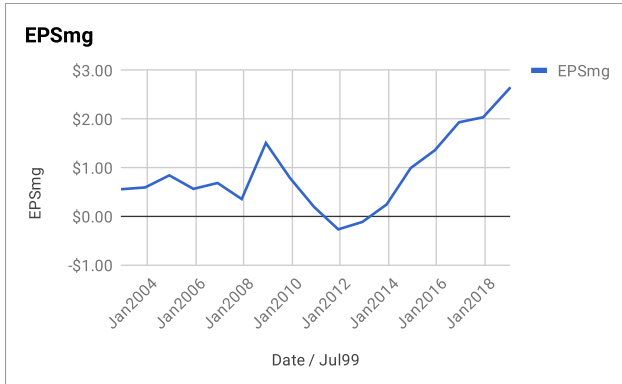
### Useful Links:

[ModernGraham tagged articles](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.77	Next Fiscal Year Estimate	\$2.65
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	<b>Balance Sheet Information 9/1/2018</b>	
Dec2000	\$0.52	Total Current Assets	\$104,299,000
Dec1999	\$0.38	Total Current Liabilities	\$242,782,000
Dec1998	\$0.80	Long-Term Debt	\$3,646,789,000
		Total Assets	\$6,185,021,000
		Intangible Assets	\$37,808,000
		Total Liabilities	\$3,990,891,000
		Shares Outstanding (Diluted Average)	156,938,000





**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**
- [Apartment Investment & Management Co Valuation – March 2018 \\$AIV](#)
  - [Apartment Investment & Management Co Valuation – July 2016 \\$AIV](#)
  - [Apartment Investment and Management Company Annual Valuation – 2015 \\$AIV](#)
  - [14 Companies in the Spotlight This Week – 1/4/14](#)
  - [ModernGraham Valuation: Apartment Investment & Management Co. \(AIV\)](#)

- Other ModernGraham posts about related companies**
- [Simon Property Group Inc Valuation – January 2019 \\$SPG](#)
  - [Crown Castle International Corp Valuation – January 2019 \\$CCI](#)
  - [Welltower Inc Valuation – January 2019 \\$WELL](#)
  - [Boston Properties Inc Valuation – January 2019 \\$BXP](#)
  - [AvalonBay Communities Inc Valuation – December 2018 \\$AVB](#)
  - [Weyerhaeuser Co Valuation – December 2018 \\$WY](#)
  - [Alexandria Real Estate Equities Inc Valuation – November 2018 \\$ARE](#)
  - [LaSalle Hotel Properties Valuation – September 2018 \\$LHO](#)
  - [Cousins Properties Inc Valuation – September 2018 \\$CUZ](#)
  - [Cominar Real Estate Investment Trust Valuation – September 2018 \\$TSE:CUF.UN](#)