

# ModernGraham Valuation

Federal Realty  
Investment Trust



## Company Name:

Company Ticker FRT

Date of Analysis

3/19/2019

## 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	\$9,809,619,332	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.83	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	52.19%	Pass
6. Moderate PEmg Ratio	PEmg < 20	40.21	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.95	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	1.83	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	13.82	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>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.28
MG Growth Estimate	3.85%
<b>MG Value</b>	<b>\$53.18</b>
MG Value based on 3% Growth	\$47.57
MG Value based on 0% Growth	\$27.89
Market Implied Growth Rate	15.85%

### MG Opinion

Current Price	\$131.91
% of Intrinsic Value	248.06%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>B</b>

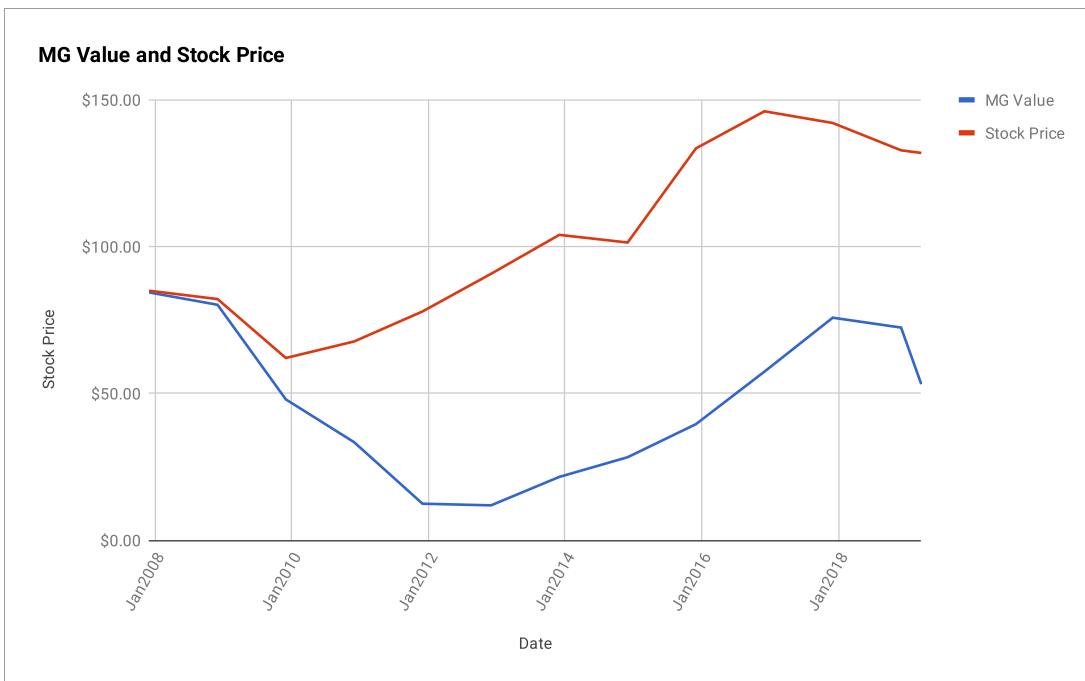
## Stage 3: Information for Further Research

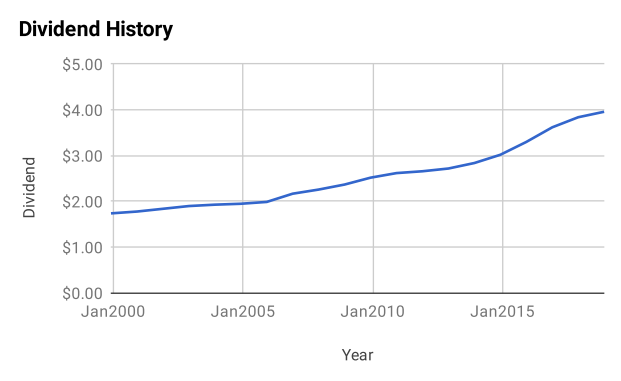
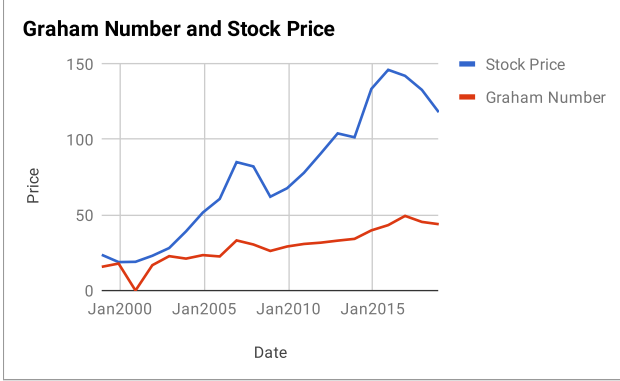
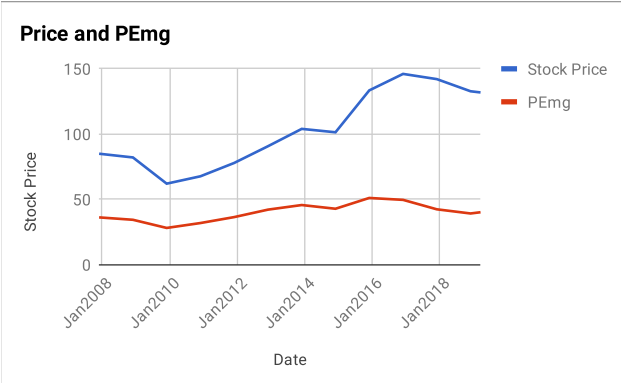
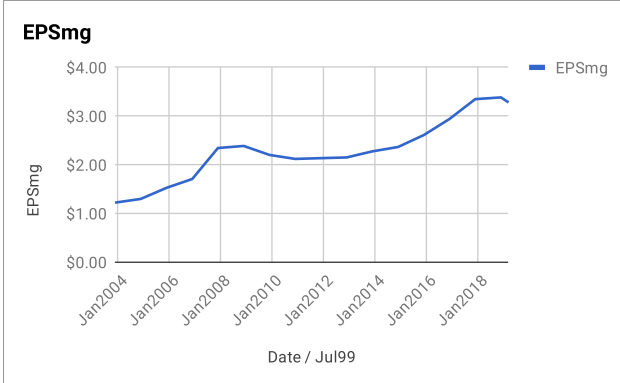
Net Current Asset Value (NCAV)	-\$44.98
Graham Number	\$43.90
PEmg	40.21
Current Ratio	1.83
PB Ratio	3.95
Current Dividend	\$4.04
Dividend Yield	3.06%
Number of Consecutive Years of Dividend Growth	20

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.91	Next Fiscal Year Estimate	\$3.28
Dec2018	\$3.18	Dec2018	\$3.38
Dec2017	\$3.97	Dec2017	\$3.35
Dec2016	\$3.50	Dec2016	\$2.94
Dec2015	\$3.03	Dec2015	\$2.61
Dec2014	\$2.41	Dec2014	\$2.37
Dec2013	\$2.46	Dec2013	\$2.28
Dec2012	\$2.35	Dec2012	\$2.15
Dec2011	\$2.28	Dec2011	\$2.14
Dec2010	\$1.98	Dec2010	\$2.12
Dec2009	\$1.63	Dec2009	\$2.20
Dec2008	\$2.19	Dec2008	\$2.39
Dec2007	\$3.45	Dec2007	\$2.34
Dec2006	\$1.92	Dec2006	\$1.71
Dec2005	\$1.94	Dec2005	\$1.53
Dec2004	\$1.41	Dec2004	\$1.30
Dec2003	\$1.59	Dec2003	\$1.22
Dec2002	\$0.85	<b>Balance Sheet Information 12/1/2018</b>	
Dec2001	\$1.09	Total Current Assets	\$502,456,000
Dec2000	\$1.35	Total Current Liabilities	\$274,004,000
Dec1999	\$1.02	Long-Term Debt	\$3,157,685,000
		Total Assets	\$6,289,644,000
		Intangible Assets	\$0
		Total Liabilities	\$3,822,314,000
		Shares Outstanding (Diluted Average)	73,800,000





**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** [Federal Realty Investment Trust Valuation – June 2018 \\$FRT](#)  
[Federal Realty Investment Trust Valuation – Initial Coverage \\$FRT](#)

**Other ModernGraham posts about related companies** [UDR Inc Valuation – March 2019 #UDR](#)  
[Mid-America Apartment Communities Inc Valuation – March 2019 #MAA](#)  
[Extra Space Storage Inc Valuation – March 2019 #EXR](#)  
[Digital Realty Trust Inc Valuation – March 2019 #DLR](#)  
[Equity Residential Valuation – March 2019 #EQR](#)  
[Prologis Inc Valuation – March 2019 #PLD](#)  
[Duke Realty Corp Valuation – March 2019 \\$DRE](#)  
[Realty Income Corp Valuation – February 2019 \\$O](#)  
[Ventas Inc Valuation – February 2019 \\$VTR](#)  
[SL Green Realty Corp Valuation – February 2019 \\$SLG](#)