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Five Star Quality Care, Inc. Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Our first question today will come from Jerry Doctrow with Stifel Nicolaus.

Jerry Doctrow - Stifel Nicolaus

A handful of things and I apologize where I think you actually covered some of this, but it was just gone a little too fast for me. Maintenance CapEx in the quarter, what was that number?

Fran Murphy

Well, Jerry, we had 49% of our \$19 million in CapEx spend was on projects of \$250,000 or more total value. We had a recovery from sale to senior housing of \$12 million.

Jerry Doctrow - Stifel Nicolaus

Okay. Was it \$12 million, even I know I heard 12?

Fran Murphy

\$12.1 million.

Jerry Doctrow - Stifel Nicolaus

\$12.1 million, okay. And then you said, how much you were going to sell to senior for the second quarter, it was 10 point something, I just didn't get the decimal?

Fran Murphy

That's right, it's.

Bruce Mackey

10.6 Jerry.

Jerry Doctrow - Stifel Nicolaus

10.6, okay.

Bruce Mackey

That's just to clarify to be sold in the future, not necessarily the second quarter.

Jerry Doctrow - Stifel Nicolaus

Okay. Sort of switching off a little bit from the numbers, I guess what I wanted to try and do is get a little bit more color Bruce in terms of just occupancy whether it was sort of across the board, whether it's a couple of properties, and I guess I particularly was kind of curious on New Seasons and the Sunwest stuff, how much they are factoring. I guess some store went down as well. But can you give me any color maybe how those two portfolios are performing compared to the rest?

Bruce Mackey

Sure. Both New Seasons and Sunwest are really close to what they are when we took over. Sunwest is actually up, eight residents or maybe even a few. I think New Seasons is actually down, in both groups properties we've really turned the majority of the leadership teams in the buildings. I think Sunwest could be close to 100%, and (inaudible) I think maybe one EDs stayed, but a number of them did decide to leave. So replacing all those EDs at both Sunwest and New Seasons took some time and obviously, you always don't get it right first time, so we've actually, maybe turned one or two them, more than once. That's done.

Our capital plans are in place of all the buildings, I mean I think that's going to be a big driver in some of these communities. I visited almost all of them now at this point, and from the outside that they are good physical plans. They are just a little tired properties, they need new carpets, new [fsne], a paint job on the inside and they'll be a very nice properties and that getting that CapEx work done. It's probably a year to get it all done, maybe a little bit longer and some of [plan seems] like phase them for a year, two year period.

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