BLACK DOUG
Form 4
March 22, 2018

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
BLACK DOUG

(Last) (First) (Middle)

MANSELL OVERLOOK, 300 COLONIAL CENTER PARKWAY, SUITE 600

(Street)

ROSWELL, GA 30076

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SiteOne Landscape Supply, Inc. [SITE]

3. Date of Earliest Transaction (Month/Day/Year)
03/21/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/21/2018		M		12,000	A	$ 5.5	403,228	D	
Common Stock	03/21/2018		S (1)		12,000	D	$ 75.32 (2)	391,228	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8 D S (I
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Options (right to buy)	$ 5.5	03/21/2018		M			12,000	(3)	05/19/2024	Common Stock	12,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLACK DOUG MANSELL OVERLOOK 300 COLONIAL CENTER PARKWAY, SUITE 600 ROSWELL, GA 30076	X		CEO	

Signatures

/s/ Briley Brisendine, Attorney-in-fact for Doug Black	03/22/2018
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 sales plan adopted by the Reporting Person on December 1, 2017.

(2) The price reported in column 4 is a weighted average price. The shares were sold at prices ranging from $74.82 to $75.785, inclusive. Upon request by the SEC staff, the issuer, or any security holder of the issuer, full information regarding the number of shares purchased or sold at each separate price will be provided.

(3) 929,448 options were granted on May 19, 2014, and vest and become exercisable ratably in five installments on each anniversary of December 23, 2013, subject to the Reporting Person's continued employment. Prior to the transactions reported on this Form 4, 731,558 of these options that remain outstanding had vested.

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Recently Issued Accounting Guidance

FASB ASC 105-10 (formerly FASB Statement No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles a replacement of FASB Statement No. 162) has become the source of authoritative U.S. GAAP recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The Codification superseded all then-existing non-SEC accounting and reporting standards with all other nongrandfathered non-SEC accounting literature not included in the Codification being considered nonauthoritative and was effective for the Company on September 30, 2009.

The FASB issued guidance to require an enterprise to perform an analysis to determine whether the enterprise s variable interest or interests give it a controlling financial interest in a variable interest entity (formerly FASB Statement No. 167, Amendments to FASB Interpretation No. 46(R)). This analysis identifies the primary beneficiary of a variable interest entity as the enterprise that has both the power to direct the activities of a variable interest entity that most significantly impact the entity s economic performance and the obligation to absorb losses of the entity that could potentially be significant to the variable interest entity or the right to receive benefits from the entity that could potentially be significant to the variable interest entity. The guidance also requires ongoing reassessments of whether an enterprise is the primary beneficiary of a variable interest entity and will be effective for the Company on January 1, 2010. It is not currently anticipated that the guidance will have an impact on the Company s earnings or financial position.

The FASB issued guidance addressing (1) practices that have developed since the issuance of FASB ASC 860-10 (formerly FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities), that are not consistent with the original intent and key requirements of that Statement and (2) concerns of financial statement users that many of the financial assets (and related obligations) that have been derecognized should continue to be reported in the financial statements of transferors. This guidance will be effective for the Company on January 1, 2010, and must be applied to transfers occurring on or after the effective date.

FASB ASC 855-10 (formerly FASB Statement No. 165, Subsequent Events) establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This disclosure should alert all users of financial statements that an entity has not evaluated subsequent events after that date in the set of financial statements being presented. This guidance introduces the concept of financial statements being available to be issued and requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date and was effective for the Company on September 30, 2009. For additional information, refer to Note 10, Subsequent Events , in the notes to the unaudited consolidated financial statements.

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FASB ASC 820-10 (formerly FASB Statement No. 157, Fair Value Measurements) defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This guidance does not require any new fair value measurements but would apply to assets and liabilities that are required to be recorded at fair value under other accounting standards. The Company adopted this guidance on January 1, 2008, for its financial assets and liabilities and on January 1, 2009, for its nonfinancial assets and liabilities. The adoption did not have a material effect on the Company s earnings or financial position.

FASB ASC 805-10 (formerly FASB Statement No. 141(R) Business Combinations) requires the acquiring entity in a business combination to recognize the full fair value of assets acquired and liabilities assumed in the transaction (whether a full or partial acquisition); establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed; requires expensing of most transaction and restructuring costs; and requires the acquirer to disclose to investors and other users all of the information needed to evaluate and understand the nature and financial effect of the business combination. This guidance applies prospectively to business combinations for which the acquisition date is on or after January 1, 2009. As there have not been any acquisitions during the first nine months of fiscal 2009, this guidance has not had an impact on the Company s earnings or financial position.

FASB ASC 260-10 (formerly FASB Staff Position (FSP) Emerging Issues Task Force (EITF) 03-6-1, Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities) clarifies that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and are to be included in the computation of earnings per share under the two-class method described in FASB ASC 260-10. This guidance was effective for the Company on January 1, 2009, and required all prior-period earnings per share data to be adjusted retrospectively. The Company s adoption of this guidance did not have a material effect on the net income per share data reported in the Company s consolidated financial statements. For additional information, refer to Note 2, Net Income Per Share.

Website

The Company s internet website www.capitalsenior.com contains an Investor Relations section, which provides links to the Company s annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, and Section 16 filings as well as amendments to those reports, which reports and filings are available free of charge through the Company s website as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission (SEC).

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Results of Operations

The following table sets forth for the periods indicated selected statements of income data in thousands of dollars and expressed as a percentage of total revenues.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2009		2008		2009		2008	
	$	%	$	%	$	%	$	%
Revenues:								
Resident and healthcare revenue	$ 42,801	89.0	$ 43,224	90.6	$ 127,950	89.3	$ 128,795	88.7
Unaffiliated management service revenue	18	0.0	52	0.1	54	0.0	140	0.1
Affiliated management service revenue	692	1.4	1,011	2.1	1,992	1.4	4,180	2.9
Community reimbursement revenue	4,603	9.6	3,430	7.2	13,298	9.3	12,151	8.4
Total revenue	48,114	100.0	47,717	100.0	143,294	100.0	145,266	100.0
Expenses:								
Operating expenses (exclusive of depreciation and amortization shown below)	26,718	55.5	27,320	57.3	78,707	54.9	80,191	55.2
General and administrative expenses	2,456	5.1	2,405	5.0	8,820	6.1	9,733	6.7
Facility lease expense	6,502	13.5	6,319	13.2	19,441	13.6	18,774	12.9
Stock-based compensation	282	0.6	293	0.6	902	0.6	786	0.5
Depreciation and amortization	3,334	6.9	3,143	6.6	9,862	6.9	9,258	6.4
Community reimbursement expense	4,603	9.6	3,430	7.2	13,298	9.3	12,151	8.4
Total expenses	43,895	91.2	42,910	89.9	131,030	91.4	130,893	90.1
Income from operations	4,219	8.8	4,807	10.1	12,264	8.6	14,373	9.9
Other income (expense):								
Interest income	18	0.0	140	0.3	56	0.0	363	0.2
Interest expense	(2,967)	(6.2)	(3,066)	(6.4)	(8,871)	(6.2)	(9,172)	(6.3)

Gain on sale of assets							596	0.4
Other income (expense)	(14)	0.0	75	0.2	59	0.1	227	0.2
Income before provision for income taxes	1,256	2.6	1,956	4.1	3,508	2.5	6,387	4.4
Provision for income taxes	(506)	(1.0)	(754)	(1.6)	(1,509)	(1.1)	(2,449)	(1.7)
Net income	$ 750	1.6	$ 1,202	2.5	$ 1,999	1.4	$ 3,938	2.7

Three Months Ended September 30, 2009 Compared to the Three Months Ended September 30, 2008

Revenues.

Total revenues were $48.1 million for the three months ended September 30, 2009 compared to $47.7 million for the three months ended September 30, 2008, representing an increase of approximately $0.4 million or 0.8%. This increase in revenue is primarily the result of an increase in community reimbursement revenue of $1.2 million offset by a decrease in resident and healthcare revenue of $0.4 million and a decrease in affiliated management services revenue of $0.3 million.

Resident and healthcare revenue decreased $0.4 million or 1.0% primarily due to a decrease in average occupancy of 1.8% partially offset by an increase in average revenue collected of 2.2% at the Company s consolidated communities.

The decrease in affiliated management services revenue of $0.3 million or 31.6% primarily results from the Company no longer earning development and marketing fees from three joint venture communities that were under development during fiscal 2008.

Community reimbursement revenue is comprised of reimbursable expenses from non-consolidated communities that the Company operates under long-term management agreements.

Expenses.

Total expenses were $43.9 million in the third quarter of fiscal 2009 compared to $42.9 million in the third quarter of fiscal 2008, representing an increase of $1.0 million or 2.3%. This increase in expenses is primarily the result of a $1.2 million increase in community reimbursement expenses, a $0.2 million increase in depreciation and amortization expense, and a $0.2 million increase in facility lease expense offset by a $0.6 million decrease in operating expenses.

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Depreciation and amortization expense increased $0.2 million primarily as a result of an increase in depreciable assets at the Company s consolidated communities.

Facility lease costs increased $0.2 million due to contingent annual rental rate escalations for existing leases.

Operating expenses decreased $0.6 million primarily due to a reduction in independent living expenses. Decreases in independent living expenses primarily consist of a decrease in food costs of $0.2 million, a decrease in utilities costs of $0.1 million, and a net decrease of $0.3 million in other independent living operating costs.

Community reimbursement expense represents payroll and administrative costs paid by the Company for the benefit of non-consolidated communities and joint ventures.

Other income and expense.

Interest income reflects interest earned on investment of cash balances and interest earned on escrowed funds. Interest income decreased $0.1 million primarily due to lower interest rates in the current fiscal year compared to the prior fiscal year.

Interest expense decreased $0.1 million to $3.0 million in the third quarter of fiscal 2009 compared to $3.1 million in the comparable period of fiscal 2008. This decrease in interest expense primarily results from less debt outstanding during the third quarter of fiscal 2009 compared to the third quarter of fiscal 2008.

Other expense/income in the third quarter of fiscal 2009 and 2008 relates to the Company s equity in the earnings/losses of unconsolidated affiliates, which represents the Company s share of the earnings/losses on its investments in joint ventures.

Provision for income taxes.

Provision for income taxes for the third quarter of fiscal 2009 was $0.5 million or 40.1% of income before taxes compared to a provision for income taxes of $0.8 million, or 38.5% of income before taxes, for the third quarter of fiscal 2008. The effective tax rates for the third quarter of fiscal 2009 and 2008 differ from the statutory tax rates due to state income taxes and permanent tax differences. The Company is significantly impacted by the Texas Margin Tax which effectively imposes a tax on modified gross revenues for communities within the state of Texas. The Company consolidated 17 Texas communities in the third quarter of fiscal 2009 and the Texas Margin Tax increased the overall provision for income taxes. Management regularly evaluates the future realization of deferred tax assets and provides a valuation allowance, if considered necessary, based on such evaluation. At September 30, 2009, no valuation allowance was considered necessary based on this evaluation.

Net income

As a result of the foregoing factors, the Company reported net income of $0.8 million for the three months ended September 30, 2009, compared to a net income of $1.2 million for the three months ended September 30, 2008.

Nine Months Ended September 30, 2009 Compared to the Nine Months Ended September 30, 2008

Revenues.

Total revenues were $143.3 million for the nine months ended September 30, 2009 compared to $145.3 million for the nine months ended September 30, 2008 representing a decrease of approximately $2.0 million or 1.4%. This decrease in revenue is primarily the result of a $0.8 million decrease in resident and healthcare revenue, a $2.2 million decrease in affiliated management services revenue, and a $0.1 million decrease in unaffiliated management services revenue offset by an increase in community reimbursement revenue of $1.1 million.

Resident and healthcare revenue decreased $0.8 million or 0.7% primarily due to a decrease in average occupancy of 1.3% partially offset by an increase in average revenue collected of 3.3% at the Company s consolidated communities.

The decrease in affiliated management services revenue of $2.2 million or 52.3% primarily results from the Company no longer earning development and marketing fees from three joint venture communities that were under development during fiscal 2008.

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The decrease in unaffiliated management services revenue of $0.1 million primarily results from the management of one community owned by a third party in the nine months ended September 30, 2009 compared to two communities owned by third parties in the nine months ended September 30, 2008.

Community reimbursement revenue is comprised of reimbursable expenses from non-consolidated communities that the Company operates under long-term management agreements.

Expenses.

Total expenses were $131.0 million in the first nine months of fiscal 2009 compared to $130.9 million in the first nine months of fiscal 2008, representing an increase of $0.1 million or 0.1%. This increase is primarily the result of a $1.1 million increase in community reimbursement expense, a $0.6 million increase in depreciation and amortization expense, a $0.7 million increase in facility lease expense, and a $0.1 million increase in stock-based compensation offset by a $1.5 million decrease in operating expenses and a $0.9 million decrease in general and administrative expenses.

Depreciation and amortization expense increased $0.6 million primarily as a result of an increase in depreciable assets at the Company s 50 consolidated communities.

Facility lease costs increased $0.7 million primarily due to contingent annual rental rate escalations for existing leases.

Stock-based compensation increased $0.1 million in the first nine months of fiscal 2009 compared to the first nine months of fiscal 2008 primarily due to the award of additional restricted shares of common stock to certain employees of the Company.

Operating expenses decreased $1.5 million or 1.9% primarily due to a reduction of $1.4 million in independent living expenses and a reduction of $0.1 million in assisted living expenses. Decreases in independent living expenses primarily consist of a decrease in labor and benefit costs of $0.3 million, a decrease in food costs of $0.4 million, a decrease in utilities costs of $0.1 million, and a net decrease of $0.6 million in other independent living operating costs. Assisted living expenses decreased primarily due to a decrease in employee benefit costs.

General and administrative expenses decreased $0.9 million primarily due to the write-off of accumulated due diligence costs of $0.4 million during the first nine months of fiscal 2008 related to a potential acquisition that the Company terminated and a reduction in corporate compensation of $0.5 million due to the reduction of corporate employees.

Community reimbursement expense represents payroll and administrative costs paid by the Company for the benefit of non-consolidated communities and joint ventures.

Other income and expense.

Interest income reflects interest earned on investment of cash balances and interest earned on escrowed funds. Interest income decreased $0.3 million primarily due to lower interest rates in the current fiscal year compared to the prior fiscal year.

Interest expense decreased $0.3 million to $8.9 million in the first nine months of fiscal 2009 compared to $9.2 million in the comparable period of fiscal 2008. This decrease in interest expense primarily results from less debt outstanding during fiscal 2009 compared to fiscal 2008.

Gain on sale of assets in the first nine months of fiscal 2008 represents gains associated with the sale of two parcels of land of $0.7 million and the amortization of a deferred gain on the sale of the Richmond Heights land in fiscal 2007 to a joint venture in which the Company has an equity interest, offset by a $0.1 million impairment adjustment on a parcel of land, located in Fort Wayne, Indiana, which is classified as held for sale.

Other expense/income in the first nine months of fiscal 2009 and 2008 relates to the Company s equity in the earnings/losses of unconsolidated affiliates, which represents the Company s share of the earnings/losses on its investments in joint ventures.

Provision for income taxes.

Provision for income taxes for the first nine months of fiscal 2009 was $1.5 million or 43.0% of income before taxes compared to a

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provision for income taxes of $2.4 million, or 38.3% of income before taxes, for the first nine months of fiscal 2008. The effective tax rates for the first nine months of fiscal 2009 and 2008 differ from the statutory tax rates due to state income taxes and permanent tax differences. The Company is significantly impacted by the Texas Margin Tax, which effectively imposes a tax on modified gross revenues for communities within the State of Texas. The Company consolidated 17 Texas communities in the third quarter of fiscal 2009 and the Texas Margin Tax increased the overall provision for income taxes. Management regularly evaluates the future realization of deferred tax assets and provides a valuation allowance, if considered necessary, based on such evaluation. At September 30, 2009, no valuation allowance was considered necessary based on this evaluation.

Net income/loss.

As a result of the foregoing factors, the Company reported net income of $2.0 million for the nine months ended September 30, 2009, compared to a net income of $3.9 million for the nine months ended September 30, 2008.

Liquidity and Capital Resources

The impact of the current economic environment could result in decreases in the fair value of assets, slowing of transactions, and tightening liquidity and credit markets. These impacts could make securing debt for acquisitions or refinancings for the Company, its joint ventures, or buyers of the Company s properties more difficult or on terms not acceptable to the Company.

In addition to approximately $28.4 million of unrestricted cash balances on hand as of September 30, 2009, the Company s principal sources of liquidity are expected to be cash flows from operations, proceeds from the sale of assets, cash flows from SHPIII/CSL Miami, SHP III/CSL Richmond Heights, SHPIII/CSL Levis Commons, SHPII/CSL, Midwest I and Midwest II and/or additional debt refinancings. The Company expects its available cash and cash flows from operations, proceeds from the sale of assets, and cash flows from SHPIII/CSL Miami, SHP III/CSL Richmond Heights, SHPIII/CSL Levis Commons, SHPII/CSL, Midwest I and Midwest II to be sufficient to fund its short-term working capital requirements and the Company s stock repurchase program. The Company s long-term capital requirements, primarily for acquisitions and other corporate initiatives, could be dependent on its ability to access additional funds through joint ventures and the debt and/or equity markets. The Company from time to time considers and evaluates transactions related to its portfolio including refinancings, purchases and sales, reorganizations and other transactions. There can be no assurance that the Company will continue to generate cash flows at or above current levels or that the Company will be able to obtain the capital necessary to meet the Company s short and long-term capital requirements.

In summary, the Company s cash flows were as follows (in thousands):

	Nine Months Ended September 30, 2009	2008
Net cash provided by operating activities	$ 16,472	$ 13,176
Net cash used in investing activities	(5,737)	(5,083)
Net cash used in financing activities	(8,198)	(3,405)
Net increase in cash and cash equivalents	$ 2,537	$ 4,688

Operating Activities

The net cash provided by operating activities for the first nine months of fiscal 2009 primarily results from net income of $2.0 million, net non-cash charges of $10.5 million, a decrease in property tax and insurance deposits of $0.7 million, a decrease in prepaid expenses and other assets of $2.0 million, and a decrease in federal and state income taxes receivable of $1.9 million offset by an increase in accounts receivable of $0.2 million, a decrease in accounts payable and accrued expenses of $0.2 million, and a decrease in customer deposits of $0.2 million. The net cash provided by operating activities for the first nine months of fiscal 2008 primarily results from net income of $3.9 million, net non-cash charges of $9.2 million, a decrease in prepaid expenses and other of $2.1 million, a decrease on other assets of $0.3 million, an increase in accounts payable and accrued expenses of $0.3 million and a decrease in federal and state income taxes receivable of $1.2 million offset by an increase in accounts receivable of $2.7 million, an increase in property tax and insurance deposits of $0.9 million and a decrease in customer deposits of $0.3 million.

Investing Activities

The net cash used in investing activities for the first nine months of fiscal 2009 primarily results from capital expenditures of $6.3 million offset by net investments in joint ventures of $0.6 million. The net cash used in investing activities for the first nine months of fiscal 2008 primarily results from capital expenditures of $5.7 million, net investments in joint ventures of $0.8 million offset by proceeds from the sale of two parcels of land, one in Carmichael, California and the other in Lincoln, Nebraska, for $1.4 million.

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Financing Activities

The net cash used in financing activities for the first nine months of fiscal 2009 primarily results from net repayments of notes payable of $5.1 million, additions to restricted cash of $2.2 million, and purchases of treasury stock of $0.9 million. The net cash used in financing activities for the first nine months of fiscal 2008 primarily results from net repayments of notes payable of $3.7 million offset by proceeds from the issuance of common stock of $0.2 million.

Debt Transactions

The Company must maintain certain levels of tangible net worth and comply with other restrictive covenants under the terms of its mortgage notes. The Company is currently in the process of renegotiating the loan agreement for a promissory note held by a securitized trust (securitized promissory note). The securitized promissory note is a debt obligation of one of the Company s wholly owned subsidiaries and matured on September 1, 2009, with an outstanding balance of $4.7 million, which is collateralized with the assets of the subsidiary and is nonrecourse to the Company. Scheduled monthly mortgage payments have continued to be made by the Company s subsidiary to the securitized promissory note servicer.

With the exception of the aforementioned securitized promissory note, the Company was in compliance with all of its debt covenants at September 30, 2009.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company s primary market risk is exposure to changes in interest rates on debt and lease instruments. As of September 30, 2009, the Company had $184.5 million in outstanding debt comprised solely of fixed rate debt instruments. In addition, as of September 30, 2009, the Company had $186.5 million in future lease obligations with contingent rent increases based on changes in the consumer price index.

Changes in interest rates would affect the fair market values of the Company s fixed rate debt instruments, but would not have an impact on the Company s earnings or cash flows. Increases in the consumer price index could have an effect on future facility lease expense if the leased community exceeds the contingent rent escalation thresholds set forth in each of the Company s lease agreements.

Item 4. CONTROLS AND PROCEDURES.

Effectiveness of Controls and Procedures

The Company s management, with the participation of the Company s Chief Executive Officer (CEO) and Chief Financial Officer (CFO), has evaluated the effectiveness of the Company s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) as of the end of the period covered by this report. The Company s disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms. The Company s disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to the Company s management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Based upon the controls evaluation, the Company s CEO and CFO have concluded that, as of the end of the period covered by this report, the Company s disclosure controls and procedures are effective.

There have not been any changes in the Company s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the Company s fiscal quarter ended September 30, 2009 that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

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Part II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS.

The Company has claims incurred in the normal course of its business. Most of these claims are believed by management to be covered by insurance, subject to normal reservations of rights by the insurance companies and possibly subject to certain exclusions in the applicable insurance policies. Whether or not covered by insurance, these claims, in the opinion of management, based on advice of legal counsel, should not have a material effect on the consolidated financial statements of the Company if determined adversely to the Company.

Item 1A. RISK FACTORS.

Our business involves various risks. When evaluating our business the following information should be carefully considered in conjunction with the other information contained in our periodic filings with the SEC. Additional risks and uncertainties not known to us currently or that currently we deem to be immaterial also may impair our business operations. If we are unable to prevent events that have a negative effect from occurring, then our business may suffer. Negative events are likely to decrease our revenue, increase our costs, make our financial results poorer and/or decrease our financial strength, and may cause our stock price to decline. There have been no material changes in our risk factors from those disclosed in Part 1, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2008.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following information is provided pursuant to Item 703 of Regulation S-K. The Company did not repurchase any shares of its common stock pursuant to the Company s share repurchase program (as described below), and the information set forth in the table below reflects shares repurchased by the Company pursuant to this program prior to the period covered by this report.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
July 1 July 31, 2009				$
August 1 August 31, 2009				
September 1 September 30, 2009				
January 1 September 30, 2009 Total			349,800	$ 9,080,862

On January 22, 2009, the Company s board of directors approved a share repurchase program that authorized the Company to purchase up to $10.0 million of the Company s common stock. The repurchase program does not obligate the Company to acquire any particular amount of common stock and the share repurchase authorization has no stated expiration date. All shares were purchased in open-market transactions.

Item 3. DEFAULTS UPON SENIOR SECURITIES.

Not Applicable

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not Applicable

Item 5. OTHER INFORMATION.

Not Applicable

Item 6. EXHIBITS.

The exhibits to this Form 10-Q are listed on the Exhibit Index page hereof, which is incorporated by reference in this Item 6.

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Signature
Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Capital Senior Living Corporation
(Registrant)

By: /s/ Ralph A. Beattie
Ralph A. Beattie
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)
Date: November 5, 2009

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INDEX TO EXHIBITS

The following documents are filed as a part of this report. Those exhibits previously filed and incorporated herein by reference are identified below. Exhibits not required to be included with this report have been omitted.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of the Registrant. (Incorporated by reference to exhibit 3.1 to the Registration Statement No. 333-33379 on Form S-1/A filed by the Company with the Securities and Exchange Commission on September 8, 1997.)
3.1.1	Amendment to Amended and Restated Certificate of Incorporation of the Registrant. (Incorporated by reference to exhibit 3.1 to the Company s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1999, filed by the Company with the Securities and Exchange Commission.)
3.2.1	Bylaws of the Registrant. (Incorporated by reference to exhibit 3.2 to the Registration Statement No. 333-33379 on Form S-1/A filed by the Company with the Securities and Exchange Commission on September 8, 1997.)
3.2.2	Amended and Restated Bylaws of the Registrant. (Incorporated by reference to exhibit 3.2 to the Company s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1999, filed by the Company with the Securities and Exchange Commission.)
3.2.3	Amendment No. 2 to the Amended and Restated Bylaws of the Registrant. (Incorporated by reference to exhibit 3.2.2 to the Company s Annual Report on Form 10-K for the year period ended December 31, 2002, filed by the Company with the Securities and Exchange Commission.)
4.1	Rights Agreement, dated as of March 9, 2000, between Capital Senior Living Corporation and ChaseMellon Shareholder Services, L.L.C., which includes the form of Certificate of Designation of Series A Junior Participating Preferred Stock, $.01 par value, as Exhibit A, the form of Right Certificate as Exhibit B, and the Summary of Rights as Exhibit C. (Incorporated by reference to exhibit 4.1 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on March 20, 2000.)
4.2	Form of Certificate of Designation of Series A Junior Participating Preferred Stock, $.01 par value. (Incorporated by reference to exhibit 4.1 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on March 20, 2000.)
4.3	Form of Right Certificate. (Incorporated by reference to exhibit 4.1 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on March 20, 2000.)
4.4	Form of Summary of Rights. (Incorporated by reference to exhibit 4.1 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on March 20, 2000.)
4.5	Specimen of legend to be placed, pursuant to Section 3(c) of the Rights Agreement, on all new Common Stock certificates issued after March 20, 2000 and prior to the Distribution Date upon transfer, exchange or new issuance. (Incorporated by reference to exhibit 4.1 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on

March 20, 2000.)

4.6	2007 Omnibus Stock and Incentive Plan for Capital Senior Living Corporation. (Incorporated by reference to exhibit 4.6 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on May 31, 2007.)

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Exhibit Number	Description
4.7	First Amendment to 2007 Omnibus Stock and Incentive Plan for Capital Senior Living Corporation. (Incorporated by reference to exhibit 4.7 to the Company s Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on May 31, 2007.)
31.1*	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a)
31.2*	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a)
32.1*	Certification of Lawrence A. Cohen pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Ralph A. Beattie pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith.

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