InvenTrust Properties Corp. NYSE:IVT

FQ4 2024 Earnings Call Transcripts

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COO, Executive VP, General Counsel & Corporate Secretary

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Vice President of Investor Relations

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Linda Tsai
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Paulina Alejandra Rojas-Schmidt
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Presentation

Operator

Thank you for standing by, and welcome to InvenTrust Fourth Quarter and Full Year 2024 Earnings Conference Call. My name is Elliot, and I'll be your conference call operator today.

Before we begin, I would like to remind our listeners that today's presentation is being recorded, and a replay will be available on the Investors section of the company's website at inventrustproperties.com.

[Operator Instructions]

Now I like to hand over to Mr. Dan Lombardo, Vice President of Investor Relations. Please go ahead, sir.

Dan Lombardo
Vice President of Investor Relations

Thank you, operator, and good morning, everyone, and thank you for attending our call today. Joining me from the InvenTrust team is DJ Busch, President and Chief Executive Officer; Mike Phillips, Chief Financial Officer; Christy David, Chief Operating Officer; and Dave Heimberger, our Chief Investment Officer.

Following the team's prepared remarks, the lines will be opened for questions. As a reminder, some of today's comments may contain forward-looking statements about the company's views on the future of our business and financial performance, including forward-looking earnings guidance and future market conditions. These are based on management's current beliefs and expectations and are subject to various risks and uncertainties.

Any forward-looking statements speak only as of today's date, and we assume no obligation to update any forward-looking statements made on today's call or that are in the quarterly financial supplemental or press release.

In addition, we will also reference certain non-GAAP financial measures. The comparable GAAP financial measures are included in this quarter's earnings materials, which are posted on our Investor Relations website. With that, I will turn the call over to DJ.

Daniel Joseph Busch
CEO, President & Director

Thank you, Dan. Good morning, everyone, and welcome. I appreciate everyone joining us this morning. I'm going to start the call with some high-level commentary regarding the fourth quarter and full year 2024 accomplishments as well as key strategic objectives for 2025. After that, Mike will provide more detail on our financial results and expectations for the year ahead. Finally, Christy will share highlights of our operational successes and offer additional color on market performance and leasing activity. We're pleased to report strong results for the fourth quarter and full year 2024, driven by robust demand for our properties and InvenTrust's highly effective capital deployment.

Core FFO per share grew by 5%, both in the fourth quarter and for the full year, which marks the third consecutive year of cash flow per share growth above 4%. Increased occupancy, solid leasing spreads, expense management, and strategic capital allocation continue to be the underpinning factors of our consistent above-sector average cash flow growth. Healthy economic growth, perpetual migration tailwinds and favorable business conditions continue to drive demand across our markets.

As we've consistently emphasized, Sun Belt cities are experiencing significant population inflows, particularly from higher-cost coastal areas, which is driving demand for our retail real estate. Recent forecasts project that the Sun Belt's population will grow by approximately 7% over the next decade, outpacing the national growth rate of less than 1%. Beyond these demographic trends, the regions expanding tech, health care and logistics sectors create a solid foundation for sustained long-term job growth. We are especially optimistic about opportunities in these markets where we believe demand will outpace supply, further enhancing the strength and resilience [indiscernible] of our portfolio.

Supporting this dynamic, retail development starts across the U.S. fell to the lowest level since the first quarter of 2015, underscoring the constrained pipeline for retail [strip] centers. Leasing activity and portfolio operations remain impressive despite some well-documented retailer disruptions in late 2024 and early 2025. InvenTrust has minimal exposure to headline [indiscernible] bankruptcies and store closures and we fully expect to maintain significant leasing leverage across our properties in upcoming negotiations.

We ended the year with leased occupancy at 97.4% and economic occupancy at 95.3%, a 210 basis point spread, representing approximately $6.3 million in incremental annualized base rent expected to come online over the next several quarters.

If you take into consideration an all-time high occupancy, the built-in leasing pipeline and the high retention rate of our existing tenants, the recipe for accelerated AFFO and free cash flow growth is quite promising. Due to a relatively favorable capital markets backdrop in the late summer and early fall of '24, coupled with a compelling mix of high-quality and accretive acquisition opportunities, we issued approximately $250 million of equity to accelerate growth. This meaningfully expanded our acquisition activity while also taking the opportunity to pay off expensive variable rate debt.

In the fourth quarter, we acquired 4 high-quality assets. In Charleston, a new market for InvenTrust, we added a market at Mill Creek, an 80,000 square foot center anchored by a high-performing Lowes Foods.

We also acquired Nexton Square, 134,000 square foot open-air lifestyle center featuring a strong mix of high-performing restaurants and local retailers.

In Fort Myers, one of the fastest-growing cities in the U.S. according to the U.S. Census, we secured The Forum, a 186,000 square foot center with 96% occupancy, shadow anchored by Target. And as mentioned on our last call in October, we grew our presence in the Richmond market with Stonehenge Village. In total for '24, we acquired 8 properties for $282 million and opportunistically disposed off 2 properties for $68 million.

As we move into 2025, we are highly confident in our ability to continue executing on our strategy and believe the future holds even greater promise for InvenTrust. We will remain focused on creating value through property acquisitions, portfolio optimization, operational excellence and leveraging our in-place established platform. I'll now turn the call over to Mike for a detailed review of our financial results and to discuss our expectations for 2025. Mike?

Michael Douglas Phillips
Executive VP, CFO & Treasurer

Thanks, DJ. InvenTrust closed out 2024 on a strong note as our team and portfolio continued to perform at a high level as reflected in our results. The company's full year same-property NOI reached $162.6 million, growing 5% over 2023. This represents our fourth consecutive year of same-property NOI growth exceeding 4%. The year-over-year increase was primarily driven by 270 basis points in base rent, with 150 basis points attributed to embedded rent bumps. Additionally, net expense reimbursement contributed approximately 170 basis points, with better collections from revenues deemed uncollectible adding 50 basis points.

In the fourth quarter, same-property NOI grew 7.1% compared to Q4 of 2023. For the full year, NAREIT FFO totaled $126.7 million or $1.78 per diluted share, reflecting an increase of 4.7% over 2023. Core FFO rose 4.8% to $1.73 per share year-over-year. Growth was primarily driven by same-property NOI, debt acquisitions and slightly offset by G&A and interest expense. The balance sheet remains in excellent shape, providing InvenTrust with the liquidity and flexibility needed to execute our long-term growth strategy.

At year-end, InvenTrust net leverage ratio stood at 23% with our net debt to adjusted EBITDA at 4.1x on a trailing 12-month basis. Our entire debt structure is now 100% fixed. Our weighted average interest rate was 4% with a weighted average maturity of 3.3 years. Finally, the Board of Directors approved an increase of 5% in the company's cash dividend for 2025. The new annualized rate of $0.95 will be reflected in the April dividend payment.

Moving to guidance. We expect our performance momentum to carry forward into the new year. Our full year same-property NOI growth guidance is in the range of 3.5% to 4.5%, incorporating a bad debt reserve of 75 to 100 basis points of total revenue. This reserve accounts for the recent tenant bankruptcy assumptions as well as ordinary bad debt levels we expect in any given year.

For NAREIT FFO, we are providing guidance in the range of $1.83 to $1.89 per share representing a 4.5% increase at the midpoint over 2024. Our core FFO guidance is $1.79 to $1.83 per share, reflecting a 4.6% increase at the midpoint over last year.

With expectations for acquisitions and dispositions, our net acquisition assumption is $100 million for 2025. Further details on our guidance assumptions are available in our supplemental disclosure filed yesterday. And with that, I'll turn the call over to Christy to discuss our portfolio activity. Christy?

Christy L. David
COO, Executive VP, General Counsel & Corporate Secretary

Thanks, Mike. We remain confident that InvenTrust is well positioned to achieve near- and long-term growth targets. Our Sun Belt portfolio of necessity-based retail assets supported by our experienced leasing and property management teams continued to deliver strong above-average results. We remain focused on maximizing cash flow by optimizing rents, enhancing occupancy and refining the merchandising mix across our centers. With 87% of our NOI coming from grocery-anchored assets, we recognize the vital role these tenants play in driving foot traffic to a thriving retail center. This dynamic strengthens our leasing leverage and brings additional value to our portfolio. At the time of our listing in 2021, our total portfolio leased occupancy stood at 93.5%. By the end of 2024, we achieved 97.4%, a 390 basis point increase, highlighting the exceptional quality of our centers and the appeal of our Sun Belt markets. Anchor space lease occupancy ended the year at 99.8%, matching our all-time [indiscernible] high achieved last quarter.

Small shop leased occupancy finished the quarter at 93.3%, also an all-time high for our portfolio. Even at these unprecedented levels, our leasing team remains committed to further increasing occupancy, especially in small shop category. In 2024, we signed 210 leases totaling 1.3 million square feet.

Notable tenants signed in the fourth quarter include SKECHERS, Snooze, an A.M. Eatery and Mendocino Farms. Beyond simply increasing occupancy, we believe that curating the right mix of national, regional and local retailers essential to creating a dynamic environment that drives tenant sales growth and maximizes leasing spreads for both new and renewal leases.

By strategically assembling the best combination of necessity-based retailers for each market, we cultivate an atmosphere where tenants can prosper, fueling their [indiscernible] success while enhancing our ability to grow rents. InvenTrust total portfolio ABR ended 2024 at $20.07 per square foot, reflecting an increase of 3% compared to 2023. For the year, we delivered blended [indiscernible] comparable leasing spreads of 11.3% with new lease spreads at 16.6% and renewals at 10.6%. Our retention rate stood at 94% in 2024, high tenant retention remains a key element of our portfolio. This dynamic translates to better economics, reducing downtime and significantly lowering tenant improvement costs. Additionally, we have successfully embedded rent escalators of 3% or higher in 90% of our renewals supporting long-term NOI growth.

Moving to retail news. I want to briefly address the recent store closing and bankruptcies. At InvenTrust, we view this as part of the natural life cycle of retail. Disruption and store closures following the new year are predictable and expected. While store closures remain below historical averages, they may be returning to more normalized levels compared to the last few years. As a reminder, our portfolio has 1 Jo-Ann location in Austin, Texas and 3 [indiscernible] pre-city locations that contribute collectively approximately 60 basis points of ABR. We have no exposure to Big Lots or The Container Store.

As Mike mentioned earlier, any expected disruptions or assumed vacancies within our portfolio from distressed retailers are fully accounted for in our guidance. Despite these headlines, demand for high-quality retail space remains strong. Supply is still constrained and many retailers are increasing their long-term store opening targets in our markets, recognizing the traffic and sales growth these locations can generate. We remain confident that any space we recapture presents an opportunity to drive rent growth and further enhance our tenant mix.

Before concluding, I want to take a moment to acknowledge the devastating wildfires in Southern California. The widespread destruction and loss are truly heartbreaking. Thankfully, all InvenTrust employees are safe, and at this time, our properties remain unaffected. We continue to closely monitor the situation and InvenTrust is ready to provide support to our communities and tenants wherever it is needed. Operator, that concludes our prepared remarks, and you can open the line for questions.

Question and Answer

Operator

[Operator Instructions]

Our first question comes from Dori Kesten with Wells Fargo.

Dori Lynn Kesten
Wells Fargo Securities, LLC, Research Division

Based on what you've said previously about the likely trajectory of acquisitions this year, the $100 million net investment figure seems a bit conservative. Is this meant to be [indiscernible] where you're close to closing? I guess does it assume an acceleration in dispositions?

Daniel Joseph Busch
CEO, President & Director

It's a great question. So when we think about 2025, I think we've said this in the past, when we're thinking about our initial acquisition guidance, what we really are trying to message is that we're going to continue being a net acquirer over the course of the year. The pace and acceleration of that really is dependent on our cost of capital.

You did mention dispositions. We are going through a kind of capital recycling endeavor in 2025 with some of our properties in California depending on when those pricing comes in. We think our California portfolio is probably our most attractive kind of use or cost of capital to redeploy those proceeds into some of the other markets that we've been a little bit more excited about, and we've been recently more active in. So within that $100 million, you can expect the gross number to be materially higher than that depending on the success of our disposition activity in our California markets.

Dori Lynn Kesten
Wells Fargo Securities, LLC, Research Division

Okay. And then your retention rate, I think, was about 94%, 95% this year, up from 90% last year. Can you talk through your expectations for this measure in '25. And then kind of somewhat related, would you expect re-leasing spreads this year to be comparable to the low teens that you were able to achieve in '24?

Daniel Joseph Busch
CEO, President & Director

Yes. Maybe I'll just touch quickly on the retention rate and then I'll have Christy give a little more color on what we're expecting from a spread standpoint. The 94% is probably a little bit higher than what we're expecting in 2025 only because of the known exit so we may have this year as it relates to Party City and to a lower probability of the Jo-Ann Fabrics. Other than that, we -- when we think about '25 and beyond, 90% retention rate is kind of a bogey for us and that allows us to push spreads and then while also keeping capital costs low.

Christy L. David
COO, Executive VP, General Counsel & Corporate Secretary

I mean, Dori, I'll just follow up on that and say that with respect to the leasing price, I think that our current run rate that you've seen over the past year should run similar into 2025 and we should be able -- the leasing team is focused on continuing to deliver at that rate.

Operator

We now turn to Jeff Spector with Bank of America.

Jeffrey Alan Spector
BofA Securities, Research Division

Great, and congratulations on a great '24. Just thinking about some of the comments and your discussion around your best use of capital, the dispositions California. What about the balance sheet? I mean you are under-leveraged. I guess how are you thinking about the balance sheet and using that to grow even faster?

Daniel Joseph Busch
CEO, President & Director

So Jeff, it's a great comment. Obviously, coming off the equity raise last year, which we found to be pretty opportunistic both just as it relates to what the -- our cost of equity capital was at the time, but most importantly, our ability to go and acquire quickly and accretively to use those proceeds and show transparency and quick visibility to the market. But that's the same recipe that we're planning on using this year. Now as you can appreciate, California as it relates to our property, we have a phenomenal California portfolio. It's a strategic decision for InvenTrust. I mean California retail is core for most shopping center REITs, both public and private.

We just have found that we have an opportunity set in some of our other core markets that are going to -- that look more attractive to us over time. And because of that, we can make a nice little spread on that capital recycling or be -- get very, very high-quality trophy properties in those markets that we otherwise probably wouldn't be able to go after given where our cost of debt and cost of equity capital is if we were to use the balance sheet. But we are in a position with the capacity on the balance sheet to lever up if the opportunity and the opportunities that presents itself and we'll do that as you saw what we did in the back half of last year.

Jeffrey Alan Spector
BofA Securities, Research Division

Okay. Fair. And then as the company has gotten more aggressive, let's say, on acquisitions, is that changing the conversation, let's say, with owners or sellers, like I assume that there's a lot of competition to buy Sun Belt grocery-anchored centers. Like how do you think this has changed, let's say, IVT profile or the ability to do deals versus others?

Daniel Joseph Busch
CEO, President & Director

No, it's a great question. I think what I would say is, look, it is an extremely competitive environment. And we've been successful both on-marketed deals, off-marketed deals and everything in between. And I think that's been kind of our recipe for success, and that's the reason why I think we feel more comfortable and confident continuing to invest all of our energy in some in the markets where you've seen us been active. I would say, because of our cost of capital, both with our capital recycling program and then obviously where our multiple is, I think we have an ability to be appropriately aggressive and opportunistic, but it is a competitive environment and we try to fully contemplate that as we think about our ability to be successful over the course of the year.

Jeffrey Alan Spector
BofA Securities, Research Division

Okay. And then just to confirm on the same-store NOI range of 3.5% to 4.5%. I guess, is it just safe to assume that at the high end, you're assuming, let's say, if you continue to move occupancy higher or leasing spreads are even stronger versus the bottom end, let's say that the bad debt reserve, let's say, the 7,500 bps is is more towards 100 bps. Is that fair to say? Or is there anything else to point out on the range of the same-store NOI?

Michael Douglas Phillips
Executive VP, CFO & Treasurer

Yes. This is Mike. I think you've got it kind of the range from the top to bottom, really what can move it is the uncollectible lease income with bad debt throughout the year and then just getting tenants kind of in an operating on time, but the big driver would be uncollectible lease income.

Operator

[Operator Instructions]

We now turn to Linda Tsai with Jefferies.

Linda Tsai
Jefferies LLC, Research Division

What is the appetite like for your California assets? Who are the potential buyers? And what kind of cap rate you apply to those centers?

Daniel Joseph Busch
CEO, President & Director

Yes, it's a good question, Linda. I would say California has always had a wide canvas of buyers, public, private, smaller and then certainly some of this larger international sovereign funds. I mean that's the good and bad thing about California is it's extremely competitive because of the dynamics of that market. So we sold 1 California asset last year. We're in market with several assets currently. The demand has been very, very strong thus far, but nothing signed or executed yet, and we'll watch those.

The important thing to note is we don't have to sell anything in California if we don't feel like we can redeploy those proceeds accretively. So if we're not satisfied with the price or the opportunity set on the buy side isn't as robust as we would hope, where we have the ability to kind of slow or accelerate that pace accordingly because the most important thing is that we're moving cash flow forward for InvenTrust.

As it relates to pricing, it's too early -- it would be too early to kind of comment on what that pricing looks like. But I would say that the goal is to -- where we're expecting pricing to come in, it would allow us to be -- like I said earlier, appropriately aggressive on trophy properties in markets where we've been more active and at a positive spread.

Linda Tsai
Jefferies LLC, Research Division

And then my second question is for your recent acquisitions, how do you think about the mark-to-market opportunities in those assets?

Daniel Joseph Busch
CEO, President & Director

No. I mean, look, I think the one thing that we love about our portfolio in the Sun Belt is that market rents are outpacing our current growth profile and maybe to give you a little context of that. For instance, we've in any given quarter, we'll have tenants miss an option, notice date, in which case they -- we get to renegotiate the lease, right? So -- and I think the most recent quarter where in 2024, we had about 23 tenants that missed their option period, in which case they would have probably had an increase in rent between, call it, in the high single digits.

We were able to renegotiate those rents at closer to 30% spread. It just -- it gives us confidence that we're perpetually below market in many of our -- in most of the portfolio. And that allows us to build a sustainable cash flow model even if there is a slowdown in the economy, we still feel like we're in a good spot. And that's what we look for in our new acquisitions as well. The acquisitions that we tend to buy it's market rate driven as opposed to any type of significant occupancy or value-add upside, I would say.

Operator

We now turn to Floris Van Dijkum with Compass Point.

Floris Gerbrand Hendrik Van Dijkum
Compass Point Research & Trading, LLC, Research Division

Interesting, 20 tenants last quarter missed their option periods. Presumably, that was not in your budget. And not -- it's not in your guidance either. Does that seem normal?

Daniel Joseph Busch
CEO, President & Director

Yes, Floris, let me clarify, it was 23 tenants for the year. So when you think about all the activities throughout the year, it's not that much, but it is a nice surprise when it happens. But it would be very hard for us to forecast a subset of tenants missing their option date. If you were to do the percentage, it's certainly on the lower end, but it does give you an indication of where market rents are relative to where people are resigning due to option.

Floris Gerbrand Hendrik Van Dijkum
Compass Point Research & Trading, LLC, Research Division

So my question that I had before you mentioned the missing the option thing, which prompted another. The cap rates on new acquisitions, and one of the things that I find interesting is that I think you're really the only REIT right now that's playing in the town of Southern Charleston, and you've got 2 assets there. Presumably, that means the returns that you're getting on those assets should be a little bit higher than more heavily traffic markets like Houston, like Tampa, where a lot of the other REITs are active and a lot of the -- obviously, the pool of private buyers is bigger as well. Maybe you can talk a little bit about the cap rates and where -- if you see more opportunities in markets like like Charleston and Richmond, which are not as heavily trafficked.

Daniel Joseph Busch
CEO, President & Director

No, that's actually -- it's a good observation, Floris. I would say, yes. On a risk-adjusted basis, we think markets like Charleston, like a Richmond, have -- are equally as attractive and it's a great complement to the InvenTrust portfolio, which tends to be anchored around those larger cities, right? So we have spent more time in canvassing the Charleston markets -- or market, excuse me, or even markets like Asheville, certainly, Nashville would be on the larger end. But Knoxville, some of these cities that are very complementary to the markets in which we already operate. And we can be very efficient in those markets.

Now I will tell you the criteria in those markets is much more stringent, right? In Houston, we can own 10 assets. In Austin, we can own 10 assets. We're not there yet. But the point being in these smaller markets, we may only get to 2, 3 or 4, but we want to make sure that they are in the top core of assets or retail centers in those markets. So I think the bar is a little bit higher, but the risk-adjusted returns and the ones that we've identified are equally or if not more compelling than what we've seen in some of those larger markets where, to your point, can be a little bit more competitive.

Floris Gerbrand Hendrik Van Dijkum
Compass Point Research & Trading, LLC, Research Division

And the cap rates would be -- or the risk-adjusted returns, are they 50 to 100 basis points higher?

Daniel Joseph Busch
CEO, President & Director

I would say the former -- I mean, -- there are some nice quality assets in those markets with great growth profile. So on the initial yields are still going to be in the 6s, but we're still buying everything that we look at [indiscernible] estimates, and that tends to be anywhere in the low to mid-7s from unlevered return perspective.

Floris Gerbrand Hendrik Van Dijkum
Compass Point Research & Trading, LLC, Research Division

And my last question, maybe, I apologize if I'm using up my question here, but I wanted to -- your cost of equity, I mean, you use a little bit of equity last quarter. Your stock continues to trade at sort of where consensus has your NAV. I know you have a pretty -- a good balance sheet as it is, but how do you -- if you see deals that you like and presumably, you're scouring the markets, why not raise more equity to fund some of those transactions or maybe talk about your thinking on that.

Daniel Joseph Busch
CEO, President & Director

No, I think it's a good point. And obviously, we're very, very -- our equity is precious, we want to make sure we're doing it at the right time. And it's -- and anything we're doing is value accretive for both current and prospective shareholders. But the opportunities that has matched it as well. And that's what was so fortuitous in the back half of last year is that the pipeline, we had deals that were very close to under contract or under contract and had an immediate use of proceeds. Now I'm not saying it has to be matched perfectly like that. But if our cost of equity capital continues to be attractive or get more attractive and we can put those proceeds to use in an accretive manner and leverage our platform faster because the whole goal is to use this platform to grow cash flow faster than other options within the sector, we're going to absolutely do that. But we've got to make sure that we can find opportunities and uses for that capital.

Operator

We now turn to Paulina Rojas with Green Street.

Paulina Alejandra Rojas-Schmidt
Green Street Advisors, LLC, Research Division

I find [indiscernible] Nextware an interesting property, an uncured closer to a lifestyle center. Help us with pricing for a property like this compares to a traditional grocery-anchored center in terms of cap rate. And how do you think about the growth profile on a relative basis and the risk as well?

Daniel Joseph Busch
CEO, President & Director

These are great questions. You're absolutely right. This is more of a lifestyle type of center. And the reason I'd add it's unincurred. It doesn't have any traditional grocer or large box spaces. So you can imagine when we look at that, but certainly, things -- we own things like this, but they tend to have some sort of shadow brochure or some box components. What made this particular asset attractive to us was the market -- the market which is in [indiscernible] Nextin, which is up near summer, though, the market is growing very, very quickly. And this asset is serving that market, and we'll continue to serve that market as it relates to a lot of the dining options and local retail options that it has. And we found the market -- the in-place rent is very attractive to us.

Obviously, there is a different risk profile when you remove some sort of grocer. But it's a really great complement for our portfolio because I think we've discussed with you and many in the past, we -- InvenTrust anchors towards grocery and food centers mostly necessity based, but we are format-agnostic if we find the risk-adjusted return's attractive. This is a market-driven strategy not an asset-specific strategy or a retail asset specific strategy, I say. So you could see us do things like Nexton Square.

And you can see us do some things like the form, which tends to have a little bit more box, but it's in a market that we really, really like, and we got very comfortable with those rents as well. So we're always going to anchor to those necessity-based centers, but these are nice complements with different growth profiles and risk profiles that I think complement and fill out the portfolio nicely.

Paulina Alejandra Rojas-Schmidt
Green Street Advisors, LLC, Research Division

In terms of pricing, now that is the cap rate for something like this compares to a traditional high-quality grocery anchored.

Daniel Joseph Busch
CEO, President & Director

I would say -- let's put a cap rate aside, but when you think about the risk-adjusted returns, you can think of it kind of falling in between what you would consider core grocery anchored and on the low end and then power center, it would be somewhere in between. And obviously, the underwritten rents are going to move that. But when you -- that's kind of where some of these types of centers fall. And I will mention, it is on the smaller size of a lifestyle center, which obviously was attractive to us as well. So 130,000 or so square feet, we got comfortable with the tenant mix and the curve in place rents.

Operator

We have no further questions. I'll now hand back to DJ Busch for any final remarks.

Daniel Joseph Busch
CEO, President & Director

Thank you to all for the questions and for joining us today. We look forward to seeing many of you in the months to come. Enjoy the rest of the week.

Operator
Ladies and gentlemen, today's call has now concluded. We'd like to thank you for your participation. You may now disconnect your lines.