## CT REIT Second Quarter 2017 Investor Conference Call
## Thursday, August 3, 2017 – 9:00 AM ET

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This document contains forward-looking statements that involve a number of risks and uncertainties, including statements regarding the outlook for CT Real Estate Investment Trust's ("CT REIT" or the "REIT") business and results of operations. Forward-looking statements are provided for the purposes of providing information about CT REIT's future outlook and anticipated events or results and may include statements regarding known and unknown risks and uncertainties and other factors that may cause the actual results to differ materially from those indicated. Such factors include, but are not limited to, general economic conditions, financial position, business strategy, availability of acquisition opportunities, budgets, capital expenditures, financial results including fair value adjustments and cash flow assumptions upon which they are based, cash, taxes, plans and objectives of or involving CT REIT. Particularly, statements regarding future acquisitions, developments, dispositions, results, performance, achievements, prospects or opportunities for CT REIT or the real estate industry are forward-looking statements. In some cases, forward-looking information can be identified by such terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts. Some of the specific forward-looking statements in this presentation include, but are not limited to, statements with respect to the following: CT REIT's relationship with Canadian Tire Corporation, Limited, ("CTC", which term refers to Canadian Tire Corporation, Limited and its subsidiaries unless the context otherwise requires); CT REIT's ability to execute, its growth strategies; CT REIT's capital expenditures to fund acquisitions and development activities; CT REIT's distribution policy and the distributions to be paid to its unitholders; CT REIT's capital strategy and its impact on the financial performance of the REIT and distributions to be paid to its unitholders; the expected tax treatment of CT REIT and its distributions to its unitholders; CT REIT's access to available sources of debt and/or equity financing; CT REIT's ability to expand its asset base, make accretive acquisitions, develop or intensify its property and participate with CTC in the development or intensification of the properties; interest rates and the future interest rate environment.

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For more information on the risks, uncertainties and assumptions that could cause CT REIT's actual results to differ from current expectations, please also refer to CT REIT's public filings available on SEDAR at www.sedar.com and at www.ctreit.com.

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## CORPORATE PARTICIPANTS

**Ken Silver**
*Chief Executive Officer*

**Kevin Salsberg**
*Senior Vice President, Real Estate*

**Louis Forbes**
*Chief Financial Officer*

## CONFERENCE CALL PARTICIPANTS

**Pammi Bir**
*Scotia Capital*

**Sumayya Hussain**
*CIBC*

**Michael Smith**
*RBC Capital Markets*

**Jenny Ma**
*Canaccord Genuity*

**Sam Damiani**
*TD Securities*

## PRESENTATION

**Operator**

Good morning. My name is Donna and I will be your Conference Operator today. At this time, I would like to welcome everyone to CT REIT's Second Quarter Earnings Results Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. If you would like to ask a question during that time, simply press star, then the number one on your telephone keypad. To withdraw your question, please press the pound key.

Today's discussion may include forward-looking statements. Such statements are based on Management's assumptions and beliefs. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. Please see CT REIT's public filings for a discussion of these risk factors which are included in their 2016 MD&A and AIF, which can be found on CT REIT's website and on SEDAR.

I will now turn the call over to Ken Silver, Chief Executive Officer of CT REIT. Ken?

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**Ken Silver, Chief Executive Officer**

Thank you, Operator, and good morning everyone. We're very pleased to welcome you to CT REIT's second quarter 2017 investor conference call.

Before we turn to a discussion of the quarter, I'd like to make an introduction. In June of last year, we welcomed Kevin Salsberg as Senior Vice President of Real Estate, and Clint Elenko as Vice President of Western Canada, to the CT REIT Executive Team. Both have significant prior REIT experience, and together with other additions to the team, we have significantly grown our capabilities in leasing, acquisitions, and development. Having added over six million square feet of gross leasable area to our portfolio since our IPO, we are delighted to have deepened our talent pool, while keeping our organization relatively lean and agile, given its size.

Today, I'm very pleased to welcome Kevin to the conference call to lead off the discussion of our investment and development activities. Louis Forbes, our Chief Financial Officer, will briefly review the financial aspects of the quarter, and I'll wrap things up before turning the call over for questions, so with that, I'll turn it over to Kevin.

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**Kevin Salsberg, Senior Vice President, Real Estate**

Thanks, Ken, and good morning. As outlined in our earnings release last evening, we are pleased to announce four new investments totalling approximately $53 million. These investments include the upcoming purchase of a portfolio of 14 CIBC Bank branches located primarily in major markets across Canada, including

Halifax, Montreal, Winnipeg, Calgary, and Edmonton. This portfolio is a subset of a larger portfolio acquired last year by a private vendor from CIBC.

We also announced the upcoming vend-ins of vacant land from CTC, located in Sherwood Park, Alberta, as being developed into a Canadian Tire store, as well as the intensification of two Canadian Tire properties located in Quesnel, British Columbia and La Sarre, Quebec. We expect the above acquisitions and development to be completed between the third quarter of 2017 and the fourth quarter of 2018. The investments are, in aggregate, expected to earn a weighted average cap rate of 5.8 percent when completed, and represents approximately 202,000 square feet of incremental gross leasable area.

During the second quarter, CT REIT completed two previously announced vend-ins of existing Canadian Tire stores in Victoria, British Columbia and Maniwaki, Quebec, and the vend-in of a redundant Canadian Tire store property for redevelopment in Calgary, Alberta. This redundant property has been fully leased to a grocery store operator who has taken possession and will be completing the building improvements. CT REIT has also completed the development of a new free-standing Canadian Tire store in Elmira, Ontario, and the expansion of four existing Canadian Tire stores in Athabasca, Alberta, Marathon and Bradford, Ontario, and Edmundston, New Brunswick.

Finally, during the second quarter, CT REIT acquired a property in Picton, Ontario from a third party that is subject to a ground lease with CTC. The existing Canadian Tire store located on the property will be expanded, with completion expected by the second quarter of 2018. Upon completion of the expansion, the leasing arrangements will be revised to reflect the typical master lease arrangement between CTC and the REIT. These investments, once completed, will add approximately 241,000 square feet of GLA to the portfolio.

Beyond what was completed during, and subsequent, to Q2, we continue to make progress as expected on the balance of our development projects as detailed in our latest earnings release and MD&A.

With that, I will turn it over to Louis for a review of our financial results.

**Louis Forbes, Chief Financial Officer**

Thanks, Kevin. Our second quarter results represent very solid growth in AFFO per unit over the reported results for Q2 2016. In Q2 of 2017, we reported FFO per unit of $0.283, as compared to $0.263 per unit in Q2 of 2016. AFFO per unit was $0.231, as compared to $0.210 in the comparable period, representing a 10 percent growth rate.

Net operating income was $80.2 million, a 12.3 percent increase over the $71.5 million of NOI reported for Q2 of 2016. Our MD&A breaks its headline growth into its components; 2 percent growth on a same-store basis, 2.2 percent growth on a same-property basis, and the balance as a result of acquisition and development activity, of which the most significant contribution came from the Bolton DC. The same-store growth is the result of the approximate 1.5 percent average annual increase in minimum rent contained within the Canadian Tire Store and CTC distribution centre leases, which are generally effective January 1, as well as the recovery of capital expenditures.

G&A expenses as a percentage of property revenue were lower, at 2.2 percent, compared to 2.4 percent in Q2 2016. G&A expenses decreased 2.8 percent versus the same quarter last year, primarily due to fair value adjustments on equity awards, driven by a decrease in the unit price during the second quarter of 2017, partially offset by increased income tax expenses in connection with the GP's activities, which resulted in the drawdown of the REIT's deferred tax assets, as well as increased compensation due to higher headcount.

With respect to the balance sheet, the financial position continues to be strong and liquid. At June 30, the REIT's indebtedness ratio was 45.7 percent, 120 basis points lower than last quarter. The indebtedness ratio decreased primarily due to CT REIT's 2017 acquisitions, intensification, and development activities being funded directly, or indirectly, by equity issuances or retained earnings.

In June, the REIT issued $175 million of senior unsecured debentures with a 10-year term and bearing interest at 3.47 percent. Given that we used some of the proceeds of the debt offering to repay the amount drawn on our credit facility, we expect to see an increase in our interest expense over the balance of the year. We are thrilled with the coupon we achieved on this issuance.

The use of long-term fixed-rate financing is entirely consistent with our strategy, which allows for potential future use of our cheaper credit facility as an available untapped resource. This offering brings our total outstanding balance of unsecured debentures to $875 million, and marks our ongoing maturity as an unsecured issuer.

We also have approximately $298 million available on our credit facility, as well as $35 million of cash, representing the most liquid quarter end ever for CT REIT.

Debt, as compared to earnings before interest, taxes and fair value adjustments, was a solid 7.21 times. This ratio has improved notably since December 31, 2016, as the Bolton DC has begun to produce EBITFV.

Three hundred and six of the REIT's assets are not encumbered, representing in excess of $5 billion of assets, or said another way, approximately 96 percent of our assets.

In addition, interest coverage for the second quarter of 2017 continues to be strong at 3.5 times.

Our AFFO payout ratio was a solid 76 percent, a decrease of approximately 500 basis points, as compared to the 81 percent ratio in Q2 of 2016. The change in the payout ratio from Q2 of last year reflects the strong growth in our AFFO per unit, partially offset by the increase in our distribution rate in January of this year.

As first disclosed last quarter, we now include a new metric, Adjusted Cash Flow from Operations. The ACFO is a non-GAAP financial measure developed by REALPAC, and Management at CT REIT believes that it is a sustainable economic cash flow metric that, when compared period over period, reflects the impact of cash flow generated from operating activities, after providing for net interest in other financing charges and operating capital requirements. ACFO was $49.7 million in Q2 2017, an increase of 21.8 percent from the same period in 2016. The increase in ACFO over Q2 2016 is primarily related to the significant contribution of cash generated from operating activities, partially offset by adjustments related to the fair value adjustment on investment properties and other non-operating adjustments.

On an operating basis, our portfolio is 99.6 percent occupied. Canadian Tire represents 91.1 percent of our annualized base minimum rent, and when combined with other CTC banners, represents 93.7 percent of our annualized base minimum rent. All of these metrics are largely unchanged from a year ago.

Again, I would like to take a minute to speak to the trend in our book value per unit. At June 30, 2017, the book value per unit was $12.95, representing 6.1 percent growth over the book value of $12.20 a year ago. A number of factors contributed to this growth in book value; a higher value for the income-producing properties due to ongoing growth in cash flow resulting from annual rent increases. I would like to point out that a 50 basis point decrease in the cap rate on one asset this quarter contributed approximately $0.05 to the change. In addition, retained cash flow, a higher receivable balance due to the recoverable Capex spend, and accretive investing activity, financed, in part, by equity issuance that is accretive to this book value per unit, have all contributed to the increase.

On a trailing basis, combining distributions and book value per unit growth, CT REIT has, since IPO, consistently delivered a total annual return in excess of 10 percent.

Finally, as expected and discussed on our May call, the Series 10-15 Class C LP Units were redeemed during the second quarter of 2017, and funded by approximately $23 million of cash and the issuance to CTC of approximately $47 million of Class B LP units. These units were issued at $14.925 per unit.

With that, I will turn it back to Ken.

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**Ken Silver, Chief Executive Officer**

Thanks, Louis. Before turning the call over for questions, I'd just like to provide some final thoughts on the quarter.

Once again, our focus remains on executing the core elements of our strategy; growth in AFFO per unit, balanced by conservative financial approach. We continue to complement the growth from our core portfolio of long-term leases with CTC, with a disciplined ongoing investment program, both with CTC and third parties. We are pleased to be adding the portfolio of CIBC Bank branches, a group of well-located, single-tenant assets, with triple net leases and an exceptional covenant tenant. Perhaps that sounds familiar. These assets, which stretch from Nova Scotia to Alberta, not only provide geographic diversification, but also makes this acquisition a natural fit for our national portfolio.

As Louis mentioned, one of the highlights of the quarter was our successful offering of unsecured debentures. We were pleased to see the market so responsive to the terms of our offering and the fit it has with our debt ladder, and we're very pleased to once again say we have the longest weighted average term on our debt in the sector.

Before I close, I can't help but mention that the second quarter was not great for retail headlines. It's our perspective that the headlines are worse than the reality in Canada, particularly to the extent that the headlines originate in the U.S. Nevertheless, there is no denying that the news of Sears Canada's filing for protection under the CCAA was a made-in-Canada headline, although it wasn't particularly a surprise.

You'll recall that in 2016 we completed a sale/leaseback with Sears Canada for its Calgary Distribution Centre. We acquired the property because we thought it was great real estate, not so much for the Sears tenancy. The Sears DC has direct access to the CP Intermodal Rail Yard, a differentiator with operational benefits to a tenant. It's also beside two DCs that CTC operates, one of which the REIT acquired in 2014, so we also view the property as a potential strategic asset.

At the time Sears filed for protection, it was current on its rent, and it has continued to make payments in accordance with the court's initial order. As I'm sure is the case with other landlords, we will be closely following the sale process approved by the court.

To finish up, we are very pleased with the ongoing execution of our strategy, and continue to work towards delivering long-term value for our unit holders.

And now, Operator, I'll turn the call back to you for any questions from our listeners.

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## QUESTION AND ANSWER SESSION

**Operator**

Thank you. At this time, I would like to remind everyone, in order to ask a question, please press star, then the number one on your telephone keypad. We ask that you please pick up the handset or sit close to your speaker phone system when asking your questions to provide maximum audio clarity. We'll pause for just a moment to compile the Q&A roster.

The first question is from Pammi Bir from Scotia Capital. Please go ahead.

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**Pammi Bir, Scotia Capital**

Thanks. Good morning. Just, maybe sticking with the CIBC portfolio, can you just, again, provide a bit more colour on the transaction? What was the purchase price, and is there any sort of strategic fit with the existing Canadian Tire anchored portfolio, or are these truly just standalone assets on separate properties?

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**Ken Silver, Chief Executive Officer**

Hi, Pammi. It's Ken. Yes, I can provide a little bit more colour on that one. The purchase price for the portfolio was $32 million and the cap rate there was 5.7 percent, so we think in—relative to some other portfolios that have traded, we're quite pleased with the pricing, as well as with the locations. They are all standalone properties. None of them are adjacent to, nor on a pad with a Canadian Tire store, and as we said in our introductory comments, it's well-diversified geographically. We like all the markets that the branches are located in, so we're overall quite pleased with the transaction.

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**Pammi Bir, Scotia Capital**

What's the average lease term on the portfolio?

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**Ken Silver, Chief Executive Officer**

Weighted average lease term's about eight years.

**Pammi Bir, Scotia Capital**

Are these relatively new, or renovated/updated branches?

**Ken Silver, Chief Executive Officer**

It's a mix of both from the perspective of the age of the building and the interior renovations that CIBC has done. It ranges from market to market.

**Pammi Bir, Scotia Capital**

Okay. Maybe just going back to your comments with respect to changes in retail, are there parts of the portfolio that are better-positioned than others, and has there been any discussion with Canadian Tire on changes that might be required on some of the assets?

**Ken Silver, Chief Executive Officer**

Well, I would say the Canadian Tire stores are particularly well positioned. Fortunately, that makes up most of our portfolio. Canadian Tire has a broad array of rights under the terms of their lease to manage the properties as they see fit, so if they need to make alterations to the properties to accommodate in-store pick up, or other evolutions of their retail and customer-facing business, they're able to do that under the terms of the lease.

**Pammi Bir, Scotia Capital**

Most of them—I presume that those types of costs would be at CTC's—on CTC's books, not the REIT's.

**Ken Silver, Chief Executive Officer**

We've been funding store expansions for Canadian Tire to the extent that they would be doing leasehold improvements. For typical tenant alterations within the building, they would be doing that.

**Pammi Bir, Scotia Capital**

Right. Okay, and maybe just lastly on the Sears DC. If that lease were terminated, just—I'm curious as to—and if Canadian Tire were to step into it, I'm just curious where you think market rents are for that property relative to the current in-place rent.

**Ken Silver, Chief Executive Officer**

I think the current in-place rent is close to, or a little bit below, asking rates in the market.

**Pammi Bir, Scotia Capital**

Okay, so you would expect, if, again, if they were released, that you could kind of be kept whole on the income?

**Ken Silver, Chief Executive Officer**

I hope so. Yes.

**Pammi Bir, Scotia Capital**

Okay. Thanks very much.

**Ken Silver, Chief Executive Officer**

Thank you.

**Operator**

Thank you. The next question is from Sumayya Hussain from CIBC. Please go ahead.

**Sumayya Hussain, CIBC**

Thank you. Good morning.

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**Ken Silver, Chief Executive Officer**

Good morning.

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**Sumayya Hussain, CIBC**

As you guys are worked through the redundant CTC assets, just wondering what kind of demand are you seeing from tenant types for the space? Is it grocery, or is it a mixture of all different kinds of retailers? Any colour there?

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**Kevin Salsberg, Senior Vice President, Real Estate**

We're seeing good demand. Generally, when we're buying the redundant sites, we do have some lead time to work on pre-leasing. As I mentioned, the Calgary site that we acquired has been—was pre-leased to a grocery store operator, and generally, depending on the size of the redundant store and its location, that would be an applicable use. Big box retailing as well would be common in terms of what we're looking at by way of options.

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**Sumayya Hussain, CIBC**

Sounds like a mixture versus...

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**Kevin Salsberg, Senior Vice President, Real Estate**

It’s site and market and property specific, yes.

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**Sumayya Hussain, CIBC**

Okay, and then on the cap rate compression on the one asset in the quarter, what market was that in?

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**Louis Forbes, Chief Financial Officer**

That was our large industrial distribution centre in Coteau-du-Lac, just outside Montreal.

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**Sumayya Hussain, CIBC**

Okay. Thanks. I'll turn it back.

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**Operator**

Thank you. The next question is from Michael Smith from RBC Capital markets. Please go ahead.

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**Michael Smith, RBC Capital Markets**

Thank you, and good morning. Just a question—just a couple more questions on the CIBC acquisition. Are there escalations in that—in the leases, and is it—would you characterize it as an urban portfolio or a rural portfolio, or how would you characterize it?

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**Ken Silver, Chief Executive Officer**

Hi, Michael. It's Ken. Firstly, there are rent escalations in the leases starting at the beginning of—well, originally year five. It would be now about year four, so—in the leases. With respect to the geographic locations, most of them are in major markets. There are four in smaller markets: one in Grande Prairie, Alberta; one in Thunder Bay, Ontario; one in Saint-Jean-sur-Richelieu, Quebec; and one on Banff Avenue in Banff, Alberta, so with the exception of Banff, all of those are markets that we're quite familiar with and where Canadian Tire is located, so we know the markets well and are very comfortable with them, and obviously Banff is a unique type of location.

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**Michael Smith, RBC Capital Markets**

Okay, great. Thank you, and I know, with the negative—all the negative headlines for retail, I know it's not affecting you operationally, but are you noticing an impact on cap rates as you go to the market to—looking to acquire properties?

**Kevin Salsberg, Senior Vice President, Real Estate**

Yes. They're compressing. It's the complete opposite of what you would expect. There's more competition for product. For retail properties, there's still a lot of money on the sidelines, so competition is still fierce, and it's challenging to get at good product.

**Michael Smith, RBC Capital Markets**

Cap rates are going down. Is that across all geographies, including Alberta?

**Kevin Salsberg, Senior Vice President, Real Estate**

I wouldn't paint a broad brush in there. I think Alberta is still—still has time to pick up, I'll say, but in the urban markets, for sure; in Ontario and BC especially, and we're seeing even in Quebec things are getting more competitive.

**Michael Smith, RBC Capital Markets**

Great.

**Kevin Salsberg, Senior Vice President, Real Estate**

It amplifies only further in industrial, even more so than retail.

**Michael Smith, RBC Capital Markets**

Right. Okay, and would you expect more—just following on, on that, maybe more fair value marks on some of your industrial DC's?

**Louis Forbes, Chief Financial Officer**

I don't know. We've just done—as on the Montreal DC, our policy on acquisitions is to do nothing for the first 12 months, so the Bolton asset, which went on the books in a June of '16, would next be considered, I guess, in a quarter or two, so there could be a revision there, but really, nothing else to speak to.

**Michael Smith, RBC Capital Markets**

Okay. Thank you.

**Ken Silver, Chief Executive Officer**

Thanks, Michael.

**Operator**

Thank you. The next question is from Jenny Ma from Canaccord Genuity. Please go ahead.

**Jenny Ma, Canaccord Genuity**

Thanks. Good morning, everyone. Good colour on the CIBC transaction. I just have a couple more questions on that. You had mentioned you had bought it from a private buyer. I think I may have missed that, but wondering if there's any potential for additional acquisition opportunities of a similar asset type?

**Ken Silver, Chief Executive Officer**

Hi, Jenny. It's Ken. In terms of other bank portfolios that may come onto the market?

**Jenny Ma, Canaccord Genuity**

Yes.

**Ken Silver, Chief Executive Officer**

Well, we're always looking at what comes onto the market, so I wouldn't say it's impossible, but we look—we're actively looking in the market for acquisitions.

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**Jenny Ma, Canaccord Genuity**

Does that vendor still have a similar asset type in their portfolio that potentially could be vended in down the road?

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**Ken Silver, Chief Executive Officer**

I understand from the vendor that this portfolio represents the balance of the bank branches that they wanted to dispose of.

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**Jenny Ma, Canaccord Genuity**

Okay. Okay, and then when you were looking at this acquisition, was there a view that there is a higher and better use for these assets down the road, say beyond 8 to 10 years?

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**Ken Silver, Chief Executive Officer**

For sure, Jenny, we looked at the real estate from that perspective to understand what the potential would be on a site-by-site basis, and certainly in many of the cases there are redevelopment or alternative uses to be considered

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**Jenny Ma, Canaccord Genuity**

Okay. Does CIBC have renewal options beyond the eight years on average on the lease terms?

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**Ken Silver, Chief Executive Officer**

Yes.

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**Jenny Ma, Canaccord Genuity**

Okay, great. Thank you very much. I'll turn it back.

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**Ken Silver, Chief Executive Officer**

Thank you.

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**Operator**

Thank you. Once again, please press star, one if you have a question, and your next question is from Sam Damiani from TD Securities. Please go ahead.

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**Sam Damiani, TD Securities**

Hi. Good morning, everyone. Apologies, but one more question on the CIBC portfolio, so how many branches was it, and just locations? Are they major city locations, or are they smaller markets? Is it a mix, and was the play here purely nothing to do with any synergies with Canadian Tire, or just purely a good retail property investment?

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**Ken Silver, Chief Executive Officer**

Hi, Sam. It's Ken. Just to begin with your last comment, yes, that was the motivation, as we just viewed the portfolio of—they're well-located in a number of different markets across the country, and thought they were a good fit for our portfolio, given their basically triple net leases with a strong covenant tenant. Most of them are in major markets across the country; Halifax, Winnipeg, Calgary, Edmonton, and Montreal, and then there is four of them that are in smaller markets, all of which we're familiar with because there are Canadian Tire stores in those markets, except for Banff, Alberta, which is a unique type of asset, so that's the overview. Is there anything else you'd want me to cover on that?

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**Sam Damiani, TD Securities**

I'm sorry. I did miss the number of assets.

**Ken Silver, Chief Executive Officer**

Oh, sorry; 14 in total.

**Sam Damiani, TD Securities**

It's 14?

**Ken Silver, Chief Executive Officer**

Yes.

**Sam Damiani, TD Securities**

You would look to do this type of a transaction in the future, happily pursue retail real estate investment that—without nothing to say—to do with the Canadian Tire, just a good investment?

**Ken Silver, Chief Executive Officer**

Yes. That's correct.

**Sam Damiani, TD Securities**

Are there any other types of retail real estate that peek your interest today, other than bank branches?

**Ken Silver, Chief Executive Officer**

Well, if you look at our acquisition and investment history in the last couple of years, there has been a fairly wide range of assets that we've acquired, including a few smaller enclosed shopping centres that we thought had redevelopment potential, and some Canadian Tire assets that were in third party hands, industrial assets, so we continue to look across a wide range of potential investment alternatives, and we are actively in the market, looking both at assets that are being marketed, as well as looking at off-market opportunities

**Sam Damiani, TD Securities**

I assume these CIBC branches were unencumbered?

**Ken Silver, Chief Executive Officer**

That's correct.

**Sam Damiani, TD Securities**

Okay, great. I'll turn it back. Thank you.

**Ken Silver, Chief Executive Officer**

Thank you.

**Operator**

Thank you. As there are no further questions at this time, I will turn the call back over to Ken Silver, Chief Executive Officer, for any closing remarks.

**Ken Silver, Chief Executive Officer**

Thank you, Operator, and thank you all for joining us today. We expect our third quarter results will be released early in November. We look forward to speaking with you then. Have a good day.

**Operator**

Thank you. The conference has now ended. Please disconnect your lines at this time and thank you for your participation.