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CORPORATE PARTICIPANTS

Kevin Barry *RMR Group Inc - Senior Director, Investor Relations*

Adam Portnoy *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Matthew Jordan *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

CONFERENCE CALL PARTICIPANTS

Ronald Kamdem *Morgan Stanley - Analyst*

Mitch Germain *Citizens JMP - Analyst*

John Massocca *B. Riley Securities - Analyst*

PRESENTATION

Operator

Good morning and welcome to the RMR Group fiscal first quarter, 2025 earnings conference call. (Operator Instructions) Please note this event is being recorded. I would now like to turn the call over to Kevin Barry, Senior Director of Investor Relations. Please go ahead.

Kevin Barry - *RMR Group Inc - Senior Director, Investor Relations*

Good morning and thank you for joining RMR's first quarter, fiscal 2025 conference call. With me on today's call are President and CEO, Adam Portnoy and Chief Financial Officer, Matthew Jordan. In just a moment, they will provide details about our business and quarterly results followed by a question-and-answer session.

I would also like to note that the recording and retransmission of today's conference call is prohibited without the prior written consent of the company. Today's conference call contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. These forward-looking statements are based on RMR's beliefs and expectations as of today, February 6, 2025, and actual results may differ materially from those that we project.

The company undertakes no obligation to revise or publicly release the results of any revision to the forward-looking statements made in today's conference call. Additional information concerning factors that could cause those differences is contained in our filings with the Securities and Exchange commission which can be found on our website at rmrgroup.com. Investors are cautioned not to place undue reliance upon any forward-looking statements.

In addition, we may discuss non-GAAP numbers during this call including adjusted net income, adjusted earnings per share, distributable earnings and adjusted EBITDA. A reconciliation of net income determined in accordance with us generally accepted accounting principles to these non-GAAP figures can be found in our financial results. I will now turn the call over to Adam.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Thanks Kevin and thank you all for joining us this morning. Yesterday, we reported first quarter results that were in line with our expectations highlighted by adjusted net income of \$0.35 per share and distributable earnings of \$0.46 per share with nearly \$150 million of cash on hand and adjusted EBITDA. This quarter of approximately \$21 million our dividend remains secure.

Two weeks ago, we further strengthened our liquidity by establishing a \$100 million line of credit although we have no immediate plans to draw on this facility, it further enhances our financial profile and puts us in a strong position to continue investing in growth initiatives.

We are optimistic that the cyclical bottom for commercial real estate is likely behind us and the market is positioned to improve in 2025. Despite some lingering uncertainty, fundamentals across most real estate sectors are getting better.

Our recent interactions with our institutional private capital partners indicate that they are also ready to make significant investments in sectors where they have conviction around in 2025. Three private capital growth areas that we are focused on in 2025 are the residential sector, credit strategies, and development initiatives. In each of these areas RMR is well positioned to take advantage of strong investor interest in these sectors and we continue to advance our fundraising efforts through a combination of internal resources and strategic partners.

A recent example of the growing momentum is at our residential platform where we recently raised over \$60 million from three institutional partners to acquire two South Florida residential communities with an aggregate purchase price of almost \$200 million. As general partner RMR will invest approximately \$10 million in aggregate into these deals. Over the next 3 to 5 years RMR will execute a value-add business strategy at each property with expected returns in the high [teens].

In addition to acquisition fees and ongoing property management fees, upon completion of each property's respective business plan, we stand to earn promote income if certain investment hurdles are met. We believe this early momentum is the beginning of our institutional partners coming off the sidelines and supporting our belief that now is a good time to make investments as we transition from a period of oversupply in residential to a period of steady demand driven growth, especially in the sunbelt markets where RMR has a successful track record while we expect to continue to execute one off strategic joint ventures with RMR as the general partner, our goal is to raise a committed fund focused on residential investments in the future.

As it relates to our private real estate credit vehicle fundraising, we remain confident in the demand for private real estate credit and believe we have a differentiated product focused on middle market lending with a proven track record. We are continuing fundraising in what is a crowded space but remain confident that in 2025 we will have success.

As a reminder, our on-balance sheet loan portfolio currently consists of \$67 million in aggregate commitments, all of which are performing at or ahead of their stated business plans with a goal of seeding our credit vehicle with approximately \$100 million of bridge loans. Turning to our public capital clients we are limited in what we can discuss today as we are reporting results in advance of their earnings reports in the coming weeks. Although I do want to highlight some recent public announcements that underscore the actions, we are taking to reduce leverage and improve cash flow at these clients.

OPI finished an active year highlighted by a focus on addressing its debt maturities in a challenging financing environment for the office sector. We executed on \$1.8 billion of financings including a debt exchange transaction related to OPI's 2025 debt maturity that closed in December 2024.

OPI also executed well on its asset disposition plants selling 17 properties for over \$114 million during the past quarter and using the proceeds to repay its remaining 2025 debt maturity in January. SVC is advancing its plans to improve the composition of its hotel portfolio and strengthen its balance sheet. The company has begun marketing efforts to sell 114 Sonesta hotels this year targeting \$1 billion in proceeds to improve liquidity and reduce leverage. We remain confident that the rationalization of [SVC's] hotel portfolio, stable cash flows from its triple net lease assets and continued prudent capital allocation. Well positioned [SVC] for long term value creation.

DHC continues to execute on initiatives to improve its portfolio while pursuing deleveraging strategies to that end. Earlier this week, the company completed the sale of a 186,000 square foot Life Science Campus in San Diego for \$159 million reflecting an attractive valuation of approximately \$855 per square foot. DHC also expects to close its previously announced sale of 18 senior living communities to Brookdale Senior living for \$135 million later this month.

Lastly, our commercial mortgage rate, seven Hills realty trust achieved exceptional results for shareholders in 2024. Seven Hills delivered a total shareholder return of over 12% compared to its industry benchmark which had a total return of negative 8% during the same period. This outperformance is a testament to the strength of our lending platform and management's disciplined underwriting and asset management capabilities.

To conclude, we are pleased with the progress we have made assisting our clients with their financial and strategic objectives while also driving new growth initiatives, we look forward to updating you on our progress in the coming quarters. With that, I'll now turn the call over to Matt Jordan, Executive Vice President and our Chief Financial Officer.

Matthew Jordan - RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer

Thanks Adam and Good morning, everyone. As Adam highlighted earlier, this quarter's results were in line with our expectations as our RMR generated net income of \$0.38 per share adjusted net income of \$0.35 per share and distributable earnings of \$0.46 per share. On a sequential quarter basis, RMR's earnings continue to exhibit stability as cost containment efforts offset lower revenues given challenges at our managed equity rates.

Recurring service revenues were \$47.3 million this quarter, a decrease of approximately \$700,000 Sequentially, this decrease was primarily driven by enterprise value declines at our managed equity rates and lower property management fees resulting from asset sales, both of which were slightly offset by seasonal growth in construction spend that tends to occur in the fourth calendar quarter of every year.

Next quarter based on the current enterprise values of our managed equity rates and a meaningful decline in construction activity as our clients prudently manage liquidity, we expect recurring service revenues to be approximately \$46 million.

As Adam highlighted earlier in our March 31 quarter, we will have closed two joint ventures to acquire two South Florida residential communities with an aggregate purchase price of almost \$200 million. The recurring service revenues of \$46 million I outlined for next quarter includes the impact of these transactions. More specifically one time acquisition fees of \$700,000 and ongoing property management fees.

Turning to expenses, recurring cash compensation was \$42.6 million this quarter, a decline of approximately \$1.5 million sequentially, which reflects the impact of headcount actions taken in Canada 2024, investments in technology we've made that have driven increased automation and adjustments to our bonus projections given the headwinds our clients are facing. Looking ahead to next quarter, we expect recurring cash compensation to remain at approximately \$43 million with our cash reimbursement rate remaining at approximately 50%. Recurring G&A this quarter was \$11.1 million, a modest sequential increase due to investments being made in our growth initiatives.

Next quarter, we expect recurring G&A to remain at or slightly below this level, aggregating these collective assumptions next quarter we expect adjusted net income to be between \$0.29 and \$0.30 per share adjusted EBITDA to be approximately \$20 million and distributable earnings to be between \$0.42 and \$0.43 per share.

As Adam highlighted earlier in January, we entered into \$100 million credit facility to increase our capacity to invest in private capital growth initiatives.

This line bears interest at SOFR plus 225 basis points and has an unused commitment fee of 50 basis points. With nearly \$150 million of cash on hand and no outstanding corporate debt. We remain well positioned to take advantage of improving real estate market conditions that concludes our prepared remarks. Operator, please open the line for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Ronald Kamdem, Morgan Stanley.

Ronald Kamdem - *Morgan Stanley - Analyst*

Hey, thanks for taking the questions. A couple of quick ones. Just starting with the sort of RMR residential JV investments. Just wondering if you could talk a little bit more about that. You know, what those sorts of opportunities present, what the pipeline sort of looks like. I know you put some of the sort of the dollar numbers but what are targeted, IRRs and things like that would be helpful.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Sure. Hi, good morning, Ron. Thank you for the question. With regards to our residential platform and specifically the deals we announced on the call. It represents, as I said before, about \$200 million in gross investment. We are the GP in those deals.

Those are you can think of them as structured joint ventures. The partners have invested around total of \$60 million of equity in there. Most of those partners are generally, you can think of them as other asset management firms generally. And the goal really is to continue down this path of acquiring assets in this sort of this joint venture structure for the remainder of 2025 to give you a feel for how we're thinking about it. We expect a minimum of in total for our fiscal year 500 million, but we could exceed a billion dollars in investments along this line in fiscal 2025.

And the expected returns generally are mid [10s]. And if we can, hit or exceed those returns, they promote structures in place which RMR gets to participate in if we are successful. Now, keep in mind, we just acquiring these properties, they typically have a 3-to-5-year business plan. So those promotes, if they were to materialize, you're talking about 3 to 5 years from now as we execute on the business plan and turn them around, we're very confident in our ability to execute on that strategy. And we're also really confident there is a really large pipeline of opportunities for us to invest this way.

As you know, just over a year ago, we acquired the residential platform, which is headquartered down in Atlanta. It really took us the last year to sort of fully integrate it, sort of get all the acquisition and asset management folks sort of in place that we wanted to have there. And I feel really good about how we are starting this year. And I think, this is just the beginning of what I expect to be a large part of our a going forward.

Ronald Kamdem - *Morgan Stanley - Analyst*

Great. That's super helpful. And then I guess my, second question was just, I think in your opening comments, I think you talked about residential. And so, I think two others sort of big themes for this year, I felt like development may have been sort of new. I'm not sure you sort of mentioned that before but just maybe a little bit more commentary on what that entails, what that opportunity is. Thanks.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Sure. Thank you for that. Yeah, we're very astute Ron. We did insert that in this year in this quarter's script and we haven't talked much about it. We think there are a lot of development opportunities within our embedded portfolio that we can take advantage of some of those to give you just a very high-level example would be, taking down an older obsolete structure of some sort, it could be office, it could be retail and then redevelop that into likely industrial warehouses and or multifamily residential. There are also some mixed-use opportunities there. Some of these opportunities have been expressed in the press and the media, at SVC, a very large opportunity is something that we have going on down in Nashville. We have a very large site that's a former truck stop that's been discussed in media publications about an opportunity to redevelop that into you know, close to 2 million square feet in that project it's a mixed-use project, it's a very large project.

You know, there's been press in around. We have a site here in Boston that we have submitted to the authorities here in the Boston market about redeveloping, taking down a few buildings that we own and turning that into a 40-story tower. That's a project again, that would be probably multi years if we were to get it going.

But those are some of the larger projects, there's many more smaller projects underway and those are opportunities for RMR to earn obviously a construction management fee. But I think in many of those opportunities, we could do them on balance sheet. But we could also think about

bringing in partners similar in a similar fashion to what we have done with the residential side. We bring in outside equity to be the limited partner. And RMR would then also perhaps have an opportunity to earn a promote if we were able to the returns, we think we can on some of these development projects.

So I think, look, if all goes to plan, I think in 2025 you'll start seeing some of these development plans come to fruition and that's why we want to flag it in our commentary because I think it's going to be something that we are hopefully going to kick off and, and have some investments to talk about in 2025.

Ronald Kamdem - *Morgan Stanley - Analyst*

Great. That's it for me. Thanks so much.

Operator

Mitch Germain, Citizens JMP.

Mitch Germain - *Citizens JMP - Analyst*

Thank you. Adam just on the residential investments. I know initially you were targeting to do a broader fund. Is this a pivot to do individual investments with specific institutions? Or is there some sort of roll up strategy that you're going to look to focus in on maybe down the road?

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Thanks, good morning, men. Thanks for the question. It's a little different than what we originally spoke about when we acquired the residential platform about a year ago. At that time, you will remember we acquired it had a GP fund in place at the time of acquisition.

And we were not sure if that GP fund was going to invest in future investments. We thought at the time of acquisition that they would likely invest in future acquisitions as the GP, it has become evident that fund is unlikely to continue to invest as a GP investor in the deals that we're putting together. So, the pivot, if there's been a pivot has been, that RMR is going to fund 100% of the GP interest.

We always anticipated that we would go out in the first instance and find partners to come in as LPs into deals. And that RMR might take a very small minority piece of the deal. What's different is we are taking the full GP interest. It's not a material difference in terms of dollars, but it is a difference in the way we are approaching it ever so slightly. And if you went back and listen to what we said about a year ago, we talked a lot about GP Fund and that we had billions of dollars of capacity under that GP FUND to put investments to work. It doesn't look like that GP Fund is going for various reasons that I won't get into is going to be deploying much capital and that we are going to be doing the GP investments ourselves.

The good thing that we are encouraged by is that there's a lot of LPs out there that want to coinvest and come into the deal and are very comfortable. In fact, the deals might be coming together and better because RMR is the GP and putting up, a little bit of capital into the deal.

So, we're very encouraged by it. It's a little bit of a pivot. Because of that, I think, we, if you listen to us a year ago, we were probably talking about, we had capacity to 2 billion of acquisitions under that GP fund. You know, I still think we could do well in excess of a billion with us as the GP, as us acting as the GP. Perhaps more to your second part of your question. Is there an opportunity to do a roll up?

Perhaps that is not the stated goal when we do put these deals together. But I did say in my prepared remarks, we are trying to put together a dedicated fund with either full discretion or limited discretion upon with RMR. That's something we're going to continue to pursue in 2025 into 2026 I imagine. And as we do that, it might make sense to seed the fund with some balance sheet investments.

And so that's not really a roll up, but it's a little different. I'm trying to answer the question by saying, you'll remember that we bought a property on our balance sheet. It's in our supplemental materials in Denver. And I think it was the third quarter last year, third or fourth fiscal quarter, third calendar quarter, we could do a couple more deals like that, to help seed an investment to get that discretionary or quasi discretionary fund up and going not too dissimilar to what we're doing on the credit side that we talked about where we're putting on balance sheet, some loans, a very similar strategy, but it's not really a roll up, but I'm trying to answer it in the spirit of what you're asking.

Mitch Germain - *Citizens JMP - Analyst*

Okay. So, I just want to kind of make sure I understand what you're saying because basically the over time you could have some individual joint venture investments, whether it be multi family, maybe development and you may have some funds multifamily loan, whatever loan origination, whatever it might be. So, it just creates a little bit of complication, but there could be individual investments as well as loan investment fund investments. Right. That's the way to kind of think of the strategy going forward.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Yes, absolutely. On a quarter-to-quarter basis you will likely see in the future, there will be some on balance sheet investments that we will fully consolidate, it could be in residential, could be loans. I don't know or think we probably do a development fully on balance sheet, we probably only do that if it was, off balance sheet, but the goal is that we're doing that to seed funds. So eventually and I can't put an exact time line on it eventually, what is on balance sheet? You would go off balance sheet as the seed investments in a fund.

The only reason we would ever put anything on balance sheet is that we are hoping that it's going to be a seed investment for a future fund. I don't know if that future fund would be one quarter away from when we put it on the balance sheet or four quarters away from when we put it on the balance sheet. But that's the intention, that's why we're doing it. But yes, quarter to quarter, you will likely see some, fully consolidated investments and let's say loans or properties and then you will also see investments in, as a GP, in funds or joint ventures. That's correct.

Mitch Germain - *Citizens JMP - Analyst*

Great. It, I, no perfect that you answered it. Exactly how I wanted just to clarify it. I wanted just to just address, earnings if I could. I forgot, Matt, I apologize. I don't have your adjust. Oh, sorry. Just in that income \$0.29 to \$0.30. It's down, quarter a quarter, distributable earnings down, for consecutive quarters. How much of this is seasonality? Because it does seem like you get a little bit of a pick up in the first quarter by the acquisition fee as well as the participation and the income on these new investments. So, what is really generally causing this, kind of quarter over quarter decline in earnings here?

Matthew Jordan - *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

Yes. The biggest hit heading into the first calendar quarter, Mitch, is construction volumes. They are going to be cut in half. The fourth calendar quarter of the year is always our highest. The first calendar quarter is always our lowest.

And the first calendar quarter is further exacerbated by just fiscal discipline at the [res] cutting construction spend from about \$100 million this quarter to about \$50 million next quarter. And that has a very meaningful construction management fees. You also have some headwinds on enterprise value for the [res]. And then the first calendar quarter also always suffers from our compensation expense ticks up a bit because of payroll taxes and 401k withholdings restarting on January 1 every year. So, the first calendar quarter has embedded seasonal headwinds and then you just have some greater client related activities also impacting the quarter. The goal and hope as we look out past this upcoming quarter is that we'll start to tick back up all of those major metrics.

Mitch Germain - *Citizens JMP - Analyst*

Okay. Because I know you get the benefit of the \$700000 fee. So, I felt like that offset some of the, whether it be comp or seasonality. But okay. Construction.

Matthew Jordan - *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

Yeah, I was just going to give you a further construction. Management fees alone are down 1.8 million. So, the acquisition fees help soften that blow. But that's a pretty big impact.

Mitch Germain - *Citizens JMP - Analyst*

And that's like is that example kind of SVC, which is now taking a lot of the CapEx work away?

Matthew Jordan - *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

But yeah, it's across the board.

Mitch Germain - *Citizens JMP - Analyst*

Got you. Okay? When I have now that I have you, I just talk to me about the margin. I mean, obviously we knew, it was going to take a little time to fully integrate Carroll into the platform. But we have seen a pretty significant deterioration in your even on margins 52 to 42 over the last year, kind of, what's your outlook there? I mean, you're extremely cash flow positive, you're well covered on your dividend. This isn't a side of any distress. Most people would love to have 42% margins, but there was a time where they were north of 50. So just tell me about, kind of what's happening there and where your outlook is?

Matthew Jordan - *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

Yeah, our, our target is to clearly get back to the 50% range mitch and it really is a function of our residential platform. They're throwing off 5 million in fees. But unfortunately, our breakeven business and until that improves that margin, that incremental growth back to 50% isn't going to occur. So, the point Adam made, we are definitely headed in the right direction the residential front. And we're being very mindful of cost there without impacting the ability to grow that platform. But I think it'll be a couple quarters at the earliest before we're getting anywhere back towards the 50% margin.

Mitch Germain - *Citizens JMP - Analyst*

Great. And then the last one for me, just to clarify the multifamily investments, you get the ongoing participation in the income, you get a management fee as well as just a onetime acquisition fee. Is that the way to look at it?

Matthew Jordan - *RMR Group Inc - Chief Financial Officer, Executive Vice President, Treasurer*

Yeah, and to be so it's an acquisition fee, right up front, which averages about 50 to 60 basis points. We'll you know, get our proportionate share of earnings as a GP and an owner and then we just get property management and construction fees, which are about 200 grand a quarter on these two assets. We do not get asset management fees. That those kinds of fees will be more applicable when we ultimately get to a fund structure.

Mitch Germain - *Citizens JMP - Analyst*

Great. Thank you.

Operator

(Operator Instructions) John Massocca, B. Riley Securities.

John Massocca - *B. Riley Securities - Analyst*

Good morning. So maybe just thinking about the revolver you put in place, I mean, what do you think is the likelihood that you tap anything off of that in calendar year 2025? Just trying to think about the pace of private investments and given some of the seed investments it seems like you might be making in the coming quarters, just kind of wanted to get a little clarity on that and just utilization of the cash balance as well.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Sure. I think it's probably; we have enough cash on the balance sheet to sort of do our base business investments as we look at the horizon today through fiscal year, September.

So, I would say less than 50% chance we draw anything on the revolver, but it's not zero. And we really put that in place because we are ramping up this seeding of funds, putting more using our balance sheet much more active at RMR to try to accelerate the growth of our private capital business. And as we do that, we want to make sure we had sufficient liquidity that if opportunities came around over the next several few quarters, that we could accelerate it. So let's say, for example, I'm picking we had an opportunity to put a fund together, but we felt like we really had all the LPs lined up, but we really had a seed it was like I'm going to just pick a number, a few a couple \$100 million of seed investments.

We might accelerate the pace that we put assets on the balance sheet to then and that might require us to then draw on the revolver to then quickly turnaround our hope would be to then seed that, be the seed investments. But as a base business, as we look out today, I think it's we can do everything we plan to do in 2025, probably without using the revolver. But we want to have that option that as we get further into the year that opportunities present themselves, we have the flexibility and liquidity to act on it. And so, I think it's less than 50%, but it's not zero. And there's some chance we will draw on it, but that I hope that gives you a feel for it.

John Massocca - *B. Riley Securities - Analyst*

Yeah, that's very helpful. And then maybe thinking about the residential investment specifically, I mean, is there kind of a split you see in the future between deals similar to the one in Florida versus kind of more, full balance sheet seed transactions?

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

I think you're going to see us doing both in fiscal year 2025. I think there's a, let me put it this way. I know for sure. We're going to do a I think many more joint venture type deals like we just did. I think you're going to see many deals like that.

I think there's a good chance you could see one or two deals on balance sheet in fiscal year 2025. So, to give you a sense, I think you'll see when I said earlier, I think I was answering a question, let's say we did a billion dollars in 2025 of residential investments. I expect the vast majority of that billion dollars would be where we're just the GP, but it could be in that scenario where one or two of those assets could be, call it up to a couple of \$100 million could be on our balance sheet.

So, there's a strong bias to do it much more in the JV structure, but there could be an opportunity to do some on balance sheet. This sort of ties back to your prior question around using the revolver. That could be an opportunity. That could be a reason we would use the revolver. But again, that would be tied to. If we were doing that, we'd have some conviction around the ability to use those on balance sheet investments, whole, consolidated property investments to see the vehicle very similar to what we're doing on the credit fund. I expect we will also do some additional credit investments or loan investments on balance sheet in fiscal year 2025. Again, all with an eye towards those are going to be the seed investments in a fund.

John Massocca - *B. Riley Securities - Analyst*

And then I know it's a very big picture in and you know, we're early days, but any kind of is it 26 kind of the timeline for when we might anticipate, both sets of funds being available to take down these investments, do additional, transactions, etcetera. I mean, is that kind of a 2026 event?

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

I think it's a fair assessment to say it's a 2026 event. I think we're laying all the groundwork in fiscal year 2025. Our hope is that we'll have some announcements in fiscal year 2025. But I don't think we'll have capital out, it's hard for me to see that we'll have the funds established deploying capital in that in those funds in 2025. It's up, it could happen in the fourth fiscal quarter, but that would be, things going really well.

John Massocca - *B. Riley Securities - Analyst*

Okay. That's it for me. I appreciate the [call]. Thank you.

Operator

This concludes our question-and-answer session. I would like to turn the conference back over to Adam Portnoy, President, and Chief Executive Officer for any closing remarks.

Adam Portnoy - *RMR Group Inc - Chairman of the Board, President, Chief Executive Officer, Managing Director*

Thank you all for joining us today. We look forward to seeing many of you at the Morgan Stanley CRE conference in New York City later this month. Please reach out to investor relations. If you are interested in scheduling a meeting with RMR. Operator that concludes our call.

Operator

The conference is now concluded. Thank you for today's presentation. You may now disconnect.

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