

**LTC Properties, Inc.**  
**Third Quarter 2025 Earnings Call**  
**November 5, 2025**

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**Presenters**

**Clint Malin - Co-President & Co-CEO**

**Cece Chikhale - Executive Vice President, CFO, Secretary, Chief Accounting Officer & Treasurer**

**Gibson Satterwhite - Executive Vice President of Asset Management**

**Dave Boitano - Executive Vice President & Chief Investment Officer**

**Pam Kessler - Co-President & Co-CEO**

**Q&A Participants**

**Jesus Garcia – Wells Fargo**

**Juan Sanabria – BMO Capital Markets**

**Rich Anderson – Cantor Fitzgerald**

**Michael Carroll – RBC**

**Omotayo Okusanya – Deutsche Bank**

**Austin Wurschmidt – KeyBanc Capital Markets**

**Operator**

Greetings, and welcome to the LTC Properties, Inc. Third Quarter 2025 Earnings Conference Call. At this time, all participants are in a listen-only mode. Before management begins its presentation, please note that today's comments, including the question-and-answer session, may include forward-looking statements subject to risks and uncertainties that may cause actual results and events to differ materially. These risks and uncertainties are detailed in LTC's properties filings with the Securities and Exchange Commission from time to time, including the company's most recent 10-K dated December 31, 2024. LTC undertakes no obligation to revise or update these forward-looking statements to reflect events or circumstances after the date of this presentation. And please note that this event is being recorded.

I would now like to turn the conference over to LTC management. Thank you. You may begin.

**Clint Malin**

Hello, and welcome to LTC's 2025 Third Quarter Earnings Call. After some brief introductory remarks from me, you'll hear from Cece Chikhale, our Chief Financial Officer, followed by Gibson Satterwhite, LTC's Executive Vice President of Asset Management, then Dave Boitano, our Chief Investment Officer. Pam Kessler, LTC's Co-CEO, will close out our formal remarks.

It's been a busy and productive 10 months for LTC. We've been executing on every front, initial cooperative conversions from triple net lease to SHOP, external growth through investments, capital recycling and transformation through SHOP. Following the announcement of our SHOP

initiative in late 2024, we moved quickly to build our investment pipeline, outperforming our own expectations and growing the pipeline fourfold since the beginning of this year. As Gibson will detail later, today, we are raising our 2025 SHOP NOI guidance.

We have closed about 85% of our projected \$460 million investment pipeline, more than \$290 million of which was in our SHOP segment. We expanded operator relationships and reduced the average age of our portfolio.

Today, we have six SHOP operator relationships, four for new to LTC. By the end of the year, we expect SHOP to approach 25% of our investment portfolio with an average age of less than nine years.

Our primary thesis for launching SHOP was the realization that LTC was effectively excluding itself from a vast opportunity set of new investments. With the robust volume of new investments we've made in 2025 and the backdrop of favorable demand fundamentals and supply constraints, our external growth trajectory remains strong. The transformation we've accomplished since the second quarter of this year is delivering meaningful results and positioning LTC to continue creating long-term value for our shareholders.

Pam, Wendy and I want to extend a sincere thank you and express our gratitude to the LTC team. They have stretched themselves by tackling new tasks and responsibilities and are working together tirelessly and professionally to successfully execute on LTC's strategy.

Now I'll turn the call over to Cece.

**Cece Chikhale**

Thank you, Clint. The numbers I'll be discussing today are for the third quarter of 2025 compared with the same quarter of 2024 unless otherwise noted. You can find a more detailed description of our financial results in yesterday's earnings release, our supplemental and our Form 10-Q.

Core FFO improved to \$0.69 from \$0.68, principally due to an increase in shop NOI from Anthem and New Perspective compared with rents we received before those leases were converted from triple net, new SHOP acquisitions and a decrease in interest expense. These were partially offset by an increase in recurring G&A.

Core FAD improved by \$0.04 to \$0.72 versus \$0.68 last year. The increase primarily related to the same factors impacting core FFO as well as the turnaround impact of rent assistance provided to ALG in the third quarter of 2024, cash rent increases from escalations and CapEx funding in our triple net portfolio. These were partially offset by an increase in recurring G&A.

During the quarter, we took a noncash write-off of Prestige's straight-line effective interest receivable balance of \$41.5 million, resulting from the loan amendment that we discussed on last

quarter's call. The amendment gives Prestige a penalty-free prepayment option on their \$180 million loan within a 12-month window beginning in July 2026. Additionally, during the third quarter, we wrote off \$1.3 million of straight-line rent receivable related to the Genesis Chapter 11 bankruptcy filing.

During the third quarter and subsequent we sold a total of 1.5 million shares under our ATM for net proceeds of approximately \$56 million. Our pro forma debt to annualized adjusted EBITDA for real estate was 4.7x, and our annualized adjusted fixed charge ratio was 4.6x. Our pro forma liquidity stands at nearly \$500 million.

We have increased the low end of our full year 2025 core FFO guidance by \$0.01, which now stands at \$2.69 to \$2.71. For the fourth quarter, we expect core FFO in the range of \$0.67 to \$0.69. Guidance excludes asset sales and includes only those transactions closed to date or expected to close over the next 60 days. Additional assumptions underpinning this guidance can be found in our earnings release, which is posted on our website.

Now I'll turn the call over to Gibson.

### **Gibson Satterwhite**

Thank you, Cece. We're repositioning our portfolio with purpose, recycling capital from noncore assets, adding new operators and expanding SHOP to drive long-term value. At the close of the third quarter, SHOP included 21 properties with five operators, three of them new to LTC, including Live Spark, Charter Senior Living and Discovery Senior Living. The portfolio's gross book value is \$447 million, or approximately 20% of our overall portfolio with average occupancy of 87%.

We expect to convert two seniors housing communities in Oregon from our triple-net portfolio and to our SHOP segment on or before December 1. Upon conversion, we will terminate the triple net master lease with the operator and enter into a management agreement with Compass Senior Living, a partner new to LTC. The contractual rent under the lease agreement is approximately \$2.5 million, and the SHOP NOI run rate is approximately \$1.2 million, which is expected to grow to exceed the contractual rent over the next couple of years.

For the 13 properties originally converted to SHOP, we are increasing guidance to \$10.9 million to \$11.3 million, up from \$9.4 million to \$10.3 million. At the midpoint of guidance pro forma NOI growth for these properties for the full year 2025 over '24 would approach 18%. For the remainder of the SHOP portfolio acquired through today's call and expected to convert, we expect fourth quarter NOI of \$4.8 million to \$5.2 million. While we are not providing formal guidance for 2026 today, we do expect continued strong SHOP NOI growth, given the competitive position of our SHOP assets. Our expectation for rent from the 14-property portfolio subject to market-based rent resets remained steady at \$5.7 million, which represents a 64% year-over-

year increase. We will continue working to optimize value in this portfolio over the next 12 to 15 months.

We have completed the sale of a previously discussed portfolio of seven skilled nursing assets, generating net proceeds of approximately \$120 million and a resulting gain of \$78 million.

Now I'll hand the call over to Dave for a discussion of our investment activity.

**Dave Boitano**

Thank you, Gibson. The NIC conference echoed a powerful theme, confidence in the future of senior housing. LTC is poised to capitalize on this robust industry updraft and build upon our solid cornerstone of 2025 investment success, a foundation of strong senior housing operator relationships and accelerating deal flow.

We're gaining strong traction, not only in the volume of potential investments, but in the quality and depth of opportunities we're seeing. Our conversations with potential and existing SHOP operating partners continue to generate a strong pipeline, including off-market deals sourced from LTC's deep industry relationships. Our current opportunity set stands at roughly \$1 billion, and we already have nearly \$110 million under LOI with a target close in January 2026. The majority of our 2025 pipeline is closed with more than \$290 million in shop transactions completed since May. We expect to ramp up that pace in 2026 as we focus on executing on the substantial opportunities we are seeing with both existing and potential new SHOP relationships.

I want to take a moment to thank Gibson for the over \$100 million in sales proceeds that we're quickly redeploying to the quality senior housing communities. Through the end of the third quarter, we closed three SHOP investments totaling nearly \$270 million. After quarter end and as just recently announced, we acquired a stabilized senior housing community in Georgia for \$23 million that is being managed by a new LTC operator, Arbor Company. These stabilized assets were underwritten to generate threshold year one yields of about 7% and unlevered IRRs in the low teens, tangible proof of our ability to source, structure and execute high-performing investments. And as with all our SHOP relationships, LTC's management agreements provide incentives for our operating partners to surpass base underwriting assumptions.

During the third quarter, we also originated a \$58 million five-year mortgage at 8.25%, providing strong current returns and portfolio diversification. SHOP has proven to be a true external growth engine for LTC, built on disciplined underwriting, strong partnerships and consistent execution.

As the market continues to evolve, we're focused on maintaining balance between opportunity pursuit and execution discipline, ensuring LTC's growth remains both sustainable and strategic.

I'll now pass the call to Pam.

**Pam Kessler**

Thanks, Dave. LTC's strategy today is clear and forward focused. We're building a company defined by growth, quality and consistent performance. Over the past year, we've established a strong foundation, and now we're focusing on scaling it by expanding our SHOP platform, deepening operator partnerships and driving long-term accretive returns. We're intentionally building a SHOP portfolio of newer assets with staying power, one that will compete well as the industry continues to evolve.

The bifurcation between high-quality, modern assets and older, less competitive properties is becoming more pronounced across all real estate asset classes, and seniors housing is no exception. By concentrating on newer, well-located communities, operated by experienced partners, LTC is positioning itself to outperform over time.

Underpinning all of this is a strong balance sheet. We maintain solid liquidity, a conservative approach to leverage and a disciplined payout ratio that gives us the flexibility to pursue growth while preserving financial stability. That foundation allows us to move decisively when opportunities arise.

Our momentum is strong, our strategy is working, and our opportunities ahead are significant. We're executing with discipline and confidence, and I couldn't be more optimistic about what's next for LTC.

Operator, we're ready for questions from the audience.

**Operator**

Thank you. We will now be conducting a question and answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate that your line is in the queue. You may press star, two to remove yourself from the queue. For participant using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment please while we poll for questions.

And the first question comes from the line of John Kilichowski with Wells Fargo. Please proceed with your question.

**Jesus Garcia**

Hey, good morning. This is Jesus Garcia on for John. Thanks for taking the question. Just looking at the guidance here to get started, looking at the moving parts, just talk about the underlying assumptions here for the low end and the high end of the range.

**Cece Chikhale**

Yeah, hi, Jesus, it's Cece. The low range, we included all investments that have closed to date, and then the high is all that we expect to close within the next 60 days.

**Jesus Garcia**

Perfect. And let's talk about the pipeline, as well, and the makeup here. Are you purely focusing on shop deals at the moment, or are you looking at other triple net and loans, as well?

**Dave Boitano**

So this is Dave. Predominantly SHOP. Certainly, we will consider other opportunities across our desk, but our primary focus is SHOP.

**Jesus Garcia**

Thank you.

**Operator**

And the next question comes from the line of Juan Sanabria with BMO Capital Markets. Please proceed with your question.

**Juan Sanabria**

Good morning. Maybe just to start to piggyback on the prior question, could you provide any color on expected yield and growth for \$110 million in the pipeline to close in January and \$70 million over the next 60 days?

**Clint Malin**

So, Juan, this is Clint. We've guided to 7% yields on our SHOP acquisitions, and you should think of the same for the \$110 million deal we disclosed on our earnings release.

**Pam Kessler**

Initial yield.

**Clint Malin**

Initial yields.

**Juan Sanabria**

Okay. And then just you guys -- or how should we think about funding the incremental capital that you've outlined? And then how do you think about your marginal cost of capital book debt and equity?

**Pam Kessler**

Yeah, thanks, Juan. This is Pam. So we have proceeds coming to us in the first quarter in the form of loan payoffs and purchase option exercises that we disclosed in the supplemental. And so that's about \$90 million of proceeds. And then funding the remainder on the -- with equity on the ATM. We've been very disciplined this year in issuing equity to match fund our investments. And so you can anticipate that going forward, as well.

**Juan Sanabria**

Great. And just last one, if you don't mind - any other in opt-ins or prepayments that we should expect in 2026 to '27 that you think really particularly would be executed?

**Clint Malin**

So, Juan, the only thing you should think about is Prestige, which we talked about previously, and we gave them a prepayment window starting in July of '26, and they have improved performance, and we have been in communication with them, and they're going to be making loan applications in early '26. So at this point, we would think that they should be on track for hopefully 7.1. It may take a little bit longer, but that's \$180 million.

**Juan Sanabria**

Thank you very much.

**Pam Kessler**

And also -- so Juan, you should also think of this in the context of this is all part of our -- the loan payoffs and the purchase option part of our strategy to recycle out of older skilled nursing properties and into higher-performing SHOP assets. And we also point out we have an accordion feature on our line of credit that we could also execute on in 2026 to increase our availability.

**Juan Sanabria**

Thanks, Pam.

**Operator**

And the next question comes from the line of Rich Anderson with Cantor Fitzgerald. Please proceed with your question.

**Rich Anderson**

Thanks, good morning out there, nice and early. So this is all very exciting. The pipeline growing \$1 billion is not a number we've heard associated with LTC in the past, so congrats on that. But the thing that I think I find more valuable is the growth profile of the company in year two and onward after the investment. So can you talk about what happens to the overall growth of the - organic growth of LTC. Let's say you get to 30%, 40% SHOP in the next year or so, let's say legacy LTC was growing 2% or 2.5% on escalators on triple net. Like what's the incremental growth picture for the company after the investment, not from the investment?

**Pam Kessler**

You're talking about the growth through SHOP--

**Rich Anderson**

--The whole company. Like if the company was growing at 2.5% prior to your RIDEA sort of movement, what do you see the growth profile, the organic growth profile of the company because that's what you're buying, right? You're buying a better growth story longer term. So that's the basic genesis of the question.

**Gibson Satterwhite**

Yes. That's right, Rich. This is Gibson Satterwhite. Yeah, going in at 7 cash yields, I think we communicated before that we expect a very minimum of 3%, and that's just basically to keep up with inflation. So if you think about our cost of capital, as that's adjusting as we're repositioning away from skilled nursing assets, considering the overall blended cost of capital, that's the minimum growth rate that we use to price these deals for newer assets to build out our SHOP portfolio. But certainly, we expect greater growth than that. We've targeted low double-digit IRRs, and we do expect more than 3% growth with the supply/demand imbalance that's been much discussed in the industry. Preliminary conversations we're having with operators where they expect going in 2026 that REVPOR will outpace expense growth. We're working through budgets right now, so we can't quantify that exactly for you, but we expect that to play out and to have a greater growth profile to hit those low double-digit IRRs.

**Clint Malin**

And, Rich, in addition to that, the average vintage right now of the deals we're acquiring in SHOP in '25 is 2019. So we are buying and bringing newer assets that we think are going to have pricing power continuing on into future years. And we've purchased assets that are stabilized from an occupancy standpoint but have further room to grow from their positioning in the markets for revenue growth and dropping to the bottom line for NOI growth.

**Rich Anderson**

Okay, yeah. So I did note the 87% occupancy. Some of your peers are doing mid-teens and more same-store NOI growth; a lot of that is occupancy lift. But on a REVPOR basis, do you think you could be sort of mid-single digits? Is that sort of the -- I know you said 3%, but what's the upside from there, again, with a mind towards growing -- creating a growth year story for shareholders? Is--

**Gibson Satterwhite**

--Well, I think people are certainly targeting -- I'm sorry, Rich.

**Rich Anderson**

Yeah, please go ahead.

**Gibson Satterwhite**

Yeah, people are certainly targeting more than 3% REVPOR growth, and that would at least keep up with expense growth to be below that. So in the kind of 5-ish percent, people are talking about



base rates of going up anywhere 6% to 8%, doing different things with levels of care. So that could all blend down to REVPOR growth of call it 5-ish percent. And so we don't -- we're not getting a lot of feedback from operators going into next year that they are seeing really acute wage pressure, which is the majority of your cost structure. So if you're starting at, I don't know, 4%, 5%, whatever that is, we'll know that when we get through budget season with our portfolio; we do expect that to outpace expense growth. So, yes, I think mid-single digits is a fair assumption.

**Rich Anderson**

Awesome. Thanks for that. And then quickly for me, last one - you mentioned the conversion of Compass previously, \$2.5 million rent, \$1.2 million SHOP with the expectation to pass that 2.5. Is that the typical model when you do a conversion where you're sort of giving up short-term rent, or do you kind of sometimes start at a higher number on a SHOP execution versus the previous net lease structure? Just curious how typical that math is for other conversions. Thanks.

**Gibson Satterwhite**

This one is a little bit of an anomaly, Rich, and it's a fair question. So as you know, as I disclosed in my prepared comments that the current NOI run rate was lower than the contractual rent. So this was a specific operator issue that we dealt with that we had to address. We're really excited to start the relationship with Compass. These two particular properties have covered that contractual rent before, and we've just seen performance deteriorate.

So we've looked at this as a good opportunity, and we're really glad to have SHOP, the RIDEA platform in the toolkit to address a situation like this. So we really are confident that Compass is to be able to drive NOI to more than exceed that contractual rent such that the value creation is going to more than offset the temporary reduction in our income. So if you think about the other conversions, Anthem, that was cooperative, New Perspective cooperative, strategic; those were really strategic and important pieces for us to start our platform. And as we're seeing, as we increase guidance on those, that it's really paying off for our shareholders.

**Rich Anderson**

Okay, great. Thanks very much.

**Operator**

And the next question comes from the line of Michael Carroll with RBC. Please proceed with your question.

**Michael Carroll**

Yeah, maybe aligns with those last questions. I guess, Gibson, how many of the assets that you have in the portfolio were recently transitioned, or how many of the acquisitions that you guys have are recent acquisitions where you're transitioning out the old operator and bringing in a

new operator? And with regard to those, should we expect some type of disruption, so higher expenses or lower revenues as there's always some type of disruptions with those?

**Dave Boitano**

This is Dave. So, so far, on our existing external acquisitions, the operator has remained in place, and it's actually been, as far as I'm concerned, sort of a twofer because we get to buy a great piece of real estate and we get to establish a great relationship with an operator. There will be some situations where we do have transitions. And obviously, we're very careful to plan well in advance with the operator to avoid disruptions. But predominantly, so far, we've been able to keep the operator in place on deals that we've executed.

**Clint Malin**

And right now, Mike, on our pipeline, we only have one deal in our pipeline where there would be an operator transition, but that was a smaller operator that was a real estate owner that's exiting that. So it's cooperative transition.

**Michael Carroll**

Okay. So there's nothing really in the existing shop right now where you just did a transition and we should expect some type of disruption? So like you've kind of already realized that in the numbers in the third quarter?

**Clint Malin**

Yes, correct.

**Michael Carroll**

Okay. Great. And then I guess, related to Prestige, I know you provided -- and I appreciate the color, Clint, earlier in the call. What do they need to get done to exercise that purchase option? I mean, is it just obtaining the loans, or do they need to drive better results so they can get, I guess, better underwriting with any potential, I guess, HUD-type debt? I mean, do they need to drive performance in order to exercise that, or is it just getting the loans done?

**Clint Malin**

Driving a little bit more performance. And that's why we gave them a year to go ahead and to prepay. But they have been improving substantially, and we think they're on track to be able to -- we've been analyzing their financial performance. They've improved substantially. And for right now, it looks positive for us. They'll be able to [inaudible] and it brings down our -- oh, yeah, just interest rates going down, too, could be a benefit for them. So we feel good about that. We feel good about our decision to allow this prepayment to be able to redeploy that capital into higher quality assets. So we are keeping close tabs on it, and it looks positive right now for middle of the year next year.

**Michael Carroll**

Okay. And how many trailing or how long of a trailing P&L do they need to get HUD debt, and should we think about them utilizing HUD to take this out, or could they find a bridge loan and get HUD at a later date when their financial results are more stabilized?

**Dave Boitano**

So -- this is Dave again. So generally speaking, HUD's looking at a trailing 12, which you're right, there are bridge lenders out there that would probably happy step into the situation. So there'll be optionality for them as they approach that point.

**Michael Carroll**

Okay. All right, great. Thank you.

**Gibson Satterwhite**

Mike, they're just seasoning through the remainder of the year. So the current -- as Clint mentioned, their current performance, we -- that looks like it's at a level to allow them to take it into HUD. So they're just seasoning through the remainder of the year to submit the application in Q1.

**Michael Carroll**

Okay. So once you kind of get--

**Clint Malin**

--And then also--

**Michael Carroll**

--Sorry, go ahead, Clint.

**Clint Malin**

Just one other good thing about it, because the trailing 12, so they had more challenging months that are in that trailing 12. So just as you continue in time, it's going to improve the underwriting. So -- and the other thing that Prestige was waiting for was their rate letters, which they got just to confirm their Medicaid rates, which were as expected. So that helps the consistency. But then within the portfolio that we have with them that will remain, they are the largest vent provider in the state of Michigan, and vents are expecting substantial Medicaid rate increases. So when you look at our portfolio that will remain with Prestige, we feel good about reimbursement that would be coming for the remainder of the portfolio because there are vent units within some of the remaining buildings we would have with them.

**Michael Carroll**

Great. Thank you.

**Operator**

And the next question comes from the line of Omotayo Okusanya with Deutsche Bank. Please proceed with your question.

**Omotayo Okusanya**

Yes, good morning, everyone. So much talk on SHOP; let's talk a little bit about skilled nursing. Curious, again, when you take a look at your skilled nursing portfolio at this point if there are opportunities to also try to improve your earnings growth from your current portfolio? Again, one of your peers did something really interesting with one of their operators. Again, not -- wondering again, are you guys looking at structures like that that could also kind of help you generate better earnings growth from the skilled nursing portfolio?

**Clint Malin**

We have not looked at that, Tayo, as an option. We've mentioned previously on our calls, we've been selective looking at skilled nursing, and we have focused on more transitional, newer transitional care, newer assets, and we continue to be in discussions with companies about that. So that would be what I'd see us selectively growing on skilled nursing.

**Omotayo Okusanya**

Got you. That's helpful. And then anything from a regulatory perspective, as well, on the skilled nursing side you guys are watching at this point?

**Clint Malin**

Nothing new at this point. I mean, I think everything that's been discussed as far as the staffing mandate, that's in the rearview mirror now. So no major issues that we're aware of on skilled nursing other than there has been a few states that have touched on potential Medicaid rate reductions. So that's -- I guess -- and that's a narrative that's out there in select states. We don't know if that will continue to grow or not, but that has cropped up in a few cases.

**Omotayo Okusanya**

Do you have exposure to those states like North Carolina and some of the other guys who've talked about it?

**Clint Malin**

Correct.

**Omotayo Okusanya**

Okay. Got you. Thank you.

**Clint Malin**

Thank you.

**Operator**

And the next question comes from the line of Austin Wurschmidt with KeyBanc Capital Markets. Please proceed with your question.

**Austin Wurschmidt**

Thank you. Good morning, everyone. Pam, I appreciate some of your earlier comments around kind of the available liquidity, but going back to that earlier question on funding plans, you've talked about in the past over-equitizing the investments or at least kind of on a leverage-neutral basis. So just wondering how patient you're willing to be on the capital markets, just given this - what seems to be a pretty substantive set of investment opportunities in front of you.

**Pam Kessler**

Yeah, thank you, Austin. Yeah, I mean, we will look to match fund. So you're asking about how much we'll issue on the ATM. I mean, we will look to match fund. We do have the proceeds coming back in the first quarter, as I talked about, and then possibly Prestige in third quarter if they meet their open window period. So with that backdrop, there's not a ton of pressure on us. But we have been disciplined this year in executing on the ATM when the backdrop was favorable for us to sell shares, and so we would continue that discipline into 2026, as well.

**Austin Wurschmidt**

Appreciate that. And then just how are you guys balancing the regional densification or sort of a clustering strategy and the benefits of scale within SHOP versus geographic diversification and just kind of thinking about those future SHOP investments?

**Clint Malin**

Yeah, I think that we're going to continue to evolve into that, Austin, but we've been out meeting with operators for upwards of a year now premarketing this. And I think where you see where the pipeline and our investments to date, this has been a result of that very intentional effort of going out and meeting with operating companies. So as we continue to work with these companies, I mean, we will look at density being a factor of concentrating in certain markets with certain operators.

**Pam Kessler**

And we've done that. The operators that we're partnering with in our acquisitions, they are the market leaders in their area. And so that is a strategy of ours.

**Austin Wurschmidt**

Helpful. Has the competition changed at all to a point where you felt you've had to increase your growth underwriting in sort of the three years out? I think you were in sort of the low to mid-single-digit growth you referenced last quarter with the expectation they would exceed that, of course.

**Clint Malin**

Yeah, I -- it's very competitive in the market as far as deals, and we've been focused on smaller transactions. We've been fortunate to be able to secure a couple of portfolios, but it is definitely competitive. But we feel we feel very good about our momentum and our positioning in the marketplace to be able to succeed on investments. And I think our investments to date plus our new investment we announced for '26 is evidence that we're able to compete in the marketplace.

**Austin Wurschmidt**

And last one for me - the transitions this quarter, I mean, it didn't sound like there was any other immediate kind of transitions that were available, but I think you'd referenced maybe evaluating some assets in the market-based rent reset, those 14 properties. Anything in the near term there that you're evaluating on maybe transitioning some additional assets from triple net or to the SHOP structure?

**Gordon Satterwhite**

Sure, Austin, this is Gibson. Yeah, we're certainly considering that as we look into 2026. We have a few options as it relates to those properties. We continue to work with current operators and set permanent rents. As a reminder, these are -- there were 14 properties that were all set up in short-term leases, basically two years in duration on average with regular market rent resets. And so there may be certain situations where we keep those with the operators once we're satisfied that we're at an occupancy level and margin that makes sense if that fits that relationship. But we'll certainly look at some of those assets to transition to SHOP. You'll probably see a little bit of movement on that early next year. And then we may make some decisions on a few as to whether or not we dispose of them. But those are our options to -- just to maximize value in that group of assets, and we certainly see upside in that portfolio from here.

**Austin Wurschmidt**

Thanks for the time.

**Operator**

There are no further questions at this time, and I would like to turn the floor back over to Clint for any closing remarks.

**Clint Malin**

Thank you, everyone, for joining us today. 2025 has been a pivotal year for LTC so far, and our focus on driving growth is working and will continue. We look forward to sharing our progress with you next quarter. Thank you.

**Operator**

Thank you, ladies and gentlemen. That does conclude today's teleconference. You may disconnect your lines at this time. Thank you for your participation.