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Wednesday, August 13, 2025 at 12 p.m. ET

Chief Executive Officer ? David Thompson

Chief Financial Officer ? Barry Berlin

Senior Vice President, Portfolio Operations ? Steve Altebrando

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Chief Financial Officer Barry Berlin reported, "Our FFO was negative \$7.9 million or negative \$10.42 per diluted share compared to negative \$3.3 million or negative \$3.46 per diluted share in the prior year comparable period."

David Thompson noted, Our overall net operating income decreased to \$9.8 million from \$11.8 million in the prior quarter.

Chief Financial Officer Barry Berlin said, Our multifamily segment NOI was \$189,000 in Q2 2025, compared to \$2.3 million in the prior year period. The decrease was driven by an unrealized loss on investment in real estate in one of our unconsolidated joint ventures, as well as lower revenues at our multifamily properties in Oakland, California, due to declines in occupancy and monthly rent per occupied unit, net of rent concessions.

Interest expense increased by \$1.3 million for Q2 2025 versus Q2 2024. Transaction-related costs rose by \$668,000

Leasing Activity-- Approximately 140,000 square feet of leases were executed through July 2025, primarily in Los Angeles and Austin.

Office Segment NOI-- Office segment net operating income (NOI) was \$5.5 million in Q2 2025, down from \$8.9 million in Q2 2024, driven mainly by decreased occupancy and rental revenue at the Oakland property, and reduced income from unconsolidated office entities.

Multifamily Segment NOI-- \$189,000 in Q2 2025, down from \$2.3 million in Q2 2024, with the decrease largely tied to an unrealized loss in an unconsolidated joint venture and lower revenues from Oakland multifamily assets due to declines in occupancy and rents.

Hotel Segment NOI-- \$4.2 million in hotel segment net operating income (NOI) in Q2 2025, decreasing slightly from \$4.3 million in Q2 2024 and from \$4.7 million in Q1 2025 amid planned renovations that impacted bookings.

Lending Division NOI-- A loss of \$47,000 in Q2 2025 versus \$743,000 in Q2 2024, reflecting lower interest income due to loan payoffs, lower rates, and higher credit loss provisions.

Property Level Financing-- Secured financing on seven assets since September, enabling the full repayment and retirement of a \$109 million recourse credit facility outstanding at the end of 2024.

Credit Facilities and Debt Maturities-- A \$20 million revolving credit facility was closed in June 2025; multifamily property maturities extended to 2026 and January 2027 for 1150 Clay and Channel

House, respectively.

Reverse Stock Split-- Shareholder-approved one-for-25 reverse stock split completed on April 15, with all per-share metrics adjusted accordingly.

Occupancy-- Overall office lease percentage was 70%, and 80% at period end when excluding the Oakland property.

NOI Trends-- due to reductions in office, multifamily, hotel, and lending segments.

Creative Media & Community Trust Corporation (CMCT -13.18%) reported substantial year-over-year declines in segment and overall net operating income in Q2 2025, with nearly all business lines showing decreased results. Portfolio initiatives included the successful refinancing of multiple assets, eliminating a \$109 million recourse credit facility as of the end of 2024 and extending key debt maturities. Despite ongoing renovation impacts to the hotel segment, management expects these upgrades to improve the asset's competitive stance in 2026. The company's significant leasing increase in Los Angeles and Austin offices has yet to materially affect net operating income, but management highlights this as a driver of anticipated future NOI growth. Looking ahead, management sees the potential for NOI expansion based on continued improvements in leasing, the completion of property upgrades, and possible multifamily market gains.

Chief Executive Officer David Thompson highlighted that new leasing activity in the office portfolio has not yet translated into higher net operating income.

Senior Vice President Steve Altebrando described a nearly eleven-year, approximately

31,000-square-foot lease with Boston Scientific at Penfield Creative, the portfolio's largest new office contract.

Management disclosed ongoing evaluation of asset sales as part of a broader strategic plan and committed to updating investors when material transactions occur.

The recent \$8 million of 'key money' received as part of an extended hotel management agreement is being used to partially fund an approximately \$11 million common-area renovation at the Sheraton Grand Sacramento.

Key Money: Payment from a hotel brand or manager to a property owner as an incentive for extending or entering into a management contract, often allocated to renovations or capital improvements.

Unconsolidated Joint Venture: A real estate partnership where the company does not hold a controlling interest and does not fully consolidate the entity's financials within its statements.

NOI (Net Operating Income): Rental and other revenues from real estate holdings less operating expenses, before depreciation, interest, and corporate-level costs.

David Thompson: I'll start with an update on business trends, the progress we're making with our strategic initiatives, and then walk through our results for the quarter. Last quarter, we noted that we were seeing an uptick in our office leasing pipeline. We are pleased that this has translated into a significant increase in leasing activity. In 2025, we executed approximately 140,000 square feet of lease through July. This represents an over 55% increase from the prior year period. This activity is primarily driven from our Los Angeles and Austin properties. At the same time, we continue to see

uneven demand at our three Oakland assets, two of which are premier Class A multifamily assets.

We're working hard to drive occupancy and contain costs and are encouraged by market improvements in the adjacent San Francisco market. Historically, Oakland has followed the San Francisco market. We remain focused on executing the full scope of the business plan we previously laid out. Today, our key areas of focus are improving our balance sheet and liquidity, improving property level performance, and evaluating asset sales as part of our broader strategic plan. In terms of our balance sheet and liquidity, we are pleased that we continue to make significant progress on the goals we outlined last September. Since then, we have successfully secured property level financing on seven of our assets.

The proceeds from these financings have allowed us to fully repay and retire our recourse credit facility, which carried a balance of approximately \$109 million at the end of 2024. In addition, the financings have supported key growth initiatives, including lease-up efforts at our Beverly Hills, Culver City, Brentwood, and Austin properties and renovations at our hotel property in Sacramento. We have also made significant progress in addressing our near-term debt maturities. Specifically, we extended the debt maturity on our multifamily property at 1150 Clay in the Bay Area to 2026. And earlier this month, we closed on a modification of our other multifamily property in the Bay Area, Channel House, that pushes its maturity to January 2027.

In addition, in June, our lending division closed a \$20 million revolving credit facility to help support originations. These actions further enhance our financial flexibility as we continue executing on our strategic plan. With respect to improving property level performance, I'll start with our longstanding goal to grow the multifamily portion of the portfolio. Including joint ventures, we now have four operating assets: 1150 Clay and Channel House in the Bay Area, and 701 South Hudson and 1902 Park Avenue in Los Angeles. Our fifth, 1915 Park in Los Angeles, remains on track to deliver this

quarter.

We believe there is significant opportunity to grow our multifamily net operating income through marking rents to the current market, improving occupancy, and lowering costs. The delivery of 1915 Park this quarter will also support improved NOI in this segment. In our office segment, as I noted earlier, we have seen a sharp increase in leasing activity in the first half of the year with this momentum continuing into July. We believe the headwinds stemming from the pandemic are largely behind us, and we are starting to see sustained return to office tailwinds.

In our hotel segment, as you know, we recently completed the renovation of all 500 plus guest rooms at our hotel asset, the Sheraton Grand Sacramento, which led to a sharp year-over-year increase in our Q1 NOI. As further detailed by Steve, the planned renovations of the hotel's common areas have impacted our Q2 results and will impact our results for the balance of the year. However, we believe these upgrades will position the asset as we head into 2026 and beyond. Lastly, regarding asset sales, we continue to actively evaluate opportunities. We'll provide updates as soon as we have material developments to share. Turning to our second quarter results, our core FFO was negative \$7.2 million.

Our overall net operating income decreased to \$9.8 million from \$11.8 million in the prior quarter. Our office NOI declined by \$1.6 million from the prior quarter largely due to real estate tax benefits we benefited from in Q1, timing of tenant reimbursement revenue, and long-expected tenant vacancies at two of our properties in California. As I noted earlier, leasing has picked up and new leasing activity is not yet captured in our net operating income. Our hotel NOI was \$4.2 million for the quarter compared to \$4.7 million in Q1. The first quarter is a seasonally strong period and our planned renovation impacted bookings toward the end of the second quarter.

Our multifamily NOI increased by approximately \$800,000 from the prior quarter, primarily due to a decrease in the unrealized losses recognized at our unconsolidated multifamily entities and lower costs at our consolidated properties. Our lending NOI declined approximately \$640,000 primarily due to higher reserves as well as lower revenue as a result of loan payoffs. Looking ahead, we believe there is a meaningful opportunity to grow NOI in 2026.

This outlook is supported by several key drivers: the continued improvement in office leasing activity, full completion of renovations at our hotel asset, and steady gains in the multifamily performance through higher rental rates, improved occupancy, the delivery of new units, as well as the potential benefit of a declining interest rate environment. With that, I will turn it over to Steve to provide more details on the portfolio.

Steve Altebrando: Thanks, David. I would like to give a little more detail on our segments. Starting with multifamily, we continue to focus on growing our premier newer vintage multifamily portfolio. As David mentioned, we believe there's a significant opportunity to grow our multifamily net operating income through increasing rental rates and occupancy and lowering costs. Starting in Los Angeles, we continue to make progress on our lease-up at 701 South Hudson, the residential component of our partial office to residential conversion completed towards the end of last year. Multifamily occupancy at the property was approximately 68% at the end of this quarter, up from 41% at the end of the prior quarter.

As a reminder, the top two floors in this property were converted into 68 high-end residential units while the Ground Floor creative office known as 4750 Wilshire remains 100% leased. As mentioned on our previous calls, we believe there's an opportunity to develop additional units on the back surface lot of the property given recent zoning changes. We will provide additional details in the future as we progress through the predevelopment phase. Also in Los Angeles, we have one

development underway at 1915 Park, which is a 36-unit ground-up multifamily development. We expect to begin lease-up of this asset in the third quarter.

This development is a joint venture with an international pension fund and is being built on land adjacent to our office building at 1910 West Sunset in Echo Park, a highly desirable walkable submarket with attractive dining and entertainment options. In Oakland, we saw a slight pickup in total occupancy in the quarter. The market is still challenging, but we believe our properties will benefit near term from lower operating costs and ultimately benefit from a lack of new construction in the Oakland residential market as well as an overall recovery in the Bay Area that is already underway. Turning to the Office segment.

Last quarter, we highlighted that we had a very active pipeline, and that has translated into very strong leasing activity. We are specifically seeing strong demand at our Austin and LA assets. We executed approximately 48,000 square feet of leases in the quarter, and approximately 78,000 square feet on a year-to-date basis. This is in addition to the 176,000 square feet of leases in 2024. The largest was our nearly eleven-year lease with Boston Scientific for approximately 31,000 square feet at our Penfield Creative office property. Our office lease percentage was approximately 70% at the end of the second quarter. And when excluding our office building in Oakland, our lease percentage was approximately 80%. Turning to our hotel.

As David mentioned, we recently completed the renovation of all 500 plus rooms at our hotel asset in Sacramento. We were very pleased to see net operating income grow 15% year-over-year in the first quarter. We are now proceeding with an approximately \$11 million renovation of the common area space, which primarily includes upgrades to the ballroom, banquet space, public space, and food and beverage areas. The renovation is being funded by \$8 million of key money we received as part of the extension of our management agreement with Marriott, cash flow from the property,

and future funding on the mortgage. We believe the asset will be very well positioned as we head into 2026.

With that, I'll turn the call over to Barry.

Barry Berlin: Good morning. I'm going to spend a few minutes going over the comparative financial highlights for 2025 versus 2024. Starting with our segment NOI, which was \$9.8 million in 2025 compared to \$16.2 million in the prior year comparable period. Broken down by segment, the decrease of \$6.4 million was driven by decreases of \$3.4 million in NOI from our office properties, \$2.1 million from our multifamily properties, \$162,000 from our hotel property, and \$790,000 from our lending business. Our office segment NOI for Q2 2025 was \$5.5 million versus \$8.9 million during Q2 2024.

The decrease was primarily driven by a decrease in rental revenue at our office property in Oakland, California attributable to a decrease in occupancy as well as by a decrease in income from our unconsolidated office entities due to a decrease in the unrealized gain recognized on their investments in real estate. Our multifamily segment NOI was \$189,000 during Q2 2025 compared to income of \$2.3 million from the prior year comparable period.

The decrease was driven by an unrealized loss on investment in real estate in one of our unconsolidated joint ventures during 2025 as well as a decrease in revenues at our multifamily properties in Oakland, California as a result of a decline in occupancy and monthly rent per occupied unit net of rent concessions compared to the prior year comparable period. Our hotel segment NOI for Q2 2025 was \$4.2 million compared to \$4.3 million in the prior year comparable period. The decrease was driven by a decrease in food and beverage sale revenues.

Our lending division NOI decreased to a loss of \$47,000 compared to NOI of \$743,000 in the prior year comparable period primarily due to a decrease in interest income as a result of loan payoffs and lower interest rates, as well as an increase in current expected credit losses recognized during 2025. Below the segment NOI line, we had an increase of interest expense of \$1.3 million which was driven by a higher aggregate debt balance as well as an increase in transaction-related costs of \$668,000. Our FFO was negative \$7.9 million or negative \$10.42 per diluted share compared to negative \$3.3 million or negative \$3.46 per diluted share in the prior year comparable period.

And our core FFO was negative \$7.2 million or negative \$9.53 per diluted share compared to negative \$2.1 million or negative \$21.93 per diluted share in the prior year comparable period. The per share financial information is presented after giving effect to the shareholder-approved one-for-25 reverse stock split that was completed on April 15 this year. The decrease in our FFO and our core FFO was primarily driven by the previously discussed decrease in total segment NOI as well as the increases in interest expense partially offset by a decrease in preferred stock dividends of \$2.6 million. Our FFO was further reduced by our transaction costs of approximately \$7,000.

Core FFO versus FFO differences relate to excluded reconciliation items added back for core FFO related to transaction-related costs, preferred stock redemption costs, and deemed dividends. Other items to note for the quarter include the completion of refinancing of our office property in Austin, Texas in early April. We used a portion of the proceeds to fully pay off and satisfy our credit facility, which is now retired. And we closed our warehouse credit facility secured by SBA 7(a) loans receivable with a maximum borrowing capacity of up to \$20 million and \$8.25 million outstanding on that facility at June 30. We also have now extended the debt maturities on our multifamily assets in Oakland.

With that, we can open the line for questions.

Operator: We will now begin the question and answer session. Seeing no questions, this concludes the question and answer session and today's conference call. Thank you for attending today's presentation. You may now disconnect.

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