

LSEG STREETEVENTS

EDITED TRANSCRIPT

BEEP.OQ - Q4 2025 Mobile Infrastructure Corp Earnings Call

EVENT DATE/TIME: MARCH 02, 2026 / 9:30PM GMT

CORPORATE PARTICIPANTS

Casey Kotary *Mobile Infrastructure Corp - Investor Relations Representative*

Stephanie Hogue *Mobile Infrastructure Corp - President, Chief Executive Officer*

Paul Gohr *Mobile Infrastructure Corp - Chief Financial Officer*

CONFERENCE CALL PARTICIPANTS

John Massocca *B. Riley Securities Holdings Inc - Equity Analyst*

Kevin Steinke *Barrington Research Associates Inc - Analyst*

Michael Diana *Maxim Group LLC - Analyst*

PRESENTATION

Operator

Good afternoon, and welcome to the Mobile Infrastructure Corporation fourth quarter and full year 2025 earnings conference call.

(Operator Instructions) Please be advised that today's conference is being recorded.

I will now turn the call over to Casey Kotary, Investor Relations representative. Please go ahead.

Casey Kotary - Mobile Infrastructure Corp - Investor Relations Representative

Thank you, operator. Good afternoon, everyone, and thank you for joining us to review Mobile's fourth quarter and full year 2025 performance.

With us today from Mobile are Stephanie Hogue, CEO; Paul Gohr, CFO; and Manuel Chavez, Executive Chairman.

In a moment, we will hear management's statements about the company's results of operations as of the fourth quarter and full year 2025.

Before we begin, we would like to remind everyone that today's discussion includes forward-looking statements, including projections and estimates of future events, business or industry trends or business or financial results. Actual results may vary significantly from these statements, and may be affected by the risks Mobile has identified in today's press release and those identified in its filings with the SEC, including Mobile's most recent annual report on Form 10-K and its most recent quarterly report on Form 10-Q.

Mobile assumes no obligation and does not intend to update or comment on forward-looking statements made on this call. Today's discussion also contains references to non-GAAP financial measures that Mobile believes provide useful information to its investors. These non-GAAP measures should not be considered in isolation from, or as a substitute for, GAAP results. Mobile's earnings release and the most recent quarterly report on Form 10-Q provide a reconciliation of those measures and the most directly comparable GAAP measures and a list of the reasons why Mobile uses these measures.

I will now turn the call over to Mobile's CEO, Stephanie Hogue, to discuss fourth quarter and full year 2025 performance. Stephanie?

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

Thank you, Casey, and good afternoon, everyone. Thank you for joining us today. 2025 was a year in which we strengthened the foundation of our business. And while we did not achieve the growth that we originally expected, we executed on several key strategic priorities, which

have positioned the company for future growth and to capitalize on the green shoots we are seeing throughout the portfolio. While consolidated revenue and NOI declined year-over-year, the underlying structure of the company improved meaningfully.

We continue to show positive momentum in contract parking, improved utilization at several of our assets, completed phase 1 of our asset rotation strategy, strengthened our balance sheet and our confidence is growing with identifiable catalysts that position us for progress in 2026.

Additionally, accelerating return-to-office momentum across our markets supports our outlook for growth in 2026, along with the reopening of several venues that should increase our transient volumes this year.

Taking a closer look at 2025 operations, let me start with contract parking because that forms the operational base that supports our broader growth. We ended 2025 with over 6,700 contracts in our baseline assets, representing same-store sales growth of 10% year-over-year and 12% growth when excluding the temporary disruption in Detroit.

Contract Parking represents approximately 35% of our management agreement revenue. This recurring revenue creates stability, reduces volatility and builds a platform for pricing leverage as utilization improves. As we have focused on driving utilization across the portfolio, we have done so with a specific tested playbook for success. Volume first, rate second.

In some assets, we have accepted lower initial price points per stall per day to ensure we are winning market share volume and stabilizing assets. In other words, our priority in 2025 was occupancy. The result is that while utilization has climbed with contract growth, our overall revenue mix has remained relatively steady at approximately 35%, which is a deliberate sequencing decision.

Parking is fundamentally a utilization-driven business with daily perishable inventory. When assets are underutilized, pricing leverage is limited. As assets move towards stabilized occupancy, optionality increases both with rate and parker mix optimization. Cleveland demonstrates this clearly. As utilization approached stabilized levels in that market, we were able to implement approximately 5% rate increases on monthly contracts.

We have developed an optimization plan for each of our core assets. In some markets, the near-term priority will remain volume, while in others, where utilization is tightening, the focus will shift toward parker mix optimization and pricing discipline.

The opportunity ahead of us is not simply to grow contracts, but to enhance the quality of that revenue as assets continue to mature. So while Contract revenue today represents 35% of the mix, we view that as a baseline off of which we intend to grow over time. As utilization continues to increase and market conditions normalize, we believe there is meaningful opportunity to improve pricing and strengthen the overall revenue composition of the portfolio. We are also seeing tangible signs that demand dynamics are shifting.

For several years, return-to-office was something we expected would eventually translate into parking demand. Over the last several months, that shift has become more measurable. We are seeing an increase in inbound block parking inquiries, something that we have not experienced in nearly five years.

To be clear, we are not back to pre-pandemic patterns, but corporate in-office attendance policies are beginning to drive incremental demand in a way that will translate to increased utilization in markets where we have exposure to office. Residential parking contracts have been another contributor to our emphasis on building the Mobile recurring revenue platform.

Residential contracts increased approximately 60% year-over-year in 2025, reflecting the conversion of downtown office buildings in several of our markets to apartment rentals. That growth diversifies our exposure and transforms assets that were historically weekday centric into 24-hour revenue platforms. Over time, that flexibility enhances our ability to optimize both utilization and pricing.

Now turning to transient revenue. Transient volumes declined 6% in 2025, primarily due to temporary disruptions in certain markets that we have discussed in recent earnings calls. These were micro-market disruptions tied to physical projects and timing that will ultimately create long-term demand for our assets. Importantly, even during this period, transient rates increased.

That rate resilience reinforces our conviction that our assets remain well positioned within these districts. As we move into 2026, many of these temporary disruptions are shifting to positive demand catalysts. The renovated Cincinnati Convention Center has reopened. And construction projects, such as the 16th Street Mall redevelopment in Denver and Nashville's 2nd Avenue rebuild have been completed, and we have new contract wins being onboarded. This visibility gives us confidence in sequential improvements as the year progresses.

Over the past year, we have pivoted our own data strategy to identify the technology platforms that enhance customer experience, improve revenue management and reduce structural management costs. In certain high-volume assets, we have identified some barriers to revenue management, and those operational initiatives have not yet produced the operational fluidity and throughput we expect. Actions are underway to further improve utilization across our portfolio, which includes reexamining our technology being used across the Mobile portfolio. We look forward to sharing more about these operational initiatives in the future.

A key highlight of 2025 was the execution of phase 1 of our asset rotation strategy. Consistent with the objectives we outlined at this time last year, we have sold or are under contract to sell over \$30 million of noncore assets. The aggregate cap rate of sold assets is approximately 2% to date, which supports our ongoing belief that the sum of the Mobile portfolio as expressed through the stock price is materially disconnected from the value of the parts. We are continuing to execute on this three-year strategy in 2026 when we expect to have sold or be in contract to sell another large portion of our noncore assets.

In the third quarter, we completed a \$100 million asset-backed securitization with three new institutional investors. That transaction extended maturities, enhanced flexibility around asset rotation and validated the quality of our underlying collateral.

Finally, and equally importantly, we continue to deleverage the portfolio with approximately a \$10 million paydown of the line of credit in the fourth quarter. Paying down the line of credit and reducing the overall cost of capital will continue to be a primary consideration of capital deployment through 2026.

This, coupled with our stock repurchase program, and potential asset purchases form the core of our capital allocation strategy to drive long-term value to shareholders. Despite the green shoots in our business and excitement for 2026, I also think it is important to step back and acknowledge the broader environment in which we are operating.

We are living through a moment of extraordinary uncertainty around how artificial intelligence will reshape the nature of work, office usage and even human productivity itself. But regardless of how technology evolves, people will continue to gather, transact, attend events, live in cities and move through physical space.

Mobile Infrastructure owns hard assets, land and access points and central business districts that are essential to that movement. While near-term NOI may fluctuate as markets normalize, the underlying scarcity and strategic positioning of well-located urban land will not be disrupted by an evolving AI landscape. Over time, we believe that ownership of critical physical infrastructure in vibrant districts only becomes more valuable.

With that, I will turn the call over to Paul to address the financial results and earnings guidance for 2026.

Paul Gohr - *Mobile Infrastructure Corp - Chief Financial Officer*

Thank you, Stephanie, and good afternoon, everyone. I will discuss our financial performance for the fourth quarter and full year 2025 and provide additional context around our 2026 financial outlook.

Starting with the fourth quarter. Total revenue was \$8.8 million compared to \$9.2 million in the same period of the prior year. The revenue decline reflects lower transient volumes year-over-year due to fewer events and associated attendance as well as continued construction-related impacts at several of our assets. As Stephanie mentioned, these projects have now largely been completed, which should provide a tailwind for these assets in 2026.

Now let's discuss revenue per available stall, or RevPAS, a key metric we use to manage the portfolio. This metric is increasingly useful as we convert more assets to management contracts, and a larger portion of our portfolio is included in the calculation. For the fourth quarter, RevPAS was \$190 compared to \$200 in the prior-year quarter, a decrease of 5%. The year-over-year decline reflects rate compression from our volume-first strategy, as well as the transient weakness I mentioned earlier.

Adjusting for our Detroit location, which is one of the largest assets in our portfolio, RevPAS was down 3.4% year-over-year. As we have discussed before, for our Detroit location, redevelopment is actively underway. While there are some near-term dislocations, longer-term, this asset is extremely well positioned. Turning to expenses. Property taxes were \$1.6 million compared to \$1.7 million in the prior year quarter.

Property operating expenses were flat at \$1.9 million for the fourth quarter of 2025 and 2024, this demonstrates the operational discipline we have maintained throughout the quarter.

Net operating income was \$5.3 million for the fourth quarter compared to \$5.5 million in the prior-year period. General and administrative expenses were \$1.1 million compared to \$1.2 million in the fourth quarter of 2024. This excluded non-cash compensation of \$0.8 million in the fourth quarter of 2025 compared with \$1 million of non-cash compensation in the prior year. Adjusted EBITDA for the fourth quarter was \$3.9 million, flat compared to the prior year. This stability and adjusted EBITDA despite revenue headwinds demonstrates the underlying earnings power of our operations and the benefit of our expense management initiatives.

For the full year 2025, total revenue was \$35.1 million compared to \$37 million in 2024, a decrease of 5.2%, reflecting the temporary transient volume headwinds previously described. For 2025, same-location RevPAS was \$199 compared to \$209 in 2024, a decrease of 4.7%, consistent with the revenue decline. Property taxes were \$7 million compared to \$7.3 million in 2024. Property operating expenses were \$7.4 million compared to \$7.1 million, an increase that is primarily attributable to our migration to management agreements. Net operating income for the full year was \$20.7 million compared to \$22.6 million.

While this represents a meaningful decline, it is important to note that this was driven by the temporary factors Stephanie outlined. As venues reopen and the catalysts we see materialize, we will have a clear line of sight to NOI recovery. General and administrative expenses were \$4.8 million compared to \$5.1 million in 2024, reflecting cost management trends previously described. This excluded non-cash compensation of \$3.1 million in the current year compared with \$5.7 million of non-cash compensation in the prior year. Adjusted EBITDA for the full year was \$14.3 million compared to \$15.8 million in 2024.

Turning to our balance sheet. As of December 31, 2025, we had \$15.3 million in cash and restricted cash compared to \$15.8 million at December 31, 2024. Total debt outstanding as of December 31, 2025, was \$207.7 million, this compares to total debt of \$213.2 million at December 31, 2024. As Stephanie mentioned, during the fourth quarter, we paid down approximately \$10 million on the line of credit, including both principal and accrued interest.

We funded this paydown with proceeds from our fourth quarter asset sales. Additionally, to date, we have repurchased over 1.6 million shares at an average price of \$3.25 per share.

Given the current share price and the valuation relative to our NAV, our shares continue to be an extremely compelling investment. Accordingly, repurchases will continue to be an area of focus. For 2026, we are providing the following guidance. 2026 revenue is expected to be \$35 million to \$38 million. At the midpoint, this represents 4% growth over 2025 revenue.

On an apples-to-apples basis, adjusted for the assets we sold in 2025, the midpoint represents approximately 8% growth on the same portfolio basis. This 8% adjusted growth rate better reflects the underlying operational momentum we expect from our portfolio.

Net operating income is expected to be \$21.5 million to \$23.0 million. At the midpoint, this represents 7% growth over 2025 actual results. On an adjusted basis, removing sold assets, this represents approximately 10% NOI growth, highlighting the operating leverage inherent in our business model. Adjusted EBITDA is expected to be \$15.0 million to \$16.5 million. At the midpoint, this represents 10% growth over 2025 actual results.

On an adjusted basis, this represents approximately 13% growth. The adjusted EBITDA expansion reflects both NOI margin improvement and continued expense discipline. Our guidance does not include any future asset sales or acquisitions beyond what we have already contracted.

If we complete additional dispositions during 2026 as planned, we would expect to update guidance accordingly, though the NOI impact should be relatively modest given we are selling lower-contributing assets. There are a few key assumptions underpinning our guidance. First, we expect continued contract parking volume growth across our major markets, building on the 10% growth we achieved in 2025. Second, we expect transient growth in markets where temporary construction disruptions have been resolved. And finally, further progress from the green shoots we see of return-to-office momentum that we believe will provide uplift to both contract and transient revenue streams.

With that, I will turn the call back to Stephanie for closing remarks.

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Thank you, Paul. Before we open the line for questions, I want to leave you with a broader perspective on where we see our business heading. Over the last several years, this company has navigated tremendous change. We have operated through a global pandemic, a structural shift in workplace behavior, significant redevelopment around some of our largest assets, rising interest rates and capital markets volatility. We have focused on building the most durable part of our revenue base through contract expansion.

We have strengthened our capital structure. We have rotated assets according to our long-term strategy. And we have positioned the portfolio and broader platform to benefit, as temporary disruptions convert into long-term growth catalysts.

In choosing to prioritize utilization, we focus on getting closer to a stabilized performance. Ultimately, the occupancy base will create pricing leverage. As utilization increases, optionality increases. As optionality increases, parker mix optimization becomes possible. And as mix improves, pricing power follows.

As such, we see embedded opportunities. Our assets are moving towards stabilized occupancy levels, where future pricing adjustments can be implemented thoughtfully and strategically market by market. We continue to believe that the intrinsic value of this portfolio materially exceeds the current trading value of our shares. Our focus remains on closing that gap through disciplined execution and a shareholder-first mindset to capital allocation.

As we move through 2026, we will implement targeted operational enhancements with select properties designed to improve transaction flow and reduce friction. Each asset has its own operational optimization roadmap, and we expect that these adjustments will drive incremental revenue over time. Beyond near-term improvements, we are building something larger.

Mobile Infrastructure owns points around the center of urban mobility systems. In a world increasingly shaped by digital transformation, we remain a business with ownership of strategically located land and hard assets in central business districts, assets that we believe will compound in value over time.

Historically, our revenue model has centered on parking transactions, but our assets generate far more data than payment activity. They capture data on traffic flow, dwell time, ingress and egress behavior and utilization patterns across central business districts. Over time, we

believe this portfolio can evolve towards intelligent infrastructure, assets that are not only revenue generating, but increasingly adaptive and data aware. We are in the early stages of building that capability. We are not announcing a specific rollout today but are laying the foundation for infrastructure that enhances long-term value creation.

This evolution will not happen overnight, but we believe the future of this company is not simply higher occupancy. It is smarter infrastructure with assets that generate insight along with income and operational systems that allow us to optimize each garage individually rather than manage the portfolio with broader assumptions. As we move through 2026, we see strengthening contract momentum, identifiable recovery catalysts and operational enhancements.

Thank you for your continued support. Operator, please open the line for questions.

QUESTIONS AND ANSWERS

Operator

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

John Massocca - B. Riley Securities Holdings Inc - Equity Analyst

So maybe just going to the dispositions first. Can you maybe tell me what exactly was kind of closed in the quarter? And what maybe is still yet to close in that \$30 million number.

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

Yes. So we have one asset remaining to close this quarter, anticipating that closing in the next 14 to 20 days. And then anything else in 2026 will be towards the back quarter of the year.

John Massocca - B. Riley Securities Holdings Inc - Equity Analyst

Okay. Does that mean there's nothing really kind of in the pipeline for sale today? Or is that just because the assets you're selling are going to take a little time to kind of work through all of the various minutia sales?

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

Yeah, more the latter. There are assets in the pipeline. Certainly, we don't want to rush a process. So it's always balancing speed to close versus the right buyer. So we've got some targeted conversations that really are just given the nature of disposition strategy are back half of this year.

John Massocca - B. Riley Securities Holdings Inc - Equity Analyst

Okay. I understand that with the cap rate you're selling these at, it shouldn't be too impactful. But if I think about what was actually closed in the quarter, is there some kind of weighting towards the back or the front of the quarter? Just trying to think if there's a stub impact of NOI that was in 4Q that's not going to roll into 1Q?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Well, it will roll through 1Q because it will sell sort of towards the end of the first quarter. But largely nominal overall.

John Massocca - *B. Riley Securities Holdings Inc - Equity Analyst*

Okay. And maybe can you provide a little color on what you're seeing year-to-date in some of the markets that were most impacted by local disruptions just thinking Cincinnati, Denver, Nashville. Just is there any like tangible uplift you're seeing in comparable rate or utilization in those markets now that some of those projects around the garages have been completed?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yeah. January, as you know, is always our slowest month of the year. You have weather, et cetera. I will say though, Cincinnati, we're seeing the impact as expected. I think we made in the remarks, the comment that there are seven events in the first quarter. There were several in January. They were well attended. Contract revenue is up, and we've seen a number of inbounds from the return to office. Not all of those will convert, but we are starting to see that trend. So I think Cincinnati will be the most impactful in the near term.

Nashville is opened back up - the 2nd Street corridor. So just in terms of an asset coming back online, like Nashville is. That really should be back half weighted, right, as parkers get reused to going there, prebooking, et cetera. But I anticipate we'll see Cincinnati in the numbers in the first quarter.

John Massocca - *B. Riley Securities Holdings Inc - Equity Analyst*

Okay. And then in terms of the broader portfolio, I'd imagine it's kind of already baked into guidance, but just in terms of like the impacts versus runway -- sorry, run rate how much weather impact has the portfolio kind of seen, if any, in 1Q, just given it's been a slightly colder, more snowier winter than maybe its been in years past?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

I would say that the National Storm a couple of weeks ago that shut down Nashville, Cincinnati, turned into a Northeaster in New York, was certainly impactful, in different places it was more impactful than others. Midwest, it was a couple of days; Nashville, where they're without power for a week, it was a longer impact. So it's really market by market. Sorry, go ahead.

John Massocca - *B. Riley Securities Holdings Inc - Equity Analyst*

No, I'm just going to think like within the guidance, is that kind of already accounted for, just given in the year-to-date performance. And then I guess, what could have been guidance if not for that weather disruption, roughly?

Paul Gohr - *Mobile Infrastructure Corp - Chief Financial Officer*

It was in the grand scheme of the year, not super impactful. We did see a little bit of a downtick, but I don't think on the balance of the year, that it will be like impactful.

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yeah. January is always the slowest month of the first quarter, which is the slowest quarter of the year. So to Paul's point, it was a few days and largely nominal overall.

Operator

Kevin Steinke, Barrington Research.

Kevin Steinke - *Barrington Research Associates Inc - Analyst*

I believe you talked about, in your remarks, expecting to see a sequential build in results throughout the year. Obviously, there's seasonal impacts as you move throughout the year. But is there anything based on the green shoots and the momentum you're seeing in contract that would make things vary materially versus what you've typically seen in the past?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

No, there isn't. The contract parking will compound through the year. So the fluctuation, the seasonality is largely driven by transient. So all the contract green shoots will do is give us a higher base from which that transient will compound revenue through the year.

Kevin Steinke - *Barrington Research Associates Inc - Analyst*

Okay. Sounds good. And obviously, you discussed the momentum you're seeing in the contract business. Return-to-office sounds like it's really a nice tailwind right now. Any updates on just the office to residential conversions and what you're seeing, in particular, markets with that in terms of uptake on residential contracts, and I'm thinking about the developments in Cincinnati and anywhere else you might want to highlight.

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yes, absolutely. Residential has been really great. It's still not a large portion of contracts, but it was up about 60% year-over-year. We anticipate that to continue growing, especially with the return to office that we're seeing in downtown. So I think what we're really excited about is that bifurcation in pricing, which hasn't happened yet.

But will, ultimately, when you have a 24/7 reserve space versus kind of a Monday through Thursday, eight-to-five worker. So that's on the come. But the thing with residential is we are bound by how fast units lease. So we can't make great predictions in terms of how fast that builds. But once people are in their apartments and they are leasing, we have pretty good capture there.

Kevin Steinke - *Barrington Research Associates Inc - Analyst*

Okay. That's helpful. You talked about seeing some positive impact from your technology optimization initiatives, but you also talked about maybe improving technology in certain areas or in certain facilities. I mean, can you just walk through that a little bit more and maybe unpack the benefits you've seen from initiatives and other things that you're looking to improve on that front?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yeah. It's been a fairly broad attack on technology and execution. So obviously, we work with our third-party operators and really transition towards those who give us the most operating insight and transaction data in our assets. The thing with parking is it really needs to be a frictionless ecosystem. And so focusing on operators and technology where it's that drive in, drive out experience, but also the LPR, the License Plate Recognition, captures the data, charges effectively so you don't have leakage is really important. And so we're working with operators on that.

And then the second piece is just making sure that we have the right online presence and premarketing for events and also liquidation of excess inventory with online aggregators. So it's a multifaceted approach. Historically, asset owners have relied on operators to do that. A lot of that has been brought in-house over the last year, and we're expecting to see that benefit in 2026.

Kevin Steinke - *Barrington Research Associates Inc - Analyst*

All right. That sounds good. Can you refresh us on where we are in terms of the transition -- ongoing transition from leases to management contracts on your owned assets? And maybe are we expecting any significant movement on that front, flipping to management contracts as we move throughout the year?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

I think the balance of them largely are late this year and next year when they transition, and there are only a handful remaining. So it won't be materially impactful. But certainly, as we transition, we'll update. The ones that are remaining, Kevin, are on long-term leases. So they're just sort of coming to their lease end over the next 24 months.

Kevin Steinke - *Barrington Research Associates Inc - Analyst*

Great. Understood. That's helpful. Lastly, I want to ask about the ongoing asset optimization strategy. You've had some success with some divestitures.

It sounds like maybe over the course of 2026, the focus as you divest assets and I guess, more of those to come later in the year or maybe into 2027. But sounds like initially, it's still going to be a focus on paying down that line of credit. But could you also just update us where you stand with the asset acquisition pipeline and when you would potentially look to start acting on that pipeline a little more actively or aggressively.

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yes, absolutely. In the near term, the focus will be the line of credit. But to your point, it's -- every disposition is a capital allocation question. So we'll look at near-term acquisition pipeline versus line of credit pay down and balance accordingly with our Board.

Operator

Michael Diana, Maxim Group.

Michael Diana - *Maxim Group LLC - Analyst*

Stephanie, when you selling some of these properties, are the buyers looking to run them as parking facilities or do something else with.

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Sure. Michael. It really depends. We have some owners that are looking to the change of use and others -- some buyers who are looking to the change of use. Others are keeping the asset as parking, but they need it for a particular purpose, i.e., they could be transitioning an office tower to residential or they are buying an office tower and parking becomes necessary for them to lease out their space.

So I would say it's not necessarily a fixed outcome. The input, though, that is consistent is they need the space for their own asset that they've just acquired to be worth more. So for us, we're really indifferent as long as we can maximize proceeds for our shareholders.

Michael Diana - Maxim Group LLC - Analyst

Yeah. Sure, of course. So you've -- it's good to know that with interest rates being where they are, you still find buyers.

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

Absolutely. Our approach is very strategic and targeted. So we tend to not put things on a broadly marketed process, but it's identifying asset by asset, who the key stakeholders are and developing a relationship with them, understanding what their needs might be. And in some cases, it's just used for land. In other cases, it's parking specific.

And those relationships take time and they're extremely targeted which is how we're able to achieve the proceeds that we do.

Michael Diana - Maxim Group LLC - Analyst

And then return-to-office. Could you give us some idea which cities are the strongest in that?

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

We've really seen it across the board. The Midwest seems to be, I would say the strongest, but Texas, we're seeing the same. Anywhere where you have large corporations, I think that's where we're really seeing the impact of mandates of back-to-office.

Operator

John Massocca, B. Riley Securities.

John Massocca - B. Riley Securities Holdings Inc - Equity Analyst

Just kind of a quick one for me. As I think about the \$30 million, in particular, maybe what is still left to close in terms of dispositions in 1Q '26. What kind of net proceeds is that potentially going to generate to pay down the line of credit. I would assume it's maybe collateralizing some other type of debt, but I'm not sure, I just was kind of curious how much cash you think that you can generate for further line of credit paydowns.

Stephanie Hogue - Mobile Infrastructure Corp - President, Chief Executive Officer

We -- yeah. So we -- to date, we've paid down \$10 million. And we'll continue to put excess proceeds towards the line of credit. I think this particular asset, you are correct, will run through its waterfall, it is in a CMBS portfolio. So there's some prepayments, et cetera. So excess proceeds then will go towards the line of credit.

John Massocca - B. Riley Securities Holdings Inc - Equity Analyst

Okay. And any kind of rough amount do you think that could be? Or is that just still to be determined given the debt structure in place on that asset?

Stephanie Hogue - *Mobile Infrastructure Corp - President, Chief Executive Officer*

Yes. I think it will - on the come.

Operator

I am showing no further questions in the queue. I would like to thank you for participating, and this does conclude today's conference call. Everyone, have a great evening.

DISCLAIMER

LSEG reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES LSEG OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2026, LSEG. All Rights Reserved.