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## Entertainment Properties Trust Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Yes thank you. [Operator Instructions]. And your first question will come from the line of Jordan Sadler. Please proceed.

#### Jordan Sadler - KeyBanc Capital Markets

Thank you, good morning.

#### David Brain

Morning.

#### Jordan Sadler - KeyBanc Capital Markets

The first question just regarding investment opportunities in what you are seeing out there in terms of cap rates maybe as it relates to theater assets or other opportunities that you may see?

#### Greg Silvers

Jordan, it is Greg. I think there is two distinct groups. There is distressed sellers out there who are looking to raise capital and there is also our traditional theatre operator opportunities. We are seeing opportunities in both areas. The distressed sellers really with prices in accordance with how desperate they are for the capital really without relation to the asset. The other side prices in accordance with the performance of the asset and what the tenant can pay. But there is significant opportunities in both. It's in just with this capital constrained market. We are not at this point exercising on those opportunities.

#### David Brain

right and to follow on what Greg said I would say those two camps, you probably have a great chasm of cap rate depiction and that is with distressed sellers we see things that 11 cap type things, but just across my desk, a couple of opportunities of very high performance asset and people know in this end market that these are well-received assets and these are non-distressed sellers that are asking 7 caps. Now, I don't know that those transactions will clear at 7, but there clearly is this chasm between, because the assets are performing well.

Distressed sellers are at high cap rates and non-distressed sellers were at cap rates we even saw year ago.

**Jordan Sadler - KeyBanc Capital Markets**

As it relates distressed group, I think couple of months ago you had said your buy assist that wait until you see cap rates rising further on some of those assets before maybe raising capital to execute or take advantage. Is that story still be view?

**Mark Peterson**

We want to get the numbers to where it make sense for us on a capital raise and right now given our price, we're not there but to the good point of the fact that we're known as the player in that arena, indeed our assets and so we continue to see all those transactions, yet everyone is waiting for us to start clearing those transactions.

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