GCM Grosvenor Second Quarter 2026 Results
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GCM Grosvenor Speakers:

- Stacie Selinger, GCM Grosvenor, Head of Investor Relations
- Michael Sacks, GCM Grosvenor, Chairman and Chief Executive Officer
- Jon Levin, GCM Grosvenor, President
- Pam Bentley, GCM Grosvenor, Chief Financial Officer

PRESENTATION

Operator: Good day and welcome to the GCM Grosvenor Second Quarter 2026 results webcast. Later, we will conduct a question-and-answer session. If you are interested in asking a question, please ensure you dial in using the numbers you have been provided for this call and press star one on your keypad to join the queue. If anyone should require operator assistance, please press star then zero on your telephone. As a reminder, this call will be recorded. I would now like to hand the call over to Stacie Selinger, Head of Investor Relations. You may begin.

Stacie Selinger

Thank you. Good morning.

Before we discuss our results, a reminder that all statements made on this call that do not relate to matters of historical fact should be considered forward-looking statements. This includes statements regarding our current expectations for the business, our financial performance and projections.

These statements are neither promises nor guarantees. They involve known and unknown risks, uncertainties, and other important factors that may cause our actual results to differ materially from those indicated by the forward-looking statements on this call. Please refer to the factors in the Risk Factors section of our filings with the SEC related to these statements.

We'll also refer to non-GAAP measures that we view as important in assessing the performance of our business. A reconciliation of non-GAAP measures to the nearest GAAP metric can be found in our earnings presentation and earnings supplement, both of which are available on our website.

Thank you again for joining us, and now I'll turn the call over to Michael Sacks, our Chairman and CEO.

Michael Sacks

Thanks, Stacie, and thank you to all listening to this second quarter 2026 earnings call.

I am pleased to report that GCM Grosvenor had another strong quarter, both generating returns for our clients and growing revenue and profits for the firm and our shareholders. We ended the second quarter with $97 billion of Assets Under Management and $78 billion of Fee-Paying

Assets Under Management, an increase of approximately 13% for each from a year ago. Constructively, all investment strategies and all investor channels contributed to that growth.

During the quarter, as expected, we saw an increase in fundraising from the first quarter's $1.5 billion to $2.3 billion in the second quarter, bringing first half fundraising to approximately $3.9 billion. Importantly, those results were again broad-based across the platform. We continue to expect second half fundraising to exceed the levels experienced in the first half and are pleased to report that our pipeline remains full.

Credit was the largest contributor to second quarter fundraising, accounting for more than $900 million of the $2.3 billion raised in Q2, making credit $1.4 billion of the first half's $3.9 billion of fundraising. Jon is going to go into some detail on our credit vertical in his remarks.

It's worth mentioning that the individual investor and insurance channels were significant drivers of fundraising, representing 23% and 18% of our year-to-date fundraising against the 5% and 4% of AUM they represented respectively at the start of the year. As you know, both channels are areas of focus for us.

From a revenue and profitability perspective we saw second quarter Fee-Related Revenue grow by 11%, Fee-Related Earnings grow by 21% and adjusted net income grow by 22% as compared to the second quarter of 2025.

On the last couple of earnings calls we have been asked about the impact of AI disruption generally. We have maintained that we have more upside from AI disruption than risk associated with it and noted that we have some direct exposure to disruptors. We continue to believe that. Last quarter we were specifically asked about SpaceX and we said that we thought that in the wake of a successful IPO it would likely be appropriate to address that exposure. And so I want to do that now.

GCM Grosvenor, in our ARS and Private Markets portfolios, through primary fund allocations to managers, direct investments into dedicated vehicles, and secondary market share purchases, invested approximately $150 million in SpaceX, a conservative sum for our capital base. The average cost of our investment is approximately $6.37 per share, and as of last week's market close those investments had a value of approximately $3.5 billion, split fairly evenly between ARS and Private Markets portfolios.

While these gains have not yet been realized and generally remain subject to lock up, that investment is the largest single issuer gain in the history of the firm.

For the overwhelming majority of our SpaceX exposure, the timing and form of exit is controlled by underlying managers. Should we receive shares in a distribution we will decide on a course of action in real time based on facts and circumstances.

The SpaceX investment is a good example of the strength of our origination platform and the breadth and quality of opportunities we can bring to investors as well as the way our various verticals strengthen and enhance the whole of our firm for our investors.

We are of course pleased with this investment thus far. Given the magnitude of the SpaceX success, real-time versus one-quarter-lag timing differences in mark-to-market policy between ARS and Private Markets, and stock price variability, we feel it is important to highlight for all of our constituents, ARS returns, both inclusive and exclusive of SpaceX impact.

For the quarter our ARS multi-strategy composite delivered gross returns of approximately 14% inclusive of SpaceX and 10% excluding SpaceX. Year-to-date, those numbers are 15% and 11%. It is worth noting that excluding SpaceX ARS performance is very strong on both an absolute and relative to peer and benchmark basis. Pam will talk in a bit about how to think about SpaceX with regard to annual ARS performance fees.

The combination of strong second quarter investment performance and positive net ARS inflows drove a 22% year-over-year increase in ARS Fee-Paying AUM as of June 30th, and our ARS pipeline remains full.

Investment results were also strong across Private Markets strategies, without the benefit of the SpaceX IPO marks, where private equity, infrastructure, real estate and private credit all delivered positive quarter-over-quarter performance.

We remain long origination with considerable operating leverage, meaning our sourcing capacity meaningfully exceeds our current investment pace, leaving substantial room to scale activity without sacrificing selectivity.

The middle market, the area of private markets where we primarily operate, has held up better than the broader private equity market. While deal activity and realizations are not yet firing on all cylinders, we see the opportunity for a pickup in activity and acceleration of realizations going forward. The precise timing of that is not predictable.

Importantly, as we have discussed in the past, we have a high ratio of firm unrealized carry relative to market cap, meaning that as the realization environment improves there is significant upside to our earnings.

We remain confident in our ability to achieve the profitability targets we laid out at our investor day and think that our durable, highly visible management fee growth, significant upside from embedded incentive fee earnings, full fundraising pipeline across verticals, operating leverage and dividend provide an attractive value proposition for shareholders today and over the long term.

And with that, I'll turn the call over to Jon.

Jon Levin

Thank you, Michael.

Today, I will cover our credit platform, which is one of the fastest-growing areas of our business and an increasingly important differentiator for the firm with clients.

As of quarter-end, our credit platform managed nearly $18 billion of assets. The credit vertical was the largest contributor to fundraising in the quarter, reflecting strong client demand in what has been frankly an uncertain credit environment. That to me is a great endorsement of our capabilities. We raised over $900 million for credit strategies in Q2, doubling what we raised in Q1.

During the quarter, we successfully closed our inaugural credit secondaries fund, which raised approximately $1.2 billion across the flagship fund and related vehicles. We're pleased with that outcome, but believe it is just the beginning of what can be a huge opportunity for us. Secondary markets develop, of course, after the formation of the primary market but as the primary market matures, the secondary market growth almost always grows considerably faster than the overall category. And when you think about the total addressable market here, it is important to remember that the overall size of the credit markets far exceed that of the private equity market. So being early and meaningful in a category with such massive growth opportunities is an exciting opportunity for the firm. Providing liquidity to the private credit markets through purchasing other investors' positions in funds or specified assets, at a discount to market, is a huge opportunity.

Not all of the headlines surrounding private credit this year have been positive. Certain parts of the market, particularly direct lending, have experienced increased scrutiny around valuation, exposure to software categories, leverage levels and liquidity, particularly in the evergreen semi-liquid market. Fortunately, our exposure to those more challenged areas is relatively limited. What continues to resonate with clients is the highly diversified and flexible nature of our credit platform.

From an investment perspective, our competitive advantage begins with sourcing and broad coverage of the market. Across our global platform, we review approximately 1,400 investment opportunities annually, spanning virtually every corner of the private credit market. That breadth of sourcing allows us to identify attractive opportunities across primary funds, co-investments, secondaries and direct transactions, which we then combine into client portfolios diversified across strategy, sub-strategy, geography, vintage year and industry. The result is portfolios with dozens of underlying investments rather than concentrated exposure to a small number of transactions or a specific part of the credit market.

Equally important is the flexibility of how we deliver those investments to clients. Every client enters the credit market from a different starting point. Some have mature credit programs and are seeking complementary strategies or specialized exposures. Others are entering private credit for the first time and need assistance designing an allocation from the ground up. Our platform allows us to partner effectively with both types of investors.

A couple fundraising examples from this quarter illustrate that flexibility.

First, in credit co-investments, we expanded our relationship with a long-standing institutional client by developing a strategic partnership designed to accelerate deployment into credit co-investments. The program combines our sourcing capabilities with the client's own deal flow and includes both discretionary investments as well as client-originated opportunities, enabling the client to pursue attractive opportunities that otherwise would have been difficult to execute on. The result is a highly tailored solution that leverages the strengths of both organizations.

A second example highlights the range of our broader capabilities, of which credit is an important piece. We were selected by an institutional investor making its first allocation to private markets. Rather than starting with a single strategy, we designed a customized program providing diversified exposure across both private equity and private credit. The solution incorporated co-investments and secondaries alongside fund investments to accelerate deployment, reduce the J-curve and provide immediate diversification.

These examples exhibit that we are not tied to a single product or implementation style. Instead, we begin with the client's objectives and then utilize the full toolset we have as a platform to deliver a solution that best fits the needs. We believe our position in delivering those solutions for clients has never been stronger.

And with that, I'll turn the call over to Pam.

Pam Bentley

Thanks, Jon.

Fee-Paying AUM grew a healthy 13% year-over-year, ending the quarter at $78 billion. Contracted Not-Yet-Fee-Paying AUM grew to $9.7 billion, up 11% from a year ago, which provides a strong foundation for continued organic growth as that capital is deployed and converted into Fee-Paying AUM over the coming years.

Private Markets management fees this quarter continued to benefit from solid fundraising and investment activity, and increased 10% over the second quarter of last year. As we look ahead to the third quarter, we expect Private Markets management fees to increase in the mid-single digits year-over-year. As a reminder, based on the timing of our specialized funds in market, we are not expecting material catch-up fees in the back half of the year.

Absolute Return Strategies had another outstanding quarter driven by strong investment performance combined with positive net inflows. ARS management fees in the quarter increased 11% year-over-year. ARS management fees are primarily charged in advance, so given the strong second quarter investment performance, we expect third quarter ARS management fees to increase by approximately 10% sequentially, which would equate to a nearly 20% growth rate year-over-year.

Total Fee-Related Revenue for the quarter was $111 million, an increase of 11% year-over-year, reflecting solid management fee growth across both Private Markets and Absolute Return Strategies.

Turning to expenses, we remain disciplined in managing our expense base while investing thoughtfully in the business.

FRE compensation and benefits totaled approximately $38 million during the quarter, and we estimate FRE compensation to be $1 million higher in the third quarter.

Q2 Non-GAAP General, Administrative and other expenses were almost $22 million, in line with our expectations. While we continue to invest in technology, including AI initiatives across the firm, we remain focused on driving operating leverage and expect G&A expenses in the third quarter to remain relatively consistent with Q2.

Putting these factors together, Fee-Related Earnings for the quarter were $50 million, representing growth of 21% year-over-year, and our FRE margin was 45%. We believe there is significant scalability embedded in our business and remain confident in our ability to further expand margins over time.

Turning briefly to incentive fees, investment performance across the platform remained strong. We earned approximately $7 million of annual performance fees in the first half of the year, and we estimate based on recent ARS investment performance we have approximately $35-40 million of unrealized annual performance fees. The majority of our performance fees crystallize in the fourth quarter, so the amount of performance fees ultimately realized will depend on ARS investment performance in the second half of the year, of which SpaceX is an important driver.

Specifically, as Michael discussed, SpaceX has been a great investment for the firm and is a terrific example of our origination power. We made investments across many different ARS and private market portfolios that were appropriately sized for the risk at the time and we have generated billions of dollars of profits for our clients. Given the current size of the position, you can expect some variability in our unrealized incentive fees as the price moves. The $35-40 million of unrealized performance fees I mentioned assumed a $110 share price for SpaceX. That number would be higher as of the end of last week. Each additional $10 movement in SpaceX's share price is worth about $4 million of performance fees. Ultimately, performance fees will fluctuate based on broader ARS investment performance for the year.

As of June 30th, gross unrealized carried interest was $965 million, with $493 million attributable to the firm's share. A variety of factors can cause fluctuations to our unrealized carry balance from quarter-to-quarter. Our Private Markets portfolios are marked on a one-quarter lag, meaning that next quarter's unrealized carry balance will reflect valuations as of June 30th. For example, the SpaceX exposure in our Q2 unrealized carried interest was marked at $84 per share, so we could see a meaningful increase in our unrealized carry next quarter due to our SpaceX exposure, again given the one-quarter lag.

Our balance sheet remains strong, providing us with significant financial flexibility. We are maintaining our quarterly dividend of 12 cents per share while also investing in the long-term growth of the business and opportunistically repurchasing shares. We continue to actively manage dilution through our buyback program, repurchasing 1.6 million shares for approximately $17 million during the quarter. We have $55 million remaining in our buyback authorization.

Overall, we are pleased with our results for the second quarter and first half of the year. Accelerating fundraising, strong investment performance, expanding management fees, growing embedded incentive fee earnings and ongoing operating leverage, position us well for the balance of 2026. We remain confident in both our near-term outlook and our long-term financial objectives.

Thank you again for joining us today. We'd now be happy to take your questions.

Operator: Thank you. As a reminder, if you would like to ask a question, please signal by pressing star one on your telephone keypad. Please make sure your mute function is turned off to allow your signal to reach our equipment. Once again, star one for questions.

We'll take our first question from Chris Kotowski with Oppenheimer.

Chris Kotowski: Hi. Yeah. Good morning and thanks for taking the question.

Pam mentioned that the mark on SpaceX was $84 a share, I think, at March 30th. I'm curious what that was at year-end. And then, I think, how typical is that lift in the marks between, say, three to six months before an IPO or a monetization event and the ultimate outcome?

And I'm curious if you think about some of the other high-profile IPOs that are in the pipeline? Is that a typical lift that we might expect if some of these major IPOs come to fruition in the next three, six, nine months?

Michael Sacks: Thanks, Chris, for the questions. It's Michael.

I don't think anything about SpaceX is typical. And I think it would be a mistake to look at that and try to project that out onto anything. I think it's – but, obviously, a lot of these companies have – they've built tremendous revenue streams and tremendous value in a short period of time. And there are a range of views as to how that plays out going forward. But SpaceX is just the – everything about it is a little bit 1 of 1. And I wouldn't look to put that onto anything. And I think you just got to see how it all rolls forward.

Chris Kotowski: Okay. Fair enough.

Michael Sacks: From the fourth quarter of last year to the first quarter to the IPO, and, frankly, since the IPO, you've just seen a tremendous amount of movement in valuation. And for what it's worth, they seem to have done a terrific job. Some of the concerns with regard to the magnitude of expiring lockups have seemed to have been a bit overinflated. But I don't think you project anything from that onto anything else.

Chris Kotowski: Okay. And then can you remind us, how is ARS billed? Is that billed on a value at the beginning of each quarter or at the beginning of each month?

Michael Sacks: Yeah. For the most part in ARS it's quarterly – fees are quarterly in advance based on the beginning quarter AUM number. So, the performance of the second quarter is in the third quarter beginning AUM number. You bill on that number for the third quarter. You then have your inflows and outflows, and you have your appreciation and hopefully not depreciation. And then you bill for the fourth quarter and so on.

Chris Kotowski: Okay. Great. That's it for me. Thank you.

Michael Sacks: Thank you.

Operator: We will take our next question from Bill Katz with TD Cowen.

Bill Katz: Okay. Thank you very much.

So, I wanted to come back to a couple of different things. In your prepared remarks on – at least on the press release, Michael, you're quoted saying, "Excited around the momentum of the franchise." I wonder if you could, maybe as you look ahead, say where you see the greatest lift? It sounds like a lot of good things are happening on the ARS side. Maybe just broaden out the pipeline of what your perspective is on that "exciting momentum". Thank you.

Michael Sacks: Yeah, I think – Bill, and I'm not being – I'll go into anything with you. We are doing well everywhere. And this would have been a good upbeat, positive call without the SpaceX conversation. And the reality is the SpaceX IPO and the increase in value in Q2 didn't really impact revenue at all yet in Q2. I mentioned our insurance efforts, our individual investor efforts. We highlighted credit, which we think has real momentum.

We mentioned our pipeline. So, we're head down, we're working. Nobody's taking anything for granted. We've all been around for a long time and get that. We're enthusiastic about a lot of different areas of the business right now. And it feels good to us.

Jon Levin: Bill, I would just add one other comment there, which is we mentioned that we thought second quarter fundraising would be larger than first. And it was. We mentioned again that we think second half fundraising will be larger than first half. And obviously, what we see in our pipeline and in our activity gives us the confidence to go out there with that prediction.

Bill Katz: Great. Thank you. Just as a follow-up, you mentioned, excuse me, that you also feel good about the realization opportunity. So, how should we be thinking about that on the line of sight you have just given your footprint?

And then just from a technical perspective, when we think through the compensation waterfall, how are we thinking about the carry payout ratio and then the overall firm payout ratio once you get to the net level? Thank you.

Michael Sacks: Let me take the last piece first because – and then just get back to the macro market environment. We've maintained a roughly 50% margin, I think, where the firm holds 50% of the firm's share of the incentive fees for a long time. We've said a number of times that it starts out in the beginning of the year that we hold a little bit less. We see how the year evolves. And we have landed at about 50% at least, I think, the last two years.

And we have said at times when we start to see that carry assets cash flow more and/or you see extraordinary performance fees out of the ARS business, we think the firm can hold more of that over time.

And so we do think we have margin there over time. When we start to see that – the real value of that come through – we have never put a number on that. We're not going to put a number on that. 50% assumption has been a safe base case for the last couple of years. But we do think we have opportunity in excess of that over time. Because as you've noted in the past, it's a very big asset relative to our market cap.

As far as realizations, as mentioned in the call, improving, but not yet, I wouldn't say, robust. You've got a better IPO market for us in the middle market. That's probably a little bit less relevant. But like we see in our co-invest business, transaction activity is up pretty significantly from this time a year ago. And so the number of transactions that have been done inside our co-invest portfolios is up significantly. And that's a positive sign.

And so we – but we just can't – nobody can predict timing. And frankly, I think the whole industry has been waiting for this for a little while. And it's been a volatile world.

Bill Katz: Thank you.

Michael Sacks: So, the important thing is that the asset's there and that the value of the asset is growing. And Pam touched on that a little bit in her remarks. We're going to see a lift in that asset next quarter as Q2 values roll through for the Q3 mark. And SpaceX alone is going to give you a lift there. So, that value continues to move in the right direction.

Operator: Thank you. We'll take our next question from Jeff Schmitt with William Blair.

Jeff Schmitt: Hi. Good morning. On the ARS business, performance was obviously really good. Michael, I think you mentioned the timing of fees earlier. So, is that what drove the average fee rate down a bit, the strong AUM growth and the denominator effect, versus any fee pressures?

Michael Sacks: Yeah. So, no fee pressures. Anything that impacts that fee growth is really just about mix of investor size and the size of money coming in. That type of thing. We haven't had any rewriting of fees or anything like that. And we're not feeling that. And there's not really any place we're feeling any pressure. And I don't believe that the second quarter numbers were impacted by anything that went on with profitability in the funds or marks, or anything like that in Q2. That wouldn't affect the second quarter numbers at all.

Jeff Schmitt: Okay. Great. And then in international fundraising, it's been pretty strong. I think you recently added some senior talent in a couple of markets there. Just curious, how scalable is your international platform today? Will you need to make additional investments as you scale that? Or would you expect to see operating leverage from here?

Jon Levin: Sure. In general, I would say, Jeff, yes and yes. Meaning the business overall is scalable. So, our ability to continue to raise assets from all of our channels, whether it's the insurance channel, the individual investor channel, the institutional channel in the US, outside the US, is something we've proven the ability to do now over the last several years as we continue to raise capital from the investments we're making. And the nice thing is those are relatively modest investments because we've been able to do that with pretty good controls around expenses generally.

That being said, we are always looking to add talent in where we see opportunities to accelerate distribution efforts. And so we continue to think there's just great opportunity out there everywhere for alts businesses, and particularly for our business, that can meet anyone where they are on their alts journey.

Jeff Schmitt: Great. Thank you.

Operator: We will take our next question from Ken Worthington with J.P. Morgan.

Ken Worthington: Hi. Good morning and thanks for taking the question.

So, solid fundraising quarter. You mentioned the $900 million in credit. How much of the $2.3 billion this quarter was in private market funds versus the SMA business?

Michael Sacks: Jon, do you have that number handy? Or Stacie?

Ken Worthington: Maybe asked another way, which of the funds in market had closes this quarter? And about how big were those closes?

Michael Sacks: While Jon's looking, Ken, for a specific number, let me just – what's interesting is so we're in market – we're at a place now where – and it's funny because we talked about this a little – we're in market all the time with all kinds of different funds. And we're in different markets.

And so we're in traditional institutional markets with traditional closed end specialized funds. And we're in the wealth channel with open end product. Which fund had to close? When's that fund expire? And those questions are a little bit less impactful today than they were seven years ago, with just maybe the exception of the general comments we give on catch-up fees.

Because, as you know, some of these funds are in market for 18 months. And last close, the power of that last close, is pretty significant when you have a catch-up fee involved. And so we're – we still try to give you a sense of where – what catch-up fees we're looking at. But there are – we always have – there are always funds in market now. And they're always – there's just a lot more activity than there was originally. I don't know, Jon, if you found anything specific you wanted to touch on or not.

Jon Levin: I think year-to-date, Stacie, you can correct me if I'm wrong here, about $400 million of it is for private market specialized funds.

Stacie Selinger: That's correct.

Jon Levin: But just to add on to Michael's commentary, to give you some perspective around it, Ken, we probably have, at any given time, ten to 15 specialized funds in market. So, you're going to have around half of those be closed end private market funds. You're going to have the other half be evergreen, which could either be for ARS or for the individual investor channel. So, at any given time, you've obviously got a lot going on there.

Michael Sacks: Yeah. To that point, I think the number Jon gave is really the traditional closed and institutional, specialized or commingled funds. Not including the wealth channel where you had other – other flows in the first half in those channels. Just to put a point on the number Jon gave you.

Ken Worthington: Perfect. And then you mentioned the pickup expected for second half. You clearly see the pipeline and we see the generalized pipeline. Where do you expect the pickup in second half sales to come from?

Jon Levin: I think it'll be pretty broad based, Ken.

Just like what we've seen so far this year, meaning all this stuff we just touched on, meaning your specialized funds that are – your traditional private market funds, your evergreen specialized funds, which could be either in the ARS space or in the semi-liquid or individual investor channel, your separate accounts. I think you'll see it across asset classes.

Credit and infrastructure still tend to be the leading contributors right now. I think you'll see it from all the different types of channels and geographies. Just in general, when we look across our pipeline right now, the strength is pretty broad based.

Ken Worthington: Okay. Great. Thank you very much.

Operator: We will take our next question from Crispin Love with Piper Sandler.

Crispin Love: Thank you. Good morning.

I'm looking at slide nine focusing on the 20% plus real assets CAGR. Definitely a step function higher, looking at 2025 relative to 2024. And then solid momentum recently. Just with all of the anxiety year-to-date around direct lending and credit uncertainty, as you referenced, have you seen investors lean more into real assets? And then can you just share what you've been seeing as it relates to demand and infrastructure versus real estate?

Michael Sacks: So Jon, you should address it.

The one thing I would say is that we just talked about growth in credit. Jon just talked about growth in credit in a tough environment for credit, with lots of headlines swirling around and all kinds of stuff. And so I think of it – the demand is pretty significant everywhere. And I think in real assets, it's not like demand has increased necessarily. It's been strong for a while. And it's been, as you point out, growing at a terrific rate for a while. It may be it's just has – it's got a little bit less headwinds and a little bit less noise – a fair bit less headwinds and noise than credit has had. But we've experienced growth in credit. So, I think we're seeing this growth everywhere. Jon, I don't know what you want to add to that.

Jon Levin: Yeah. Look, infrastructure has been on at least I would call it, a ten to 12-year run so far. And I don't see the run stopping anytime soon. I think that it is a fantastic asset class for what investors look for generally in terms of a stable return profile, a yield based profile to it, an inflation protection profile to it. A long duration asset, that's a nice matching for liabilities.

So, in general, I just see the infrastructure market continuing to grow. It's been 25% of our – it was 25% of our second quarter fundraising. It's been the highest contributor over the last 12 months. Our platform there is very experienced and has excellent flexibility with respect to how to deliver solutions.

And that's obviously before you get into what all the consultants around the world would be talking about in terms of the trillions and trillions of dollars that are needed over the next several decades to improve infrastructure globally. So, I think it has a lot going for it. I don't think that it necessarily has been, all of a sudden, a good thing because of what's going on in credit by any stretch. Although I do think that it also does show the ability for the role to play in a portfolio that you thought private credit played, that it competes well with that. It's not a zero sum game, but that it's also a nice asset class to have part of your well-constructed portfolio generally.

Crispin Love: Great. Thank you.

And then can you just discuss what you're seeing in Grove Lane recently, the wealth channel distribution? Just any update there would be helpful.

Jon Levin: Sure. We mentioned in the prepared remarks that the individual investor – and we mentioned insurance being much more meaningful contributors to our capital formation than they are of our AUM, which just means they're obviously growing quickly.

So, our efforts there in terms of the investments we've made to expand our distribution are paying off. But it's still early. And still feel like there's just a tremendous amount of growth opportunity, but also a tremendous amount of product creation opportunity there.

We've got infrastructure registered product. We've got absolute return registered product. We talked on the last quarter about coming to market with a private equity registered product that we think will be differentiated in the marketplace. And as Michael's always cautioned, it'll be some time before all of that momentum and excitement is hugely meaningful to the financial results of the business. But it's absolutely going well and will be a great growth driver for the business for years to come.

Operator: Thank you. With no additional questions in queue, at this time I'd like to turn the call back over to our speakers for any additional or closing remarks.

Stacie Selinger: Thank you. Appreciate everyone joining this morning and thank you for your questions and engagement. We look forward to speaking with you again next quarter. Have a great day.

Operator: That will conclude today's call. We appreciate your participation.