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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 7, 2024

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**Inspirato Incorporated**

(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction  
of incorporation)

001-39791  
(Commission  
File Number)

85-2426959  
(I.R.S. Employer  
Identification No.)

1544 Wazee Street  
Denver, CO  
(Address of principal executive offices)

80202  
(Zip Code)

(303) 586-7771

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.0001 par value per share	ISPO	The Nasdaq Stock Market LLC
Warrants to purchase Class A common stock	ISPOW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition.**

On May 7, 2024, Inspirato Incorporated (“Inspirato” or the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2024. A copy of the press release is furnished as Exhibit 99.1 to this current report on Form 8-K and is incorporated by reference herein.

Additionally, on May 8, 2024, the Company held a conference call (the “Earnings Call”) with respect to its financial results for the quarter ended March 31, 2024. The Earnings Call transcript is furnished as Exhibit 99.2 to this current report on Form 8-K and is incorporated by reference herein.

**Item 7.01 Results of Operations and Financial Condition.**

Inspirato announces material information to the public about Inspirato, its products and services, and other matters through a variety of means, including filings with the Securities and Exchange Commission, press releases, public conference calls, webcasts, the investor relations section of its website (<https://investor.inspirato.com>), its blog (<https://www.inspirato.com/details>) and its Twitter account (@inspirato) in order to achieve broad, non-exclusionary distribution of information to the public and for complying with its disclosure obligations under Regulation FD.

The information in Item 2.02 and Item 7.01 of this Current Report on Form 8-K, and Exhibits 99.1 and 99.2 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release dated May 7, 2024</a>
99.2	<a href="#">Transcript of Earnings Call, dated May 8, 2024</a>
104	Cover Page Interactive Data File (Cover Page XBRL tags are embedded within the Inline XBRL document)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**INSPIRATO INCORPORATED**

Date: May 9, 2024

By: /s/ Robert Kaiden

Name: Robert Kaiden

Title: Chief Financial Officer

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## **Inspirato Announces First Quarter 2024 Results; Improved Occupancy Rates Contribute to Margin Expansion and Quarterly Profits**

**DENVER, May 7, 2024** (GLOBE NEWSWIRE) – Inspirato Incorporated (“Inspirato” or the “Company”) (NASDAQ: ISPO), the innovative luxury travel club, today announced its 2024 first quarter financial and operating results.

*Except as otherwise stated, all financial results discussed below are presented in accordance with generally accepted accounting principles in the United States of America, or GAAP. As supplemental information, we have provided certain additional non-GAAP financial measures in this press release’s supplemental tables, and such supplemental tables include a reconciliation of these non-GAAP measures to our GAAP results. The sum of individual metrics and percent changes may not always equal total amounts indicated due to rounding.*

### **2024 First Quarter Highlights:**

- Net income of \$2.2 million in the first quarter of 2024 compared to net loss of \$5.9 million in the first quarter of 2023.
  - Positive adjusted EBITDA, a non-GAAP financial measure defined below, on a quarterly basis for the first time in more than three years. First quarter 2024 adjusted EBITDA of \$4.1 million compared to an adjusted EBITDA loss of \$3.1 million in the first quarter of 2023, a \$7.2 million favorable swing.
  - Successfully executed portfolio optimization plan, contributing to a year-over-year cost of revenue improvement of 19% and gross margin expansion to 40% in the first quarter of 2024 from 35% in the comparable 2023 period.
  - First quarter 2024 total revenue of \$80.2 million, a 12% year-over-year decrease and a 13% increase compared to the fourth quarter of 2023.
  - First quarter 2024 residence occupancy improved to 80% compared to 77% in the first quarter of 2023, reflecting effectiveness of executing a 9% planned reduction in average daily rates (“ADRs”) year-over year to \$1,965, as well as due to continued successes in Inspirato Rewards and portfolio optimization efforts.
  - Total Active Subscriptions of approximately 13,000 as of March 31, 2024, were comprised of approximately 10,900 Inspirato Club subscriptions and approximately 2,100 Inspirato Pass subscriptions.
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## **Management Commentary**

“I’m pleased with our first quarter results and believe they reflect our ability to successfully execute the early stages of our strategic plan,” commented Chief Executive Officer, Eric Grosse. “Recent Pass improvements, when combined with our continued efforts across Inspirato’s broader product portfolio, have us well-positioned for continued success. As we continue to focus on our near and medium-term objectives, I am confident we will be able to achieve our long-term growth and profitability goals.”

Chief Financial Officer, Robert Kaiden, added, “For the past year, we have been focused on improving our operating efficiency by optimizing our portfolio and improving our travel mix. In the first quarter, we began to realize the benefits of these efforts, as evidenced by a meaningful reduction in our lease expenses and our highest paid residence occupancy in two years. Importantly, these efforts also contributed to generating profits for the first time in more than three years. While we expect a mix of adjusted EBITDA income and loss in future periods due to the seasonality of our business, I’m pleased with our trajectory and results in the first quarter.”

### **2024 Guidance**

The Company reaffirms its previously provided 2024 guidance ranges for total revenue between \$275 million and \$305 million, adjusted EBITDA between a gain of \$5 million and loss of \$15 million and cash operating expenses between \$115 million and \$125 million. Cash at quarter end was \$33 million compared to \$42 million at year-end. The Company is aiming to improve its free cash flow profile and liquidity position through a combination of operational initiatives and potential financing options.

These statements are forward-looking and actual results may differ materially. Refer to the Forward-Looking Statements section below for information on the factors that could cause Inspirato’s actual results to differ materially from these forward-looking statements.

Forward-looking adjusted EBITDA is a forward-looking non-GAAP financial measure. The Company is unable to reconcile forward-looking adjusted EBITDA to net income, its most directly comparable forward-looking GAAP financial measure, without unreasonable effort, as a result of the uncertainty regarding, and the potential variability of, reconciling items such as equity-based compensation expense. However, it is important to note that material changes to reconciling items could have a significant effect on Inspirato’s future GAAP results.

## 2024 First Quarter Financial Results and Operational Metrics

The following table provides the components of gross margin for the three months ended March 31, 2024 and 2023:

<i>(Unaudited, in millions)</i>	<b>Three Months Ended March 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>% Change</b>
Travel revenue	\$ 49.7	\$ 55.1	(9.9)%
Subscription revenue	28.1	36.5	(23.1)%
Rewards and other revenue	2.5	0.1	n/m
Total revenue	80.2	91.7	(12.4)%
Cost of revenue	48.5	60.1	(19.2)%
Gross margin	\$ 31.7	\$ 31.6	0.2 %
<i>Gross margin (%)</i>	40 %	35 %	5 pp

*n/m = not meaningful*

*pp = percentage points*

The following table provides a breakdown of Nights Delivered, Occupancy and ADR for the three months ended March 31, 2024 and 2023:

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Residences</b>		
Paid Nights Delivered	17,200	17,200
Total Nights Delivered	26,000	29,900
Occupancy	80 %	77 %
ADR	\$ 1,965	\$ 2,152
<b>Hotels</b>		
Paid Nights Delivered <sup>(1)</sup>	8,800	10,800
Total Nights Delivered <sup>(1)</sup>	15,300	20,800
Occupancy <sup>(2)</sup>	73 %	71 %
ADR <sup>(2)</sup>	\$ 1,053	\$ 1,055
<b>Total</b>		
Paid Nights Delivered <sup>(1)</sup>	26,000	28,100
Total Nights Delivered <sup>(1)</sup>	41,300	50,700
Occupancy <sup>(2)</sup>	78 %	75 %
ADR <sup>(2)</sup>	\$ 1,655	\$ 1,728

*(1) Includes net rate hotel nights.*

*(2) Excludes net rate hotel nights as we purchase individual nights but do not have a total number of nights obligation.*

## ***Reconciliation of Non- GAAP Financial Measures***

In addition to Inspirato's results determined in accordance with GAAP, Inspirato uses Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow as part of its overall assessment of performance, including the preparation of its annual operating budget and quarterly forecasts, to evaluate the effectiveness of its business strategies and to communicate with its Board concerning our business and financial performance. Inspirato believes that these non-GAAP financial measures provide useful information to investors about its business and financial performance, enhance their overall understanding of our past performance and future prospects, and allow for greater transparency with respect to metrics used by its management in their financial and operational decision making. Inspirato is presenting these non-GAAP financial measures to assist investors in seeing its business and financial performance through the eyes of management, and because we believe that these non-GAAP financial measures provide an additional tool for investors to use in comparing results of operations of our business over multiple periods with other companies in our industry.

There are limitations related to the use of these non-GAAP financial measures, including that they exclude significant expenses that are required by GAAP to be recorded in Inspirato's financial measures. Other companies may calculate non-GAAP financial measures differently or may use other measures to calculate their financial performance, and therefore, our non-GAAP financial measures may not be directly comparable to similarly titled measures of other companies. Thus, these non-GAAP financial measures should be considered in addition to, and not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to any measures derived in accordance with GAAP.

Inspirato provides a reconciliation of Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow to their respective related GAAP financial measures. Inspirato encourages investors and others to review our business, results of operations, and financial information in its entirety, not to rely on any single financial measure, and to view Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow in conjunction with their respective related GAAP financial measures.

*Adjusted Net Loss.* Adjusted Net Loss is a non-GAAP financial measure that Inspirato defines as net income (loss) and comprehensive income (loss) less fair value gains and losses on financial instruments and asset impairments.

The above items are excluded from Inspirato's Adjusted Net Loss measure because management believes that these costs and expenses are not indicative of core operating performance and do not reflect the underlying economics of Inspirato's business.

*Adjusted EBITDA.* Adjusted EBITDA is a non-GAAP financial measure that Inspirato defines as net income (loss) and comprehensive income (loss) less interest, income taxes, depreciation and amortization, equity-based compensation expense, and fair value gains and losses on financial instruments. Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of total revenue for the same period.

The above items are excluded from Inspirato's Adjusted EBITDA measure because management believes that these costs and expenses are not indicative of core operating performance and do not reflect the underlying economics of Inspirato's business.

*Free Cash Flow.* Inspirato defines Free Cash Flow as net cash provided by (used in) operating activities less purchases of property and equipment and development of internal-use software. Inspirato believes that Free Cash Flow is a meaningful indicator of liquidity that provides information to management and investors about the amount of cash generated from operations, after purchases of property and equipment and development of internal-use software, that can be used for strategic initiatives, if any.

See below for reconciliations of non-GAAP financial measures.

### ***Key Business and Other Operating Metrics***

Inspirato uses a number of operating and financial metrics, including the following key business metrics, to evaluate its business, measure its performance, identify trends affecting its business, formulate financial projections and business plans, and make strategic decisions. Inspirato regularly reviews and may adjust processes for calculating its internal metrics to improve their accuracy.

*Active Subscriptions.* Inspirato uses Active Subscriptions to assess the adoption of its subscription offerings, which is a key factor in assessing penetration of the market in which it operates and a key driver of revenue. Inspirato defines Active Subscriptions as subscriptions as of the measurement date that are paid in full, as well as those for which Inspirato expects payment for renewal.

*Average Daily Rates ("ADR") and Total Occupancy.* Inspirato defines ADR as the total paid travel revenue, divided by total paid nights, which includes Inspirato for Good ("IFG") and Inspirato for Business ("IFB"), in both leased residences or hotel rooms and suites. ADR does not include *Pass* nights utilized. Occupancy is defined as all paid, Pass, IFG, IFB, employee and complimentary nights in all at-risk properties divided by the total number of at-risk nights available. Net-rate hotel partners are excluded from Hotel Occupancy as these are dependent on the hotel having capacity for Inspirato requests.



**Inspirato Incorporated**  
**Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)**  
(in thousands, except per share data)

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Revenue	\$ 80,245	\$ 91,700
Cost of revenue (including depreciation of \$1,289 in 2024 and \$927 in 2023)	48,524	60,056
<b>Gross margin</b>	<b>31,721</b>	<b>31,644</b>
General and administrative (including depreciation of \$338 in 2024 and \$0 in 2023)	14,649	17,907
Sales and marketing	8,726	6,710
Operations	7,023	8,296
Technology and development	2,050	3,407
Depreciation and amortization	1,001	979
Interest, net	323	(113)
(Gain) loss on fair value instruments	(4,149)	104
Other (income) expense, net	(295)	57
<b>Income (loss) and comprehensive income (loss) before income taxes</b>	<b>2,393</b>	<b>(5,703)</b>
Income tax expense	144	200
<b>Net income (loss) and comprehensive income (loss)</b>	<b>2,249</b>	<b>(5,903)</b>
Net (income) loss and comprehensive (income) loss attributable to noncontrolling interests	(986)	3,007
<b>Net income (loss) and comprehensive income (loss) attributable to Inspirato Incorporated</b>	<b>\$ 1,263</b>	<b>\$ (2,896)</b>
<b>Income (Loss) Attributable to Inspirato Incorporated per Class A Share</b>		
Basic net income (loss) attributable to Inspirato Incorporated per Class A share	\$ 0.35	\$ (0.90)
Diluted net loss attributable to Inspirato Incorporated per Class A share	\$ (0.18)	\$ (0.90)

**Inspirato Incorporated**  
**Condensed Consolidated Balance Sheets (Unaudited)**  
(in thousands, except par value)

	March 31, 2024	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 22,626	\$ 36,566
Restricted cash	10,660	5,700
Accounts receivable, net	2,238	3,306
Accounts receivable, net – related parties	1,040	842
Prepaid member travel	18,840	20,547
Prepaid expenses	4,338	6,135
Other current assets	1,772	1,744
<b>Total current assets</b>	<b>61,514</b>	<b>74,840</b>
Property and equipment, net	18,482	19,504
Goodwill	21,233	21,233
Right-of-use assets	206,822	209,702
Other noncurrent assets	4,993	5,448
<b>Total assets</b>	<b>\$ 313,044</b>	<b>\$ 330,727</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 21,846	\$ 22,748
Deferred revenue	142,821	160,493
Lease liabilities	62,946	61,953
<b>Total current liabilities</b>	<b>227,613</b>	<b>245,194</b>
Deferred revenue, noncurrent	20,057	17,026
Lease liabilities, noncurrent	192,177	196,875
Convertible note	20,176	23,854
Other noncurrent liabilities	2,868	2,476
<b>Total liabilities</b>	<b>462,891</b>	<b>485,425</b>
Commitments and contingencies		
<b>Equity (Deficit)</b>		
Class A common stock, par value \$0.0001 per share, 50,000 shares authorized, 3,676 and 3,537 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	7	7
Class B common stock, par value \$0.0001 per share, 5,000 shares authorized, no shares issued or outstanding as of March 31, 2024 and December 31, 2023	—	—
Class V common stock, \$0.0001 par value, 25,000 shares authorized, 2,871 and 2,907 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	6	6
Preferred stock, par value \$0.0001 per share, 5,000 shares authorized, no shares issued or outstanding as of March 31, 2024 and December 31, 2023	—	—
Additional paid-in capital	257,038	255,527
Accumulated deficit	(284,519)	(285,782)
<b>Total equity (deficit) excluding noncontrolling interest</b>	<b>(27,468)</b>	<b>(30,242)</b>
Noncontrolling interests	(122,379)	(124,456)
<b>Total equity (deficit)</b>	<b>(149,847)</b>	<b>(154,698)</b>
<b>Total liabilities and equity (deficit)</b>	<b>\$ 313,044</b>	<b>\$ 330,727</b>

**Inspirato Incorporated**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
(in thousands)

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 2,249	\$ (5,903)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,628	1,906
Loss on disposal of fixed assets	129	46
(Gain) loss on fair value instruments	(4,149)	104
Paid-in-kind interest included in net income	510	—
Equity-based compensation	2,878	657
Amortization of right-of-use assets	14,096	25,456
Changes in operating assets and liabilities:		
Accounts receivable, net	1,068	(3,086)
Accounts receivable, net – related parties	(198)	297
Prepaid member travel	1,707	(5,090)
Prepaid expenses	1,797	(208)
Other assets	153	(590)
Accounts payable and accrued liabilities	(861)	(2,826)
Deferred revenue	(14,641)	(3,772)
Lease liabilities	(14,921)	(24,578)
Other liabilities	353	—
<b>Net cash used in operating activities</b>	<b>(7,202)</b>	<b>(17,587)</b>
<b>Cash flows from investing activities:</b>		
Development of internal-use software	(236)	(1,932)
Purchase of property and equipment	(1,266)	(1,277)
<b>Net cash used in investing activities</b>	<b>(1,502)</b>	<b>(3,209)</b>
<b>Cash flows from financing activities:</b>		
Payments of employee taxes for share based awards	(276)	(718)
Proceeds from option exercises	—	1,156
<b>Net cash (used in) provided by financing activities</b>	<b>(276)</b>	<b>438</b>
<b>Net decrease in cash, cash equivalents and restricted cash</b>	<b>(8,980)</b>	<b>(20,358)</b>
Cash, cash equivalents and restricted cash – beginning of period	42,266	81,939
<b>Cash, cash equivalents and restricted cash – end of period</b>	<b>\$ 33,286</b>	<b>\$ 61,581</b>

**Reconciliation of Net Income (Loss) to Adjusted Net Loss (Unaudited)**

<i>(in thousands)</i>	Three Months Ended March 31,	
	2024	2023
<b>Net income (loss) and comprehensive income (loss)</b>	\$ 2,249	\$ (5,903)
(Gain) loss on fair value instruments	(4,149)	104
<b>Adjusted Net Loss</b>	<b>\$ (1,900)</b>	<b>\$ (5,799)</b>

**Reconciliation of Net Income (Loss) to Adjusted EBITDA (Unaudited)**

<i>(in thousands)</i>	Three Months Ended March 31,	
	2024	2023
<b>Net income (loss) and comprehensive income (loss)</b>	\$ 2,249	\$ (5,903)
Interest, net	323	(113)
Income tax expense	144	200
Depreciation and amortization	2,628	1,906
Equity-based compensation	2,878	657
(Gain) loss on fair value instruments	(4,149)	104
<b>Adjusted EBITDA</b>	<b>\$ 4,073</b>	<b>\$ (3,149)</b>
<b>Adjusted EBITDA Margin <sup>(1)</sup></b>	<b>5.1 %</b>	<b>(3.4)%</b>

(1) We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of total revenue for the same period.

**Reconciliation of Free Cash Flow (Unaudited)**

<i>(in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Net cash used in operating activities	\$ (7,202)	\$ (17,587)
Development of internal-use software	(236)	(1,932)
Purchase of property and equipment	(1,266)	(1,277)
<b>Free Cash Flow</b>	<b>\$ (8,704)</b>	<b>\$ (20,796)</b>

## 2024 First Quarter Earnings Call and Webcast

The Company invites you to join Eric Grosse, Chief Executive Officer, and Robert Kaiden, Chief Financial Officer, for a conference call on Wednesday, May 8 to discuss its 2024 first quarter operating and financial results.

To listen to the audio webcast and Q&A, please visit the Inspirato Investor Relations website at <https://investor.inspirato.com>. An audio replay of the webcast will be available on the Inspirato Investor Relations website shortly after the call.

### Conference Call and Webcast:

Date/Time: Wednesday, May 8, 2024 at 9am MT

Webcast: <https://edge.media-server.com/mmc/p/hz3nbn4n>

### About Inspirato

Inspirato (NASDAQ: ISPO) is a luxury travel subscription company that provides exclusive access to a managed and controlled portfolio of curated vacation options, delivered through an innovative model designed to ensure the service, certainty, and value that discerning customers demand. The Inspirato portfolio includes branded luxury vacation homes, accommodations at five-star hotel and resort partners, and custom travel experiences. For more information, visit [www.inspirato.com](http://www.inspirato.com) and follow @inspirato on Instagram, Facebook, X, and LinkedIn.

### FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which statements involve substantial risks and uncertainties. Our forward-looking statements include, but are not limited to, statements regarding our and our management team’s hopes, beliefs, intentions or strategies regarding the future or our future events or our future financial or operating performance. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “will,” “would,” “guidance” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this press release may include, for example, statements about: future financial performance (particularly in “2024 Guidance”), and future business, strategic and operational initiatives and results. These forward-looking statements are subject to numerous risks and uncertainties and actual results may differ materially from those expressed in or implied by the forward-looking statements. These risks and uncertainties may relate to, among other things:

- Our partnership with Capital One Services, LLC (“Capital One”);
- Our ability to service our outstanding indebtedness and satisfy related covenants;
- The impact of changes to our executive management team;

- Our ability to comply with the continued listing standards of Nasdaq or the continued listing of our securities on Nasdaq;
- Changes in our strategy, future operations, financial position, estimated revenue and losses, projected costs, prospects and plans;
- The implementation, market acceptance and success of our business model, growth strategy and new products;
- Our expectations and forecasts with respect to the size and growth of the travel and hospitality industry;
- The ability of our services to meet customers' needs;
- Our ability to compete with others in the luxury travel and hospitality industry;
- Our ability to attract and retain qualified employees and management;
- Our ability to adapt to changes in consumer preferences, perception and spending habits and develop and expand our destination or other product offerings and gain market acceptance of our services, including in new geographic areas;
- Our ability to develop and maintain our brand and reputation;
- Developments and projections relating to our competitors and industry;
- The impact of natural disasters, acts of war, terrorism, widespread global pandemics or illness, including the COVID-19 pandemic, on our business and the actions we may take in response thereto;
- Expectations regarding the time during which we will be an emerging growth company under the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act");
- Our future capital requirements and sources and uses of cash;
- The impact of our reduction in workforce on our expenses;
- The impact of market conditions on our financial condition and operations, including fluctuations in interest rates and inflation;
- Our ability to obtain funding for our operations and future growth;
- Our ability to generate positive cash flow from operations, achieve profitability, and obtain additional financing or access the capital markets to manage our liquidity;
- The impact on our liquidity as a result of the obligations in our contractual agreements, including the covenants therein; and
- Our business, expansion plans and opportunities and other strategic alternatives that we may consider, including, but not limited to, mergers, acquisitions, investments, divestitures, and joint ventures.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this press release. Although we believe that the expectations reflected in any forward-looking statements are reasonable, we cannot guarantee future results, events, levels of activity, performance or achievements. Actual results are subject to numerous risks and uncertainties, including those related to the factors described above and as detailed in Part I, Item 1A of our most recent Annual Report on Form 10-K ("Form 10-K") filed with the Securities and Exchange Commission ("SEC"), those discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations in Part I, Item 2 of this Form 10-Q and in Part II, Item 7 of our Form 10-K and those discussed in other documents we file with the SEC.

Although we believe that the expectations reflected in any forward-looking statements are reasonable, we cannot guarantee future results, events, levels of activity, performance or achievements. We do not assume responsibility for the accuracy and completeness of any forward-looking statements. We assume no responsibility for updating forward-looking information contained or incorporated by reference herein or in any documents we file with the SEC, except as required by law.

Should one or more of the risks or uncertainties described herein or in any other documents we file with the SEC occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements.

Investors should consider the risks and uncertainties described herein and should not place undue reliance on any forward-looking statements. We do not undertake, and specifically disclaim, any obligation to publicly release the results of any revisions that may be made to any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this press release and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and such statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.

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**C O R P O R A T E P A R T I C I P A N T S**

**Kyle Sourk** Inspirato Inc - IR  
**Eric Grosse** Inspirato Inc – CEO, Director  
**Robert Kaiden** Inspirato Inc - Chief Financial Officer

**C O N F E R E N C E C A L L P A R T I C I P A N T S**

**Brett Knoblauch** Cantor Fitzgerald & Co. - Analyst

**P R E S E N T A T I O N****Operator**

Good day and welcome to the Inspire auto first quarter 2024 earnings call. (Operator Instructions) Please be advised that today's conference is being recorded. I would now like to hand the conference over to your speaker, Mr. Kyle Sourk, Investor Relations.

**Kyle Sourk** - Inspirato Inc - IR

Thank you and good morning. On today's call, we have CEO, Eric Grosse; and CFO, Robert Kaiden. Yesterday afternoon, we issued our press release announcing our first quarter 2024 results, which is available on the Investor Relations page of our website at investor dot for auto.com.

Before we begin, we remind everyone that some of today's comments are forward-looking statements, including but not limited to our expectations of future operating results and financial position, guidance and growth, spot prospects, business strategy and plans and market position and potential market opportunity. These statements are based on assumptions and we assume no obligation to update them as actual results could differ materially, and we refer you to our SEC filings for a more detailed discussion of additional.

In addition, during the call management will discuss non-GAAP measures, which are useful in evaluating the company's operating performance. These measures should not be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP. Reconciliations of these measures to the most directly comparable GAAP measures are included in our.

With that, I'll turn the call over to our CEO, Erik Grosso.

**Eric Grosse** - Inspirato Inc – CEO, Director

Thanks, Kyle. And good morning, everyone. On today's call, I'm excited to discuss our first quarter results and our strong start to 2024. As you can read in our press release, Q1 marks the period in which we generated profits on both an EBITDA and net income basis. This is the first time we've delivered profitability against either metric and more than three years our Q1 results are a testament to the hard work throughout the organization and represent the third consecutive quarter of delivering results in line with our plan.

As I mentioned in my remarks last quarter, just as our members trust us to deliver memorable experiences for their families and loved ones. We're also committed to building trust and credibility with our shareholders and broader investment. We believe our Q1 results demonstrate that commitment. While we spent several quarters articulating our heightened focus on execution and driving operating efficiencies, these efforts do take time and our Q1 results reflect a meaningful step towards sustained profitability in Q1, we also began to reap the benefits of our work centered around our core products. When reimagining our portfolio.

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We ask ourselves questions like are our products functioning well on a stand-alone basis in conjunction with one another, do they align with our membership satisfaction and profitability goals? Some actions were more straightforward like lowering our ADRs to give more value to our members.

In Q1, our residents ADR was down on a year-over-year basis and one of the drivers of paid residence nights increasing per member over the same timeframe. In fact, our paid nights delivered as a percentage total nice delivered marked the highest level since the first quarter of 2022 a time when leisure travel was an absolute peak. Other actions like reimaging and Sprout a pass took a lot of work so far, results have lived up to expectations. We set out with the goal of positioning path for the frequent and flexible traveler.

One key change we made to make pass more appealing for the last-minute traveler was the introduction of Flex trips, Flexjet serve as a way to improve members' ability to book more close-in trips with significant value since its launch in mid-February, more than 800 reservations and more than 25% of all past chips books has been Flector even more impressive. Approximately 80% of Flip Chip reservations have been first days beginning within 60 days. In some cases, this is inventory that otherwise would have spoiled. While these changes have been welcomed by many of our past members, as we expected, they haven't been forever. At the end of the quarter. We had approximately 2,100 pass subscriptions, down approximately 350 compared to year end 2023, and in line with our expectations. Importantly, past nights delivered per pass member and past reservations per pass member has held steady, which means we're offering great value. It is also more profitable now and fits in better with our portfolio.

Overall past nights represented 30% of total nights delivered down from the 40% levels we alluded to in our last call. All in all, we are approaching a much more sustainable, healthy and profitable travel mix in our portfolio.

With respect to club membership, we continue to focus on selling longer term contracts to stickier prospects. We're focusing these efforts not only on new member sales, but also with multiyear extensions for current members. Our goal is to identify and solidify our core, which are members that love to travel and appreciate the unique elements of the in-product community we view longer-term members and initiatives that further refine our offerings as important to important building blocks to grow our member base over the long. That said, in the short term, it's apparent that we must double down our efforts to reinvigorate our member base and product offering. While we've put into work from a cost structure standpoint and have achieved our near term profitability goal. I'm a firm believer that our path to lasting success lies in driving sustainable, profitable growth.

As I've outlined on previous calls, our first objective is to reengage our members to drive increased travel and further entrench them as true members of the broader community. While these efforts have led to churn of more idle members, which is apparent in our subscription count. We've also been successful in increasing the amount of travel revenue per member, which is a sign of a more active and engaged community.

Next, we can turn our attention to continuing to refine our offerings, which we expect will further improve retention over the long run. I believe that the combination of a more engaged member base and a more aligned and profitable product portfolio will position us well to increase growth investments in 2025 and beyond.

And with that, I'd like to turn the call over to Robert to discuss our results in more detail.

Robert?

**Robert Kaiden** - Inspirato Inc - Chief Financial Officer

Thanks, Eric. As you mentioned, I'm pleased to report our first quarter results highlighted by profitability, expanded gross margins and solid travel behavior. As such, we are reaffirming our 2024 guidance range of \$275

million to \$305 million of total revenue, adjusted EBITDA between a gain of \$5 million and a loss of \$15 million and a cash operating expenses between \$115 million to \$125 million.

In the first quarter, we generated total revenue of \$80 million, a 12% decrease year over year. Importantly, Q1 total revenue was once again largely in line with our internal expectations. Subscription revenue decreased 23% year over year due to the decrease in past subscriptions that Eric referenced, as well as an 11% decrease in cloud subscriptions. In total, we exited the quarter with 12,300 members and 13,000 active subscriptions. Travel revenue decreased 10% year over year, largely due to the decrease in members as opposed to travel behavior. In fact, there are several data points related to travel that I would like to highlight. First, due to our decision to proactively lower ADRs launch into broader rewards and stand up our members' success team as well as improved past functionality are paid nice delivered as a percent of total night delivered has returned to levels we haven't seen in two years, 63% in Q1 second, we have been successful in our member traveling to our residents' inventory. Compared to last year, we have a nearly identical number of paid nursing or residences despite having fewer members while there is an uplift in each of these figures due to the noise associated with infra for good and this product for business, we're still encouraged by these early trends.

Third, our instructor only experiences and bespoke custom travel continued to be member favorites. For example, just last month, we launched six departures and our two Gulf of Georgia's all plan for 2025 that nearly all sold out within days.

Finally, while traveling Q1 delivered upon many of the metrics we track, we are continuing to see some softness in bookings impacting Q2 travel. As such, we have our eye on how our calendar fills in for the remainder of the year as we continue building upon some of the positive trends of Q1, rounding out the trial discussion with 80% total residents occupancy compared to 77% a year ago, with ADR down nearly 10%. Occupancy in our leased hotel rooms also improved to 73% compared to 71% a year ago, while maintaining flat ADRs.

Moving to cost of revenue, Q1 marks the first quarter where we realized significant lease expense savings associated with our portfolio optimization efforts. Year over year, total available nights at our leased properties decreased by approximately 20% to better align with our member base and portfolio realignment whereas our lease expenses and fixed costs were down approximately 25%. This is an indication of not only our flexibility in terminating the expensive lease agreements, but also our effectiveness in renegotiating terms along the way, while we expect further improvement in the coming quarters, the vast majority of savings were captured in Q1 and played a large part in expanding the gross margin as a percent of revenue to 40% in the first quarter from 35% in Q1 last year.

In terms of cash operating expenses, which is a combination of G&A, sales and marketing operations and tech and development. Excluding stock-based compensation depreciation, total expenses in Q1 were approximately \$29 million or 36% of revenue. This compares favorably to expenses of \$36 million or 39% of revenue last year in total. And as mentioned previously, we generated positive adjusted EBITDA of \$4.1 million compared to an adjusted EBITDA loss of \$3.1 million a year ago, an improvement of more than \$7 million.

While this is a nice milestone for the company, it is merely the beginning of what we hope to accomplish in the long run is also important to remember that our business is subject to seasonality from a revenue adjusted EBITDA and free cash flow perspective. In Q1, we experienced solid levels of revenue and EBITDA due to the amount of travel delivered relative to other quarters. We also further improved our cash burn to \$9 million compared to just over \$20 million in Q1 of last year. In Q2, a period in which summer and even next winter travel is booked we expect stronger performance in our free cash flow and less cash burn with lower revenue and EBITDA compared to the first quarter.

In terms of cash, we exited the quarter with \$33 million compared to \$42 million at year end. We have a keen focus on our liquidity and have several operational initiatives underway. While we explore potential financing options to bolster our overall liquidity.

Finally, I want to thank our employees for their continued hard work and our members for their continued support. We've shown meaningful progress over the past year and I'm excited to continue executing our long-term plan.

With that, I'd like to turn it over to the operator for Q&A.

## **QUESTIONS AND ANSWERS**

### **Operator**

(Operator Instructions) Brett Knoblauch, Cantor Fitzgerald.

**Brett Knoblauch** – Cantor Fitzgerald & Co. - Analyst

I had thanks for taking my question and congrats on the quarter. Maybe if we could start with just resins occupancy, very good up year over year to levels not seen in quite a while I guess what do you think is the upper bound on resident Akis occupancy rates?

**Robert Kaiden** - Inspirato Inc – Chief Financial Officer

Yes. Hey, Brent, it's Robert here.

Thanks for the question. Yes, we're really pleased with getting to 80% this quarter. There's obviously a balance we want to achieve. We want to make sure that we've got our resins available for all of our members who want to travel. And at the same time, we want to optimize our occupancy rates. I think there's as we've got probably a few percentage points more that we could go in an ideal world. And this obviously there's always a weak site get broken that you're never going to be able to fill in. There's maintenance that we'd like to do to keep our properties in top shape, but there's probably a few more percentage points in an ideal circumstance.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

And then I guess resident as a percentage of total nights delivered it was I think it was 66%, up from 60% last year's first quarter. And I guess where do you expect that to go? I would assume that you're continuing to deemphasize hotels in lieu of residences, do you think that's a percentage that could get to 70%, 75%, 80%?

**Robert Kaiden** - Inspirato Inc – Chief Financial Officer

Yes, I think we have a fairly good balance. What we're trying to make sure we accomplish is that for our members, we're giving them the geographies that they want to travel and the types of accommodations that they want to travel. And clearly our luxury residence is at the heart of what we do and what people need. But there are some folks who want and to travel to locations where it's not practical to have a residence and sort of some urban locations or they really need a smaller residents because they're just traveling with one or two people versus a larger group.

So that directionally I think the balance is fairly right. I think one of the things that we are trying to accomplish is to get the mix between our paid occupancy and our overall occupancy improving. And you've seen some of that this quarter where we've increased the percentage of our paid occupancy. And then through a combination of

factors, including trying to rightsize the past portfolio and making sure that passes is designed for that flexible traveler who wants that off-season often once that close in inventory. And so by that we've been able to with a small portfolio increase the percentage of paid occupancy.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

I think in the past you guys talked about has being unprofitable. How has the introduction of Flex trips altered the economics on?

**Eric Grosse** - Inspirato Inc – CEO, Director

Okay. Sure. Thanks, Brett. This is Eric. And we're really happy with the changes that we've put in place for Pass members. And we're encouraged by how they're really taking advantage of more last-minute opportunities. So as an example, 25% of trips booked since we made the changes have been flex trips and 80% of those flip chips have been for stays within 60 days. So we're basically moving more of our passholders more towards flexible on spontaneous last-minute trips, which overall sort of helps our our it helps us manage our portfolio as a whole so that some of overall encouraging trends, and we're very pleased with what we're seeing on that said, we are seeing some some some churn.

We are seeing a decrease in the number of passholders, and that was expected on. And I think that's really driven by a couple of factors, but mainly and not everyone that was previously originally had signed up for pass on it really with expecting and desiring of last minute trip.

So those folks are falling off a little bit, but the dumb, what's really good to see is that the members that have joined since we launched flex trips are really taking advantage of how we're designing the product. And again, I can't emphasize enough how important this is for our overall portfolio health as a whole on path is much more of a strong economic product for us and plays a very, very important role in terms of handling excess capacity for our overall residential inventory as a whole across the broader network.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

Maybe interest on subscribers, I think I talked about, you know, your goal is to return to sustainable and profitable growth. And I think a big part of that equation is getting subscriber churn to plateau and ultimately reverse the growth. And it's now been several quarters of current turn in a row, I guess, do you have any visibility to when the end might be in sight for that and when we could expect growth to return?

**Eric Grosse** - Inspirato Inc – CEO, Director

Sure, sure. On this is Eric again. And in terms of the driver behind some of the trends that we've seen around member declines, I alluded to on some of some of what we're seeing with respect to past. And with respect to Club, what we're really doing is focusing on member engagement and really, really long term retention. So that means in practice kind of deemphasizing sort of month-to-month memberships and more focused on on a multiyear on multiyear relationships, not only for existing members but for new members as well. So that is a change in dynamic and changing on how our members are growing. And we're also we've also 2024 has really been, and it's really been a year around operational efficiency on solidifying our foundation and leveraging the cost structure improvements that we've put in place over the course of the last several quarter. You'll recall that about \$50 million of OpEx efficiencies that we've generated and which will really help us in 2024 positioning and Brado as a whole for not only returning to growth, but to really provide to return to profitable and sustainable growth.

And we expect that dynamic to really start to switch towards the end of this year going into next year. And we do believe that there's a lot of platforms for growth in 2025 and beyond that can be really successful for reference. Bronto partnerships have been very healthy for us. Capital One is a great source of mid to long-term growth and there's a lot of things that we do more broadly speaking with respect to managing high end residential inventory and to delivering pretty amazing premium experiences for our members that make us confident that once we get the fundamentals right, there's a long runway of growth ahead of us in 2025 and beyond.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

Thank you. There is a model question on gross margin. And if you could tie it into controlled accommodations, which were down quite significantly, assuming a lot of leases, finally, somebody wrote off, I guess, where do you see that trending for the rest of the year on controlled accommodations likely? And I guess similarly, can you talk about where should we expect gross margin to go from here as well?

**Robert Kaiden** - Inspirato Inc – Chief Financial Officer

Yes, thanks, for the question. It's Robert again. So yes, we're really happy. We've been talking about our gross margin pickup with a reduction of controlled accommodations for many quarters now. And as we've said in the past, it was going to take some time with terminations between 180 and 365 days generally. And so we're happy with the 40% we got to this quarter. We will continue to see a slight decline the rest of the year kind of quarter over quarter in the overall controlled accommodations numbers and that's again because they were rolling off between 180 and 365 days, and we started this back in in the May and June time frame. So we've had some of the long ones that are starting to roll off now some of the shorter ones that have also rolled off, but we've got a few more to go. So there'll be a little bit of improvement, but this was really the big quarter.

And then in terms of gross margin, as you know, gross margin is really impacted by with a fairly now fixed cost in terms of the cost of revenue line with the leases, the biggest impact is going to be around the revenue. And as we've talked about before, we have seasonality in our revenue. Our Q2 is historically low point low quarter of the year from a revenue perspective. And so we would expect to see lower gross margins in Q2 and then we have some improved seasonality rolling into Q3, and we'll see margin start to pick up there as well. And then longer term, we hope to keep continuing to be able to drive in 2025, our margins as we start to pick up on our revenue as well and optimize really the portfolio that we have will be able to continue to improve our margins.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

And then maybe just one last question for me. I'm just on Capital One. Can you just give us an update on where we are in that process. Have those members been able to access the inventory yet? And if not, when will they be able to? And maybe can you just talk about if that's embedded in your guidance for the year?

**Eric Grosse** - Inspirato Inc – CEO, Director

This is Eric and yes, we're pretty excited about capital line. I think we've been consistent about that level of enthusiasm over the last couple of quarters. And they've been a terrific partner for us. And and what's happening right now, literally, as we speak, is our teams are continuing to work on technical integration, and we're on track to sort of kick things off into making Brado inventory available in the back half of this year. And that's consistent with the guidance that we've given. And we expect relatively modest on volumes as we sort of test and ramp up the relationship in 2024. But we do hope and expect that it can be a very, very big demand driver for us in 2025 and beyond, but it will start to be clear. We do expect it to begin in the back half of this year.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

And of the inventory that will go on that platform.

Sorry, just one more.

**Eric Grosse** - Inspirato Inc – CEO, Director

Yes, sure.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

Is that the inventory maybe approaching of those dates approaching that hasn't been booked yet. That will be going on there, so be more for shorter term bookings? Or is it going to be more skewed to resident or hotels?

**Eric Grosse** - Inspirato Inc – CEO, Director

Yes, it's really going to be a residence resident base and we have a fences and designs into the product itself to ensure that we're not creating any new challenges for the experiences of our of our of our existing members on so. So we really view this as a great way to give folks that are on. It's brought a member's even taste of the entire travel experience, which really is differentiated when people experience in international travel for the first time. And so we're doing that in a way that I think is very responsible with respect to what we're doing to optimize our overall portfolio from residents, occupancy standpoint and at the same time, making sure that our our members are getting a great experience.

**Brett Knoblauch** – Cantor Fitzgerald & Co. – Analyst

Got it. Thank you so much, Patricia.

**Eric Grosse** - Inspirato Inc – CEO, Director

Thanks. We appreciate the questions, Brett.

**Operator**

(Operator Instructions) Mike Grondahl, Northland Securities.

**Unidentified Participant**

Hi, this is Logan on for Mike. First off Congrats on the quarter. Are you going to provide some additional commentary about your top two priorities for the rest of the year and how you're feeling going forward?

Thank you.

**Eric Grosse** - Inspirato Inc – CEO, Director

I'm sorry, I just didn't hear the question. Can you just on Logan, do you mind repeating it?

**Unidentified Participant**

Yes, of course, on offer adapted, but congrats on the quarter. Can you guys provide some additional commentary about your top two priorities for the rest of the year and how you're feeling?

**Eric Grosse** - Inspirato Inc – CEO, Director

So I'm I think you're referring to sort of our capital priorities and our sort of our and our cash priorities were first and foremost, making the operational, the necessary operational improvements to get us and towards breakeven for the year. And that is something that we're pushing hard for, and we view that this quarter as a first step. I think another component of it is our cash balances as well and that we've made significant improvements on a year-over-year basis with respect to our cash from where our burn rate for the first quarter was around \$10 million. That is significantly improved from where we were a year ago, but we still want to improve that further. And so that is a company in terms of how we're attacking that we're improving. Occupancy levels were driving up engagement levels and nights per member, how we want to continue moving that sort of in a more positive direction.

And there's been a lot of activity around our semi-annual sale that we really disclose to basically drive more occupancy and drive more travel across our member base. And then we're also, as Robert alluded to, continuing to to really drive more efficiencies across our operating cost infrastructure, in particular with our with our with our leases.

And so so we believe that these efforts will help position the Company for up first, stronger financial outlook, but that said, we do understand that a stronger balance sheet would be a very, very good thing. And we're actively looking through and across sort of all avenues to see what possibilities may exist that dumb that are effective and work for us, our members, shareholders and our constituents.

**Unidentified Participant**

Perfect, thank you. And just one last question. What additional measures have you guys been taking to drive better bookings during this year? And will you be doing the future for that?

**Eric Grosse** - Inspirato Inc – CEO, Director

Yes. So this is Eric again. Thanks, Logan. So so we are encouraged and one on one one standpoint that we're seeing on revenue per room per member on sort of improve, but that's a little bit of a backward-looking metric. And if we look at sort of bookings per member that's been kind of flattish to a little bit down. And there's been a lot of activity that we've taken on used to basically to drive that in the direction that we want.

The first is by being more aggressive around our overall ADRs and sort of taking those down. And then second, we are looking at how we other ways in which we can stimulate demand, particularly through our semi-annual sale that just that just closed last Friday. And and there's other initiatives to like our like our rewards program that have been a big push to encouraging our members to travel more frequently on. One thing that's great to say is that the distance we launched rewards them last fall on about 50% of our members and already have some status, which is terrific. And then a third of those members excuse me, a little bit more than a quarter of those members are ready and our highest tier.

So that suggests that they are and really getting engaged cohort of travel members or who's been members of its broader that do travel and frequently with us and really value it. Our objective now is to spread BRAD that kind of enthusiasm across a wider portion of our member base.

**Unidentified Participant**

Thank you. Congrats on the quarter.

**Eric Grosse** - Inspirato Inc – CEO, Director

Thanks. Logan.

**Operator**

Thank you. I'm showing no further questions in the queue at this time. I would now like to turn the call back over to any closing remarks.

**Eric Grosse** - Inspirato Inc – CEO, Director

Terrific, and thanks for bearing with us and we apologize for the delay in the start. We had to have some technical and communication issues, but the and we don't want that to underlie our enthusiasm for returning to profitability this quarter. So thank you very much for the questions and for the engagement, and we look forward to staying in touch in the quarters ahead.

**Operator**

This concludes today's program. Thank you all for participating.