
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 6, 2016

BRT REALTY TRUST

(Exact name of Registrant as specified in charter)

Massachusetts

(State or other jurisdiction
of incorporation)

001-07172

(Commission file No.)

13-2755856

(IRS Employer
I.D. No.)

60 Cutter Mill Road, Suite 303, Great Neck, New York

(Address of principal executive offices)

11021

(Zip code)

Registrant's telephone number, including area code: 516-466-3100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 6, 2016, our Compensation Committee approved a Pay-For-Performance Program pursuant to our amended and restated 2016 Incentive Plan, which we refer to as the Plan, and awarded an aggregate of 450,000 restricted stock units (including 50,000 Additional TSR Units(as defined)) to 15 of our officers, employees and consultants. Each unit relates to one share of beneficial interest, par value \$3.00 per share. The units vest upon satisfaction of the performance conditions during the applicable performance cycle, subject to acceleration upon the occurrence of certain specified events. Each recipient also received a dividend equivalent right entitling such person, upon the vesting of their units, to an amount equal to the cash dividends that would have been paid with respect to the shares underlying the units had such shares been outstanding during the period commencing with the grant date of such award through the vesting date of such award. We refer to the units and dividend equivalent rights collectively as the awards.

The purpose of this program is to further align the interests of senior management with those of our shareholders by instituting a long-term “pay-for-performance” structure that encourages the creation of shareholder value. This following summary of the program is qualified in its entirety by reference to the form of performance awards agreement, a copy of which is filed as an exhibit hereto.

Performance Goals

An aggregate of 200,000 units, which we refer to as the AFFO Units, are subject to a performance goal based on achievement of compounded annual growth rate in adjusted funds from operations, or AFFO, and an aggregate of 250,000 units (including 50,000 Additional TSR Units), are subject to performance goals based on achievement of compounded annual growth rate in total shareholder return. In addition to these performance conditions, the recipients must also continue to perform services for us as an officer, trustee, employee or consultant during the five year performance cycle applicable to such award. Set forth below are the performance goals that must be achieved for the units to vest. To the extent performance with respect to these goals falls between two levels (*i.e.*, between threshold and target or between target and maximum), the number of units that vest will be determined by straight-line linear interpolation.

Adjusted Funds From Operations:

The table below sets forth the aggregate number of AFFO Units that vest based on achievement of threshold, target or maximum performance goals with respect to the compound annual growth rate in AFFO, during the period (the “AFFO Performance Cycle”) from April 1, 2016 (the “AFFO Commencement Date”) through March 31, 2021 (with the initial AFFO to be used in calculating compounded annual growth rate equal to the AFFO (as calculated pursuant to the award agreement) for the three months ended March 31, 2016 or \$3,590,000 and the concluding AFFO to be the AFFO for the three months ending March 31, 2021):

	Compound Annual AFFO Growth Rate		
	Threshold 8.0%	Target 9.0%	Maximum 10.0% and above
Number of Vested Units	50,000	100,000	200,000

Total Shareholder Return:

The table below sets forth the aggregate number of units, which we refer to as the Initial TSR Units, that vest upon the achievement of threshold, target or maximum goals, with respect to the compound annual growth rate in total shareholder return, or TSR, from March 10, 2016 (the “Initial TSR Commencement Date”; together with the AFFO Commencement Date, the “Commencement Date”) through March 31, 2021 (assuming for the purposes of the calculation of TSR that the initial value of a share is the closing price on March 10, 2016 of \$6.61):

	Compounded Annual TSR Growth Rate		
	Threshold	Target	Maximum
Number of Vested Units	50,000	100,000	200,000

In addition, in the event that such growth in TSR from the Initial TSR Commencement Date through March 31, 2021 (the “Initial TSR Performance Cycle”; and together with the AFFO Performance Cycle, the “Performance Cycle”) is in the top 25% of the TSR of our peer group during such period, an additional number of units (the “Additional TSR Units”; together with the Initial TSR Units, the “TSR Units”), equal to 25% of the Initial TSR Units that vest based on achievement of the threshold, target or maximum performance goal awards with respect to TSR set forth above (subject to straight-line linear interpolation) will also vest (the “Peer Group Addition”), and if such growth in TSR during the Initial TSR Performance Cycle is in the bottom 25% of the TSR of our peer group during such period, the number of Initial TSR Units that vest based on achievement of the threshold, target or maximum performance goal awards (subject to straight-line linear interpolation) will be reduced by 25% (the “Peer Group Diminution”; together with the Peer Group Addition, the “Peer Group Adjustment”). Our peer group is the FTSE NAREIT Equity Apartment Index, excluding companies whose primary focus is the provision of housing for college and/or graduate students.

Dividend Equivalent Rights

Each recipient was also granted dividend equivalent rights with respect to the TSR Units and the AFFO Units entitling such person to an amount in cash equal to the aggregate amount of the cash dividends that would have been paid in respect of the shares underlying such units had such shares been outstanding during the performance cycle applicable to such units. Such cash dividends are only payable with respect to units that vest.

Death, Disability, Retirement and Change of Control

In the event a recipient retires, dies or becomes disabled (each, a “DDR Event”) prior to March 31, 2021, the recipient’s *pro rata* share (based on the number of days between the applicable Commencement Date and the DDR Event) of the Initial TSR Units and AFFO Units will vest if and to the extent the performance conditions with respect to such units are met through the occurrence of the DDR Event.

In the event a change of control occurs: (i) after September 30, 2019, the AFFO Units and Initial TSR Units will vest, without regard to whether the applicable Performance Cycle has been completed; and (ii) on or before September 30, 2019, a *pro rata* number (based on the number of days between the applicable Commencement Date and the effective date of the change of control) of AFFO Units and Initial TSR Units will vest; *provided, however*, such units will vest if and to the extent the performance conditions with respect to such units are met through the occurrence of the change of control.

Upon the occurrence of a DDR Event or change in control, (i) the performance conditions shall be proportionately adjusted to give effect to the reduced performance cycle and (ii) the Peer Group Adjustment (as proportionately adjusted to give effect to the reduced Initial TSR Performance Cycle) shall be implemented to increase or decrease, as applicable, the Initial TSR units that vest.

Claw-back Provision

These awards (including the underlying shares and dividends, if any) are subject to the applicable provisions of any claw-back policy implemented by us, whether implemented prior to or after the grant of these awards.

Units Awarded to Named Executive Officers

The compensation committee approved the following awards to the following named executive officers under this program:

Name and Title	AFFO Units	Initial TSR Unit	Additional Units
Jeffrey A. Gould, President and Chief Executive Officer	18,500	18,500	4,625
Mitchell Gould, Executive Vice President	11,000	11,000	2,750
George Zweier, Vice President and Chief Financial Officer	10,000	10,000	2,500
David W. Kalish, Senior Vice President – Finance	16,750	16,750	4,187
Mark H. Lundy, Senior Vice President	18,500	18,500	4,625

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On June 6, 2016, the board of trustees approved an amendment (the “Amendment”) to Article V of Old BRT’s bylaws pertaining to meetings of shareholders.

Article V provides that shareholder meetings will be held at a place designated and at a time and on a day fixed by the board of trustees, and that such information is to be provided to shareholders in a notice of meeting to shareholders. The Amendment provides, among other things, that: (i) the President, subject to certain exceptions, will act as the chairman of all shareholder meetings; (ii) the chairman of the shareholders’ meeting will determine the order of business and all other matters of procedure at such meeting and may prescribe such rules, regulations and procedures and take such action as, in the discretion of such chairman, are appropriate for the proper conduct of the meeting; and (iii) irrespective of whether a quorum is present at a shareholders’ meeting, either the chairman or a majority of the trustees may adjourn such meeting for any reason deemed necessary by the chairman or trustees, as applicable.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description of Exhibit

3.3 Amendment No. 2 dated June 6, 2016 to registrant's bylaws.

10.1* Form of Performance Awards Agreement.

* Indicates management contract or compensatory plan or arrangement

SIGNATURE

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.

BRT REALTY TRUST

Date: June 10, 2016

By: /s/ David W. Kalish
David W. Kalish
Senior Vice President – Finance

AMENDMENT NO. 2

TO

BY-LAWS

OF

BRT REALTY TRUST

June 6, 2016

Article V of the By-Laws of BRT Realty Trust is hereby amended and restated to read as follows:

“ARTICLE V

Meeting of the Shareholders

The annual meeting of Shareholders provided for in Section 7.3 of the Declaration of Trust and all special meetings of the Shareholders shall be held at the place designated and at a time and on a day fixed by the Trustees. The time, day and location of each such meeting shall be included in the notice of the meeting. If for any reason the annual meeting is not held on the date provided, a subsequent meeting may be held in place thereof, and any business transacted or elections held at such meeting shall be as valid as if transacted or held at the annual meeting.

The President, as presiding officer at meetings of Shareholders, shall act as the chairman of all meetings of Shareholders unless the President or a majority of the Trustees designates some other person as chairman of a particular meeting of Shareholders. The order of business and all other matters of procedure at any meeting of Shareholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of such chairman, are appropriate for the proper conduct of the meeting, including, without limitation: (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to Shareholders of record of the Trust, their duly authorized proxies or other such persons as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to Shareholders of record of the Trust entitled to vote on such matter, their duly authorized proxies or other such persons as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments by participants; (e) maintaining order and security at the meeting; (f) removing any Shareholder or other person who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (g) concluding a meeting or recessing or adjourning the meeting to a later date and time and at a place announced at the meeting; and (h) complying with any state and local laws and regulations concerning safety and security.

Without limiting the generality of the powers of the chairman of the meeting pursuant to the foregoing provisions, and irrespective of whether a quorum is present at a meeting of Shareholders, either the chairman or a majority of the Trustees may adjourn any meeting of Shareholders for any reason deemed necessary by the chairman or Trustees, as applicable, including, without limitation, if (i) no quorum is present for the transaction of the business, (ii) sufficient votes have not been received to approve a proposal and the Trustees or the chairman of the meeting determine to continue soliciting votes on such proposal, (iii) the Trustees or the chairman of the meeting determine that adjournment is necessary or appropriate to enable the Shareholders to consider fully information that the Trustees or the chairman of the meeting determine has not been made sufficiently or timely available to Shareholders or (iv) the Trustees or the chairman of the meeting determine that adjournment is otherwise in the best interests of the Trust.

Unless otherwise determined by the chairman of the meeting, meetings of Shareholders shall not be required to be held in accordance with the general rules of parliamentary procedure or any otherwise established rules of order.

Nothing in this Article V shall be construed to affect the right of Shareholders to adjourn a meeting of Shareholders in the absence of a quorum as specified in Section 7.5 of the Declaration of Trust.”

FORM OF
 PERFORMANCE AWARDS AGREEMENT –
 BRT REALTY TRUST

Name of Recipient: _____
 Number of AFFO Units: _____
 Number of Initial TSR Units: _____
 Number of Additional TSR Units: _____

THIS PERFORMANCE AWARDS AGREEMENT (the “Agreement”, is made as of _____, 2016 between BRT Realty Trust, a Massachusetts business trust (the “Trust”), and _____, (“Recipient”).

WHEREAS, the Compensation Committee of the Board of Trustees (“Committee”) has determined to grant, pursuant to BRT Realty Trust’s Amended and Restated 2016 Incentive Plan (the “Plan”), to the Recipient (i) Performance Awards in the form of restricted stock units payable upon the attainment by the Trust during the Performance Cycle of the Performance Goals established by the Committee as set forth herein and (ii) cash settled dividend equivalent rights, which are granted in tandem with the Units.

WHEREAS, these awards are subject to forfeiture and vesting as set forth herein.

NOW THEREFORE, the parties hereby agree as follows:

1. Definitions. Capitalized terms used without being defined herein shall have the meanings given to such terms in the Plan or Exhibit A annexed hereto.
 2. Administration. The Performance Awards shall be administered by the Committee with the powers and authority set forth in the Plan.
 3. Terms of the Awards. Unless otherwise forfeited in accordance with this Agreement, including pursuant to Section 7 hereof, the number of Shares underlying Units that vest will be based on two different Performance Criteria measured over the Performance Cycle as provided in Sections 4 and 5 below: (i) compounded annual growth rate in AFFO, and (ii) compounded annual growth rate in TSR. The number of Units that vest based on satisfaction of the compounded annual growth rate in TSR is subject to adjustment based on a comparison of the Trust’s performance to the performance of its Peer Group’s compounded annual growth rate. In the case of fractions, the aggregate number of Shares underlying Units that vest shall be rounded down to the nearest whole integer.
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4. TSR Units Vesting on the Basis of Compounded Annual TSR Growth. (a) The number of Initial TSR Units that vest based on compounded annual TSR growth rate during the TSR Performance Cycle (and assuming that the initial value of a share is the closing price on March 10, 2016 of \$6.61) will be determined in accordance with the following table:

	Compounded Annual TSR Growth Rate			
	Null <6%	Threshold 6%	Target 9%	Maximum 12% and above
Number of Vested Initial TSR Units	0			

In the event that compounded annual TSR growth rate falls between two levels in the above table, straight-line linear interpolation shall be used to determine the number of Initial TSR Units that vest.

(b) In the event that such growth rate in TSR is in the: (i) top quartile of the corresponding growth rate of its Peer Group over the corresponding period, the number of Additional TSR Units that vest shall equal 25% of the Initial TSR Units that vest (the “Peer Group Addition”); and (ii) bottom quartile of the corresponding growth rate of its Peer Group over the corresponding period, the number of Initial TSR Units that vest pursuant to Section 4(a) shall be reduced by 25% (the “Peer Group Diminution”; together with the Peer Group Addition, the “Peer Group Adjustment”).

(c) TSR shall be calculated in the manner the performance graph contemplated by Item 201(e)(i) of Regulation S-K is prepared.

5. AFFO Units Earned on the Basis of the Compounded Annual AFFO Growth Rate. The number of AFFO Units that vest based on compounded annual growth rate in AFFO during the AFFO Performance Cycle will be determined in accordance with the following table:

	Compounded Annual Growth Rate in AFFO			
	Null <8%	Threshold 8%	Target 9%	Maximum 10% and above
Number of Vested AFFO Units	0			

The base AFFO which shall be used in measuring whether the applicable compounded annual growth rate is achieved shall be the AFFO for the three months ended March 31, 2016 (*i.e.*, \$3,590,000) and except as otherwise contemplated herein in connection with a DDR Event or Change of Control, the concluding AFFO shall be the AFFO for the three months ending March 31, 2021. In the event that such growth rate in AFFO falls between two levels in the above table, straight-line linear interpolation shall be used to determine the number of AFFO Units that vest.

6. Determinations Made as of the Valuation Date.

(a) Promptly following March 31, 2021 (or within 60 days of a DDR Event and contemporaneously with a Change in Control), the Committee shall perform or cause to be performed, the necessary calculations to determine the number of Units earned by the Recipient as of such date pursuant to Sections 4 and 5, as applicable.

(b) The Recipient shall have no rights to Units that vest pursuant to Sections 4 and 5, as applicable, above until the number of such Units are determined by the Committee; provided that any Units that vest will be deemed to have vested as of the Valuation Date for purposes of determining the Recipient’s rights hereunder. Any Units that do not vest pursuant to Sections 4 and 5 above shall, without payment of any consideration by the Trust, automatically and without notice terminate, be forfeited and be and become null and void as of the March 31, 2021 (or earlier, in accordance with this Agreement, including Section 7 hereof), and neither the Recipient nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Units or the underlying Shares.

7. Forfeiture. Upon a termination of the Recipient's status as a Participant prior to March 31, 2021 for any reason other than a DDR Event or Change in Control, all Units that have not vested shall immediately terminate and be forfeited without consideration.
8. Vesting Upon the Occurrence of a DDR Event or Change of Control.
- (a) Notwithstanding the forfeiture provisions of this Agreement, including Sections 6 and 7 hereof, upon the occurrence of a DDR Event, subject to the satisfaction of the applicable Performance Criteria (proportionately adjusted to give effect to the reduction in the applicable Performance Cycle), a pro rata portion of Initial TSR Units and AFFO Units, as applicable, shall vest.
- (b) Notwithstanding the forfeiture provisions of this Agreement, including Sections 6 and 7 hereof, and subject to the satisfaction of the Performance Criteria (proportionately adjusted to give effect to the reduction in the Performance Cycle), (i) the Initial TSR Units and AFFO Units shall vest upon a Change of Control if the effective date thereof is after September 30, 2019, and (ii) if the effective date of the Change of Control occurs prior to or on September 30, 2019, a pro rata portion of Initial TSR Units and AFFO Units shall vest upon such Change of Control.
- (c) The number of Initial TSR Units that shall vest pursuant to Section 8(a) or (b) hereof shall be subject to the Peer Group Adjustment. The Peer Group Adjustment shall not be further adjusted to give effect to a reduction in the Performance Cycle.
- (d) For the purposes of this Section 8, the pro rata portion of Initial TSR Units and AFFO Units that vest, subject to the satisfaction of the applicable Performance Criteria, as adjusted, shall equal the product obtained by multiplying the Initial TSR Units and AFFO Units, as applicable, by a fraction, the numerator of which is the number of days during the period beginning on the applicable Commencement Date and ending on the DDR Event or effective date of the Change of Control, as applicable, and the denominator of which is the number of days in the applicable Performance Cycle.
9. Restrictions on Transfer. None of the Units granted hereunder shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law (each such action a "Transfer") until after the date that the Units vest. Any attempted Transfer of Units not in accordance with the terms and conditions of this Section 9 shall be null and void, and the Trust shall not reflect on its records any change in record ownership of any Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any Units. This Agreement is personal to the Participant, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

10. Rights as a Shareholder; Dividend Equivalents. (a) The Recipient shall not have any rights of a shareholder with respect to the Shares underlying the Units unless and until the Units vest.

(b) The Recipient shall not be entitled to receive any dividends with respect to the Shares underlying the Units unless and until such Units vest. Within 60 days following the Committee's determination of whether, and to what extent, the Performance Criteria has been achieved, the Company shall pay the Recipient in respect of each Unit that vests, an amount in cash equal to the aggregate amount of cash dividends that would have been paid in respect of the Shares underlying such vested Units had such Shares been issued to the Recipient on the applicable Commencement Date.
11. Taxes. The Recipient shall be liable for any and all taxes, including withholding taxes, arising out of this grant, the vesting of Units and the issuance of Shares hereunder.
12. Claw-back.
The Participant acknowledges and agrees that the grant of Awards, the issuance of Shares and the payment of dividends in connection with the dividend equivalent rights pursuant to this Agreement is subject to the applicable provisions of any claw-back policy implemented by the Trust, whether implemented prior to or after the grant of such Awards.
13. Miscellaneous
 - (a) Neither this Agreement nor the granting or vesting of Units shall confer upon the Recipient any right to continue as an officer, trustee, employee of or consultant to, the Company or an affiliate, nor shall it interfere in any way with the right of the Company or an affiliate to terminate Participant's relationship with at any time and for any reason whatsoever.
 - (b) The parties agree to execute such further documents and instruments and to take such action as may reasonably be necessary to carry out the intent of this Agreement, including without limitation the imposition of appropriate legends on the Shares and the issuance of "stop transfer" orders to implement the restrictions imposed herein.
 - (c) This Award shall be governed by the laws of the Commonwealth of Massachusetts (without regard to its choice of law principles) and applicable Federal law.
 - (d) Except as otherwise provided herein, in any event of any conflict between the provisions of the Plan and the provisions of this Award, the provisions of the Plan shall govern.

BRT Realty Trust

By: _____

Signature of Participant

Name of Participant

EXHIBIT A
Definitions

Capitalized terms used without being defined herein shall have the means ascribed to such terms by the Plan.

“AFFO” means funds from operations determined in accordance with the National Association of Real Estate Investment Trusts definition, less straight-line rent accruals, adding back restricted stock expense, amortization of deferred mortgage costs, property acquisition costs and adjusting for the impact of non-controlling interests and subject to any changes in generally accepted accounting principles applicable to the Trust.

“AFFO Performance Cycle” means the period from April 1, 2016 through March 31, 2021.

“AFFO Units” means the units so denominated at the beginning of this Agreement.

“Commencement Date” means, with respect to the TSR Units, the close of business on March 10, 2016, and with respect to the AFFO Units, April 1, 2016.

“DDR Event” means the death, Disability or Retirement of the Recipient.

“Initial TSR Units” means the units so denominated at the beginning of this Agreement.

“Peer Group” means the FTSE NAREIT Equity Apartment Index, excluding companies whose primary focus is the provision of housing for college and/or graduate students.

“Performance Cycle” means the AFFO Performance Cycle, the TSR Performance Cycle, or both, as applicable.

“TSR” means total shareholder return.

“TSR Performance Cycle” means the period beginning with the close of business on March 10, 2016 through March 31, 2021.

“Units” means the AFFO Units, the TSR Units and the Additional TSR Units.

“Valuation Date” means March 31, 2021, the date of a DDR Event or the effective date of a change of control, as applicable.