

**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): August 10, 2020

BRT APARTMENTS CORP.  
(Exact name of Registrant as specified in charter)

Maryland	001-07172	13-2755856
(State or other jurisdiction of incorporation)	(Commission file No.)	(IRS Employer I.D. No.)

60 Cutter Mill Road, Suite 303, Great Neck, New York	11021
(Address of principal executive offices)	(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))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock	BRT	NYSE

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.

## **Item 2.02 and Item 7.01. Results of Operations and Financial Condition; Regulation FD Disclosure.**

On August 10, 2020, we issued a press release announcing our results of operations for the six months ended June 30, 2020. The press release refers to certain supplemental financial information available on our website. The press release and the supplemental financial information are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K. The information in this Item 2.02 and 7.01, including the information included in Exhibits 99.1 and 99.2, shall not be deemed to be “filed” for purposes of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and shall not be incorporated by reference into any registration statement or other document filed under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

## **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits relating to Items 2.02 and 7.01 of this Current Report on Form 8-K are intended to be furnished to, not filed with, the SEC.

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
<a href="#"><u>99.1</u></a>	Press release dated August 10, 2020
<a href="#"><u>99.2</u></a>	Supplemental Financial Information dated August 10, 2020
101	Cover Page Interactive Data File - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

**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.

August 10, 2020

BRT APARTMENTS CORP.

/s/ George Zweier  
George Zweier, Vice President  
and Chief Financial Officer



## **BRT APARTMENTS CORP. REPORTS SECOND QUARTER RESULTS FOR 2020**

### **– Collects 98% of Billed Amounts in the Second Quarter and for July –**

**Great Neck, New York** – August 10, 2020 - BRT APARTMENTS CORP. (NYSE:BRT), a multi-family real estate investment trust with properties located primarily in the Southeast United States and Texas today announced operating results for the three months ended June 30, 2020.

“We are operating in an unprecedented time and remain focused on the health and well-being of our tenants and team members. We have weathered the impact of the health crisis well thus far, having collected 98% of our billed amounts for each of the quarter and July. We continue to monitor the markets in which our properties are located and will balance supporting our residents’ needs during the pandemic with the protection of our stockholders’ interests and our liquidity requirements. We believe we are well positioned from a liquidity perspective and look forward to re-engaging in capital deployment activities at an appropriate time,” commented Jeffrey A. Gould, President and Chief Executive Officer.

#### **Financial Results:**

Net loss attributable to common stockholders was \$4.25 million, or \$0.25 per diluted share, for the three months ended June 30, 2020, compared to net loss of \$4.32 million, or \$0.27 per diluted share, for the three months ended June 30, 2019.

Funds from Operations<sup>1</sup>, or FFO, was \$4.19 million, or \$0.24 per diluted share, for the three months ended June 30, 2020, compared to \$3.48 million, or \$0.22 per diluted share, for the three months ended June 30, 2019.

Adjusted Funds from Operations, or AFFO, for the three months ended June 30, 2020 was \$4.71 million, or \$0.27 per diluted share for the three months ended June 30, 2020, compared to \$3.87 million, or \$0.24 per diluted share, in the three months ended June 30, 2019.

Diluted per share net income, FFO and AFFO were impacted during the quarter ended June 30, 2020 by the approximate increase of 1.28 million weighted average shares of common stock outstanding from the second quarter of 2019 through the current quarter, primarily due to stock issuances pursuant to the Company’s at-the-market equity offering program.

#### **Operating Results:**

As of August 10, 2020, BRT wholly-owns eight multi-family properties located in six states with 1,880 units and has ownership interests, through unconsolidated joint ventures, in 31 multi-family properties located in nine states with 9,162 units, including 741 units at two properties in lease-up. BRT’s equity interests in its unconsolidated subsidiaries ranges from 32% to 90%.

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<sup>1</sup> A description and reconciliation of non-GAAP financial statements (e.g. FFO, AFFO and NOI) to GAAP financial measures is presented in this release

During the current quarter, average total occupancy at our consolidated properties was approximately 94.0% compared to approximately 94.9% during the corresponding 2019 quarter. Average rental rate per occupied unit during the current quarter was approximately \$1,070 per month compared to approximately \$1,012 per month during the corresponding 2019 quarter.

Rental revenue at consolidated properties for the current three months decreased 6.2% to \$6.66 million from \$7.10 million for the three months ended June 30, 2019. Rental revenue at unconsolidated multi-family properties for the current three months increased 8.8% to \$31.54 million from \$28.98 million for the three months ended June 30, 2019.

Total expenses at consolidated properties for the three months ended June 30, 2020 were \$9.58 million compared to \$9.28 million for the three months ended June 30, 2019. Total expenses at unconsolidated multi-family properties for the current twelve months increased 1.8% to \$33.86 million from \$33.25 million for the three months ended June 30, 2019.

Equity in loss of unconsolidated joint ventures was \$1.39 million during the current quarter compared to \$2.22 million in the corresponding quarter of the prior year.

Net operating income, or NOI, at consolidated same store properties increased in the current quarter by 1.3% to \$3.17 million. NOI at unconsolidated same store properties increased in the current quarter by 3.6% to \$13.90 million.

#### **Balance Sheet:**

At June 30, 2020, BRT had \$16.87 million of cash and cash equivalents, total assets of \$385.60 million, total debt of \$168.91 million, and BRT total stockholders' equity of \$195.27 million.

At August 1, 2020, BRT's available liquidity was approximately \$32.86 million, including \$13.26 million of cash and cash equivalents, \$9.60 million of restricted cash for property improvements and up to \$10.0 million available under its credit facility. In addition, the unconsolidated joint ventures have approximately \$14.7 million of cash and cash equivalents which is used for day-to-day working capital purposes.

BRT's mortgage debt of \$963.40 million (including \$830.87 million mortgage debt of its unconsolidated subsidiaries) has a weighted average interest rate of 4.0% and a weighted average remaining term to maturity of 7.1 years. Approximately 91% of the mortgage debt bears interest at a fixed rate. The balance of such debt represents variable-rate construction financing; BRT anticipates refinancing, with fixed rate mortgage debt, the construction financing when lease-up at the related property is complete.

#### **Supplemental Financial Information:**

In an effort to enhance its financial disclosures to investors, BRT has posted a supplemental financial information report which can be accessed on the Company's website at [www.brtapartments.com](http://www.brtapartments.com) under the caption "Investor Relations - Financial Statements and SEC Filings."

#### **Non-GAAP Financial Measures:**

BRT discloses FFO, AFFO and NOI because it believes that such metrics are widely recognized and appropriate measure of the performance of an equity REIT.

BRT computes FFO in accordance with the "White Paper on Funds from Operations" issued by the National Association of Real Estate Investment Trusts ("NAREIT") and NAREIT's related guidance. FFO is defined in the White Paper as net income (calculated in accordance with generally accepted accounting principles), excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the

entity. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect funds from operations on the same basis.

BRT computes AFFO by adjusting FFO for loss on extinguishment of debt; straight-line rent accruals; restricted stock and restricted stock unit expense and deferred mortgage costs (including its share of its unconsolidated joint ventures); and gain on insurance recovery. Since the NAREIT White Paper only provides guidelines for computing FFO, the computation of AFFO may vary from one REIT to another.

BRT computes NOI by adjusting net income (loss) to (a) add back (1) depreciation expense, (2) general and administrative expenses, (3) interest expense, (4) loss on extinguishment of debt, (5) equity in loss of unconsolidated joint ventures, (6) provision for taxes, (7) the impact of non-controlling interests, and (b) deduct (1) other income, (2) gain on sale of real estate, and (3) gain on insurance recoveries related to casualty loss. BRT defines "Same Store NOI" as NOI for all its properties that were owned for the entirety of the periods being presented, other than properties in lease up. Because there is no industry standard definition of NOI and practice is divergent across the industry, the computation of NOI may vary from one REIT to another.

BRT believes that FFO, AFFO and NOI are useful and standard supplemental measures of the operating performance for equity REITs and are used frequently by securities analysts, investors and other interested parties in evaluating equity REITs, many of which present such metrics when reporting their operating results. FFO and AFFO are intended to exclude GAAP historical cost depreciation and amortization of real estate assets, which assures that the value of real estate assets diminish predictability over time. In fact, real estate values have historically risen and fallen with market conditions. As a result, BRT believes that FFO and AFFO provide a performance measure that when compared year-over-year, should reflect the impact to operations from trends in occupancy rates, rental rates, operating costs, interest costs and other matters without the inclusion of depreciation and amortization, providing a perspective that may not be necessarily apparent from net income. BRT also considers FFO and AFFO to be useful in evaluating potential property acquisitions. BRT views Same Store NOI as an important measure of operating performance because it allows a comparison of operating results of properties owned for the entirety of the current and comparable periods and therefore eliminates variations caused by acquisitions or dispositions during the periods.

FFO, AFFO and NOI do not represent net income or cash flows from operations as defined by GAAP. FFO, AFFO and NOI should not be considered to be an alternative to net income as a reliable measure of our operating performance; nor should FFO, AFFO and NOI be considered an alternative to cash flows from operating, investing or financing activities (as defined by GAAP) as measures of liquidity.

### **Forward Looking Information:**

Certain information contained herein is forward looking within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the apparent improvement in the economic environment and BRT's ability to originate additional loans. BRT intends such forward looking statements to be covered by the safe harbor provisions for forward looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "believe," "expect," "intend," "anticipate," "estimate," "project," "apparent," "experiencing" or similar expressions or variations thereof. Forward looking statements, including statements with respect to BRT's multi-family property acquisition and ownership activities, involve known and unknown risks, uncertainties and other factors, which, in some cases, are beyond BRT's control and could materially affect actual results, performance or achievements. Currently, one of the most significant uncertainties the Company is facing is the potential adverse effect of the current pandemic of the novel coronavirus, or COVID-19, on residents at the Company's properties. The pandemic, among other things, may adversely affect the ability of the residents to pay rent (due to furloughs, layoffs and/or the expiration of, or reduction in, unemployment benefits) and as a result, the Company's ability to pay dividends and/or the debt service on its mortgages. The possibility that in the near term, the Company may be adversely impacted by the pandemic, is heightened by the recent resurgence of the pandemic in the southeast United States and Texas, where many of the Company's properties are located. The extent to which COVID-19 impacts the Company will depend on future developments, which are highly uncertain and cannot be

predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact and the direct and indirect economic effects of the pandemic and containment measures, among others. Investors are cautioned not to rely on any forward-looking statements and to carefully review the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K filed on May 15, 2020 and in the Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed thereafter.

**Additional Information:**

BRT is a real estate investment trust that owns, operates and develops multi-family properties. Interested parties are urged to review the Form 10-Q to be filed with the Securities and Exchange Commission for the quarter ended June 30, 2020 and the supplemental disclosures regarding the quarter on the investor relations section of the Company’s website at: [http://brtapartments.com/investor\\_relations](http://brtapartments.com/investor_relations) for further details. The Form 10-Q can also be linked through the “Investor Relations” section of BRT’s website. For additional information on BRT’s operations, activities and properties, please visit its website at [www.brtapartments.com](http://www.brtapartments.com).

Contact: Investor Relations - (516) 466-3100

BRT APARTMENTS CORP.  
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**BRT APARTMENTS CORP. AND SUBSIDIARIES**  
**CONDENSED BALANCE SHEETS**  
(Dollars in thousands)

	<b>June 30, 2020</b> <b>(unaudited)</b>	<b>December 31, 2019</b> <b>(audited)</b>
<b>ASSETS</b>		
Real estate properties, net of accumulated depreciation	\$ 166,760	\$ 169,689
Investments in unconsolidated joint ventures	180,768	177,071
Real estate loan	4,000	4,150
Cash and cash equivalents	16,874	22,699
Restricted cash	9,462	9,719
Other assets	7,738	7,282
Total assets	<u>\$ 385,602</u>	<u>\$ 390,610</u>
<b>LIABILITIES AND EQUITY</b>		
Mortgages payable, net of deferred costs	\$ 131,840	\$ 133,215
Junior subordinated notes, net of deferred costs	37,073	37,063
Accounts payable and accrued liabilities	21,538	20,772
Total Liabilities	190,451	191,050
Total BRT Apartments Corp. stockholders' equity	195,274	199,653
Non-controlling interests	(123)	(93)
Total Equity	195,151	199,560
Total Liabilities and Equity	<u>\$ 385,602</u>	<u>\$ 390,610</u>



**BRT APARTMENTS CORP. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
<b>Revenues:</b>				
Rental and other revenues from real estate properties	\$ 6,657	\$ 7,097	\$ 13,402	\$ 13,983
Other income	159	190	338	434
Total revenues	<u>6,816</u>	<u>7,287</u>	<u>13,740</u>	<u>14,417</u>
<b>Expenses:</b>				
Real estate operating expenses	3,004	3,325	6,062	6,501
Interest expense	1,809	2,049	3,669	3,995
General and administrative	2,957	2,481	6,324	5,025
Depreciation	1,809	1,428	3,370	2,975
Total expenses	<u>9,579</u>	<u>9,283</u>	<u>19,425</u>	<u>18,496</u>
Total revenue less total expenses	(2,763)	(1,996)	(5,685)	(4,079)
Equity in loss of unconsolidated joint ventures	(1,387)	(2,218)	(3,202)	(4,286)
Loss from continuing operations	(4,150)	(4,214)	(8,887)	(8,365)
Income tax provision	65	59	127	121
Net loss from continuing operations, net of taxes	(4,215)	(4,273)	(9,014)	(8,486)
Net income attributable to non-controlling interests	(31)	(44)	(63)	(78)
Net loss attributable to common stockholders	<u>\$ (4,246)</u>	<u>\$ (4,317)</u>	<u>\$ (9,077)</u>	<u>\$ (8,564)</u>
<b>Per share amounts attributable to common stockholders:</b>				
Basic and diluted	<u>\$ (0.25)</u>	<u>\$ (0.27)</u>	<u>\$ (0.53)</u>	<u>\$ (0.54)</u>
Funds from operations - Note 1	<u>\$ 4,186</u>	<u>\$ 3,479</u>	<u>\$ 7,484</u>	<u>\$ 6,541</u>
Funds from operations per common share - diluted - Note 2	<u>\$ 0.24</u>	<u>\$ 0.22</u>	<u>\$ 0.44</u>	<u>\$ 0.41</u>
Adjusted funds from operations - Note 1	<u>\$ 4,712</u>	<u>\$ 3,871</u>	<u>\$ 8,680</u>	<u>\$ 7,589</u>
Adjusted funds from operations per common share - diluted - Note 2	<u>\$ 0.27</u>	<u>\$ 0.24</u>	<u>\$ 0.51</u>	<u>\$ 0.48</u>
<b>Weighted average number of shares of common stock outstanding:</b>				
Basic and diluted	<u>17,176,401</u>	<u>15,900,316</u>	<u>17,054,327</u>	<u>15,893,443</u>

**BRT APARTMENTS CORP. AND SUBSIDIARIES**  
**FUNDS FROM OPERATIONS**  
(Dollars in thousands, except per share data)

	<b>Three Months Ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Note 1:		
Funds from operations is summarized in the following table:		
GAAP Net loss attributable to common stockholders	\$ (4,246)	\$ (4,317)
Add: depreciation of properties	1,809	1,428
Add: our share of depreciation in unconsolidated joint ventures	6,627	6,375
Adjustments for non-controlling interests	(4)	(7)
<b><i>NAREIT Funds from operations attributable to common stockholders</i></b>	<b>4,186</b>	<b>3,479</b>
Adjustments for: straight-line rent accruals	(10)	(10)
Add: amortization of restricted stock and restricted stock units	461	373
Add: amortization of deferred mortgage costs	80	84
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	163	358
Adjustments for non-controlling interests	1	\$ 1
<b><i>Adjusted funds from operations attributable to common stockholders</i></b>	<b>\$ 4,712</b>	<b>\$ 3,871</b>
Note 2:		
GAAP Net loss attributable to common stockholders	\$ (0.25)	\$ (0.27)
Add: depreciation of properties	0.10	0.09
Add: our share of depreciation in unconsolidated joint ventures	0.39	0.40
Adjustment for non-controlling interests	—	—
<b><i>NAREIT Funds from operations per diluted common share</i></b>	<b>0.24</b>	<b>0.22</b>
Adjustments for: straight line rent accruals	—	—
Add: amortization of restricted stock and restricted stock units	0.03	0.02
Add: amortization of deferred mortgage costs	—	0.01
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	0.01	0.02
Adjustments for non-controlling interests	—	—
<b><i>Adjusted funds from operations per diluted common share</i></b>	<b>\$ 0.27</b>	<b>\$ 0.24</b>

**BRT APARTMENTS CORP. AND SUBSIDIARIES**  
**RECONCILIATION OF NOI TO NET INCOME**  
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
GAAP Net loss attributable to common stockholders	\$ (4,246)	\$ (4,317)	\$ (9,077)	\$ (8,564)
Less: Other Income	(159)	(190)	(338)	(434)
Add: Interest expense	1,809	2,049	3,669	3,995
General and administrative	2,957	2,481	6,324	5,025
Depreciation	1,809	1,428	3,370	2,975
Provision for taxes	65	59	127	121
Less: Gain on sale of real estate	—	—	—	—
Add: Loss on extinguishment of debt	—	—	—	—
Equity in loss of unconsolidated joint venture properties	1,387	2,218	3,202	4,286
Add: Net loss attributable to non-controlling interests	31	44	63	78
<b>Net Operating Income</b>	<b>\$ 3,653</b>	<b>\$ 3,772</b>	<b>\$ 7,340</b>	<b>\$ 7,482</b>
<b>Non-same store Net Operating Income</b>	<b>\$ (482)</b>	<b>\$ (641)</b>	<b>\$ (1,044)</b>	<b>\$ (1,279)</b>
<b>Same store Net Operating Income</b>	<b>\$ 3,171</b>	<b>\$ 3,131</b>	<b>\$ 6,296</b>	<b>\$ 6,203</b>



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# SUPPLEMENTAL FINANCIAL INFORMATION FOR Q2 2020

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August 10, 2020

60 Cutter Mill Rd., Great Neck, NY 11021



## FORWARD LOOKING STATEMENTS

The information set forth herein contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provision for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words "may", "will", "believe", "expect", "intend", "anticipate", "estimate", "project", or similar expressions or variations thereof. Forward-looking statements involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect actual results, performance or achievements. Investors are cautioned not to place undue reliance on any forward-looking statements and are urged to read the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K filed on May 15, 2020 and in reports filed with the SEC thereafter, including our Quarterly Report on Form 10-Q for the period ended June 30, 2020, that we anticipate will be filed contemporaneously with the furnishing of this document.

The Company undertakes no obligation to update or revise the information herein, whether as a result of new information, future events or circumstances, or otherwise.

Units under rehabilitation for which we have received or accrued rental income from business interruption insurance, while not physically occupied, are treated as leased (*i.e.*, occupied) at rental rates in effect at the time of the casualty.

We use pro rata (as defined under "Non-GAAP Financial Measures and Definitions") to help the reader gain a better understanding of our unconsolidated joint ventures. However, the use of pro rata information has certain limitations and is not representative of our operations and accounts as presented in accordance with GAAP. Accordingly, pro rata information should be used with caution and in conjunction with the GAAP data presented herein and in our reports filed with the SEC.



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	As at June 30,	
	2020	2019
Market capitalization (thousands)	\$ 185,844	\$ 224,625
Shares outstanding (thousands)	17,176	15,897
Closing share price	\$ 10.82	\$ 14.13
Quarterly dividend declared per share	\$ 0.22	\$ 0.20
Multi-family properties owned	39	40
Units	11,042 <sup>(1)</sup>	11,362 <sup>(1)</sup>
Average occupancy (2)	93.1 %	94.0 %
Average monthly rental revenue per occupied unit (2)	\$ 1,085	\$ 1,034

Per share data	Quarter ended June 30,		Six months ended June 30,	
	2020 (Unaudited)	2019 (Unaudited)	2020 (Unaudited)	2019 (Unaudited)
Earnings per share (basic and diluted)	\$ (0.25)	\$ (0.27)	\$ (0.53)	\$ (0.54)
FFO per share of common stock (diluted) (3)	0.24	0.22	0.44	0.41
AFFO per share of common stock (diluted) (3)	\$ 0.27	\$ 0.24	\$ 0.51	\$ 0.48

(1) For 2020, includes 1,880 units owned by consolidated subsidiaries and 9,162 units owned by unconsolidated subsidiaries. For 2019, includes 2,027 units owned by consolidated subsidiaries and 9,335 units owned by unconsolidated subsidiaries. Unconsolidated for 2020 and 2019 includes 741 units in lease-up.

(2) For the period presented, average reflects stabilized properties and includes consolidated and unconsolidated assets.

See definition of stabilized properties under "Non-GAAP Financial Measures and Definitions."

(3) See the reconciliation of Funds From Operations, or FFO, and Adjusted Funds From Operations, or AFFO, to net income, as calculated in accordance with GAAP, and the definitions of such terms under "Non-GAAP Financial Measures and Definitions."

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
<b>Revenues:</b>				
Rental revenue	\$ 6,657	\$ 7,097	\$ 13,402	\$ 13,983
Other income	159	190	338	434
Total revenues	<u>6,816</u>	<u>7,287</u>	<u>13,740</u>	<u>14,417</u>
<b>Expenses:</b>				
Real estate operating expenses	3,004	3,325	6,062	6,501
Interest expense	1,809	2,049	3,669	3,995
General and administrative (1)	2,957	2,481	6,324	5,025
Depreciation	1,809	1,428	3,370	2,975
Total expenses	<u>9,579</u>	<u>9,283</u>	<u>19,425</u>	<u>18,496</u>
Total revenues less total expenses	(2,763)	(1,996)	(5,685)	(4,079)
Equity in loss of unconsolidated joint ventures	(1,387)	(2,218)	(3,202)	(4,286)
Loss from continuing operations	(4,150)	(4,214)	(8,887)	(8,365)
Income tax provision	65	59	127	121
Net loss from continuing operations, net of taxes	(4,215)	(4,273)	(9,014)	(8,486)
Net income attributable to non-controlling interests	(31)	(44)	(63)	(78)
Net loss attributable to common stockholders	<u>\$ (4,246)</u>	<u>\$ (4,317)</u>	<u>\$ (9,077)</u>	<u>\$ (8,564)</u>
<b>Weighted average number of shares of common stock outstanding:</b>				
Basic and diluted	<u>17,176,401</u>	<u>15,900,316</u>	<u>17,054,327</u>	<u>15,893,443</u>
<b>Per share amounts attributable to common stockholders:</b>				
Basic and diluted	<u>\$ (0.25)</u>	<u>\$ (0.27)</u>	<u>\$ (0.53)</u>	<u>\$ (0.54)</u>

(1) Includes \$165 and \$688 in fees relating to the restatement for the three and six months ended June 30, 2020, respectively.



## Operating Results of Unconsolidated Properties

(dollars in thousands except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenues:				
Rental and other revenue	\$ 31,542	\$ 28,976	\$ 62,385	\$ 55,803
Total revenues	31,542	28,976	62,385	55,803
Expenses:				
Real estate operating expenses	14,674	14,304	29,206	27,400
Interest expense	8,766	8,919	17,523	16,825
Depreciation	10,417	10,031	20,773	19,220
Total expenses	33,857	33,254	67,502	63,445
Total revenues less total expenses	(2,315)	(4,278)	(5,117)	(7,642)
Gain on insurance recoveries	338	517	338	517
Net income from joint ventures	\$ (1,977)	\$ (3,761)	\$ (4,779)	\$ (7,125)
BRT equity in loss from joint ventures	\$ (1,387)	\$ (2,218)	\$ (3,202)	\$ (4,286)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
GAAP Net loss attributable to common stockholders	\$ (4,246)	\$ (4,317)	\$ (9,077)	\$ (8,564)
Add: depreciation of properties	1,809	1,428	3,370	2,975
Add: our share of depreciation in unconsolidated joint ventures	6,627	6,375	13,199	12,160
Adjustments for non-controlling interests	(4)	(7)	(8)	(30)
<b><i>NAREIT Funds from operations attributable to common stockholders</i></b>	<b>4,186</b>	<b>3,479</b>	<b>7,484</b>	<b>6,541</b>
Adjustments for: straight-line rent accruals	(10)	(10)	(20)	(20)
Add: amortization of restricted stock and restricted stock units	461	373	899	738
Add: amortization of deferred mortgage costs	80	84	160	157
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	163	358	323	585
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(169)	(414)	(169)	(414)
Adjustments for non-controlling interests	1	1	3	2
<b><i>Adjusted funds from operations attributable to common stockholders</i></b>	<b>\$ 4,712</b>	<b>\$ 3,871</b>	<b>\$ 8,680</b>	<b>\$ 7,589</b>

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
GAAP Net loss attributable to common stockholders	\$ (0.25)	\$ (0.27)	\$ (0.53)	\$ (0.54)
Add: depreciation of properties	0.10	0.09	0.20	0.19
Add: our share of depreciation in unconsolidated joint ventures	0.39	0.40	0.77	0.76
Adjustment for non-controlling interests	—	—	—	—
<b><i>NAREIT Funds from operations per diluted common share</i></b>	<b>0.24</b>	<b>0.22</b>	<b>0.44</b>	<b>0.41</b>
Add: amortization of restricted stock and restricted stock units	0.03	0.02	0.05	0.05
Add: amortization of deferred mortgage costs	—	0.01	0.01	0.01
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	0.01	0.02	0.02	0.04
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(0.01)	(0.03)	(0.01)	(0.03)
<b><i>Adjusted funds from operations per diluted common share</i></b>	<b>\$ 0.27</b>	<b>\$ 0.24</b>	<b>\$ 0.51</b>	<b>\$ 0.48</b>

	June 30, 2020 (unaudited)	December 31, 2019 (audited)
<b>ASSETS</b>		
Real estate properties, net	\$ 166,760	\$ 169,689
Investments in unconsolidated joint ventures	180,768	177,071
Real estate loan	4,000	4,150
Cash and cash equivalents	16,874	22,699
Restricted cash	9,462	9,719
Other assets	7,738	7,282
Total Assets	<u>\$ 385,602</u>	<u>\$ 390,610</u>
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Mortgages payable, net of deferred costs	\$ 131,840	\$ 133,215
Junior subordinated notes, net of deferred costs	37,073	37,063
Accounts payable and accrued liabilities	21,538	20,772
Total Liabilities	190,451	191,050
Commitments and contingencies		
Equity:		
BRT Apartments Corp. stockholders' equity:		
Preferred shares \$.01 par value 2,000 shares authorized, none issued	—	—
Common stock, \$.01 par value, 300,000 shares authorized;		
16,176 and 15,638 shares outstanding	164	156
Additional paid-in capital	244,683	232,331
Accumulated other comprehensive loss	(28)	(10)
Accumulated deficit	(49,545)	(32,824)
Total BRT Apartments Corp. stockholders' equity	195,274	199,653
Non-controlling interests	(123)	(93)
Total Equity	195,151	199,560
Total Liabilities and Equity	<u>\$ 385,602</u>	<u>\$ 390,610</u>

At June 30, 2020, the Company held interests in unconsolidated joint ventures that own 31 multi-family properties (the "Unconsolidated Properties"). The condensed balance sheets below present information regarding such properties (dollars in thousands):

	<b>June 30, 2020</b>
<b>ASSETS</b>	
Real estate properties, net of accumulated depreciation of \$124,715 and \$104,001	\$ 1,091,791
Cash and cash equivalents	14,700
Deposits and escrows	23,077
Other assets	5,687
Total Assets	<u>\$ 1,135,255</u>
<b>LIABILITIES AND EQUITY</b>	
Liabilities:	
Mortgages payable, net of deferred costs of \$5,594 and \$5,839	\$ 826,074
Accounts payable and accrued liabilities	20,081
Total Liabilities	846,155
Commitments and contingencies	
Equity:	
Total unconsolidated joint venture equity	289,100
Total Liabilities and Equity	<u>\$ 1,135,255</u>
BRT interest in joint venture equity	<u>\$ 180,768</u>
Unconsolidated Mortgages Payable:	
BRT Share	\$ 526,934
Partner Share	299,140
Total	<u>\$ 826,074</u>

**Portfolio Data by State**  
**Quarter ended June 30, 2020**

(dollars in thousands, except monthly rent amounts)

**Consolidated**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	464	\$1,353	\$768	\$585	16%	94.1%	\$916
Georgia	448	1,559	628	931	26%	95.8%	1,082
Florida	276	939	394	545	15%	92.2%	1,095
Ohio	264	731	331	400	11%	93.1%	917
Virginia	220	982	393	589	16%	94.9%	1,420
South Carolina	208	793	419	374	10%	93.0%	1,172
Other (3)	—	300	71	229	6%	N/A	N/A
<b>Current Portfolio Totals</b>	<b>1,880</b>	<b>\$6,657</b>	<b>\$3,004</b>	<b>\$3,653</b>	<b>100%</b>	<b>94.0%</b>	<b>\$1,070</b>

**Unconsolidated (Pro-Rata Share) <sup>(1)</sup>**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	2,561	\$5,126	\$2,705	\$2,421	23%	90.5%	\$1,117
South Carolina	1,183	2,239	1,122	1,117	11%	89.9%	1,108
Georgia	1,097	2,352	1,167	1,185	11%	92.3%	1,117
Florida	972	2,105	953	1,152	11%	93.5%	1,067
Alabama	940	2,260	985	1,275	12%	96.5%	905
Mississippi	776	1,414	521	893	8%	96.9%	985
Tennessee	702	1,709	705	1,004	9%	95.3%	1,194
North Carolina	576	1,448	581	867	8%	93.6%	1,069
Missouri	355	1,305	584	721	7%	96.3%	1,497
Other (3)	—	33	1	32	—	N/A	N/A
<b>Current Portfolio Totals</b>	<b>9,162</b>	<b>\$19,991</b>	<b>\$9,324</b>	<b>\$10,667</b>	<b>100%</b>	<b>92.9%</b>	<b>\$996</b>

(1) See the reconciliation of NOI to net income, as calculated in accordance with GAAP, and the definition of NOI and pro-rata share under "Non-GAAP Financial Measures and Definitions."

(2) Excludes properties that were sold or not stabilized for the full period presented.

(3) Other includes properties sold during the periods presented and legacy assets.

**Portfolio Data by State**  
**Six months ended June 30, 2020**  
(dollars in thousands, except monthly rent amounts)

**Consolidated**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	464	\$2,691	\$1,560	\$1,131	15%	91.9%	\$925
Georgia	448	3,114	1,212	1,902	26%	96.0%	1,079
Florida	276	1,888	799	1,089	15%	92.7%	1,097
Ohio	264	1,487	679	808	11%	94.0%	922
Virginia	220	1,948	749	1,199	16%	94.2%	1,406
South Carolina	208	1,594	857	737	10%	92.9%	1,171
Other (3)	—	680	206	474	7%	N/A	N/A
<b>Current Portfolio Totals</b>	<b>1,880</b>	<b>\$13,402</b>	<b>\$6,062</b>	<b>\$7,340</b>	<b>100%</b>	<b>93.8%</b>	<b>\$1,071</b>

**Unconsolidated (Pro-Rata Share) <sup>(1)</sup>**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	2,561	\$10,360	\$5,424	\$4,936	24%	91.2%	\$1,118
South Carolina	1,183	4,409	2,235	2,174	10%	89.9%	1,111
Georgia	1,097	4,692	2,301	2,391	11%	91.8%	1,108
Florida	972	4,219	1,988	2,231	11%	94.1%	1,062
Alabama	940	4,522	1,969	2,553	12%	96.5%	904
Mississippi	776	2,832	1,028	1,804	9%	96.2%	982
Tennessee	702	3,306	1,355	1,951	9%	96.5%	1,194
North Carolina	576	2,511	1,000	1,511	7%	93.8%	1,013
Missouri	355	2,623	1,174	1,449	7%	96.5%	1,483
Other (3)	—	8	22	(14)	—	N/A	N/A
<b>Current Portfolio Totals</b>	<b>9,162</b>	<b>\$39,482</b>	<b>\$18,496</b>	<b>\$20,986</b>	<b>100%</b>	<b>93.2%</b>	<b>\$1,083</b>

(1) See the reconciliation of NOI to net income, as calculated in accordance with GAAP, and the definition of NOI and pro-rata share under "Non-GAAP Financial Measures and Definitions."

(2) Excludes properties that were sold or not stabilized for the full period presented.

(3) Other includes properties sold during the periods presented and legacy assets.

**Consolidated Same Store Comparisons**  
**Quarters ended June 30, 2020 and 2019**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
Georgia	448	\$1,559	\$1,498	4.1 %	\$628	\$597	5.2 %	\$931	\$901	3.3 %
Florida	276	939	948	(0.9)%	394	429	(8.2)%	545	519	5.0 %
Texas	272	751	691	8.7 %	420	398	5.5 %	331	293	13.0 %
Ohio	264	731	716	2.1 %	331	334	(0.9)%	400	382	4.7 %
Virginia	220	982	966	1.7 %	393	356	10.4 %	589	610	(3.4)%
South Carolina	208	793	818	(3.1)%	419	392	6.9 %	374	426	(12.2)%
<b>Totals</b>	<b>1,688</b>	<b>\$5,755</b>	<b>\$5,637</b>	<b>2.1 %</b>	<b>\$2,585</b>	<b>\$2,506</b>	<b>3.2 %</b>	<b>\$3,170</b>	<b>\$3,131</b>	<b>1.2 %</b>

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2020	2019	% Change	2020	2019	% Change
Georgia	95.8 %	96.8 %	(1.0)%	\$1,082	\$1,022	5.9 %
Florida	92.2 %	97.1 %	(5.0)%	1,095	1,051	4.2 %
Texas	96.1 %	90.8 %	5.8 %	855	790	8.2 %
Ohio	93.1 %	93.4 %	(0.3)%	917	895	2.5 %
Virginia	94.9 %	96.5 %	(1.7)%	1,420	1,380	2.9 %
South Carolina	93.0 %	95.2 %	(2.3)%	1,172	1,162	0.9 %
<b>Totals</b>	<b>94.4 %</b>	<b>95.1 %</b>	<b>(0.7)%</b>	<b>\$1,076</b>	<b>\$1,036</b>	<b>3.9 %</b>

See definition of Same Store under "Non-GAAP Financial Measures and Definitions"

**Consolidated Same Store Comparisons**  
**Six months ended June 30, 2020 and 2019**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
Georgia	448	\$3,114	\$2,903	7.3 %	\$1,212	\$1,230	(1.5) %	\$1,902	\$1,673	13.7 %
Florida	276	1,888	1,887	0.1 %	799	801	(0.2) %	1,089	1,086	0.3 %
Texas	272	1,449	1,374	5.5 %	888	765	16.1 %	561	609	(7.9) %
Ohio	264	1,487	1,429	4.1 %	679	638	6.4 %	808	791	2.1 %
Virginia	220	1,948	1,908	2.1 %	749	678	10.5 %	1,199	1,230	(2.5) %
South Carolina	208	1,594	1,613	(1.2) %	857	799	7.3 %	737	814	(9.5) %
<b>Totals</b>	<b>1,688</b>	<b>\$11,480</b>	<b>\$11,114</b>	<b>3.3 %</b>	<b>\$5,184</b>	<b>\$4,911</b>	<b>5.6 %</b>	<b>\$6,296</b>	<b>\$6,203</b>	<b>1.5 %</b>

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2020	2019	% Change	2020	2019	% Change
Georgia	96.0 %	95.1 %	0.9 %	\$1,079	\$1,009	6.9 %
Florida	92.7 %	97.7 %	(5.1) %	1,097	1,038	5.7 %
Texas	92.5 %	90.5 %	2.2 %	846	797	6.1 %
Ohio	94.0 %	94.1 %	(0.1) %	922	886	4.1 %
Virginia	94.2 %	95.6 %	(1.5) %	1,406	1,372	2.5 %
South Carolina	92.9 %	94.8 %	(2.0) %	1,171	1,152	1.6 %
<b>Totals</b>	<b>94.0 %</b>	<b>94.6 %</b>	<b>(0.6) %</b>	<b>\$1,074</b>	<b>\$1,028</b>	<b>4.5 %</b>

See definition of Same Store under "Non-GAAP Financial Measures and Definitions"



**Unconsolidated Same Store Comparisons**  
**Quarters ended June 30, 2020 and 2019**  
**BRT Pro-rata Share**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
Texas	2,561	\$5,124	\$5,058	1.3 %	\$2,705	\$2,649	2.1 %	\$2,419	\$2,409	0.4 %
Georgia	1,097	2,352	2,299	2.3 %	1,167	1,095	6.6 %	1,185	1,204	(1.6) %
Florida	972	2,105	2,070	1.7 %	953	1,047	(9.0) %	1,152	1,023	12.6 %
South Carolina	844	1,686	1,670	1.0 %	896	958	(6.5) %	790	712	11.0 %
Mississippi	776	1,414	1,382	2.3 %	521	517	0.8 %	893	865	3.2 %
Alabama	412	970	909	6.7 %	418	385	8.6 %	552	524	5.3 %
Missouri	355	1,306	1,262	3.5 %	584	570	2.5 %	722	692	4.3 %
North Carolina	312	790	703	12.4 %	354	296	19.6 %	436	407	7.1 %
Tennessee	300	874	852	2.6 %	323	339	(4.7) %	551	513	7.4 %
<b>Totals</b>	<b>7,629</b>	<b>\$16,621</b>	<b>\$16,205</b>	<b>2.6 %</b>	<b>\$7,921</b>	<b>\$7,856</b>	<b>0.8 %</b>	<b>\$8,700</b>	<b>\$8,349</b>	<b>4.2 %</b>

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2020	2019	% Change	2020	2019	% Change
Texas	90.5 %	91.8 %	(1.4) %	\$1,117	\$1,081	3.3 %
Georgia	92.3 %	93.4 %	(1.2) %	1,117	1,051	6.3 %
Florida	93.5 %	94.8 %	(1.4) %	1,067	1,038	2.8 %
South Carolina	89.9 %	91.0 %	(1.2) %	1,108	1,081	2.5 %
Mississippi	96.9 %	97.2 %	(0.3) %	985	944	4.3 %
Alabama	97.7 %	97.1 %	0.6 %	862	814	5.9 %
Missouri	96.3 %	94.8 %	1.6 %	1,497	1,451	3.2 %
North Carolina	93.6 %	91.0 %	2.9 %	1,110	1,061	4.6 %
Tennessee	95.3 %	96.8 %	(1.5) %	1,194	1,142	4.6 %
<b>Totals</b>	<b>92.7 %</b>	<b>93.5 %</b>	<b>(0.9) %</b>	<b>\$1,102</b>	<b>\$1,061</b>	<b>3.9 %</b>

See definition of Same Store under "Non-GAAP Financial Measures and Definitions"

**Unconsolidated Same Store Comparisons**  
**Six months ended June 30, 2020 and 2019**  
**BRT Pro-rata Share**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
Texas	2,561	\$10,360	\$10,160	2.0 %	\$5,424	\$5,267	3.0 %	\$4,936	\$4,893	0.9 %
Georgia	1,097	4,692	4,524	3.7 %	2,301	2,140	7.5 %	2,391	2,384	0.3 %
Florida	972	4,219	4,021	4.9 %	1,988	1,966	1.1 %	2,231	2,055	8.6 %
South Carolina	844	3,314	3,389	(2.2)%	1,763	1,823	(3.3)%	1,551	1,566	(1.0)%
Mississippi	776	2,832	2,741	3.3 %	1,028	1,018	1.0 %	1,804	1,723	4.7 %
Alabama	412	1,922	1,779	8.0 %	840	775	8.4 %	1,082	1,004	7.8 %
Missouri	355	2,623	2,481	5.7 %	1,174	1,149	2.2 %	1,449	1,332	8.8 %
Tennessee	300	1,762	1,704	3.4 %	620	643	(3.6)%	1,142	1,061	7.6 %
<b>Totals</b>	<b>7,317</b>	<b>\$31,724</b>	<b>\$30,799</b>	<b>3.0 %</b>	<b>\$15,138</b>	<b>\$14,781</b>	<b>2.4 %</b>	<b>\$16,586</b>	<b>\$16,018</b>	<b>3.5 %</b>

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2020	2019	% Change	2020	2019	% Change
Texas	91.5 %	92.3 %	(0.9)%	\$1,117	\$1,085	2.9 %
Georgia	91.8 %	92.3 %	(0.5)%	1,108	1,044	6.1 %
Florida	94.1 %	94.2 %	(0.1)%	1,062	1,025	3.6 %
South Carolina	89.9 %	91.2 %	(1.4)%	1,111	1,101	0.9 %
Mississippi	96.2 %	96.9 %	(0.7)%	982	940	4.5 %
Alabama	97.7 %	96.6 %	1.1 %	855	802	6.6 %
Missouri	96.5 %	94.2 %	2.4 %	1,483	1,438	3.1 %
Tennessee	96.5 %	97.5 %	(1.0)%	1,194	1,138	4.9 %
<b>Totals</b>	<b>92.9 %</b>	<b>93.5 %</b>	<b>(0.6)%</b>	<b>\$1,099</b>	<b>\$1,060</b>	<b>3.7 %</b>

See definition of Same Store under "Non-GAAP Financial Measures and Definitions"

**Quarter Ended June 30,**

Portfolio	2020		
	Revenues	Property Operating Expenses	NOI
Consolidated	\$6,657	\$3,004	\$3,653
Unconsolidated (1)	19,991	9,324	10,667
<b>Total</b>	<b>\$26,648</b>	<b>\$12,328</b>	<b>\$14,320</b>

**Same Store**

	2020			2019			Variance		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$5,755	\$2,585	\$3,170	\$5,637	\$2,506	\$3,131	2.1 %	3.2 %	1.2 %
Unconsolidated (1)	16,621	7,921	8,700	16,205	7,856	8,349	2.6 %	0.8 %	4.2 %
<b>Total</b>	<b>\$22,376</b>	<b>\$10,506</b>	<b>\$11,870</b>	<b>\$21,842</b>	<b>\$10,362</b>	<b>\$11,480</b>	<b>2.4 %</b>	<b>1.4 %</b>	<b>3.4 %</b>

**Six Months ended June 30,**

Portfolio	2020		
	Revenues	Property Operating Expenses	NOI
Consolidated	\$13,402	\$6,062	\$7,340
Unconsolidated (1)	39,482	18,496	20,986
<b>Total</b>	<b>\$52,884</b>	<b>\$24,558</b>	<b>\$28,326</b>

**Same Store**

	2020			2019			Variance		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$11,480	\$5,184	\$6,296	\$11,114	\$4,911	\$6,203	3.3 %	5.6 %	1.5 %
Unconsolidated (1)	31,724	15,138	16,586	30,799	14,781	16,018	3.0 %	2.4 %	3.5 %
<b>Total</b>	<b>\$43,204</b>	<b>\$20,322</b>	<b>\$22,882</b>	<b>\$41,913</b>	<b>\$19,692</b>	<b>\$22,221</b>	<b>3.1 %</b>	<b>3.2 %</b>	<b>3.0 %</b>

(1) Unconsolidated amounts represent BRT's pro-rata share. See definition of pro-rata under "Non-GAAP Financial Measures and Definitions."

**Acquisitions for six months ended June 30, 2020**

Location	Purchase Date	Units	Purchase Price	Acquisition Mortgage Debt	Initial BRT Equity	Ownership Percentage	Capitalized Acquisition Costs
Wilmington, NC (1)	2/20/2020	264	\$ 38,000	\$ 23,160	\$ 13,700	80%	\$ 459

(1) Unconsolidated property

**Value-Add Program**

(Includes consolidated and unconsolidated amounts)

Units Rehabilitated (1)	Estimated Rehab Costs (2)	Estimated Rehab Costs Per unit	Estimated Average Monthly Rent Increase (3)	Estimated Annualized ROI (3)	Estimated units available to be renovated (24 months)
60	\$418,000	\$6,967	\$80	14%	800

(1) Refers to rehabilitated units with respect to which a new lease or renewal lease was entered into during the period.

(2) Reflects rehab costs incurred during the current and prior periods with respect to units completed, in which a new lease or renewal lease was entered into during the current period.

(3) These results are not necessarily indicative of the results that would be generated if such improvements were made across our portfolio of properties or at any particular property. Rents at a property may increase for reasons wholly unrelated to property improvements, such as changes in demand for rental units in a particular market or sub-market. Even if units are available to be renovated, the Company may decide not to renovate such units.

**Capital Expenditures**

(Includes consolidated and unconsolidated amounts)

	Gross Capital Expenditures	Less: JV Partner Share	BRT Share of Capital Expenditures (4)
Estimated Recurring Capital Expenditures (1)	\$ 186,000	\$ 33,419	\$ 152,581
Estimated Non-Recurring Capital Expenditures (2)	862,000	171,956	690,044
Total Capital Expenditures	<u>\$ 1,048,000</u>	<u>\$ 205,375</u>	<u>\$ 842,625</u>
Replacements (operating expense) (3)	<u>\$ 640,912</u>	<u>\$ 182,585</u>	<u>\$ 458,327</u>
Estimated Recurring Capital Expenditures and Replacements per unit (11,042 units)	<u>\$ 75</u>	<u>\$ 20</u>	<u>\$ 55</u>

(1) Recurring capital expenditures represent our estimate of expenditures incurred at the property to maintain the property's existing operations - it excludes revenue enhancing projects.

(2) Non-recurring capital expenditures represent our estimate of significant improvements to the common areas, property exteriors, or interior units of the property, and revenue enhancing upgrades.

(3) Replacements are expensed as incurred at the property.

(4) Based on BRT's equity interest.

**Consolidated**

Year	Total Principal Payments	Scheduled Amortization	Principal Payments Due at Maturity	Percent of Total Principal Payments Due At Maturity	Weighted Average Interest Rate (1)
2020	\$ 1,536	\$ 1,536	\$ —	—	—
2021	17,274	3,272	14,002	12%	4.29%
2022	62,543	1,924	60,619	54%	4.29%
2023	1,270	1,270	—	—	—
2024	1,316	1,316	—	—	—
Thereafter	48,594	10,055	38,539	34%	4.03%
<b>Total</b>	<b>\$ 132,533</b>	<b>\$ 19,373</b>	<b>\$ 113,160</b>	<b>100%</b>	

**Unconsolidated (BRT pro rata share)**

Year	Total Principal Payments	Scheduled Amortization	Principal Payments Due at Maturity	Percent of Total Principal Payments Due At Maturity	Weighted Average Interest Rate (1)
2020	\$ 1,233	\$ 1,233	\$ —	—	—
2021	22,484	3,367	19,117	4%	2.73%
2022	47,919	4,460	43,459	10%	3.41%
2023	29,577	4,992	24,585	5%	4.12%
2024	5,770	5,770	—	—	—
Thereafter	419,951	51,811	368,140	81%	4.18%
<b>Total</b>	<b>\$ 526,934</b>	<b>\$ 71,633</b>	<b>\$ 455,301</b>	<b>100%</b>	

**Combined**

Year	Total Principal Payments	Scheduled Amortization	Principal Payments Due at Maturity	Percent of Total Principal Payments Due At Maturity	Weighted Average Interest Rate (1)
2020	\$ 2,769	\$ 2,769	\$ —	—	—
2021	39,758	6,639	33,119	6%	3.68%
2022	110,462	6,384	104,078	18%	4.06%
2023	30,847	6,262	24,585	4%	4.05%
2024	7,086	7,086	—	—	—
Thereafter	468,545	61,866	406,679	72%	4.15%
<b>Total</b>	<b>\$ 659,467</b>	<b>\$ 91,006</b>	<b>\$ 568,461</b>	<b>100%</b>	

Weighted Average Remaining Term to Maturity (2) 7.2 years

Weighted Average Interest Rate (2) 4.04%

Debt Service Coverage Ratio for the quarter ended June 30, 2020 1.49 (3)

(1) Based on balloon payments at maturity.

(2) Includes consolidated and unconsolidated amounts.

(3) See definition under "Non-GAAP Financial Measures and Definitions." Includes consolidated and 100% of the unconsolidated amounts.

**Junior Subordinated Notes**

Principal Balance	\$37,400
Interest Rate	3 month LIBOR + 2.00% (i.e., 2.76% at 6/30/20)
Maturity	April 30, 2036

**Credit Facility (as of August 10, 2020)**

Maximum Amount Available	Up to \$10,000
Amount Outstanding	\$0
Interest Rate	Prime + 0.50% (floor of 5.00%)

We compute NOI by adjusting net income (loss) to (a) add back (1) depreciation expense, (2) general and administrative expenses, (3) interest expense, (4) loss on extinguishment of debt, (5) equity in loss of unconsolidated joint ventures, (6) provision for taxes, (7) the impact of non-controlling interests, and (b) deduct (1) other income, (2) gain on sale of real estate, and (3) gain on insurance recoveries related to casualty loss. We define "Same Store NOI" as NOI for all our consolidated properties that were owned for the entirety of the periods being presented, other than properties in lease up and developments. Other REIT's may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REIT's. We believe NOI provides an operating perspective not immediately apparent from GAAP operating income or net (loss) income. NOI is one of the measures we use to evaluate our performance because it (i) measures the core operations of property performance by excluding corporate level expenses and other items unrelated to property operating performance and (ii) captures trends in rental housing and property operating expenses. We view Same Store NOI as an important measure of operating performance because it allows a comparison of operating results of properties owned for the entirety of the current and comparable periods and therefore eliminates variations caused by acquisitions or dispositions during the periods. However, NOI should only be used as an alternative measure of our financial performance.

The following tables provides a reconciliation of NOI to net income attributable to common stockholders as computed in accordance with GAAP for the periods presented for the consolidated properties:

Consolidated	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
GAAP Net loss attributable to common stockholders	\$ (4,246)	\$ (4,317)	\$ (9,077)	\$ (8,564)
Less: Other Income	(159)	(190)	(338)	(434)
Add: Interest expense	1,809	2,049	3,669	3,995
General and administrative	2,957	2,481	6,324	5,025
Depreciation	1,809	1,428	3,370	2,975
Provision for taxes	65	59	127	121
Equity in loss of unconsolidated joint venture properties	1,387	2,218	3,202	4,286
Add: Net loss attributable to non-controlling interests	31	44	63	78
<b>Net Operating Income</b>	<b>\$ 3,653</b>	<b>\$ 3,772</b>	<b>7,340</b>	<b>7,482</b>
<b>Non-same store Net Operating Income</b>	<b>\$ (482)</b>	<b>\$ (641)</b>	<b>\$ (1,044)</b>	<b>\$ (1,279)</b>
<b>Same store Net Operating Income</b>	<b>\$ 3,171</b>	<b>\$ 3,131</b>	<b>\$ 6,296</b>	<b>\$ 6,203</b>

The following tables provides a reconciliation of NOI to net income attributable to common stockholders as computed in accordance with GAAP for the periods presented for BRT's *pro rata* share of the unconsolidated properties:

Unconsolidated	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
BRT equity in loss from joint ventures	\$ (1,387)	\$ (2,218)	\$ (3,202)	\$ (4,287)
Add: Interest expense	5,605	5,714	11,175	10,754
Depreciation	6,627	6,371	13,199	12,152
Other non-multi family	(178)	(574)	(186)	(642)
<b>Net Operating Income</b>	<b>\$ 10,667</b>	<b>\$ 9,293</b>	<b>\$ 20,986</b>	<b>\$ 17,977</b>
<b>Non-same store Net Operating Income</b>	<b>\$ 1,967</b>	<b>\$ 944</b>	<b>\$ 4,400</b>	<b>\$ 1,959</b>
<b>Same store Net Operating Income</b>	<b>\$ 8,700</b>	<b>\$ 8,349</b>	<b>\$ 16,586</b>	<b>\$ 16,018</b>

The condensed income statements below present for the periods indicated a reconciliation of the information that appears in note 9 of BRT's Quarterly report on Form 10-Q to the BRT pro rata information presented here in this supplemental.

	Three Months Ended June 30, 2020		
	Total	Partner Share	BRT Share
<b>Revenues:</b>			
Rental and other revenue	\$ 31,542	\$ 11,551	\$ 19,991
Total revenues	31,542	11,551	19,991
<b>Expenses:</b>			
Real estate operating expenses	14,674	5,350	9,324
Interest expense	8,766	3,161	5,605
Depreciation	10,417	3,790	6,627
Total expenses	33,857	12,301	21,556
Total revenues less total expenses	(2,315)	(750)	(1,565)
Gain on insurance recoveries	338	160	178
Net loss	<u>\$ (1,977)</u>	<u>\$ (590)</u>	<u>\$ (1,387)</u>

	Three Months Ended June 30, 2019		
	Total	Partner Share	BRT Share
<b>Revenues:</b>			
Rental and other revenue	\$ 28,976	\$ 10,491	\$ 18,485
Total revenues	28,976	10,491	18,485
<b>Expenses:</b>			
Real estate operating expenses	14,304	5,112	9,192
Interest expense	8,919	3,205	5,714
Depreciation	10,031	3,660	6,371
Total expenses	33,254	11,977	21,277
Total revenues less total expenses	(4,278)	(1,486)	(2,792)
Gain on insurance recoveries	517	(57)	574
Net loss	<u>\$ (3,761)</u>	<u>\$ (1,543)</u>	<u>\$ (2,218)</u>



The condensed income statements below present for the periods indicated a reconciliation of the information that appears in note 9 of BRT's Quarterly report on Form 10-Q to the BRT pro rata information presented here in this supplemental.

	Six Months Ended June 30, 2020		
	Total	Partner Share	BRT Share
<b>Revenues:</b>			
Rental and other revenue	\$ 62,385	\$ 22,903	\$ 39,482
Total revenues	62,385	22,903	39,482
<b>Expenses:</b>			
Real estate operating expenses	29,206	10,710	18,496
Interest expense	17,523	6,348	11,175
Depreciation	20,773	7,574	13,199
Total expenses	67,502	24,632	42,870
Total revenues less total expenses	(5,117)	(1,729)	(3,388)
Gain on insurance recoveries	338	152	186
Net loss	<u>\$ (4,779)</u>	<u>\$ (1,577)</u>	<u>\$ (3,202)</u>

	Six Months Ended June 30, 2019		
	Total	Partner Share	BRT Share
<b>Revenues:</b>			
Rental and other revenue	\$ 55,803	\$ 20,301	\$ 35,502
Total revenues	55,803	20,301	35,502
<b>Expenses:</b>			
Real estate operating expenses	27,400	9,875	17,525
Interest expense	16,825	6,071	10,754
Depreciation	19,220	7,068	12,152
Total expenses	63,445	23,014	40,431
Total revenues less total expenses	(7,642)	(2,713)	(4,929)
Gain on insurance recoveries	517	(126)	643
Net loss	<u>\$ (7,125)</u>	<u>\$ (2,839)</u>	<u>\$ (4,286)</u>

**Funds from Operations (FFO)**

FFO is a non-GAAP financial performance measure defined by the National Association of Real Estate Investment Trusts and is widely recognized by investors and analysts as one measure of operating performance of a REIT. The FFO calculation excludes items such as real estate depreciation and amortization, gains and losses on the sale of real estate assets and impairment on depreciable assets. Historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time. Since real estate values have historically risen or fallen with market conditions, it is management's view, and we believe the view of many industry investors and analysts, that the presentation of operating results for a REIT using the historical accounting for depreciation is insufficient. FFO excludes gains and losses from the sale of real estate, which we believe provides management and investors with a helpful additional measure of the performance of our real estate portfolio, as it allows for comparisons, year to year, that reflect the impact on operations from trends in items such as occupancy rates, rental rates, operating costs, general, administrative and other expenses, and interest expenses.

**Adjusted Funds from Operations (AFFO)**

AFFO excludes from FFO straight line rent adjustments, loss on extinguishment of debt, amortization of restricted stock and RSU expense, amortization of deferred mortgage costs and gain on insurance recovery. AFFO provides investors with supplemental performance information that is consistent with the performance models and analysis used by management and provides investors a view of the performance of our portfolio over time, including after the time we cease to acquire properties on a frequent and regular basis. We believe that AFFO enables investors to compare the performance of our portfolio with other REITs that have not recently engaged in acquisitions, as well as a comparison of our performance with that of other non-traded REITs, as AFFO, or an equivalent measure is routinely reported by non-traded REITs, and we believe often used by analysts and investors for comparison purposes.

**Debt Service Coverage Ratio**

Debt service coverage ratio is net operating income ("NOI") divided by total debt service and includes both consolidated and unconsolidated assets.

**Total Debt Service**

Total debt service is the cash required to cover the repayment of interest and principal on a debt for a particular period. Total debt service is used in the calculation of the debt service coverage ratio which is used to determine the borrower's ability to make debt service payments.

**Stabilized Properties**

For all periods presented, stabilized properties include all our consolidated properties, other than those in lease-up or development.

**Same Store**

Same store refers to stabilized properties that we and our consolidated joint ventures owned and operated for the entirety of both periods being compared.

**Pro-Rata Share**

BRT's pro-rata share gives effect to its percentage equity interest in the unconsolidated joint ventures that own properties. Due to the operation of allocation/distribution provision of the joint venture agreements pursuant to which BRT participates in the ownership of these properties, BRT's share of the gain and loss on the sale of a property may be less than implied by BRT's percentage equity interest. Notwithstanding the foregoing, when referring to the number of units, average occupancy, and average rent per unit, the amount shown reflects 100% of the amount.

Property	City	State	Year Built	Year Acquired	Property Age	Units	Q2 2020 Avg. Occupancy	Q2 2020 Avg. Rent per Occ. Unit	% Ownership
<b>Consolidated Properties</b>									
Silvana Oaks	North Charleston	SC	2010	2012	11	208	93.0%	\$ 1,172	100%
Avondale Station	Decatur	GA	1950	2012	71	212	96.6%	1,168	100%
Newbridge Commons	Columbus	OH	1999	2013	22	264	93.1%	917	100%
Kendall Manor	Houston	TX	1981	2014	40	272	96.1%	855	100%
Avalon	Pensacola	FL	2008	2014	13	276	92.2%	1,095	100%
Parkway Grande	San Marcos	TX	2014	2015	7	192	91.0%	1,001	100%
Woodland Trails	LaGrange	GA	2010	2015	11	236	95.0%	1,003	100%
Kilburn Crossing	Fredericksburg	VA	2005	2016	16	220	94.9%	1,420	100%
<b>Total/Weighted Avg. Consolidated</b>					<b>24</b>	<b>1,880</b>			
<b>Properties owned by Unconsolidated Joint Ventures</b>									
Brixworth at Bridgestreet	Huntsville	AL	1985	2013	36	208	96.9%	823	80%
Crossings of Bellevue	Nashville	TN	1985	2014	36	300	95.3%	1,194	80%
Retreat at Cinco Ranch	Katy	TX	2008	2016	13	268	90.7%	1,198	75%
Grove at River Place	Macon	GA	1988	2016	33	240	92.3%	713	80%
Civic Center 1	Southaven	MS	2002	2016	19	392	97.6%	952	60%
Verandas at Shavano Park	San Antonio	TX	2014	2016	7	288	91.8%	1,054	65%
Chatham Court and Reflections	Dallas	TX	1986	2016	35	494	85.5%	992	50%
Waters Edge at Harbison	Columbia	SC	1996	2016	25	204	91.7%	922	80%
Pointe at Lenox Park	Atlanta	GA	1989	2016	32	271	92.1%	1,272	74%
Civic Center 2	Southaven	MS	2005	2016	16	384	96.2%	1,020	60%
Verandas at Alamo Ranch	San Antonio	TX	2015	2016	6	288	91.2%	1,042	71.9%
OPOP Towers	St. Louis	MO	2014	2017	7	128	96.3%	1,362	75.5%
OPOP Lofts	St. Louis	MO	2014	2017	7	53	93.3%	1,442	75.5%
Vanguard Heights	Creve Coeur	MO	2016	2017	5	174	97.1%	1,614	78.4%
Mercer Crossing	Dallas	TX	2014/2016	2017	7	509	91.2%	1,321	50%
Jackson Square	Tallahassee	FL	1996	2017	25	242	92.3%	1,090	80%
Magnolia Pointe	Madison	AL	1991	2017	30	204	98.5%	902	80%
Woodland Apartments	Boerne	TX	2007	2017	14	120	97.5%	974	80%
The Avenue	Ocoee	FL	1998	2018	23	522	94.5%	1,119	50%
Parc at 980	Lawrenceville	GA	1997	2018	24	586	92.4%	1,196	50%
Anatole Apartments	Daytona Beach	FL	1986	2018	35	208	92.3%	908	80%
Landings of Carrier Parkway	Grand Prairie	TX	2001	2018	20	281	95.6%	1,091	50%
Crestmont at Thornblade	Greenville	SC	1998	2018	23	266	89.7%	1,086	90%
The Vive at Kellswater	Kannapolis	NC	2011	2019	10	312	93.6%	1,110	65%
Somerset at Trussville	Trussville	AL	2007	2019	14	328	95.7%	1,000	80%
The Village at Lakeside	Auburn	AL	1988	2019	33	200	95.5%	837	80%
Canalside Lofts	Columbia	SC	2008/2013	2017	13	374	89.1%	1,228	32%
Gateway Oaks	Forney	TX	2016	2016	5	313	88.2%	1,125	50%
Abbotts Run	Wilmington	NC	2001	2019	20	264	93.0%	996	80%
<b>Total/Weighted Avg. Unconsolidated</b>					<b>20</b>	<b>8,421</b>			
<b>Lease-Up Projects: (1)</b>									
Bell's Bluff	Nashville	TN	2018		2	402	79.0%	1,480	58.1%
Canalside Sola	Columbia	SC	2018		2	339	78.0%	1,417	46.2%
<b>Total/Weighted Avg. (lease-up)</b>					<b>2</b>	<b>741</b>			
<b>Total/Weighted Avg. Portfolio</b>					<b>19</b>	<b>11,042</b>			

(1) Unconsolidated