

**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): November 8, 2021

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

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

<u>60 Cutter Mill Road, Suite 303, Great Neck, New York</u>	<u>11021</u>
(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 November 8, 2021, we issued a press release announcing our results of operations for the three months ended September 30, 2021. 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>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>99.1</u></a>	Press release dated November 8, 2021
<a href="#"><u>99.2</u></a>	Supplemental Financial Information dated November 8, 2021
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.

November 8, 2021

BRT APARTMENTS CORP.

  
/s/ George Zweier

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George Zweier, Vice President  
and Chief Financial Officer



## BRT APARTMENTS CORP. REPORTS THIRD QUARTER RESULTS FOR 2021

- **Continues Advantageous Buy-Outs of its JV Partners –**
- **Capital Structure Strengthened by Leverage Reduction –**

**Great Neck, New York** – November 8, 2021 - BRT APARTMENTS CORP. (NYSE:BRT), a real estate investment trust that owns and operates multi-family properties, today reported that for the three months ended September 30, 2021, it generated net income of \$28.11 million, or \$1.54 per diluted share, Funds from Operations, or FFO<sup>1</sup>, of \$7,000, or less than \$0.01 per diluted share, and Adjusted Funds from Operations, or AFFO, of \$5.66 million, or \$0.31 per diluted share.

Jeffrey A. Gould, President and Chief Executive Officer stated, “Our third quarter results reflect the strong performance of our high-quality portfolio, and the continued hard work of our team in building our platform. As we have noted in the past, our markets are benefiting from sustained demand drivers, including population and job growth, which have allowed us to produce, over the third quarter of 2020, NOI growth of 8.9% across our entire same store portfolio. Since year-end, we strengthened our capital structure by reducing leverage, and we continue to grow our wholly-owned holdings by buying-out our joint venture partners, such as the purchase of our joint venture partners’ interests in Bells Bluff. We will continue to be disciplined and judicious in our efforts to buy-out joint venture partners and acquire multi-family properties that we believe will create long-term value for our stockholders.”

### Financial Results:

Net income attributable to common stockholders was \$28.11 million, or \$1.54 per diluted share, for the three months ended September 30, 2021, compared to a net loss of \$7.48 million, or \$0.44 per diluted share, for the three months ended September 30, 2020. The increase is due primarily to a \$34.98 million, or \$2.02 per diluted share, of gain on the previously announced sales by an unconsolidated joint venture of the properties in Ocoee, Florida and Lawrenceville, Georgia. The 2020 period includes a \$3.64 million non-cash impairment charge related to a vacant Daytona, Florida land parcel.

FFO was \$7,000, or less than \$0.01 per diluted share, for the three months ended September 30, 2021, compared to \$4.56 million, or \$0.27 per diluted share, for the three months ended September 30, 2020. The change reflects BRT’s \$4.58 million portion, or \$0.25 per diluted share, of a \$9.40 million loss on extinguishment of debt incurred by an unconsolidated joint venture in connection with the property sales that generated gains of \$34.98 million, and loss on extinguishment of debt of \$902,000, or \$0.05 per diluted share, incurred in reducing mortgage debt in principal amount of \$31.9 million at several consolidated properties.

AFFO for the three months ended September 30, 2021 was \$5.66 million, or \$0.31 per diluted share, compared to \$4.89 million, or \$0.28 per diluted share, for the three months ended September 30, 2020, reflecting reduced interest expense and, to a lesser extent, improved operating margins due to stronger rental income and occupancy, at our same store consolidated and unconsolidated properties.

Diluted per share net income, FFO and AFFO were impacted during the quarter ended September 30, 2021 by the increase of 860,732 weighted average shares of common stock outstanding from the third quarter of 2020 through the current quarter, primarily due to stock issuances pursuant to the Company’s equity awards and at-the-market equity offering programs.

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<sup>1</sup> A description and reconciliation of non-GAAP financial measures (*i.e.*, FFO, AFFO, NOI and *pro rata* share) to GAAP financial measures is presented later in this release. See “Non-GAAP Financial Measures” for further information. The term “leverage” refers to the quotient obtained by dividing the sum of the Company’s mortgage debt and junior subordinated notes by the Company’s total assets.

## Operating Results:

Rental and other revenues for the current three months increased \$689,000, or 9.8%, to \$7.71 million from \$7.02 million for the quarter ended September 30, 2020, due to increased rental income at same store properties and the net impact of acquisitions and dispositions.

Total expenses for the three months ended September 30, 2021 decreased \$3.33 million, or 25%, to \$9.84 million, from \$13.17 million for the three months ended September 30, 2020, due primarily to the inclusion, in the 2020 quarter, of the \$3.64 million non-cash impairment charge.

Equity in loss of unconsolidated joint ventures for the current quarter increased by \$2.67 million to a loss of \$4.20 million compared to a loss of \$1.53 million in the corresponding quarter of the prior year. The change is due primarily to our \$4.58 million share of \$9.40 million of mortgage debt prepayment costs related to the property sales. Rental and other revenues from unconsolidated properties for the current three months decreased \$2.52 million, or 7.8%, to \$29.82 million from \$32.34 million for the quarter ended September 30, 2020, primarily due to the impact of dispositions offset by improved rental income at same store properties.<sup>2</sup> Total expenses at unconsolidated multi-family properties improved \$4.73 million, or 13.4%, to \$30.44 million for the three months ended September 30, 2021, from \$35.17 million from the corresponding 2020 quarter,<sup>3</sup> primarily due to property dispositions. BRT's *pro rata* share of such revenues for the three months ended September 30, 2021 and 2020 were \$19.58 million and \$20.49 million, respectively, and its *pro rata* share of such expenses for such period were \$20.08 million and \$22.47 million, respectively. Included in total expenses for the three months ended September 30, 2021 and 2020 are \$14.58 million and \$16.09 million of real estate operating expenses, respectively, of which BRT's *pro rata* share was \$9.53 million and \$10.27 million, respectively.

Net operating income, or NOI, at same store properties in our entire portfolio<sup>4</sup> increased in the current quarter by 8.9% to \$12.76 million, reflecting improved operating margins. NOI in our entire portfolio increased in the current quarter by 2.9% to \$14.36 million, primarily reflecting improved operating margins at same store properties.

## Transaction Activity During the Third Quarter:

As previously announced, BRT closed on the purchase of the remaining 41.9% interest in the joint venture that owns Bells Bluff, a 402-unit multi-family property located in West Nashville, TN. The purchase price for such interest was approximately \$27.9 million and Bells Bluff is now wholly-owned by BRT. In connection with the closing, BRT obtained a 20-year fixed rate (*i.e.*, 3.48% and interest only for ten years), mortgage in the principal amount of \$52.0 million.

In July 2021, BRT completed the previously announced sales of Parc at 980, located in Lawrenceville, Georgia and The Avenue Apartments, located in Ocoee, Florida. BRT had a 50% interest in the unconsolidated joint venture that owned these properties. In connection with these sales, mortgage debt in principal amount of \$107.5 million with a weighted average interest rate of 3.94% and a weighted average remaining term to maturity of 6.34 years was paid off. BRT, without giving effect to its \$4.58 million share of a loss on extinguishment of debt, recognized its \$34.98 million share of the gain on these sales. These properties produced an internal rate of return, or IRR, of 24.9% over the three years they were owned.

During the third quarter, BRT reduced the mortgage debt on its wholly-owned properties by \$31.9 million. Such mortgage debt was scheduled to mature in the first quarter of 2022 and bore a weighted average interest rate of 4.53%. BRT also reduced its mortgage debt at its unconsolidated subsidiaries by \$107 million in connection with the sales of Parc at 980 and The Avenue Apartments. The mortgages on such properties were scheduled to mature in 2028 and bore a weighted average interest rate of 3.94%.

## Subsequent Events

On October 1, 2021, BRT purchased, for \$1.6 million, the remaining 10% interest owned by its joint venture partners in the venture that owns Crestmont at Thornblade, a 266-unit multi-family property in Greenville, SC.

On November 4, 2021, BRT completed the previously announced sale of its interests in two underperforming properties located in St. Louis, MO. In the quarter ended June 30, 2021, BRT recorded a \$520,000 impairment charge with respect to this transaction and BRT anticipates that, in the quarter ending December 31, 2021, it will report a \$385,000 gain from this sale.

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<sup>2</sup> Although these are items of income and expense at unconsolidated joint venture properties, these are presented on a 100% basis-not on a *pro rata* basis. Same store properties refer to properties owned for the entirety of the periods discussed.

<sup>3</sup> See footnote 2 above.

<sup>4</sup> That is, 100% of BRT's wholly-owned subsidiaries and its *pro rata* share of its unconsolidated subsidiaries.

## **Balance Sheet:**

At September 30, 2021, BRT had \$29.60 million of cash and cash equivalents, total assets of \$398.05 million, total debt of \$171.29 million, and BRT total stockholders' equity of \$206.27 million. At September 30, 2021, BRT's available liquidity was approximately \$52.16 million, comprised of \$29.60 million of cash and cash equivalents, \$7.56 million of restricted cash, and up to \$15.0 million available under its credit facility. In addition, at September 30, 2021, BRT's unconsolidated subsidiaries had an aggregate of \$13.33 million of cash and cash equivalents for use in the operations of the applicable subsidiaries.

At November 1, 2021, BRT's available liquidity was approximately \$45.41 million, including \$22.90 million of cash and cash equivalents, \$7.51 million of restricted cash for property improvements and up to \$15.0 million available under its credit facility. In addition, BRT's unconsolidated subsidiaries have cash and cash equivalents for use in the operation of the applicable subsidiaries.

## **Conference Call and Webcast Information:**

The Company will host a conference call and webcast to review its financial results with investors and other interested parties at 8:30 a.m. ET on Tuesday, November 9, 2021. Jeffrey A. Gould, Chief Executive Officer will host the call. To participate in the conference call, callers from the United States and Canada should dial 1-877-407-9208, and international callers should dial 1-201-493-6784, ten minutes prior to the scheduled call time. The webcast may also be accessed live by visiting the Company's investor relations website under the "webcast" tab at <https://brtapartments.com/investor-relations>.

A replay of the conference call will be available after 11:30 a.m. ET on Tuesday, November 9, 2021 through 11:59 p.m. ET on Tuesday, November 23, 2021. To access the replay, listeners may use 1-844-512-2921 (domestic) or 1-412-317-6671 (international). The passcode for the replay is 10016915.

## **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. References to same store NOI with respect to BRT's portfolio refers to 100% of the accounts and results of operations of BRT's wholly owned subsidiaries and its *pro rata* (as described below) share of the results of operations and accounts of its same store unconsolidated subsidiaries.

The *pro rata* share reflects BRT's percentage equity interest in the applicable subsidiary. Because it represents BRT's equity ownership in its unconsolidated subsidiaries, BRT uses *pro rata* share to help provide a better understanding of

the operations of its unconsolidated joint ventures. However, the use of *pro rata* information has limitations. Among other things, as a result of the allocation/ distribution provisions of the agreements governing the unconsolidated joint ventures, BRT's share of the gain/loss with respect to such venture may be different than (and generally less than that) implied by its percentage equity interest therein. Further, the use of *pro rata* share is not representative of our operations and accounts as presented in accordance with GAAP.

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. Further, because there is no industry standard definition of NOI and practice is divergent across the industry, the computation of NOI may from one REIT to another.

#### **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. 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. Investors are cautioned not to place undue reliance on any forward-looking statements and to carefully review the sections entitled "Cautionary Statement Regarding Forward Looking Information", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2020, as amended, and in the other reports filed by the Company with the SEC thereafter, for a discussion of the factors that could cause BRT's actual results, performance or achievements to differ from its expectations.

#### **Additional Information:**

BRT is a real estate investment trust that owns and operates 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 September 30, 2021 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

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

	September 30, 2021 (unaudited)	December 31, 2020 (audited)
<b>ASSETS</b>		
Real estate properties, net of accumulated depreciation	\$ 224,620	\$ 160,192
Investments in unconsolidated joint ventures	128,478	169,474
Cash and cash equivalents	29,598	19,885
Restricted cash	7,560	8,800
Other assets	7,792	7,390
Total assets	<u>\$ 398,048</u>	<u>\$ 365,741</u>
<b>LIABILITIES AND EQUITY</b>		
Mortgages payable, net of deferred costs	\$ 134,193	\$ 130,434
Junior subordinated notes, net of deferred costs	37,098	37,083
Accounts payable and accrued liabilities	20,464	20,536
Total Liabilities	<u>191,755</u>	<u>188,053</u>
Total BRT Apartments Corp. stockholders' equity	206,272	177,772
Non-controlling interests	21	(84)
Total Equity	<u>206,293</u>	<u>177,688</u>
Total Liabilities and Equity	<u>\$ 398,048</u>	<u>\$ 365,741</u>



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

	Three Months Ended September 30,	
	2021	2020
Revenues:		
Rental and other revenues from real estate properties	\$ 7,709	\$ 7,020
Other income	5	293
Total revenues	7,714	7,313
Expenses:		
Real estate operating expenses	3,404	3,289
Interest expense	1,535	1,731
General and administrative	3,114	2,730
Impairment charge	—	3,642
Depreciation	1,787	1,777
Total expenses	9,840	13,169
Total revenue less total expenses	(2,126)	(5,856)
Equity in loss of unconsolidated joint ventures	(4,196)	(1,529)
Equity in earnings from sale of unconsolidated joint ventures properties	34,982	—
Gain on sale of real estate	414	—
Loss on extinguishment of debt	(902)	—
Income (loss) from continuing operations	28,172	(7,385)
Income tax provision	31	65
Net income (loss) from continuing operations, net of taxes	28,141	(7,450)
Net income attributable to non-controlling interests	(35)	(34)
Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)
Per share amounts attributable to common stockholders:		
Basic	\$ 1.55	\$ (0.44)
Funds from operations - Note 1	\$ 7	\$ 4,555
Funds from operations per common share - diluted - Note 2	\$ —	\$ 0.27
Adjusted funds from operations - Note 1	\$ 5,655	\$ 4,894
Adjusted funds from operations per common share - diluted -Note 2	\$ 0.31	\$ 0.28
Weighted average number of shares of common stock outstanding:		
Basic	17,261,520	17,176,401
Diluted	17,292,988	17,176,401

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

	<b>Three Months Ended September 30,</b>	
	<b>2021</b>	<b>2020</b>
Note 1:		
Funds from operations is summarized in the following table:		
GAAP Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)
Add: depreciation of properties	1,787	1,777
Add: our share of depreciation in unconsolidated joint ventures	5,514	6,624
Add: Impairment charge	—	3,642
Deduct: our share of equity in earnings from sale of unconsolidated joint venture	(34,982)	—
Deduct: gain on sale of real estate and partnership interest	(414)	—
Adjustments for non-controlling interests	(4)	(4)
<b><i>NAREIT Funds from operations attributable to common stockholders</i></b>	<b>7</b>	<b>4,555</b>
Adjustments for: straight-line rent accruals	(10)	(10)
Add: loss on extinguishment of debt	902	—
Add: our share of loss on extinguishment of debt from unconsolidated joint ventures	4,581	—
Add: amortization of restricted stock and restricted stock units	843	461
Add: amortization of deferred borrowing costs	62	80
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	148	156
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(880)	(350)
Adjustments for non-controlling interests	2	\$ 2
<b><i>Adjusted funds from operations attributable to common stockholders</i></b>	<b>\$ 5,655</b>	<b>\$ 4,894</b>

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

	<b>Three Months Ended September 30,</b>	
	<b>2021</b>	<b>2020</b>
Note 2:		
Net income (loss) attributable to common stockholders	\$ 1.54	\$ (0.44)
Add: depreciation of properties	0.10	0.11
Add: our share of depreciation in unconsolidated joint ventures	0.30	0.39
Add: Impairment charge	—	0.21
Deduct: our share of equity in earnings from sale of unconsolidated joint venture	(1.92)	—
Deduct: gain on sale of real estate	(0.02)	—
Adjustment for non-controlling interests	—	—
<b><i>NAREIT Funds from operations per diluted common share</i></b>	<b>—</b>	<b>0.27</b>
Adjustments for: straight line rent accruals	—	—
Add: loss on extinguishment of debt	0.05	—
Add: our share of loss on extinguishment of debt from unconsolidated joint ventures	0.25	—
Add: amortization of restricted stock and restricted stock units	0.05	0.02
Add: amortization of deferred borrowing costs	—	—
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	0.01	0.01
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(0.05)	(0.02)
Adjustments for non-controlling interests	—	—
<b><i>Adjusted funds from operations per diluted common share</i></b>	<b>\$ 0.31</b>	<b>\$ 0.28</b>

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

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:

<b>Consolidated</b>	<b>Three Months Ended September 30,</b>	
	<b>2021</b>	<b>2020</b>
GAAP Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)
Less: Other Income	(5)	(293)
Add: Interest expense	1,535	1,731
General and administrative	3,114	2,730
Impairment charge	—	3,642
Depreciation	1,787	1,777
Provision for taxes	31	65
Less: Gain on sale of real estate	(414)	—
Equity in earnings from sale of unconsolidated joint venture properties	(34,982)	—
Add: Loss on extinguishment of debt	902	—
Equity in loss of unconsolidated joint venture properties	4,196	1,529
Add: Net income attributable to non-controlling interests	35	34
<b>Net Operating Income</b>	<b>\$ 4,305</b>	<b>\$ 3,731</b>
 <b>Less: Non-same store Net Operating Income</b>	 <b>\$ (845)</b>	 <b>\$ (476)</b>
<b>Same store Net Operating Income</b>	<b>\$ 3,460</b>	<b>\$ 3,255</b>

**BRT APARTMENTS CORP. AND SUBSIDIARIES**  
**RECONCILIATION OF NOI AT UNCONSOLIDATED SUBSIDIARIES**  
**(Unaudited)**  
**(Dollars in thousands, except per share data)**

The following tables provides a reconciliation of NOI to equity in loss of unconsolidated joint ventures as computed in accordance with GAAP for the periods presented for BRT's *pro rata share* of NOI at its unconsolidated subsidiaries. Also presented is the combined same store NOI for Consolidated and Unconsolidated subsidiaries:

Unconsolidated	Three Months Ended September 30,	
	2021	2020
BRT's equity in earnings from sale of unconsolidated joint venture properties and equity in loss of joint ventures	\$ 30,786	\$ (1,529)
Add: Interest expense	5,037	5,571
Depreciation	5,514	6,623
Less: Gain on insurance recoveries	(880)	(350)
Gain on sale of real estate	(34,982)	—
Equity in earnings of joint ventures	(7)	(97)
Add: Loss on extinguishment of debt	4,581	—
<b>Net Operating Income</b>	<b>\$ 10,049</b>	<b>\$ 10,218</b>
<b>Less: Non-same store Net Operating Income</b>	<b>\$ (749)</b>	<b>\$ (1,753)</b>
<b>Same store Net Operating Income</b>	<b><u>\$ 9,300</u></b>	<b><u>\$ 8,465</u></b>
<b>Consolidated same store Net Operating Income</b>	<b>\$ 3,460</b>	<b>\$ 3,255</b>
<b>Unconsolidated same store Net Operating Income</b>	<b><u>9,300</u></b>	<b><u>8,465</u></b>
<b>Combined same store Net Operating Income</b>	<b><u>\$ 12,760</u></b>	<b><u>\$ 11,720</u></b>

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

The condensed income statements below present, for the periods indicated, a reconciliation of the information that appears in note 8 of BRT's Quarterly report on Form 10-Q to BRT's pro rata share of the operations of its unconsolidated subsidiaries:

<b>Three Months Ended September 30, 2021</b>			
	<b>Total</b>	<b>Partner Share</b>	<b>BRT's Pro-Rata Share</b>
<b>Revenues:</b>			
Rental and other revenue	\$ 29,818	\$ 10,237	\$ 19,581
Total revenues	29,818	10,237	19,581
<b>Expenses:</b>			
Real estate operating expenses	14,587	5,055	9,532
Interest expense	7,568	2,531	5,037
Depreciation	8,288	2,774	5,514
Total expenses	30,443	10,360	20,083
Total revenues less total expenses	(625)	(123)	(502)
Other equity earnings	7	—	7
Gain on sale of real estate	83,984	49,002	34,982
Gain on insurance recoveries	1,246	366	880
Loss on extinguishment of debt	(9,401)	(4,820)	(4,581)
Net loss (income)	<u>\$ 75,211</u>	<u>\$ 44,425</u>	<u>\$ 30,786</u>

(1)

<b>Three Months Ended September 30, 2020</b>			
	<b>Total</b>	<b>Partner Share</b>	<b>BRT's Pro-Rata Share</b>
<b>Revenues:</b>			
Rental and other revenue	\$ 32,341	\$ 11,852	\$ 20,489
Total revenues	\$ 32,341	\$ 11,852	\$ 20,489
<b>Expenses:</b>			
Real estate operating expenses	16,092	5,821	10,271
Interest expense	8,663	3,092	5,571
Depreciation	10,411	3,788	6,623
Total expenses	35,166	12,701	22,465
Total revenues less total expenses	(2,825)	(849)	(1,976)
Other equity earnings	97	—	97
Gain on insurance recoveries	427	77	350
Net loss	<u>\$ (2,301)</u>	<u>\$ (772)</u>	<u>\$ (1,529)</u>

(1)

(1) Reflects BRT's share as determined in accordance with GAAP - not its pro-rata share.



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# SUPPLEMENTAL FINANCIAL INFORMATION FOR Q3 2021

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November 8, 2021

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 for the year ended December 31, 2020 and in reports filed with the SEC thereafter, including our Quarterly Report on Form 10-Q for the period ended September 30, 2021, that we anticipate will be filed shortly following 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 September 30,	
	2021	2020
Market capitalization (thousands)	\$ 351,127	\$ 202,333
Shares outstanding (thousands)	18,212	17,176
Closing share price	\$ 19.28	\$ 11.78
Quarterly dividend declared per share	\$ 0.23	\$ 0.22
Multi-family properties owned	35	39
Units	9,454 <sup>(1)</sup>	11,042 <sup>(1)</sup>
Average occupancy (2)	96.2 %	94.5 %
Average monthly rental revenue per occupied unit (2)	\$ 1,152	\$ 1,086

Per share data	Quarter ended September 30,	
	2021 (Unaudited)	2020 (Unaudited)
Income (loss) per share basic	\$ 1.55	\$ (0.44)
Income (loss) per share diluted	\$ 1.54	\$ (0.44)
FFO per diluted share of common stock (3)	—	0.27
AFFO per diluted share of common stock (3)	0.31	0.28

	As at September 30,	
	2021	2020
Debt/Enterprise Value (4)	66 %	80 %

(1) For 2021, includes 2,010 units owned by consolidated subsidiaries and 7,444 units owned by unconsolidated subsidiaries. For 2020, includes 1,880 units owned by consolidated subsidiaries and 9,162 units owned by unconsolidated subsidiaries. Unconsolidated for 2020 includes 741 units in lease-up. There were no units in lease-up in the current quarter.

(2) For the periods 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."

(4) Enterprise Value is equal to debt plus market capitalization less cash and cash equivalents, including BRT's pro-rata share of cash and cash equivalents at the unconsolidated Joint Ventures.. Debt is equal to 100% of the debt at the consolidated properties and BRT's pro-rata share of debt at the unconsolidated joint ventures. See "Non-GAAP Financial Measures and Definitions" for an explanation of "pro-rata share".

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Revenues:</b>				
Rental and other revenue from real estate properties	\$ 7,709	\$ 7,020	\$ 21,762	\$ 20,422
Other income	5	293	12	631
Total revenues	7,714	7,313	21,774	21,053
<b>Expenses:</b>				
Real estate operating expenses	3,404	3,289	9,687	9,351
Interest expense	1,535	1,731	4,804	5,400
General and administrative	3,114	2,730	9,382	9,054
Impairment charge	—	3,642	520	3,642
Depreciation	1,787	1,777	4,740	5,147
Total expenses	9,840	13,169	29,133	32,594
Total revenues less total expenses	(2,126)	(5,856)	(7,359)	(11,541)
Equity in loss of unconsolidated joint ventures	(4,196)	(1,529)	(6,033)	(4,731)
Equity in earnings from sale of unconsolidated joint ventures properties	34,982	—	34,982	—
Gain on sale of real estate	414	—	7,693	—
Gain on sale of partnership interest	—	—	2,244	—
Loss on extinguishment of debt	(902)	—	(902)	—
Income (loss) from continuing operations	28,172	(7,385)	30,625	(16,272)
Income tax provision	31	65	155	192
Net income (loss) from continuing operations, net of taxes	28,141	(7,450)	30,470	(16,464)
Net income attributable to non-controlling interests	(35)	(34)	(102)	(97)
Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)	\$ 30,368	\$ (16,561)
<b>Weighted average number of shares of common stock outstanding:</b>				
Basic	17,261,520	17,176,401	16,916,623	17,095,315
Diluted	17,292,988	17,176,401	16,992,974	17,095,315
<b>Per share amounts attributable to common stockholders:</b>				
Basic	\$ 1.55	\$ (0.44)	\$ 1.71	\$ (0.97)
Diluted	\$ 1.54	\$ (0.44)	\$ 1.70	\$ (0.97)

## Operating Results of Unconsolidated Properties

(amounts in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenues:				
Rental and other revenue	\$ 29,818	\$ 32,341	\$ 95,495	\$ 94,726
Total revenues	29,818	32,341	95,495	94,726
Expenses:				
Real estate operating expenses	14,587	16,092	45,523	45,298
Interest expense	7,568	8,663	24,562	26,186
Depreciation	8,288	10,411	28,464	31,184
Total expenses	30,443	35,166	98,549	102,668
Total revenues less total expenses	(625)	(2,825)	(3,054)	(7,942)
Other equity earnings	7	97	21	34
Impairment of assets	—	—	(2,813)	—
Insurance recoveries	—	—	2,813	—
Gain on insurance recoveries	1,246	427	1,246	765
Gain on sale of real estate	83,984	—	83,984	—
Loss on extinguishment of debt	(9,401)	—	(9,401)	—
Net income (loss) from joint ventures	\$ 75,211	\$ (2,301)	\$ 72,796	\$ (7,143)
BRT's equity in loss and equity in earnings from sale of unconsolidated joint venture properties	\$ 30,786	\$ (1,529)	\$ 28,949	\$ (4,731)

## Funds from Operations

(amounts in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)	\$ 30,368	\$ (16,561)
Add: depreciation of properties	1,787	1,777	4,740	5,147
Add: our share of depreciation in unconsolidated joint ventures	5,514	6,624	18,389	19,823
Add: Impairment charge	—	3,642	520	3,642
Add: our share of impairment charge in unconsolidated joint ventures	—	—	2,010	—
Deduct: our share of equity in earnings from sale of unconsolidated joint venture	(34,982)	—	(34,982)	—
Deduct: gain on sale of real estate and partnership interest	(414)	—	(9,937)	—
Adjustments for non-controlling interests	(4)	(4)	(12)	(12)
<b><i>NAREIT Funds from operations attributable to common stockholders</i></b>	<b>7</b>	<b>4,555</b>	<b>11,096</b>	<b>12,039</b>
Adjustments for: straight-line rent accruals	(10)	(10)	(30)	(30)
Add: loss on extinguishment of debt	902	—	902	—
Add: our share of loss on extinguishment of debt from unconsolidated joint ventures	4,581	—	4,581	—
Add: amortization of restricted stock and restricted stock units	843	461	1,950	1,360
Add: amortization of deferred borrowing costs	62	80	215	240
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	148	156	439	479
Less: our share of insurance recovery from unconsolidated joint ventures	—	—	(2,010)	—
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(880)	(350)	(880)	(519)
Adjustments for non-controlling interests	2	2	6	5
<b><i>Adjusted funds from operations attributable to common stockholders</i></b>	<b>\$ 5,655</b>	<b>\$ 4,894</b>	<b>\$ 16,269</b>	<b>\$ 13,574</b>

## Funds from Operations

(amounts in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net income (loss) attributable to common stockholders	\$ 1.54	\$ (0.44)	\$ 1.69	\$ (0.97)
Add: depreciation of properties	0.10	0.11	0.29	0.31
Add: our share of depreciation in unconsolidated joint ventures	0.30	0.39	1.04	1.16
Add: Impairment charge	—	0.21	0.03	0.21
Add: our share of impairment charge in unconsolidated joint venture	—	—	0.11	—
Deduct: our share of equity in earnings from sale of unconsolidated joint venture	(1.92)	—	(1.97)	—
Deduct: gain on sale of real estate	(0.02)	—	(0.56)	—
Adjustment for non-controlling interests	—	—	—	—
<b><i>NAREIT Funds from operations per diluted common share</i></b>	<b>—</b>	<b>0.27</b>	<b>0.63</b>	<b>0.71</b>
Adjustments for: straight line rent accruals	—	—	—	—
Add: loss on extinguishment of debt	0.05	—	0.05	—
Add: our share of loss on extinguishment of debt from unconsolidated joint ventures	0.25	—	0.26	—
Add: amortization of restricted stock and restricted stock units	0.05	0.02	0.11	0.08
Add: amortization of deferred borrowing costs	—	—	0.01	0.01
Add: our share of deferred mortgage costs from unconsolidated joint venture properties	0.01	0.01	0.02	0.03
Less: our share of insurance recovery from unconsolidated joint ventures	—	—	(0.11)	—
Less: our share of gain on insurance proceeds from unconsolidated joint venture	(0.05)	(0.02)	(0.05)	(0.03)
Adjustments for non-controlling interests	—	—	—	—
<b><i>Adjusted funds from operations per diluted common share</i></b>	<b>\$ 0.31</b>	<b>\$ 0.28</b>	<b>\$ 0.92</b>	<b>\$ 0.80</b>
<b><i>Diluted shares outstanding for FFO and AFFO</i></b>	<b>18,215,924</b>	<b>17,176,401</b>	<b>17,820,909</b>	<b>17,095,315</b>

	September 30, 2021 (unaudited)	December 31, 2020
<b>ASSETS</b>		
Real estate properties, net of accumulated depreciation	\$ 224,620	\$ 160,192
Investments in unconsolidated joint ventures	128,478	169,474
Cash and cash equivalents	29,598	19,885
Restricted cash	7,560	8,800
Other assets	7,792	7,390
Total Assets	<u>\$ 398,048</u>	<u>\$ 365,741</u>
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Mortgages payable, net of deferred costs	\$ 134,193	\$ 130,434
Junior subordinated notes, net of deferred costs	37,098	37,083
Accounts payable and accrued liabilities	20,464	20,536
Total Liabilities	191,755	188,053
Commitments and contingencies		
Equity:		
BRT Apartments Corp. stockholders' equity:		
Preferred shares \$.01 par value 2,000 shares authorized, none outstanding	—	—
Common stock, \$.01 par value, 300,000 shares authorized; 17,230 and 16,432 shares outstanding	173	164
Additional paid-in capital	255,960	245,605
Accumulated other comprehensive loss	—	(19)
Accumulated deficit	(49,861)	(67,978)
Total BRT Apartments Corp. stockholders' equity	206,272	177,772
Non-controlling interests	21	(84)
Total Equity	206,293	177,688
Total Liabilities and Equity	<u>\$ 398,048</u>	<u>\$ 365,741</u>

## Balance Sheet of Unconsolidated Joint Venture Entities

(amounts in thousands, except per share amounts)

At September 30, 2021, the Company held interests in unconsolidated joint ventures that own 27 multi-family properties (the "Unconsolidated Properties"). The condensed balance sheet below present information regarding such properties (dollars in thousands):

	September 30, 2021 (unaudited)
<b>ASSETS</b>	
Real estate properties, net of accumulated depreciation of \$142,413	\$ 824,624
Cash and cash equivalents	13,328
Other assets	34,415
Total Assets	<u>\$ 872,367</u>
<b>LIABILITIES AND EQUITY</b>	
Liabilities:	
Mortgages payable, net of deferred costs of \$3,953	\$ 659,148
Accounts payable and accrued liabilities	21,046
Total Liabilities	680,194
Commitments and contingencies	
Equity:	
Total unconsolidated joint venture equity	192,173
Total Liabilities and Equity	<u>\$ 872,367</u>

	September 30, 2021 (unaudited)
BRT's interest in joint venture equity	<u>\$ 128,478</u>
Unconsolidated Mortgages Payable:	
BRT Pro-Rata Share	\$ 443,468
Partner Share	215,680
Total	<u>\$ 659,148</u>



**Consolidated**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy	Average Rent per Occ. Unit
Texas	192	\$680	\$386	\$294	6.8%	98.3%	\$1,042
Georgia	448	1,701	782	919	21.3%	99.0%	1,125
Florida	276	1,192	496	696	16.2%	98.3%	1,267
Ohio	264	812	366	446	10.4%	96.1%	964
Virginia	220	1,087	433	654	15.2%	96.5%	1,490
South Carolina	208	867	415	452	10.5%	95.2%	1,267
Tennessee	402	964	368	596	13.8%	96.9%	1,526
Other (3)	—	406	158	248	5.8%	N/A	N/A
<b>Totals</b>	<b>2,010</b>	<b>\$7,709</b>	<b>\$3,404</b>	<b>\$4,305</b>	<b>100.0%</b>	<b>97.4%</b>	<b>\$1,217</b>

**Unconsolidated (Pro-Rata Share) (1)**

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	2,561	\$5,753	\$3,037	\$2,716	27.0%	95.3%	\$1,176
South Carolina	1,183	2,528	1,285	1,243	12.4%	95.7%	1,205
Georgia	511	1,314	583	731	7.3%	96.3%	1,044
Florida	242	690	403	287	2.9%	95.2%	1,145
Alabama	940	2,487	1,124	1,363	13.6%	96.5%	992
Mississippi	776	1,948	759	1,189	11.8%	98.0%	1,063
Tennessee	300	899	430	469	4.7%	96.4%	1,191
North Carolina	576	1,569	690	879	8.7%	95.3%	1,060
Missouri	355	1,250	595	655	6.5%	93.8%	1,380
Other (3)	—	1,143	626	517	5.1%	N/A	N/A
<b>Totals</b>	<b>7,444</b>	<b>\$19,581</b>	<b>\$9,532</b>	<b>\$10,049</b>	<b>100.0%</b>	<b>95.9%</b>	<b>\$1,136</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) Includes legacy assets and properties sold during the period presented, and for the unconsolidated properties includes Bells Bluff - Nashville, TN, at which we bought out our Joint Venture partner during the current quarter.

## Consolidated

	Units	Revenues	Property Operating Expenses	NOI (1)	% of NOI Contribution	Average Occupancy (2)	Average Rent per Occ. Unit (2)
Texas	192	\$2,006	\$1,073	\$933	7.7%	96.8%	\$1,027
Georgia	448	5,000	2,271	2,729	22.6%	97.7%	1,114
Florida	276	3,381	1,349	2,032	16.8%	98.2%	1,225
Ohio	264	2,394	1,032	1,362	11.3%	97.6%	938
Virginia	220	3,177	1,122	2,055	17.0%	98.1%	1,448
South Carolina	208	2,520	1,246	1,274	10.6%	95.5%	1,215
Tennessee	402	964	368	596	4.9%	96.9%	1,526
Other (3)	—	2,320	1,226	1,094	9.1%	N/A	N/A
<b>Totals</b>	<b>2,010</b>	<b>\$21,762</b>	<b>\$9,687</b>	<b>\$12,075</b>	<b>100.0%</b>	<b>97.4%</b>	<b>\$1,167</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	\$16,417	\$8,594	\$7,823	24.4%	93.6%	\$1,137
South Carolina	1,183	7,279	3,584	3,695	11.5%	93.8%	1,120
Georgia	511	3,900	1,771	2,129	6.7%	95.7%	1,038
Florida	242	1,992	1,022	970	3.0%	94.5%	1,110
Alabama	940	7,360	3,262	4,098	12.8%	96.3%	855
Mississippi	776	5,249	1,999	3,250	10.2%	98.1%	1,041
Tennessee	300	2,670	1,208	1,462	4.6%	96.9%	1,182
North Carolina	576	4,534	2,075	2,459	7.7%	94.8%	1,083
Missouri	355	3,670	1,879	1,791	5.6%	90.8%	1,390
Other (3)	—	8,211	3,885	4,326	13.5%	N/A	N/A
<b>Totals</b>	<b>7,444</b>	<b>\$61,282</b>	<b>\$29,279</b>	<b>\$32,003</b>	<b>100.0%</b>	<b>94.8%</b>	<b>\$1,088</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) Includes legacy assets and properties sold during the period presented, and for the unconsolidated properties, includes Bells Bluff - Nashville, TN, at which we bought out our Joint Venture partner during the current quarter.

**Consolidated Same Store Comparisons (1)**  
**Quarters ended September 30, 2021 and 2020**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
Georgia	448	\$1,701	\$1,596	6.6 %	\$782	\$658	18.8 %	\$919	\$938	(2.0) %
Florida	276	1,192	1,044	14.2 %	496	424	17.0 %	696	620	12.3 %
Texas	192	680	655	3.8 %	387	381	1.6 %	293	274	6.9 %
Ohio	264	812	768	5.7 %	366	327	11.9 %	446	441	1.1 %
Virginia	220	1,087	1,029	5.6 %	433	424	2.1 %	654	605	8.1 %
South Carolina	208	867	814	6.5 %	415	437	(5.0) %	452	377	19.9 %
<b>Totals</b>	<b>1,608</b>	<b>\$6,339</b>	<b>\$5,906</b>	<b>7.3 %</b>	<b>\$2,879</b>	<b>\$2,651</b>	<b>8.6 %</b>	<b>\$3,460</b>	<b>\$3,255</b>	<b>6.3 %</b>

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2021	2020	% Change	2021	2020	% Change
Georgia	99.0 %	96.4 %	2.7 %	\$1,125	\$1,092	3.0 %
Florida	98.3 %	97.7 %	0.6 %	1,267	1,130	12.1 %
Texas	98.3 %	96.2 %	2.2 %	1,042	1,034	0.8 %
Ohio	96.1 %	95.2 %	0.9 %	964	937	2.9 %
Virginia	96.5 %	97.9 %	(1.4) %	1,490	1,418	5.1 %
South Carolina	95.2 %	93.6 %	1.7 %	1,267	1,191	6.4 %
<b>Weighted Average</b>	<b>97.5 %</b>	<b>96.2 %</b>	<b>1.4 %</b>	<b>\$1,181</b>	<b>\$1,124</b>	<b>5.1 %</b>

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

**Consolidated Same Store Comparisons (1)**  
**Nine months ended September 30, 2021 and 2020**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
Georgia	448	\$5,000	\$4,710	6.2 %	\$2,271	\$1,870	21.4 %	\$2,729	\$2,840	(3.9) %
Florida	276	3,381	2,932	15.3 %	1,349	1,223	10.3 %	2,032	1,709	18.9 %
Texas	192	2,006	1,897	5.7 %	1,073	1,053	1.9 %	933	844	10.5 %
Ohio	264	2,394	2,255	6.2 %	1,032	1,006	2.6 %	1,362	1,249	9.0 %
Virginia	220	3,177	2,977	6.7 %	1,122	1,173	(4.3) %	2,055	1,804	13.9 %
South Carolina	208	2,520	2,408	4.7 %	1,246	1,294	(3.7) %	1,274	1,114	14.4 %
<b>Totals</b>	<b>1,608</b>	<b>\$18,478</b>	<b>\$17,179</b>	<b>7.6 %</b>	<b>\$8,093</b>	<b>\$7,619</b>	<b>6.2 %</b>	<b>\$10,385</b>	<b>\$9,560</b>	<b>8.6 %</b>

  

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2021	2020	% Change	2021	2020	% Change
Georgia	98.0 %	96.1 %	2.0 %	\$1,114	\$1,083	2.9 %
Florida	98.2 %	94.4 %	4.0 %	1,225	1,108	10.6 %
Texas	96.8 %	92.8 %	4.3 %	1,027	1,038	(1.1) %
Ohio	97.6 %	94.4 %	3.4 %	938	927	1.2 %
Virginia	98.1 %	95.4 %	2.8 %	1,448	1,410	2.7 %
South Carolina	95.5 %	93.1 %	2.6 %	1,215	1,178	3.1 %
<b>Weighted Average</b>	<b>97.5 %</b>	<b>94.6 %</b>	<b>3.1 %</b>	<b>\$1,153</b>	<b>\$1,114</b>	<b>3.5 %</b>

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

**Unconsolidated Same Store Comparisons (1)**  
**Quarters ended September 30, 2021 and 2020**  
**BRT Pro-rata Share**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
Texas	2,561	\$5,751	\$5,213	10.3 %	\$3,032	\$2,914	4.0 %	\$2,719	\$2,299	18.3 %
Georgia	511	1,314	1,278	2.8 %	583	631	(7.6) %	731	647	13.0 %
Florida	242	690	646	6.8 %	403	362	11.3 %	287	284	1.1 %
South Carolina	1,183	2,528	2,303	9.8 %	1,285	1,228	4.6 %	1,243	1,075	15.6 %
Mississippi	776	1,565	1,458	7.3 %	610	539	13.2 %	955	919	3.9 %
Alabama	940	2,487	2,341	6.2 %	1,124	1,067	5.3 %	1,363	1,274	7.0 %
Missouri	355	1,251	1,326	(5.7) %	597	627	(4.8) %	654	699	(6.4) %
North Carolina	576	1,568	1,439	9.0 %	690	645	7.0 %	878	794	10.6 %
Tennessee	300	899	878	2.4 %	430	404	6.4 %	469	474	(1.1) %
<b>Totals</b>	<b>7,444</b>	<b>\$18,053</b>	<b>\$16,882</b>	<b>6.9 %</b>	<b>\$8,754</b>	<b>\$8,417</b>	<b>4.0 %</b>	<b>\$9,299</b>	<b>\$8,465</b>	<b>9.9 %</b>

  

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2021	2020	% Change	2021	2020	% Change
Texas	95.3 %	90.5 %	5.3 %	\$1,176	\$1,122	4.8 %
Georgia	96.4 %	96.4 %	0.0 %	1,044	1,011	3.3 %
Florida	95.1 %	95.5 %	(0.4) %	1,145	1,074	6.6 %
South Carolina	95.1 %	94.8 %	0.3 %	1,140	1,087	4.9 %
Mississippi	98.0 %	97.3 %	0.7 %	1,063	998	6.5 %
Alabama	96.4 %	97.1 %	(0.7) %	992	920	7.8 %
Missouri	93.8 %	95.1 %	(1.4) %	1,380	1,494	(7.6) %
North Carolina	95.3 %	93.5 %	1.9 %	1,116	1,047	6.6 %
Tennessee	96.4 %	95.6 %	0.8 %	1,191	1,182	0.8 %
<b>Weighted Average</b>	<b>95.8 %</b>	<b>93.9 %</b>	<b>2.0 %</b>	<b>\$1,130</b>	<b>\$1,081</b>	<b>4.5 %</b>

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

**Unconsolidated Same Store Comparisons (1)**  
**Nine months ended September 30, 2021 and 2020**  
**BRT Pro-rata Share**  
(dollars in thousands, except monthly rent amounts)

	Units	Revenues			Property Operating Expenses			NOI		
		2021	2020	% Change	2021	2020	% Change	2021	2020	% Change
Texas	2,561	\$16,416	\$15,571	5.4 %	\$8,593	\$8,334	3.1 %	\$7,823	\$7,237	8.1 %
Georgia	511	3,900	3,657	6.6 %	1,771	1,813	(2.3) %	2,129	1,844	15.5 %
Florida	242	1,992	1,930	3.2 %	1,022	916	11.6 %	970	1,014	(4.3) %
South Carolina	844	5,409	5,023	7.7 %	2,870	2,758	4.1 %	2,539	2,265	12.1 %
Mississippi	776	4,614	4,290	7.6 %	1,753	1,568	11.8 %	2,861	2,722	5.1 %
Alabama	1,031	7,360	6,864	7.2 %	3,262	3,035	7.5 %	4,098	3,829	7.0 %
Missouri	355	3,670	3,949	(7.1) %	1,879	1,801	4.3 %	1,791	2,148	(16.6) %
Tennessee	300	2,670	2,641	1.1 %	1,208	1,024	18.0 %	1,462	1,617	(9.6) %
North Carolina	312	2,561	2,374	7.9 %	1,161	1,069	8.6 %	1,400	1,305	7.3 %
<b>Totals</b>	<b>6,932</b>	<b>\$48,592</b>	<b>\$46,299</b>	<b>5.0 %</b>	<b>\$23,519</b>	<b>\$22,318</b>	<b>5.4 %</b>	<b>\$25,073</b>	<b>\$23,981</b>	<b>4.6 %</b>

  

	Weighted Average Occupancy			Weighted Average Monthly Rent per Occupied Unit		
	2021	2020	% Change	2021	2020	% Change
Texas	93.7 %	91.0 %	3.0 %	\$1,137	\$1,119	1.6 %
Georgia	95.7 %	92.7 %	3.2 %	1,038	1,015	2.3 %
Florida	94.7 %	94.9 %	(0.2) %	1,110	1,083	2.5 %
South Carolina	93.8 %	91.4 %	2.6 %	1,120	1,103	1.5 %
Mississippi	98.1 %	96.6 %	1.6 %	1,042	987	5.6 %
Alabama	96.1 %	96.7 %	(0.6) %	855	793	7.8 %
Missouri	90.8 %	96.0 %	(5.4) %	1,390	1,487	(6.5) %
Tennessee	96.9 %	96.2 %	0.7 %	1,182	1,190	(0.7) %
North Carolina	95.4 %	94.1 %	1.4 %	1,184	1,102	7.4 %
<b>Weighted Average</b>	<b>94.8 %</b>	<b>93.4 %</b>	<b>1.5 %</b>	<b>\$1,093</b>	<b>\$1,068</b>	<b>2.3 %</b>

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

## Quarter Ended September 30,

Portfolio	2021			2020		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$7,709	\$3,404	\$4,305	\$7,020	\$3,289	\$3,731
Unconsolidated (1)	19,581	9,532	10,049	20,489	10,271	10,218
<b>Combined</b>	<b>\$27,290</b>	<b>\$12,936</b>	<b>\$14,354</b>	<b>\$27,509</b>	<b>\$13,560</b>	<b>\$13,949</b>

## Same Store

	2021			2020			Variance		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$6,339	\$2,879	\$3,460	\$5,906	\$2,651	\$3,255	7.3 %	8.6 %	6.3 %
Unconsolidated (1)	18,053	8,754	9,299	16,882	8,417	8,465	6.9 %	4.0 %	9.9 %
<b>Combined</b>	<b>\$24,392</b>	<b>\$11,633</b>	<b>\$12,759</b>	<b>\$22,788</b>	<b>\$11,068</b>	<b>\$11,720</b>	<b>7.0 %</b>	<b>5.1 %</b>	<b>8.9 %</b>

## Nine months ended September 30,

Portfolio	2021			2020		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$21,762	\$9,687	\$12,075	\$20,422	\$9,351	\$11,071
Unconsolidated (1)	61,282	29,279	32,003	59,971	28,767	31,204
<b>Combined</b>	<b>\$83,044</b>	<b>\$38,966</b>	<b>\$44,078</b>	<b>\$80,393</b>	<b>\$38,118</b>	<b>\$42,275</b>

## Same Store

	2021			2020			Variance		
	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI	Revenues	Property Operating Expenses	NOI
Consolidated	\$18,478	\$8,093	\$10,385	\$17,179	\$7,619	\$9,560	7.6 %	6.2 %	8.6 %
Unconsolidated (1)	48,592	23,519	25,073	46,299	22,318	23,981	5.0 %	5.4 %	4.6 %
<b>Combined</b>	<b>\$67,070</b>	<b>\$31,612</b>	<b>\$35,458</b>	<b>\$63,478</b>	<b>\$29,937</b>	<b>\$33,541</b>	<b>5.7 %</b>	<b>5.6 %</b>	<b>5.7 %</b>

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

**ACQUISITIONS****Acquisition of Joint Venture Interests**

Location	Purchase Date	Units	Purchase Price	Pre-Acquisition ownership % in the JV	Post-Acquisition Ownership %
Southaven, MS	5/4/2021	776	\$ 6,000	60 %	74.69 %
Nashville, TN	8/18/21	402	27,860	58.1 %	100 %
Greenville, SC	10/1/2021	266	1,570	90 %	100 %
		<u>1,444</u>	<u>\$ 35,430</u>		

**DISPOSITIONS****Disposition of Wholly-Owned Property**

Location	Sale Date	No. of Units	Sales Price	Gain on Sale
Houston, TX	5/26/2021	272	\$ 24,500	\$ 7,300

**Dispositions of Joint Venture Interests**

Location	Sale Date	No. of Units	Sales Price	BRT's Share of Gain on Sale	Partnership Interest
Daytona Beach, FL	4/20/2021	208	\$ 7,500	\$ 2,200	80.0 %
St. Louis, MO	11/4/2021	181	3,000	385	75.5 %
		<u>389</u>	<u>\$ 10,500</u>	<u>\$ 2,585</u>	

**Disposition of Property by Unconsolidated Joint Ventures**

Location	Sale Date	No. of Units	Sales Price	Gain on Sale	BRT's Share of Gain on Sale (1)	Loss on Extinguishment of Debt	BRT's Share of Loss on Extinguishment of Debt (1)
Ocoee, FL	7/20/2021	522	\$ 107,700	\$ 39,000	\$ 19,500	\$ 9,100	\$ 4,500
Lawrenceville, GA	7/28/2021	586	118,000	44,000	15,500	308	107
		<u>1,108</u>	<u>\$ 225,700</u>	<u>\$ 83,000</u>	<u>\$ 35,000</u>	<u>\$ 9,408</u>	<u>\$ 4,607</u>

(1) The term "share" refers to BRT's share of such item as determined in accordance with GAAP - not its pro-rata share.



**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)
67	\$437,000	\$6,522	\$226	42%	750

(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's Pro-Rata Share of Capital Expenditures
Estimated Recurring Capital Expenditures (1)	\$ 203,000	\$ 47,109	\$ 155,891
Estimated Non-Recurring Capital Expenditures (2)	1,872,000	441,696	1,430,304
Total Capital Expenditures	<u>\$ 2,075,000</u>	<u>\$ 488,805</u>	<u>\$ 1,586,195</u>
Replacements (operating expense) (3)	<u>\$ 604,403</u>	<u>\$ 184,121</u>	<u>\$ 420,282</u>
Estimated Recurring Capital Expenditures and Replacements per unit	<u>\$ 85</u>	<u>\$ 24</u>	<u>\$ 61</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.

**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)
2021	\$ 508	\$ 508	\$ —	\$ —	—
2022	30,990	1,598	29,392	43%	4.29%
2023	1,270	1,270	—	—	—
2024	1,316	1,316	—	—	—
2025	16,661	1,286	15,375	23%	4.42%
Thereafter	83,933	60,769	23,164	34%	3.77%
<b>Total</b>	<b>\$ 134,678</b>	<b>\$ 66,747</b>	<b>\$ 67,931</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)
2021	\$ 980	\$ 980	\$ —	—	—
2022	21,015	4,511	16,504	4%	3.35%
2023	29,685	5,100	24,585	6%	4.12%
2024	5,884	5,884	—	—	—
2025	6,914	6,914	—	—	—
Thereafter	378,990	27,561	351,429	90%	4.15%
<b>Total</b>	<b>\$ 443,468</b>	<b>\$ 50,950</b>	<b>\$ 392,518</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)
2021	\$ 1,488	\$ 1,488	\$ —	0%	4.29%
2022	52,005	6,109	45,896	10%	3.76%
2023	30,955	6,370	24,585	5%	4.05%
2024	7,200	7,200	—	0%	—
2025	23,575	8,200	15,375	4%	4.21%
Thereafter	462,923	88,330	374,593	81%	4.08%
<b>Total</b>	<b>\$ 578,146</b>	<b>\$ 117,697</b>	<b>\$ 460,449</b>	<b>100%</b>	

Weighted Average Remaining Term to Maturity (2) 8.2 years

Weighted Average Interest Rate (2) 4.00%

Debt Service Coverage Ratio for the quarter ended September 30, 2021 1.51 (3)

(1) Based on balloon payments at maturity. The Combined table Includes consolidated and BRT's pro-rata share.

(2) Includes consolidated and BRT's pro-rata share of 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. 2.13% at 9/30/21)
Maturity	April 30, 2036

**Credit Facility (as of November 8, 2021)**

Maximum Amount Available	Up to \$15,000
Amount Outstanding	\$0
Interest Rate	Prime + 0.50% (floor of 4.25%)

## NON-GAAP FINANCIAL MEASURES, DEFINITIONS, AND RECONCILIATIONS

(dollars in thousands)

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 September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
GAAP Net income (loss) attributable to common stockholders	\$ 28,106	\$ (7,484)	\$ 30,368	\$ (16,561)
Less: Other Income	(5)	(293)	(12)	(631)
Add: Interest expense	1,535	1,731	4,804	5,400
General and administrative	3,114	2,730	9,382	9,054
Impairment charge	—	3,642	520	3,642
Depreciation	1,787	1,777	4,740	5,147
Provision for taxes	31	65	155	192
Less: Gain on sale of real estate	(414)	—	(7,693)	—
Gain on sale of partnership interest	—	—	(2,244)	—
Equity in earnings from sale of unconsolidated joint venture properties	(34,982)	—	(34,982)	—
Add: Loss on extinguishment of debt	902	—	902	—
Equity in loss of unconsolidated joint venture properties	4,196	1,529	6,033	4,731
Add: Net income attributable to non-controlling interests	35	34	102	97
<b>Net Operating Income</b>	<b>\$ 4,305</b>	<b>\$ 3,731</b>	<b>\$ 12,075</b>	<b>\$ 11,071</b>
<b>Less: Non-same store Net Operating Income</b>	<b>\$ (845)</b>	<b>\$ (476)</b>	<b>\$ (1,690)</b>	<b>\$ (1,511)</b>
<b>Same store Net Operating Income</b>	<b>\$ 3,460</b>	<b>\$ 3,255</b>	<b>\$ 10,385</b>	<b>\$ 9,560</b>

## NON-GAAP FINANCIAL MEASURES, DEFINITIONS, AND RECONCILIATIONS

(dollars in thousands)

The following table provides a reconciliation of NOI to equity in loss of unconsolidated joint ventures as computed in accordance with GAAP for the periods presented for BRT's *pro rata share* of the unconsolidated properties:

Unconsolidated	Three Months Ended September 30,		Nine Months Ended September 30, 2021	
	2021	2020	2021	2020
BRT's equity in loss from joint ventures	\$ 30,786	\$ (1,529)	\$ 28,949	\$ (4,731)
Add: Interest expense	5,037	5,571	15,967	16,746
Depreciation	5,514	6,623	18,389	19,822
Less: Impairment of asset	—	—	2,010	—
Insurance recovery	—	—	(2,010)	—
Gain on insurance recovery	(880)	(350)	(880)	(519)
Gain on sale of real estate	(34,982)	—	(34,982)	—
Equity in earnings of joint ventures	(7)	(97)	(21)	(17)
Add: Loss on extinguishment of debt	4,581	—	4,581	—
<b>Net Operating Income</b>	<b>\$ 10,049</b>	<b>\$ 10,218</b>	<b>\$ 32,003</b>	<b>\$ 31,301</b>
<b>Less: Non-same store Net Operating Income</b>	<b>\$ (749)</b>	<b>\$ (1,753)</b>	<b>\$ (6,930)</b>	<b>\$ (7,223)</b>
<b>Same store Net Operating Income</b>	<b>\$ 9,300</b>	<b>\$ 8,465</b>	<b>\$ 25,073</b>	<b>\$ 24,078</b>
<b>Consolidated same store Net Operating Income</b>	<b>\$ 3,460</b>	<b>\$ 3,255</b>	<b>\$ 10,385</b>	<b>\$ 9,560</b>
<b>Unconsolidated same store Net Operating Income</b>	<b>9,300</b>	<b>8,465</b>	<b>25,073</b>	<b>24,078</b>
<b>Combined same store Net Operating Income</b>	<b>\$ 12,760</b>	<b>\$ 11,720</b>	<b>\$ 35,458</b>	<b>\$ 33,638</b>

## NON-GAAP FINANCIAL MEASURES, DEFINITIONS, AND RECONCILIATIONS

(dollars in thousands)

The condensed income statements for the unconsolidated properties below, present, for the periods indicated, a reconciliation of the information that appears in note 8 to the consolidated financial statements included in BRT's Quarterly Report on Form 10-Q for the period ended September 30, 2021 to the BRT pro-rata information presented below.

	Three Months Ended September 30, 2021		
	Total	JV Partner's Share	BRT's Pro-Rata Share
Revenues:			
Rental and other revenue	\$ 29,818	\$ 10,237	\$ 19,581
Total revenues	29,818	10,237	19,581
Expenses:			
Real estate operating expenses	14,587	5,055	9,532
Interest expense	7,568	2,531	5,037
Depreciation	8,288	2,774	5,514
Total expenses	30,443	10,360	20,083
Total revenues less total expenses	(625)	(123)	(502)
Other equity earnings	7	—	7
Gain on insurance recoveries	1,246	366	880
Gain on sale of real estate	83,984	49,002	34,982
Loss on extinguishment of debt	(9,401)	(4,820)	(4,581)
Net loss	\$ 75,211	\$ 44,425	\$ 30,786

(1)

(1)

(1)

	Three Months Ended September 30, 2020		
	Total	JV Partner's Share	BRT's Pro-Rata Share
Revenues:			
Rental and other revenue	\$ 32,341	\$ 11,852	\$ 20,489
Total revenues	\$ 32,341	\$ 11,852	\$ 20,489
Expenses:			
Real estate operating expenses	16,092	5,821	10,271
Interest expense	8,663	3,092	5,571
Depreciation	10,411	3,788	6,623
Total expenses	35,166	12,701	22,465
Total revenues less total expenses	(2,825)	(849)	(1,976)
Other equity earnings	97	—	97
Gain on insurance recoveries	427	—	350
Net loss	\$ (2,301)	\$ (772)	\$ (1,529)

(1)

(1) Reflects BRT's share as determined in accordance with GAAP - not its pro-rata share.

## NON-GAAP FINANCIAL MEASURES, DEFINITIONS, AND RECONCILIATIONS

(dollars in thousands)

The condensed income statements for the unconsolidated properties below present, for the periods indicated, a reconciliation of the information that appears in note 8 to the consolidated financial statements included in BRT's Quarterly Report on Form 10-Q for the period ended September 30, 2021 to the BRT pro-rata information presented below.

	Nine Months Ended September 30, 2021		
	Total	JV Partner's Share	BRT's Pro-Rata Share
Revenues:			
Rental and other revenue	\$ 95,495	\$ 34,213	\$ 61,282
Total revenues	95,495	34,213	61,282
Expenses:			
Real estate operating expenses	45,523	16,244	29,279
Interest expense	24,562	8,595	15,967
Depreciation	28,464	10,075	18,389
Total expenses	98,549	34,914	63,635
Total revenues less total expenses	(3,054)	(701)	(2,353)
Other equity earnings	21	—	21
Impairment of assets	(2,813)	(803)	(2,010)
Insurance recoveries	2,813	803	2,010
Gain on insurance recoveries	1,246	366	880
Gain on sale of real estate	83,984	49,002	34,982
Loss on extinguishment of debt	(9,401)	(4,820)	(4,581)
Net loss	\$ 72,796	\$ 43,847	\$ 28,949

(1)

(1)

(1)

	Nine Months Ended September 30, 2020		
	Total	JV Partner's Share	BRT's Pro-Rata Share
Revenues:			
Rental and other revenue	\$ 94,726	\$ 34,755	\$ 59,971
Total revenues	94,726	34,755	59,971
Expenses:			
Real estate operating expenses	45,298	16,531	28,767
Interest expense	26,186	9,440	16,746
Depreciation	31,184	11,362	19,822
Total expenses	102,668	37,333	65,335
Total revenues less total expenses	(7,942)	(2,578)	(5,364)
Other equity earnings	34	(80)	114
Gain on insurance recoveries	765	246	519
Net loss	\$ (7,143)	\$ (2,412)	\$ (4,731)

(1)

(1) Reflects BRT's share as determined in accordance with GAAP - not its pro-rata share.

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**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**

Newly constructed, lease-up, development and redevelopment properties are deemed stabilized upon the earlier to occur of the first full calendar quarter beginning (a) 12 months after the property is fully completed and put in service and (b) attainment of at least 90% physical occupancy.

**Same Store**

Same store refers to stabilized properties that are owned and operated by our consolidated and unconsolidated entities for the entirety of the 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 assumes that BRT wholly-owns the venture that owns such properties.

Property	City	State	Year Built	Year Acquired	Property Age	Units	Q3 2021 Avg. Occupancy	Q3 2021 Avg. Rent per Occ. Unit	% Ownership
<b>Consolidated Properties</b>									
Silvana Oaks	North Charleston	SC	2010	2012	12	208	95.2%	\$ 1,267	100%
Avondale Station	Decatur	GA	1950	2012	72	212	98.6%	1,195	100%
Newbridge Commons	Columbus	OH	1999	2013	23	264	96.1%	964	100%
Avalon	Pensacola	FL	2008	2014	14	276	98.3%	1,267	100%
Parkway Grande	San Marcos	TX	2014	2015	8	192	98.3%	1,042	100%
Woodland Trails	LaGrange	GA	2010	2015	12	236	99.3%	1,062	100%
Kilburn Crossing	Fredericksburg	VA	2005	2016	17	220	96.5%	1,490	100%
Bell's Bluff	Nashville	TN	2018	2018	4	402	96.9%	1,526	100%
Crestmont at Thornblade	Greenville	SC	1998	2018	24	266	96.2%	1,118	100%
<b>Weighted Avg./Total Consolidated</b>					<b>19</b>	<b>2,276</b>			
<b>Properties owned by Unconsolidated Joint Ventures</b>									
Brixworth at Bridgestreet	Huntsville	AL	1985	2013	37	208	95.9%	887	80%
Crossings of Bellevue	Nashville	TN	1985	2014	37	300	96.4%	1,191	80%
Retreat at Cinco Ranch	Katy	TX	2008	2016	14	268	97.1%	1,303	75%
Grove at River Place	Macon	GA	1988	2016	34	240	96.7%	795	80%
Civic Center 1	Southaven	MS	2002	2016	20	392	97.9%	1,036	74.7%
Verandas at Shavano Park	San Antonio	TX	2014	2016	8	288	94.8%	1,148	65%
Chatham Court and Reflections	Dallas	TX	1986	2016	36	494	96.5%	978	50%
Waters Edge at Harbison	Columbia	SC	1996	2016	26	204	90.0%	1,024	80%
Pointe at Lenox Park	Atlanta	GA	1989	2016	33	271	96.1%	1,266	74%
Civic Center 2	Southaven	MS	2005	2016	17	384	98.2%	1,091	74.7%
Verandas at Alamo Ranch	San Antonio	TX	2015	2016	7	288	91.8%	1,094	71.9%
Gateway Oaks	Forney	TX	2016	2016	6	313	96.0%	1,177	50%
Vanguard Heights	Creve Coeur	MO	2016	2017	6	174	94.3%	1,632	78.4%
Mercer Crossing	Dallas	TX	2014/2016	2017	8	509	97.6%	1,400	50%
Jackson Square	Tallahassee	FL	1996	2017	26	242	95.2%	1,145	80%
Magnolia Pointe	Madison	AL	1991	2017	31	204	95.4%	1,047	80%
Woodland Apartments	Boerne	TX	2007	2017	15	120	83.6%	1,011	80%
Canalside Lofts	Columbia	SC	2008/2013	2017	14	374	97.1%	1,216	32%
Landings of Carrier Parkway	Grand Prairie	TX	2001	2018	21	281	96.0%	1,158	50%
Canalside Sola	Columbia	SC	2018	2018	4	339	97.4%	1,363	46.2%
The Vive at Kellswater	Kannapolis	NC	2011	2019	11	312	94.9%	1,164	65%
Somerset at Trussville	Trussville	AL	2007	2019	15	328	97.5%	1,067	80%
The Village at Lakeside	Auburn	AL	1988	2019	34	200	96.0%	921	80%
Abbotts Run	Wilmington	NC	2001	2020	21	264	95.7%	939	80%
<b>Weighted Avg./Total Unconsolidated</b>					<b>19</b>	<b>6,997</b>			
<b>Weighted Avg./Total Portfolio</b>					<b>19</b>	<b>9,273</b>			