

BRT REALTY TRUST
Form 10-Q
August 08, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2007

OR

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

Commission File Number 001-07172

BRT REALTY TRUST

(Exact name of Registrant as specified in its charter)

Massachusetts
(State or other jurisdiction of
incorporation or organization)

13-2755856
(I.R.S. Employer
Identification No.)

60 Cutter Mill Road, Great Neck, NY
(Address of principal executive offices)

11021
(Zip Code)

516-466-3100

(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). (Check one):

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of stock, as of the latest practicable date.

11,175,805 Shares of Beneficial Interest,
\$3 par value, outstanding on August 3, 2007

Part 1 - FINANCIAL INFORMATION**Item 1. Financial Statements**

BRT REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

ASSETS

	June 30, 2007 (Unaudited)	September 30, 2006 (Audited)
Real estate loans:		
Earning interest, including \$-0- and \$550 from related parties	\$ 237,791	\$ 283,282
Not earning interest	23,375	1,346
	261,166	284,628
Allowance for possible losses	(1,669)	(669)
	259,497	283,959
Real estate properties, net of accumulated depreciation of \$754 and \$725		
	3,319	3,342
Investment in unconsolidated ventures at equity	13,642	9,608
Cash and cash equivalents	11,517	8,393
Available-for-sale securities at market	36,769	53,252
Real estate property held for sale	—	2,833
Other assets	10,077	9,655
Total Assets	\$ 334,821	\$ 371,042

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:

Borrowed funds	\$ 17,000	\$ 141,464
Junior subordinated notes	56,702	56,702
Mortgage payable	2,414	2,471
Accounts payable and accrued liabilities, including deposits payable of \$3,024 and \$5,061	7,526	11,479
Dividends payable	6,891	4,491
Total Liabilities	90,533	216,607

Commitments and contingencies

Shareholders' Equity:

Preferred shares, \$1 par value:

Authorized 10,000 shares, none issued — —

Shares of beneficial interest, \$3 par value:

Authorized number of shares, unlimited, issued 12,119 and 9,065 shares	36,356	27,194
Additional paid-in capital	157,441	85,498
Accumulated other comprehensive income - net unrealized gain on available-for-sale securities	26,876	38,319
Retained earnings	33,636	13,510
Cost of 1,163 and 1,171 treasury shares of beneficial interest	(10,021)	(10,086)
Total Shareholders' Equity	244,288	154,435

Total Liabilities and Shareholders' Equity	\$	334,821	\$	371,042
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See Accompanying Notes to Consolidated Financial Statements.

-2-

BRT REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Dollar amounts in thousands except per share amounts)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Revenues:				
Interest on real estate loans, including \$-0- and \$17 from related parties for the three month periods, respectively, and \$15 and \$92 for the nine month periods, respectively	\$ 8,310	\$ 8,081	\$ 27,237	\$ 20,080
Loan fee income	1,280	922	3,909	2,466
Operating income from real estate properties	362	323	1,112	867
Other, primarily investment income	592	780	2,025	2,214
Total Revenues	10,544	10,106	34,283	25,627
Expenses:				
Interest - borrowed funds	1,953	3,290	8,190	7,066
Advisor's fees, related party	477	708	1,835	1,873
Provision for loan loss	1,000	—	1,000	—
General and administrative - including \$203 and \$163 to related party for the three month periods, respectively, and \$659 and \$610 for the nine month periods, respectively.	1,605	1,464	4,955	4,537
Other taxes	446	110	1,231	358
Operating expenses relating to real estate properties including interest on mortgages payable of \$38 and \$39 for the three month periods, respectively, and \$115 and \$119 for the nine month periods, respectively	190	160	593	564
Amortization and depreciation	43	38	121	109
Total Expenses	5,714	5,770	17,925	14,507