

BRT Apartments Corp.

Form 10-Q

August 08, 2018

BRT APARTMENTS CORP.Accelerated

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2018

OR

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

Commission File Number 001-07172

BRT APARTMENTS CORP.

(Exact name of Registrant as specified in its charter)

Maryland **13-2755856**

(State or other (I.R.S.
jurisdiction of Employer

incorporation Identification
or No.)
organization)

**60 Cutter
Mill Road,
Great 11021
Neck, NY**

(Address of
principal (Zip
executive Code)
offices)

516-466-3100

(Registrant's telephone number, including area code)

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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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input checked="" type="checkbox"/>
Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>

(Do not check if
a smaller
reporting
company)

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

15,674,802 Shares of Common Stock,
par value \$0.01 per share, outstanding on August 2, 2018

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Table of Contents**Part I FINANCIAL INFORMATION****Item 1. Financial Statements****BRT APARTMENTS CORP. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS****(Dollars in thousands, except per share data)**

	June 30, 2018 (Unaudited)	September 30, 2017
ASSETS		
Real estate properties, net of accumulated depreciation and amortization of \$77,692 and \$64,290	\$ 1,054,484	\$ 902,281
Real estate loan	5,050	5,500
Cash and cash equivalents	25,061	12,383
Restricted cash	7,630	6,151
Deposits and escrows	23,265	27,839
Investments in unconsolidated joint ventures	20,542	21,415
Other assets	8,573	9,359
Real estate property held for sale	—	8,969
Total Assets (a)	\$ 1,144,605	\$ 993,897
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages payable, net of deferred costs of \$6,673 and \$6,345	783,532	697,826
Junior subordinated notes, net of deferred costs of \$367 and \$382	37,033	37,018
Accounts payable and accrued liabilities	22,554	22,348

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Total Liabilities (a)	843,119	757,192
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; 14,410 and 13,333 shares outstanding	144	133
Additional paid-in capital	214,716	201,910
Accumulated other comprehensive income	2,408	1,000
Accumulated deficit	(18,626)	(37,047)
Total BRT Apartments Corp. stockholders' equity	198,642	165,996
Non-controlling interests	102,844	70,709
Total Equity	301,486	236,705
Total Liabilities and Equity	\$ 1,144,605	\$ 993,897

(a) The Company's consolidated balance sheets include the assets and liabilities of consolidated variable interest entities (VIEs). See note 6. The consolidated balance sheets include the following amounts related to the Company's VIEs as of June 30, 2018 and September 30, 2017, respectively: \$655,889 and \$707,546 of real estate properties, \$7,041 and \$8,626 of cash and cash equivalents, \$9,916 and \$13,873 of deposits and escrows, \$6,629 and \$8,148 of other assets, \$0 and \$8,969 of real estate properties held for sale, \$500,912 and \$558,568 of mortgages payable and \$10,893 and \$14,419 of accounts payable and accrued liabilities.

See accompanying notes to consolidated financial statements.

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

	Three Months Ended June 30,			Nine Months Ended June 30,	
	2018	2017	2018	2017	
Revenues:					
Rental and other revenues from real estate properties	\$ 29,951	\$ 26,673	\$ 87,589	\$ 76,404	
Other income	203	188	565	980	
Total revenues	30,154	26,861	88,154	77,384	
Expenses:					
Real estate operating expenses - including \$851 and \$696 to related parties for the three months ended and \$2,472 and \$1,948 for the nine months ended	14,459	13,283	42,004	37,638	
Interest expense	8,786	7,180	25,423	20,269	
General and administrative - including \$160 and \$84 to related parties for the three months ended and \$389 and \$266 for the nine months ended	2,452	2,309	7,208	7,296	
Depreciation	10,200	7,561	28,088	21,630	
Total expenses	35,897	30,333	102,723	86,833	
Total revenue less total expenses	(5,743)	(3,472)	(14,569)	(9,449)	
Equity in loss of unconsolidated joint ventures	(127)	(307)	(215)	(307)	
	—	—	64,500	35,838	

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Gain on sale of real estate					
Gain on insurance recovery	—	—	3,227	—	
Loss on extinguishment of debt	—	—	(850)	(799)	
(Loss) income from continuing operations	(5,870)	(3,779)	52,093	25,283	
Income tax provision (benefit)	101	41	(46)	1,499	
Net (loss) income from continuing operations, net of taxes	(5,971)	(3,820)	52,139	23,784	
Net loss (income) attributable to non-controlling interests	1,282	418	(25,255)	(15,645)	
Net (loss) income attributable to common stockholders	\$ (4,689)	\$ (3,402)	\$ 26,884	\$ 8,139	
Weighted average number of shares of common stock outstanding:					
Basic	14,411,940	14,035,074	14,224,680	13,983,495	
Diluted	14,411,940	14,035,074	14,358,013	13,983,495	
Per share amounts attributable to common stockholders:					
Basic	\$ (0.33)	\$ (0.24)	\$ 1.89	\$ 0.58	
Diluted	\$ (0.33)	\$ (0.24)	\$ 1.87	\$ 0.58	

See accompanying notes to consolidated financial statements.

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BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Unaudited)
(Dollars in thousands)

	Three Months Ended June 30,			Nine Months Ended June 30,	
	2018	2017	2018	2017	
Net (loss) income \$	(5,971)	\$ (3,820)	\$ 52,139	\$ 23,784	
Other comprehensive income:					
Unrealized gain (loss) on derivative instruments	398	(228)	2,032	3,074	
Other comprehensive income (loss)	398	(228)	2,032	3,074	
Comprehensive (loss) income	(5,573)	(4,048)	54,171	26,858	
Comprehensive loss (income) attributable to non-controlling interests	1,160	1,260	(25,879)	(16,099)	
Comprehensive (loss) income attributable to common stockholders	\$ (4,413)	\$ (2,788)	\$ 28,292	\$ 10,759	

See accompanying notes to consolidated financial statements.

Table of Contents**BRT APARTMENTS CORP. AND SUBSIDIARIES****CONSOLIDATED STATEMENT OF EQUITY****Nine Months Ended June 30, 2018****(Unaudited)****(Dollars in thousands, except share data)**

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Non- Controlling Interest	Total
Balances, September 30, 2017	\$ 133	\$ 201,910	\$ 1,000	\$ (37,047)	\$ 70,709	\$ 236,705
Distributions - common stock - \$0.58 per share	—	—	—	(8,463)	—	(8,463)
Restricted stock vesting	1	(1)	—	—	—	—
Compensation expense - restricted stock and restricted stock units	—	973	—	—	—	973
Contributions from non-controlling interests	—	—	—	—	32,553	32,553
Consolidation of investment in limited partnership	—	—	—	—	12,370	12,370
Distributions to non-controlling interests	—	—	—	—	(38,499)	(38,499)
Purchase of non-controlling interest	—	(82)	—	—	(168)	(250)
Shares issued through equity offering program, net	10	11,916	—	—	—	11,926

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Net income	—	—	—	26,884	25,255	52,139
Other comprehensive income	—	—	1,408	—	624	2,032
Comprehensive income	—	—	—	—	—	54,171
Balances, June 30, 2018	\$ 144	\$ 214,716	\$ 2,408	\$ (18,626)	\$ 102,844	\$ 301,486

See accompanying notes to consolidated financial statements.

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BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited) (Dollars in Thousands)

	Nine Months Ended June 30,	
	2018	2017
Cash flows from operating activities:		
Net income	\$ 52,139	\$ 23,784
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	28,088	21,630
Amortization of deferred borrowing fees	1,130	889
Amortization of restricted stock and restricted stock units	973	1,063
Equity in loss of unconsolidated joint ventures	215	307
Gain on sale of real estate	(64,500)	(35,838)
Gain on insurance recovery	(3,227)	—
Loss on extinguishment of debt	850	799
Increases and decreases from changes in other assets and liabilities:		
Decrease in interest receivable	—	2,328
Decrease (increase) in deposits and escrows	8,135	(7,435)
Decrease in other	6,068	910

assets		
Decrease in accounts payable and accrued liabilities	(59)	(2,033)
Net cash provided by operating activities	29,812	6,404
Cash flows from investing activities:		
Collections from real estate loan	450	13,850
Additions to real estate properties	(177,343)	(196,810)
Net costs capitalized to real estate properties	(11,629)	(7,261)
(Increase) decrease in restricted cash	(1,479)	1,592
Investment in limited partnership	(12,370)	—
Purchase of non-controlling interests	(250)	—
Consolidation of investment in limited partnership	1,279	—
Net proceeds from the sale of real estate properties	168,691	128,647
Distributions from unconsolidated joint ventures	656	282
Contributions to unconsolidated joint ventures	—	(14,394)
Net cash (used in) provided by investing activities	(31,995)	(74,094)
Cash flows from financing activities:		
Proceeds from mortgages payable	106,994	131,344

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Mortgage payoffs	(84,726)	(79,215)
Mortgage principal payments	(3,752)	(3,858)
Increase in deferred financing costs	(1,323)	(2,527)
Dividends paid	(8,312)	—
Contributions from non-controlling interests	32,553	28,744
Distributions to non-controlling interests	(38,499)	(24,231)
Proceeds from the sale of common stock	11,926	—
Repurchase of shares of beneficial interest/common stock	—	(171)
Net cash provided by financing activities	14,861	50,086
Net increase (decrease) in cash and cash equivalents	12,678	(17,604)
Cash and cash equivalents at beginning of period	12,383	27,399
Cash and cash equivalents at end of period	\$ 25,061	\$ 9,795

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BRT APARTMENTS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
(Unaudited)
(Dollars in Thousands)

	Nine Months Ended June 30,	
	2018	2017
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$27 and \$249, respectively	\$ 23,385	\$ 19,353
Taxes paid	\$ 139	1,899
Acquisition of real estate through assumption of debt	\$ 13,608	\$ 27,638
Real estate properties reclassified to assets held for sale	\$ —	\$ 21,515
Consolidation of investment in limited partnership:		
Increase in real estate assets	\$ (72,395)	\$ —
Increase in deposits and escrows	(3,561)	—
Increase in other assets	(20)	—
Increase in mortgage payable	53,060	—
Increase in deferred financing costs	(657)	—

Increase in accounts payable and accrued liabilities	112	—
Increase in noncontrolling interest	12,370	—
Decrease in investment in limited partnership	12,370	—
Increase in cash upon consolidation of limited partnership	\$ 1,279	\$ —

See accompanying notes to consolidated financial statements.

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BRT APARTMENTS CORP. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2018

Note 1 – Organization and Background

BRT Apartments Corp. (the "Company"), a Maryland corporation, owns, operates and develops multi-family properties. The Company conducts its operations to qualify as a real estate investment trust, or REIT, for federal income tax purposes.

Generally, the multi-family properties are acquired with joint venture partners in transactions in which the Company contributes a significant portion of the equity. At June 30, 2018, the Company owns: (a) 36 multi-family properties with 10,121 units (including 402 units at a property under development), located in 11 states with a carrying value of \$1,044,063,000; and (b) interests in three unconsolidated multi-family joint ventures with a carrying value of \$20,328,000.

Note 2 – Basis of Preparation

The accompanying interim unaudited consolidated financial statements as of June 30, 2018, and for the three and nine months ended June 30, 2018 and 2017, reflect all normal recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the results for such interim periods. The results of operations for the three and nine months ended June 30, 2018 and 2017, are not necessarily indicative of the results for the full year. The consolidated balance sheet as of September 30, 2017, has been derived from the audited financial statements at that date but does not include all the information and footnotes required by accounting principles generally accepted in the United States ("GAAP") for complete financial statements.

The consolidated financial statements include the accounts and operations of the Company, its wholly owned subsidiaries, and its majority owned or controlled real estate entities and its interests in variable interest entities ("VIEs") in which the Company is determined to be the primary beneficiary. Material intercompany balances and transactions have been eliminated.

The Company's consolidated joint ventures that own multi-family properties were determined to be VIEs because the voting rights of some equity investors in the applicable joint venture entity are not proportional to their obligations to absorb the expected losses of the entity and their right to receive the expected residual returns. It was determined that the Company is the primary beneficiary of these joint ventures because it has a controlling interest in that it has the power to direct the activities of the VIE that most significantly impact the entity's economic performance and it has the obligation to absorb losses of the entity and the right to receive benefits that could potentially be significant to the VIE.

The joint ventures that own properties in Ocoee, FL, Lawrenceville, GA, Dallas, TX, Farmers Branch, TX and Grand Prairie, TX were determined not to be a VIEs but are consolidated because the Company has controlling rights in such entities.

With respect to its unconsolidated joint ventures, as (i) the Company is primarily the managing member but does not exercise substantial operating control over these entities or the Company is not the managing member and (ii) such entities are not VIEs, the Company has determined that such joint ventures should be accounted for under the equity method of accounting for financial statement purposes.

The distributions to each joint venture partner are determined pursuant to the applicable operating agreement and may not be pro-rata to the percentage equity interest each partner has in the applicable venture.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Actual results could differ from those estimates. Substantially all of the Company's assets are comprised of multi-family real estate assets generally leased to tenants on a one-year basis. Therefore, the Company aggregates real estate assets for reporting purposes and operates in one reportable segment.

Note 3 - Equity

Equity Distribution Agreements

In January 2018, the Company entered into equity distribution agreements, which were amended in May 2018, with three sales agents to sell up to an aggregate of \$30,000,000 of its common stock from time-to-time in an at-the-market offering. During the quarter ended June 30, 2018, the Company sold 835,374 shares of common stock for net proceeds of

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\$10,525,000, after giving effect to related fees and commissions of \$218,000. Since the commencement of the at-the-market offering program through June 30, 2018, we sold 948,940 shares for an aggregate sales price of \$12,237,000. From July 1, 2018 through August 2, 2018, the Company sold 558,777 shares of common stock for net proceeds of \$7,437,000, after giving effect to related fees and commissions of \$154,000.

Common Stock Dividend Distribution

The Company declared a quarterly cash distribution of \$0.20 per share, payable on July 6, 2018, to stockholders of record on June 25, 2018.

Stock Based Compensation

The Company's Amended and Restated 2018 Incentive Plan (the "2018 Plan") permits the Company to grant: (i) stock options, restricted stock, restricted stock units, performance share awards and any one or more of the foregoing, up to a maximum of 600,000 shares; and (ii) cash settled dividend equivalent rights in tandem with the grant of restricted stock units and certain performance based awards.

Restricted Stock Units

In June 2016, the Company issued restricted stock units (the "Units") to acquire up to 450,000 shares of common stock pursuant to the 2016 Amended and Restated Incentive Plan (the "2016 Incentive Plan"). The Units entitle the recipients, subject to continued service through the March 31, 2021 vesting date, to receive (i) the underlying shares if and to the extent certain performance and/or market conditions are satisfied at the vesting date, and (ii) an amount equal to the cash dividends paid from the grant date through the vesting date with respect to the shares of common stock underlying the Units if, when, and to the extent, the related Units vest. For financial statement purposes, because the Units are not participating securities, the shares underlying the Units are excluded in the outstanding shares reflected on the consolidated balance sheet and from the calculation of basic earnings per share. The shares underlying the Units are contingently issuable shares and 200,000 of these shares have been included in the diluted earnings per share as the market conditions with respect to such units had been met at June 30, 2018.

Expense is recognized over the five year vesting period on the Units which the Company expects to vest. For the three months ended June 30, 2018 and 2017, the Company recorded \$73,000 and \$110,000, respectively, and for the nine months ended June 30, 2018 and 2017, the Company recorded \$219,000 and \$329,000, respectively, of compensation expense related to the amortization of unearned compensation with respect to the Units. At June 30, 2018, and September 30, 2017, \$797,000 and \$1,015,000 of compensation expense, respectively, had been deferred and will be charged to expense over the remaining vesting period.

Restricted Stock

In March 2018, the Company granted 144,797 shares of restricted stock pursuant to the 2018 Incentive Plan. As of June 30, 2018, an aggregate of 706,097 shares of unvested restricted stock are outstanding pursuant to the 2018 Incentive Plan, 2016 Incentive Plan and 2012 Incentive Plan. No additional awards may be granted under the 2016 Incentive Plan and 2012 Incentive Plan. The shares of restricted stock vest five years from the date of grant and under specified circumstances, including a change in control, may vest earlier. For financial statement purposes, the restricted stock is not included in the outstanding shares shown on the consolidated balance sheets until they vest, but are included in the earnings per share computation.

For the three months ended June 30, 2018 and 2017, the Company recorded \$287,000 and \$243,000, respectively, and for the nine months ended June 30, 2018 and 2017, the Company recorded \$754,000 and \$733,000, respectively, of compensation expense related to the amortization of unearned compensation with respect to the restricted stock awards. At June 30, 2018 and September 30, 2017, \$3,313,000 and \$2,356,000 has been deferred as unearned compensation and will be charged to expense over the remaining vesting periods of these restricted stock awards. The weighted average remaining vesting period of these shares of restricted stock is 2.6 years.

Stock Buyback

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On September 5, 2017, the Board of Directors approved a repurchase plan authorizing the Company, effective as of October 1, 2017, to repurchase up to \$5,000,000 of shares of common stock through September 30, 2019. No shares have been repurchased pursuant to this plan.

Per Share Data

Basic earnings per share is determined by dividing net income applicable to common stockholders for the applicable period by the weighted average number of shares of common stock outstanding during such period. The Units are excluded from the basic earnings per share calculation, as they are not participating securities. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into shares of common stock or resulted in the issuance of shares of common stock that share in the earnings of the Company. Diluted earnings per share is determined by dividing net income applicable to common stockholders for the applicable period by the weighted average number of shares of common stock deemed to be outstanding during such period. For the nine months ended June 30, 2018, the Company included 133,333 shares of common stock underlying the Units in the calculation of diluted earning per share as a market criteria, with respect to the units, has been met at June 30, 2018.

The following table sets forth the computation of basic and diluted earnings per share (dollars in thousands, except share amounts):

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2018	2017	2018	2017
Numerator for basic and diluted (loss) earnings per share attributable to common stockholders:				
Net (loss) income attributable to common stockholders	\$ (4,689)	\$ (3,402)	26,884	8,139
Denominator:				
Denominator for basic (loss) earnings per share—weighted average number of shares	14,411,940	14,035,074	14,224,680	13,983,495
Effect of diluted securities (a)	—	—	133,333	—
Denominator for diluted (loss) earnings per share—adjusted weighted average number	14,411,940	14,035,074	14,358,013	13,983,495

of shares and
assumed
conversions

Basic (loss) earnings per share	\$	(0.33)	\$	(0.24)	\$	1.89	\$	0.58
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Diluted (loss) earnings per share	\$	(0.33)	\$	(0.24)	\$	1.87	\$	0.58
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(a) For the three months ended June 30, 2018, no shares were included as their effect would have been anti-dilutive.

Note 4 Real Estate Properties

Real estate properties (including properties held for sale) consist of the following (dollars in thousands):

	June 30, 2018	September 30, 2017
Land	\$ 167,477	\$ 138,094
Building	929,305	808,366
Building improvements	35,394	31,411
Real estate properties	1,132,176	977,871
Accumulated depreciation	(77,692)	(66,621)
Total real estate properties, net	\$ 1,054,484	\$ 911,250

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A summary of real estate properties owned (including properties held for sale) follows (dollars in thousands):

	September 30, 2017 Balance	Additions	Capitalized Costs and Improvements	Depreciation	Sales	June 30, 2018 Balance
Multi-family	\$ 890,300	\$ 240,374	\$ 11,629	\$ (28,006)	\$ (104,396)	\$ 1,009,901
Multi-family development						
- West Nashville, TN	10,448	23,715	—	—	—	34,163
Land - Daytona, FL	8,021	—	—	—	—	8,021
Shopping centers/Retail - Yonkers, NY	2,481	—	—	(82)	—	2,399
Total real estate properties	\$ 911,250	\$ 264,089	\$ 11,629	\$ (28,088)	\$ (104,396)	\$ 1,054,484

The following table summarizes the allocation of the purchase price of six properties purchased during the nine months ended June 30, 2018 (dollars in thousands):

	Purchase Price Allocation
Land	\$ 44,040
Building and improvements	184,003
Acquisition-related intangible assets	5,355
Total consideration	\$ 233,398

The purchase price of properties acquired, inclusive of acquisition costs, were allocated to the acquired assets based on their estimated relative fair values on the acquisition dates. During the nine months ended June 30, 2018, there have been no changes made to the previously recorded purchase price allocations.

As result of the damage caused by Hurricane Harvey in 2017, the Company reduced the carrying value of Retreat at Cinco Ranch, located in Katy, TX by \$3,471,000 and, because the Company believed it was probable that it would recover such sum from its insurance coverage, recorded a receivable for the same amount. Through June 30, 2018, the Company received \$7,384,000 in insurance recoveries related to Hurricane Harvey, of which \$3,227,000 is recorded as a gain on insurance recovery in the nine months ended June 30, 2018 and \$686,000 has been recognized as rental income (*i.e.*, \$98,000 in 2017 and \$294,000 and \$588,000 in the three and nine months ended June 30, 2018, respectively.)

Note 5 Acquisitions and Dispositions

Property Acquisitions

The table below provides information regarding the Company's purchases of multi-family properties for the nine months ended June 30, 2018 (dollars in thousands):

Location	Purchase Date	No. of Units	Purchase Price	Acquisition Mortgage Debt	Initial BRT Equity	Ownership Percentage	Capitalized Acquisition Costs
Madison, AL	12/7/2017	204	\$ 18,420	\$ 15,000	\$ 4,456	8%	\$ 247
Boerne, TX (a)	12/14/2017	120	12,000	9,200	3,780	8%	244
Ocoee, FL	2/7/2018	522	71,347	53,060	12,370	5%	1,047
Lawrenceville, GA	2/15/2018	586	77,229	54,447	15,179	5%	767
Daytona, FL	4/30/2018	208	20,500	13,608	6,900	8%	386
Grand Prairie, TX	5/17/2018	281	30,800	18,995	7,300	5%	411
		1,921	\$ 230,296	\$ 164,310	\$ 49,985		\$ 3,102

(a) Includes \$500 for the acquisition of a land parcel adjacent to the property.

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In the quarter ended June 30, 2018, the Company purchased its partner's 2.5% equity interest in Avalon Apartments, located in Pensacola, FL, for \$250,000. The property is now wholly owned by the Company.

The table below provides information regarding the Company's purchases of multi-family properties during the nine months ended June 30, 2017 (dollars in thousands):

Location	Purchase Date	No. of Units	Purchase Price	Acquisition Mortgage Debt	Initial BRT Equity	Ownership Percentage	Capitalized Acquisition Costs
Fredricksburg, VA	11/4/2016	220	\$ 38,490	\$ 29,940	\$ 8,720	8%	\$ 643
St. Louis, MO	2/28/2017	128	27,000	20,000	6,001	7%	423
St. Louis, MO	2/28/2017	53	8,000	6,200	2,002	7%	134
Creve Coeur, MO	4/4/2017	174	39,600	29,000	9,408	7%	569
West Nashville, TN	6/2/2017	402	5,228	—	4,800	5%	—
Farmers Branch, TX	6/29/2017	509	85,698	55,200	16,200	5%	992
		1,486					