

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 October 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 1-4702

AMREP Corporation

(Exact Name of Registrant as Specified in its Charter)

Oklahoma	59-0936128
State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification No.
850 West Chester Pike, Suite 205, Havertown, PA	19083
Address of Principal Executive Offices	Zip Code
(610) 487-0905	
Registrant's Telephone Number, Including Area Code	

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$0.10 par value	AXR	New York Stock Exchange

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 (the "Exchange Act") 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

Number of Shares of Common Stock, par value \$.10 per share, outstanding at December 10, 2024 – 5,287,449.

AMREP CORPORATION AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****AMREP CORPORATION AND SUBSIDIARIES**
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share amounts)

	October 31, 2024 (Unaudited)	April 30, 2024
<u>ASSETS</u>		
Cash and cash equivalents	\$ 40,080	\$ 29,694
Restricted cash	547	547
Real estate inventory	63,354	65,983
Investment assets, net	12,972	12,551
Other assets	2,761	2,990
Income taxes receivable	—	27
Deferred income taxes, net	9,367	11,038
TOTAL ASSETS	\$ 129,081	\$ 122,830
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 3,410	\$ 4,745
Notes payable	32	35
Income taxes payable	563	—
TOTAL LIABILITIES	4,005	4,780
Commitments and Contingencies (Note 11)		
SHAREHOLDERS' EQUITY:		
Common stock, \$.10 par value; shares authorized – 20,000,000; shares issued – 5,287,449 at October 31, 2024 and 5,271,309 at April 30, 2024	527	526
Capital contributed in excess of par value	33,135	32,986
Retained earnings	91,414	83,308
Accumulated other comprehensive income, net	—	1,230
TOTAL SHAREHOLDERS' EQUITY	125,076	118,050
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 129,081	\$ 122,830

The accompanying notes to unaudited condensed consolidated financial statements are an integral part of these unaudited condensed consolidated financial statements.

AMREP CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

Three and Six Months Ended October 31, 2024 and 2023

(Amounts in thousands, except per share amounts)

	Three Months ended October 31,		Six Months ended October 31,	
	2024	2023	2024	2023
REVENUES:				
Land sale revenues	\$ 5,857	\$ 4,884	\$ 15,206	\$ 11,542
Home sale revenues	5,334	3,521	14,326	6,923
Other revenues	715	449	1,465	678
Total revenues	<u>11,906</u>	<u>8,854</u>	<u>30,997</u>	<u>19,143</u>
COSTS AND EXPENSES:				
Land sale cost of revenues, net	2,326	3,581	7,235	7,864
Home sale cost of revenues	4,277	2,513	11,522	4,903
Other cost of revenues	334	163	648	181
General and administrative expenses	1,825	1,546	3,456	3,121
Total costs and expenses	<u>8,762</u>	<u>7,803</u>	<u>22,861</u>	<u>16,069</u>
Operating income	<u>3,144</u>	<u>1,051</u>	<u>8,136</u>	<u>3,074</u>
Interest income, net	576	163	857	211
Income before income taxes	<u>3,720</u>	<u>1,214</u>	<u>8,993</u>	<u>3,285</u>
Benefit (provision) for income taxes	322	(106)	(887)	(831)
Net income	<u>\$ 4,042</u>	<u>\$ 1,108</u>	<u>\$ 8,106</u>	<u>\$ 2,454</u>
Earnings per share – basic	<u>\$ 0.76</u>	<u>\$ 0.21</u>	<u>\$ 1.53</u>	<u>\$ 0.46</u>
Earnings per share – diluted	<u>\$ 0.75</u>	<u>\$ 0.21</u>	<u>\$ 1.51</u>	<u>\$ 0.46</u>
Weighted average number of common shares outstanding – basic	<u>5,320</u>	<u>5,301</u>	<u>5,314</u>	<u>5,296</u>
Weighted average number of common shares outstanding – diluted	<u>5,374</u>	<u>5,339</u>	<u>5,367</u>	<u>5,333</u>

The accompanying notes to unaudited condensed consolidated financial statements are an integral part of these unaudited condensed consolidated financial statements.

AMREP CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

Three and Six Months Ended October 31, 2024 and 2023

(Amounts in thousands)

	Three Months ended October 31,		Six Months ended October 31,	
	2024	2023	2024	2023
Net income	\$ 4,042	\$ 1,108	\$ 8,106	\$ 2,454
Other comprehensive income, net of tax:				
Reclassification of the balance of accumulated other comprehensive income (loss) to a benefit for income taxes	(1,230)	—	(1,230)	—
Decrease in pension liability	—	—	—	1
Income tax effect	—	—	—	—
Decrease in pension liability, net of tax	—	—	—	1
Other comprehensive income	(1,230)	—	(1,230)	1
Total comprehensive income	<u>\$ 2,812</u>	<u>\$ 1,108</u>	<u>\$ 6,876</u>	<u>\$ 2,455</u>

The accompanying notes to unaudited condensed consolidated financial statements are an integral part of these unaudited condensed consolidated financial statements.

AMREP CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)
 Three and Six Months Ended October 31, 2024 and 2023
 (Amounts in thousands)

	Common Stock		Capital Contributed in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount				
Balance, August 1, 2023	5,271	\$ 526	\$ 32,698	\$ 77,964	\$ 1,170	\$ 112,358
Stock compensation expense	—	—	64	—	—	64
Compensation related to issuance of option to purchase common stock	—	—	13	—	—	13
Net income	—	—	—	1,108	—	1,108
Balance, October 31, 2023	<u>5,271</u>	<u>\$ 526</u>	<u>\$ 32,775</u>	<u>\$ 79,072</u>	<u>\$ 1,170</u>	<u>\$ 113,543</u>
Balance, August 1, 2024	5,287	\$ 526	\$ 33,043	\$ 87,372	\$ 1,230	\$ 122,171
Stock compensation expense	—	1	80	—	—	81
Compensation related to issuance of option to purchase common stock	—	—	12	—	—	12
Net income	—	—	—	4,042	—	4,042
Other comprehensive income	—	—	—	—	(1,230)	(1,230)
Balance, October 31, 2024	<u>5,287</u>	<u>\$ 527</u>	<u>\$ 33,135</u>	<u>\$ 91,414</u>	<u>\$ —</u>	<u>\$ 125,076</u>
Balance, May 1, 2023	5,255	\$ 526	\$ 32,686	\$ 76,618	\$ 1,170	\$ 111,000
Issuance of restricted common stock	16	—	—	—	—	—
Stock compensation expense	—	—	64	—	—	64
Compensation related to issuance of option to purchase common stock	—	—	25	—	—	25
Net income	—	—	—	2,454	—	2,454
Balance, October 31, 2023	<u>5,271</u>	<u>\$ 526</u>	<u>\$ 32,775</u>	<u>\$ 79,072</u>	<u>\$ 1,170</u>	<u>\$ 113,543</u>
Balance, May 1, 2024	5,271	\$ 526	\$ 32,986	\$ 83,308	\$ 1,230	\$ 118,050
Issuance of restricted common stock	16	—	—	—	—	—
Stock compensation expense	—	1	124	—	—	125
Compensation related to issuance of option to purchase common stock	—	—	25	—	—	25
Net income	—	—	—	8,106	—	8,106
Other comprehensive income	—	—	—	—	(1,230)	(1,230)
Balance, October 31, 2024	<u>5,287</u>	<u>\$ 527</u>	<u>\$ 33,135</u>	<u>\$ 91,414</u>	<u>\$ —</u>	<u>\$ 125,076</u>

The accompanying notes to unaudited condensed consolidated financial statements are an integral part of these unaudited condensed consolidated financial statements.

AMREP CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
Six Months Ended October 31, 2024 and 2023
(Amounts in thousands)

	Six Months Ended October 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 8,106	\$ 2,454
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	96	76
Non-cash credits and charges:		
Stock-based compensation	209	173
Deferred income tax provision	441	669
Net periodic pension cost	—	45
Changes in assets and liabilities:		
Real estate inventory	2,628	1,746
Investment assets, net	(469)	(3,101)
Other assets	253	447
Accounts payable and accrued expenses	(1,344)	(1,101)
Income taxes payable (receivable), net	589	459
Net cash provided by operating activities	<u>10,509</u>	<u>1,867</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures of property and equipment	(120)	(135)
Purchase of short-term investments	—	(4,999)
Net cash used in investing activities	<u>(120)</u>	<u>(5,134)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal debt payments	(3)	(5)
Net cash used in financing activities	<u>(3)</u>	<u>(5)</u>
Increase (decrease) in cash, cash equivalents and restricted cash	10,386	(3,272)
Cash, cash equivalents and restricted cash, beginning of period	30,241	19,993
Cash, cash equivalents and restricted cash, end of period	<u>\$ 40,627</u>	<u>\$ 16,721</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Income taxes refunded, net	<u>\$ 157</u>	<u>\$ —</u>

The accompanying notes to unaudited condensed consolidated financial statements are an integral part of these unaudited condensed consolidated financial statements.

AMREP CORPORATION AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)
Three and Six Months Ended October 31, 2024 and 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND FINANCIAL REPORTING POLICIES

The accompanying unaudited condensed consolidated financial statements have been prepared by AMREP Corporation (the “Company”) pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim financial information, and do not include all the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The Company, through its subsidiaries, is primarily engaged in two business segments: land development and homebuilding. The Company has no foreign sales. Unless the context otherwise indicates, all references to the Company in this quarterly report on Form 10-Q include the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

In the opinion of management, these unaudited condensed consolidated financial statements include all adjustments, which are of a normal recurring nature, considered necessary to reflect a fair statement of the results for the interim periods presented. The results of operations for such interim periods are not necessarily indicative of what may occur in future periods. Unless the context otherwise indicates, all references to 2025 and 2024 are to the fiscal years ending April 30, 2025 and 2024.

The unaudited condensed consolidated financial statements herein should be read in conjunction with the Company’s annual report on Form 10-K for the year ended April 30, 2024, which was filed with the SEC on July 23, 2024 (the “2024 Form 10-K”). The significant accounting policies used in preparing these unaudited condensed consolidated financial statements are consistent with the accounting policies described in the 2024 Form 10-K.

Recent Accounting Pronouncements:

- In November 2023, the Financial Accounting Standards Board issued ASU 2023-07, Segment Reporting, which provides enhanced disclosures about significant segment expenses. ASU 2023-07 will be effective for the Company’s fiscal year ending April 30, 2025. The adoption of ASU 2023-07 by the Company is not expected to have a material effect on its consolidated financial statements.
- In November 2024, the Financial Accounting Standards Board issued ASU 2024-03, Disaggregation of Income Expenses, which provides for disclosure of certain disaggregated information about expense captions that are presented on the income statement. ASU 2024-03 will be effective for the Company’s fiscal year ending April 30, 2028. The adoption of ASU 2024-03 by the Company is not expected to have a material effect on its consolidated financial statements.

There are no other new accounting standards or updates to be adopted that the Company currently believes might have a significant impact on its unaudited condensed consolidated financial statements.

(2) REAL ESTATE INVENTORY

Real estate inventory consists of (in thousands):

	October 31, 2024	April 30, 2024
Land inventory in New Mexico	\$ 53,899	\$ 57,527
Homebuilding model inventory	4,247	4,138
Homebuilding construction in process	5,208	4,318
Total	<u>\$ 63,354</u>	<u>\$ 65,983</u>

Refer to Note 2 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding real estate inventory. No interest was capitalized in real estate inventory for the three or six months ended October 31, 2024 or October 31, 2023. Loan costs and real estate taxes capitalized in real estate inventory were \$17,000 and \$46,000 for the three and six months ended October 31, 2024 and \$15,000 and \$17,000 for the three and six months ended October 31, 2023.

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Investment assets, net consist of (in thousands):

	October 31, 2024	April 30, 2024
Land held for long-term investment	\$ 8,879	\$ 9,200
Owned real estate leased or intended to be leased	4,222	3,449
Less accumulated depreciation	(129)	(98)
Owned real estate leased or intended to be leased, net	4,093	3,351
Total	<u>\$ 12,972</u>	<u>\$ 12,551</u>

Refer to Note 3 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding investment assets. As of October 31, 2024, fourteen homes were leased to residential tenants. As of April 30, 2024, ten homes were leased to residential tenants. Depreciation associated with owned real estate leased or intended to be leased was \$24,000 and \$48,000 for the three and six months ended October 31, 2024 and \$29,000 and \$48,000 for the three and six months ended October 31, 2023.

(4) OTHER ASSETS

Other assets consist of (in thousands):

	October 31, 2024	April 30, 2024
Prepaid expenses	\$ 549	\$ 942
Miscellaneous assets	399	307
Property	1,648	1,532
Equipment	547	542
Less accumulated depreciation of property and equipment	(382)	(333)
Property and equipment, net	1,813	1,741
Total	<u>\$ 2,761</u>	<u>\$ 2,990</u>

Prepaid expenses as of October 31, 2024 primarily consist of land development cash collateralized performance guaranties and insurance. Prepaid expenses as of April 30, 2024 primarily consist of land development cash collateralized performance guaranties, insurance and income taxes. Amortized lease cost for right-of-use assets associated with leases of office facilities was \$7,000 and \$14,000 for the three and six months ended October 31, 2024 and \$7,000 and \$13,000 for the three and six months ended October 31, 2023. Depreciation expense associated with property and equipment was \$24,000 and \$48,000 for the three and six months ended October 31, 2024 and \$16,000 and \$28,000 for the three and six months ended October 31, 2023.

(5) ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of (in thousands):

	October 31, 2024	April 30, 2024
Land development and homebuilding operations		
Accrued expenses	\$ 1,429	\$ 901
Trade payables	380	2,091
Customer deposits	1,214	1,240
	3,023	4,232
Corporate operations	387	513
Total	<u>\$ 3,410</u>	<u>\$ 4,745</u>

(6) NOTES PAYABLE

The following tables present information on the Company's notes payable in effect as of October 31, 2024 (dollars in thousands):

Loan Identifier	Lender	Principal Amount Available for New Borrowings	Outstanding Principal Amount	
		October 31, 2024	October 31, 2024	April 30, 2024
Revolving Line of Credit	BOKF	\$ 5,238	\$ —	\$ —
Equipment Financing	DC	—	32	35
Total		\$ 5,328	\$ 32	\$ 35

Loan Identifier	Interest Rate	October 31, 2024	
		Mortgaged Property Book Value	Scheduled Maturity
Revolving Line of Credit	7.95 %	\$ 1,721	August 2025
Equipment Financing	2.35 %	32	June 2028

Loan Identifier	Principal Repayments			
	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Revolving Line of Credit	\$ —	\$ —	\$ —	\$ —
Equipment Financing	2	2	3	5
Total	\$ 2	\$ 2	\$ 3	\$ 5

Loan Identifier	Capitalized Interest and Fees			
	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Revolving Line of Credit	\$ —	\$ —	\$ —	\$ —
Equipment Financing	—	—	—	—
Total	\$ —	\$ —	\$ —	\$ —

As of October 31, 2024, the Company and its subsidiaries were in compliance with the financial covenants contained in the loan documentation for the then outstanding notes payable. Refer to Note 6 to the consolidated financial statements contained in the 2024 Form 10-K for detail about the above notes payable.

As of October 31, 2024, the Company had (a) one letter of credit outstanding under its Revolving Line of Credit in the aggregate principal amount of \$172,000 in favor of a municipality guarantying the completion of improvements in a subdivision being constructed by the Company, (b) loan reserves outstanding under its Revolving Line of Credit in the aggregate principal amount of \$1,812,000 in favor of a municipality guarantying the completion of improvements in a subdivision being constructed by the Company and (c) \$250,000 reserved under its Revolving Line of Credit for credit card usage. The amounts under the letter of credit, loan reserves and credit card reserve are not reflected as outstanding principal in notes payable.

The following table summarizes the notes payable scheduled principal repayments subsequent to October 31, 2024 (in thousands):

Fiscal Year	Scheduled Payments
2025	\$ 4
2026	8
2027	9
2028	9
Thereafter	2
Total	\$ 32

(7) **REVENUES**

Land sale revenues. Land sale revenues are sales of developed residential land, developed commercial land and undeveloped land.

Home sale revenues. Home sale revenues are sales of homes constructed and sold by the Company.

Other revenues. Other revenues consist of (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Landscaping revenues	\$ 482	\$ 314	\$ 1,103	\$ 426
Miscellaneous other revenues	233	135	362	252
Total	<u>\$ 715</u>	<u>\$ 449</u>	<u>\$ 1,465</u>	<u>\$ 678</u>

Refer to Note 7 to the consolidated financial statements contained in the 2024 Form 10-K for detail about the categories of other revenues.

Miscellaneous other revenues for the three and six months ended October 31, 2024 primarily consist of extension fees for purchase contracts and residential rental revenues. Miscellaneous other revenues for the three and six months ended October 31, 2023 primarily consist of extension fees for purchase contracts, forfeited deposits and residential rental revenues.

Major customers:

- Substantially all of the land sale revenues were received from three and four customers for the three and six months ended October 31, 2024 and three customers for each of the three and six months ended October 31, 2023. Other than receivables for immaterial amounts, there were no outstanding receivables from these customers as of October 31, 2024 or October 31, 2023.
- There were two customers that each contributed in excess of 10% of the Company's revenues for the three months ended October 31, 2024. The revenues for such customers for the three months ended October 31, 2024 were as follows: \$2,224,000 and \$2,502,000, with this revenue reported in the Company's land development business segment. There was one customer that contributed in excess of 10% of the Company's revenues for the three months ended October 31, 2023. The revenue from such customer for the three months ended October 31, 2023 was \$3,214,000, with this revenue reported in the Company's land development business segment.
- There were two customers that each contributed in excess of 10% of the Company's revenues for the six months ended October 31, 2024. The revenues from such customers for the six months ended October 31, 2024 were as follows: \$4,159,000 and \$6,036,000, with this revenue reported in the Company's land development business segment. There were two customers that each contributed in excess of 10% of the Company's revenues for the six months ended October 31, 2023. The revenues from such customers for the six months ended October 31, 2023 were as follows: \$3,508,000 and \$6,009,000, with this revenue reported in the Company's land development business segment.

(8) COST OF REVENUES

Land sale cost of revenues, net consists of (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Land sale cost of revenues	\$ 2,745	\$ 4,234	\$ 9,891	\$ 9,401
Less:				
Public improvement district reimbursements	—	(45)	(814)	(246)
Private infrastructure covenant reimbursements	(131)	(139)	(373)	(274)
Payments for impact fee credits	(288)	(469)	(1,469)	(1,017)
Land sale cost of revenues, net	\$ 2,326	\$ 3,581	\$ 7,235	\$ 7,864

Refer to Note 8 to the consolidated financial statements contained in the 2024 Form 10-K for detail about land sale cost of revenues.

Home sale cost of revenues includes costs for residential homes that were sold.

Other cost of revenues for the three and six months ended October 31, 2024 and October 31, 2023 consists of the cost of goods sold for landscaping services.

(9) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Land development	\$ 987	\$ 834	\$ 1,895	\$ 1,665
Homebuilding	417	313	807	604
Corporate	421	399	754	852
Total	\$ 1,825	\$ 1,546	\$ 3,456	\$ 3,121

(10) BENEFIT PLANS

401(k)

Refer to Note 11 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding the Company's 401(k) plan and Simple IRA plan. The Company accrued \$41,000 and \$63,000 for its 401(k) employer contribution during the three and six months ended October 31, 2024. The Company accrued \$20,000 and \$38,000 for its Simple IRA employer contribution during the three and six months ended October 31, 2023.

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Equity compensation plan

Refer to Note 11 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding the AMREP Corporation 2016 Equity Compensation Plan (the “Equity Plan”). The summary of the restricted share award activity for the six months ended October 31, 2024 presented below represents the maximum number of shares that could become vested after that date:

Restricted share awards	Number of Shares
Non-vested as of April 30, 2024	30,468
Granted during the six months ended October 31, 2024	16,140
Vested during the six months ended October 31, 2024	(14,666)
Forfeited during the six months ended October 31, 2024	—
Non-vested as of October 31, 2024	<u>31,942</u>

The Company recognized non-cash compensation expense related to the vesting of restricted shares of common stock net of forfeitures of \$86,000 and \$139,000 for the three and six months ended October 31, 2024 and \$42,000 and \$103,000 for the three and six months ended October 31, 2023. As of October 31, 2024, there was \$397,000 of unrecognized compensation expense related to restricted shares of common stock previously issued under the Equity Plan which had not vested, which is expected to be recognized over the remaining vesting term not to exceed three years.

Refer to Note 11 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding the option to purchase 50,000 shares of common stock of the Company under the Equity Plan. As of October 31, 2024, the option had not been exercised, cancelled or forfeited. The Company recognized non-cash compensation expense related to the option of \$12,000 and \$25,000 for the three and six months ended October 31, 2024 and \$13,000 and \$25,000 for the three and six months ended October 31, 2023. As of October 31, 2024 and October 31, 2023, the option was in-the-money and therefore was included in “weighted average number of common shares outstanding – diluted” when calculating diluted earnings per share.

Director compensation non-cash expense, which is recognized for the annual grant of deferred common share units to non-employee members of the Company’s Board of Directors ratably over each director’s service in office during the calendar year, was \$22,000 and \$45,000 for the three and six months ended October 31, 2024 and \$23,000 and \$45,000 for the three and six months ended October 31, 2023. As of October 31, 2024, there was \$75,000 of accrued compensation expense related to the deferred common share units expected to be issued in December 2024. As of October 31, 2023, there was \$75,000 of accrued compensation expense related to the deferred common share units issued in December 2023.

Pension Plan

In connection with the termination of the Company’s defined benefit pension plan, \$1,230,000 of income tax effects that remained in accumulated other comprehensive income (loss) were reclassified to a benefit for income taxes during the three months ended October 31, 2024. Refer to Note 11 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding accumulated other comprehensive income (loss).

(11) COMMITMENTS AND CONTINGENCIES

Warranty Reserves

The Company’s homebuilding business provides homebuyers with a limited warranty against certain building defects, including a one-year comprehensive limited warranty and coverage for certain other aspects of the home’s construction and operating systems for periods of up to 10 years. The Company’s homebuilding work is performed by subcontractors who must agree to indemnify the Company with regard to their work and provide certificates of insurance demonstrating that they have met the Company’s insurance requirements and have named the Company as an additional insured under their policies. Therefore, many claims relating to workmanship and materials that result in warranty spending are the primary responsibility of these subcontractors.

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Warranty reserves are included in accrued expenses within the condensed consolidated balance sheets, and the provision for warranty accruals is included in home sale cost of revenues in the condensed consolidated statements of operations. Reserves covering anticipated warranty expenses are recorded for each home closed and are a function of the number of home closings in the period, the selling prices of the homes closed and the rates of accrual per home estimated as a percentage of the selling price of the home.

Management periodically assesses the adequacy of warranty reserves based on historical experience and the expected costs to remediate potential claims. In addition, the analysis also includes the existence of any non-recurring or community-specific warranty-related matters that might not be included in historical data and trends that may need to be separately estimated based on management's judgment of the ultimate cost of repair for that specific issue. While estimated warranty liabilities are adjusted each reporting period based on the results of this assessment, the Company may not accurately predict actual warranty costs, which could lead to significant changes in the reserve and could have a material adverse effect on the Company's consolidated financial position, liquidity or results of operations.

The Company maintains third-party insurance, subject to applicable self-insured retentions, for most construction defects that the Company encounters in the normal course of business. The Company believes that its warranty reserves, subcontractor indemnities and third-party insurance are adequate to cover the ultimate resolution of any potential liabilities associated with known and anticipated warranty and construction defect related claims and litigation. However, there can be no assurance that the terms and limitations of the limited warranty will be effective against claims made by homebuyers; that the Company will be able to renew its insurance coverage or renew it at reasonable rates; that the Company will not be liable for damages, the cost of repairs or the expense of litigation surrounding possible construction defects, soil subsidence or building related claims; or that claims will not arise out of events or circumstances not covered by insurance or not subject to effective indemnification agreements with our subcontractors.

Changes in warranty reserves are as follows for the periods presented (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Balance at beginning of period	\$ 215	\$ 179	\$ 175	\$ 165
Warranty accrued during period	25	18	70	35
Warranty expenditures during period	6	3	9	6
Balance at end of period	<u>\$ 234</u>	<u>\$ 194</u>	<u>\$ 234</u>	<u>\$ 194</u>

Security for Performance Obligations

The Company is required from time to time to provide security (such as letters of credit, surety bonds or cash collateral) for performance obligations in support of the Company's land development and homebuilding obligations to municipalities related to the construction of improvements in subdivisions. Cash collateral on deposit with municipalities is included in other assets within the condensed consolidated balance sheets. In the event any letter of credit or surety bond is drawn, the Company would be obligated to reimburse the issuer of the letter of credit or surety bond. As of October 31, 2024, the Company had (a) one letter of credit outstanding under its Revolving Line of Credit in the aggregate principal amount of \$172,000 in favor of a municipality guarantying the completion of improvements in a subdivision being constructed by the Company, (b) loan reserves outstanding under its Revolving Line of Credit in the aggregate principal amount of \$1,812,000 in favor of a municipality guarantying the completion of improvements in a subdivision being constructed by the Company and (c) cash collateral of \$142,000 on deposit with a municipality. As of April 30, 2024, the Company had one letter of credit outstanding under its Revolving Line of Credit in the aggregate principal amount of \$172,000 in favor of a municipality guarantying the completion of improvements in a subdivision being constructed by the Company and cash collateral of \$241,000 on deposit with municipalities.

Litigation

The Company may be subject to various lawsuits and legal claims. Certain of the liabilities resulting from these actions may be covered in whole or in part by insurance. The Company establishes liabilities for litigation and legal claims when such matters are both probable of occurring and any potential loss is reasonably estimable. The Company accrues for such matters based on the facts and circumstances specific to each matter and revises these estimates as the matters evolve. In such cases, there may exist an exposure to loss in excess of any amounts currently accrued. To the extent the liability arising from the ultimate resolution of any lawsuit or legal claim exceeds the estimates reflected in the recorded reserves relating to such matter, the Company would incur additional charges and these charges might

be significant. The Company cannot predict or determine with certainty the timing or final outcome of any lawsuit or legal claim or the effect that any adverse findings or determinations in any lawsuit or legal claim may have on the Company. The legal costs associated with any lawsuit or legal claim and the amount of time required to be spent by management and the Company's Board of Directors on these matters, even if the Company is ultimately successful, could have a material adverse effect on the Company's consolidated financial position, liquidity or results of operations. The Company has not accrued any amounts related to litigation matters as of October 31, 2024 or April 30, 2024.

(12) EARNINGS PER SHARE

Earnings per share – basic is calculated by dividing net income by the weighted-average number of common shares outstanding during the period. The weighted-average number of common shares outstanding during the period includes shares issuable upon settlement of deferred stock units but does not include unvested shares of restricted common stock or shares issuable upon the exercise of stock options. The components of earnings per share – basic are as follows (amounts in thousands, except per share amounts):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Numerator:				
Net income	\$ 4,042	\$ 1,108	\$ 8,106	\$ 2,454
Denominator:				
Weighted average number of common shares outstanding – basic	5,320	5,301	5,314	5,296
Earnings per share – basic	\$ 0.76	\$ 0.21	\$ 1.53	\$ 0.46

Earnings per share – diluted is calculated by dividing net income by the sum of (1) the weighted-average number of common shares outstanding during the period plus (2) the dilutive effects of unvested shares of restricted common stock, shares issuable upon the exercise of stock options that are in-the-money and other potentially dilutive instruments. The components of earnings per share – diluted are as follows (amounts in thousands, except per share amounts):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2024	2023	2024	2023
Numerator:				
Net income	\$ 4,042	\$ 1,108	\$ 8,106	\$ 2,454
Denominator:				
Weighted average number of common shares outstanding – basic	5,320	5,301	5,314	5,296
Dilutive effect of shares of restricted common stock	32	32	16	23
Dilutive effect of shares issuable upon the exercise of stock options that are in-the-money	22	6	37	14
Weighted average number of common shares outstanding – diluted	5,374	5,339	5,367	5,333
Earnings per share – diluted	\$ 0.75	\$ 0.21	\$ 1.51	\$ 0.46

(13) INFORMATION ABOUT THE COMPANY'S OPERATIONS IN DIFFERENT INDUSTRY SEGMENTS

The following table sets forth summarized data relative to the industry segments in which the Company operated for the periods indicated (in thousands):

	Land Development	Homebuilding	Corporate	Consolidated
Three months ended October 31, 2024 (a)				
Revenues	\$ 7,668	\$ 4,237	\$ 1	\$ 11,906
Net income (loss)	\$ 3,313	\$ 803	\$ (74)	\$ 4,042
Capital expenditures	\$ 86	\$ 1	\$ —	\$ 87
Three months ended October 31, 2023 (a)				
Revenues	\$ 5,899	\$ 2,955	\$ —	\$ 8,854
Net income (loss)	\$ 771	\$ 789	\$ (452)	\$ 1,108
Capital expenditures	\$ 93	\$ 2	\$ —	\$ 95
Six months ended October 31, 2024 (a)				
Revenues	\$ 19,076	\$ 11,916	\$ 5	\$ 30,997
Net income (loss)	\$ 7,571	\$ 2,115	\$ (1,580)	\$ 8,106
Capital expenditures	\$ 110	\$ 10	\$ —	\$ 120
Total assets as of October 31, 2024	\$ 102,749	\$ 14,790	\$ 11,542	\$ 129,081
Six months ended October 31, 2023 (a)				
Revenues	\$ 13,384	\$ 5,759	\$ —	\$ 19,143
Net income (loss)	\$ 2,503	\$ 1,561	\$ (1,610)	\$ 2,454
Capital expenditures	\$ 128	\$ 7	\$ —	\$ 135
Total assets as of October 31, 2023	\$ 94,039	\$ 8,721	\$ 15,001	\$ 117,761

- (a) Revenue information provided for each segment may include amounts classified as other revenues in the accompanying condensed consolidated statements of operations. Revenue information provided for the land development segment includes amounts classified as home sale revenues in the accompanying condensed consolidated statements of operations. Corporate is net of intercompany eliminations.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

AMREP Corporation (the “Company”), through its subsidiaries, is primarily engaged in two business segments: land development and homebuilding. The Company has no foreign sales or activities outside the United States. Unless the context otherwise indicates, all references to the Company in this quarterly report on Form 10-Q include the Company and its subsidiaries. The following provides information that management believes is relevant to an assessment and understanding of the Company’s unaudited condensed consolidated results of operations and financial condition. The information contained in this Item 2 should be read in conjunction with the unaudited condensed consolidated financial statements and related notes thereto included in this report on Form 10-Q and with the Company’s annual report on Form 10-K for the year ended April 30, 2024, which was filed with the Securities and Exchange Commission on July 23, 2024 (the “2024 Form 10-K”). Many of the amounts and percentages presented in this Item 2 have been rounded for convenience of presentation. Unless the context otherwise indicates, all references to 2025 and 2024 are to the fiscal years ending April 30, 2025 and 2024.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management’s discussion and analysis of financial condition and results of operations is based on the accounting policies used and disclosed in the 2024 condensed consolidated financial statements and accompanying notes that were prepared in accordance with accounting principles generally accepted in the United States of America and included as part of the 2024 Form 10-K. The preparation of the unaudited condensed consolidated financial statements included in this report on Form 10-Q required management to make estimates and assumptions that affected the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the unaudited condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual amounts or results could differ from those estimates and assumptions.

The Company’s critical accounting policies, assumptions and estimates are described in Item 7 of Part II of the 2024 Form 10-K. There have been no changes in these critical accounting policies.

Information concerning the Company’s implementation and the impact of recent accounting standards or updates issued by the Financial Accounting Standards Board is included in the notes to the condensed consolidated financial statements contained in the 2024 Form 10-K and in the notes to the unaudited condensed consolidated financial statements included in this report on Form 10-Q. The Company did not adopt any accounting policy in the six months ended October 31, 2024 that had a material effect on its unaudited condensed consolidated financial statements.

RESULTS OF OPERATIONS

For the three months ended October 31, 2024, the Company had net income of \$4,042,000, or \$0.75 per diluted share, compared to net income of \$1,108,000, or \$0.21 per diluted share, for the three months ended October 31, 2023. For the six months ended October 31, 2024, the Company had net income of \$8,106,000, or \$1.51 per diluted share, compared to net income of \$2,454,000, or \$0.46 per diluted share, for the six months ended October 31, 2023.

During the six months ended October 31, 2024 and October 31, 2023, the Company experienced delays in municipal entitlements, infrastructure availability, approvals and inspections and utility response times in both the land development business segment and homebuilding business segment, which caused delays in construction and the realization of revenues and increases in cost of revenues. The rising cost of housing due to increases in average sales prices in recent years and the level of mortgage interest rates, coupled with general inflation in the U.S. economy and other macroeconomic factors, have placed pressure on overall housing affordability, negatively affecting demand and have caused many potential homebuyers to pause and reconsider their housing choices. Given the affordability challenges and the resulting impact on demand, the Company has provided sales incentives on certain homes, reduced the size of lots and homes, opportunistically leased completed homes and slowed the pace of housing starts and land development projects. During 2024, the Company reduced the number and scope of its active land development projects and delayed proceeding with certain new land development projects due to market headwinds and uncertainty and an increase in entitlement and infrastructure delays as compared to the prior year. This may result in reduced land sale revenues during 2025 and the fiscal year ending April 30, 2026 as compared to 2024.

Revenues. The following presents information on revenues (dollars in thousands):

	Three Months Ended October 31,		Increase	
	2024	2023	(decrease)	
Land sale revenues	\$ 5,857	\$ 4,884	\$ 973	20 %
Home sale revenues	5,334	3,521	1,813	51 %
Other revenues	715	449	266	59 %
Total	\$ 11,906	\$ 8,854	3,052	34 %

	Six Months Ended October 31,		Increase	
	2024	2023	(decrease)	
Land sale revenues	\$ 15,206	\$ 11,542	\$ 3,664	32 %
Home sale revenues	14,326	6,923	7,403	107 %
Other revenues	1,465	678	787	116 %
Total	\$ 30,997	\$ 19,143	11,854	62 %

- The change in land sale revenues for the three months ended October 31, 2024 compared to the prior period was primarily due to an increase in revenues from the sale of undeveloped land offset in part by a decrease in revenues from the sale of developed residential land and commercial developed land. The change in land sale revenues for the six months ended October 31, 2024 compared to the prior periods was primarily due to an increase in revenues from the sale of developed residential land and undeveloped land offset in part by a decrease in revenues from the sale of commercial developed land. During the three months ended October 31, 2024, the Company sold 549 acres of contiguous undeveloped land in Sandoval County, New Mexico, representing \$2,502,000 of revenue, to one purchaser. The Company's land sale revenues consist of (dollars in thousands):

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	Three Months Ended October 31, 2024			Three Months Ended October 31, 2023		
	Acres Sold	Revenues	Revenue Per Acre ¹	Acres Sold	Revenues	Revenue Per Acre ¹
Developed						
Residential	4.1	\$ 3,283	\$ 801	7.4	\$ 4,698	\$ 633
Commercial	—	—	—	0.7	145	200
Total Developed	4.1	3,283	801	8.1	4,843	595
Undeveloped	567.1	2,574	5	1.3	41	32
Total	571.2	\$ 5,857	10	9.4	\$ 4,884	517

	Six Months Ended October 31, 2024			Six Months Ended October 31, 2023		
	Acres Sold	Revenues	Revenue Per Acre ¹	Acres Sold	Revenues	Revenue Per Acre ¹
Developed						
Residential	16	\$ 12,468	\$ 779	18.0	\$ 10,923	\$ 607
Commercial	—	—	—	1.5	549	366
Total Developed	16	12,468	779	19.5	11,472	589
Undeveloped	585.2	2,738	5	8.8	70	8
Total	601.2	\$ 15,206	25	28.3	\$ 11,542	408

The changes in the revenue per acre of developed residential land, developed commercial land and undeveloped land for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to the location and mix of land sold.

- The changes in home sale revenues for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to an increase in the number of homes sold. The changes in average selling prices for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to the location, size and mix of homes sold. The Company's home sale revenues consist of (dollars in thousands):

	Three Months Ended October 31,	
	2024	2023
Homes sold	12	7
Average selling price	\$ 444	\$ 503

	Six Months Ended October 31,	
	2024	2023
Homes sold	33	13
Average selling price	\$ 434	\$ 532

As of October 31, 2024, the Company had 70 homes in production, including 15 homes under contract, which homes under contract represented \$6,610,000 of expected home sale revenues when closed, subject to customer cancellations and change orders. As of October 31, 2023, the Company had 41 homes in production, including 16 homes under contract, which homes under contract represented \$7,700,000 of expected home sale revenues when closed, subject to customer cancellations and change orders.

¹ Revenue per acre may not calculate precisely due to the rounding of revenues to the nearest thousand dollars.

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- Other revenues consist of (in thousands):

	Three Months Ended October 31,	
	2024	2023
Landscaping revenues	\$ 482	\$ 314
Miscellaneous other revenues	233	135
Total	\$ 715	\$ 449

	Six Months Ended October 31,	
	2024	2023
Landscaping revenues	\$ 1,103	\$ 426
Miscellaneous other revenues	362	252
Total	\$ 1,465	\$ 678

Miscellaneous other revenues for the three and six months ended October 31, 2024 primarily consist of extension fees for purchase contracts and residential rental revenues. Miscellaneous other revenues for the three and six months ended October 31, 2023 primarily consist of extension fees for purchase contracts, forfeited deposits and residential rental revenues.

Cost of Revenues. The following presents information on cost of revenues (dollars in thousands):

	Three Months Ended October 31,		Increase (decrease)	
	2024	2023		
Land sale cost of revenues, net	\$ 2,326	\$ 3,581	\$ (1,255)	(35)%
Home sale cost of revenues	4,277	2,513	1,764	70 %
Other cost of revenues	334	163	171	105 %
Total	\$ 6,937	\$ 6,257	680	11 %

	Six Months Ended October 31,		Increase (decrease)	
	2024	2023		
Land sale cost of revenues, net	\$ 7,235	\$ 7,864	\$ (629)	(8)%
Home sale cost of revenues	11,522	4,903	6,619	135 %
Other cost of revenues	648	181	467	258 %
Total	\$ 19,405	\$ 12,948	6,457	50 %

- Land sale cost of revenues, net consist of (in thousands):

	Three Months Ended October 31,	
	2024	2023
Land sale cost of revenues	\$ 2,745	\$ 4,234
Less:		
Public improvement district reimbursements	—	(45)
Private infrastructure covenant reimbursements	(131)	(139)
Payments for impact fee credits	(288)	(469)
Land sale cost of revenues, net	\$ 2,326	\$ 3,581

	Six Months Ended October 31,	
	2024	2023
Land sale cost of revenues	\$ 9,891	\$ 9,401
Less:		
Public improvement district reimbursements	(814)	(246)
Private infrastructure covenant reimbursements	(373)	(274)
Payments for impact fee credits	(1,469)	(1,017)
Land sale cost of revenues, net	\$ 7,235	\$ 7,864

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Land sale gross margins were 60% and 52% for the three and six months ended October 31, 2024 compared to 27% and 32% for the three and six months ended October 31, 2023. The changes in gross margin were primarily due to changes in public improvement district reimbursements, private infrastructure covenant reimbursements and payments for impact fee credits and the location, size and mix of property sold (including the sale of 567.1 acres and 585.2 acres for the three and six months ended October 31, 2024 as compared to 1.3 acres and 8.8 acres for the three and six months ended October 31, 2023 of undeveloped land with a low associated land sale cost of revenues) and the demand for lots by builders resulting in higher revenue per developed lot.

- The changes in home sale cost of revenues for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to the number, location, size and mix of homes sold and increases in the prices of building materials and skilled labor. Home sale gross margins were 20% for the three and six months ended October 31, 2024 compared to 29% and 30% for the three and six months ended October 31, 2023. The changes in gross margin were primarily due to the location, size and mix of homes sold and increases in the prices of building materials and skilled labor.
- Other cost of revenues for the three and six months ended October 31, 2024 and October 31, 2023 consists of the cost of goods sold for landscaping services.

As a result of many factors, including the nature and timing of specific transactions and the type and location of land or homes being sold, revenues, average selling prices and related gross margins from land sales or home sales can vary significantly from period to period and prior results are not necessarily a good indication of what may occur in future periods.

General and Administrative Expenses. The following presents information on general and administrative expenses (dollars in thousands):

	Three Months Ended October 31,		Increase	
	2024	2023	(decrease)	
Land development	\$ 987	\$ 834	\$ 153	18 %
Homebuilding	417	313	104	33 %
Corporate	421	399	22	6 %
Total	<u>\$ 1,825</u>	<u>\$ 1,546</u>	279	18 %

	Six Months Ended October 31,		Increase	
	2024	2023	(decrease)	
Land development	\$ 1,895	\$ 1,665	\$ 230	14 %
Homebuilding	807	604	203	34 %
Corporate	754	852	(98)	(11)%
Total	<u>\$ 3,456</u>	<u>\$ 3,121</u>	335	11 %

- The changes in land development general and administrative expenses for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to an increase equipment costs for landscaping and PIC sharing fees.
- The changes in homebuilding general and administrative expenses for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to expansion of the Company's homebuilding operations and information technology expenses.
- The changes in corporate general and administrative expenses for the three and six months ended October 31, 2024 compared to the prior periods were primarily due to a decrease in professional services and pension benefit expenses as a result of the termination of the Company's pension plan in the prior period and an increase in bank charges.

The Company did not record any non-cash impairment charges on real estate inventory or investment assets in the three and six months ended October 31, 2024 or October 31, 2023. Due to volatility in market conditions and development costs, the Company may experience future impairment charges.

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Interest Income, net. The Company had interest income, net of \$576,000 and \$857,000 for the three and six months ended October 31, 2024 and \$163,000 and \$211,000 for the three and six months ended October 31, 2023. There were no interest or loan costs capitalized in real estate inventory in the three and six months ended October 31, 2024 or October 31, 2023.

Income Taxes. The Company had a benefit for income taxes of \$322,000 for the three months ended October 31, 2024 and a provision for income taxes of \$887,000 for the six months ended October 31, 2024. The benefit (provision) for income taxes for the three and six months ended October 31, 2024 related to the amount of income before income taxes during each period and to the reclassification of the balance of accumulated other comprehensive income (loss) to a benefit for income taxes. In connection with the termination of the Company's defined benefit pension plan, \$1,230,000 of income tax effects that remained in accumulated other comprehensive income (loss) were reclassified to a benefit for income taxes during the three months ended October 31, 2024. Refer to Note 11 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding accumulated other comprehensive income (loss). The Company had a provision for income taxes of \$106,000 and \$831,000 for the three and six months ended October 31, 2023 related to the amount of income before income taxes during each period.

LIQUIDITY AND CAPITAL RESOURCES

As of October 31, 2024 and April 30, 2024, the Company had cash, cash equivalents and restricted cash as follows (in thousands):

	October 31, 2024	April 30, 2024
Cash	\$ 12,250	\$ 10,465
U.S. Government Securities	27,830	19,229
Restricted Cash	547	547
Total	<u>\$ 40,627</u>	<u>\$ 30,241</u>

AMREP Corporation is a holding company that conducts substantially all of its operations through subsidiaries. As a holding company, AMREP Corporation is dependent on its available cash and on cash from subsidiaries to pay expenses and fund operations. The Company's liquidity is affected by many factors, including some that are based on normal operations and some that are related to the real estate industry and the economy generally.

Except as described herein, there have been no material changes to the Company's liquidity and capital resources as reflected in the Liquidity and Capital Resources section of Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2024 Form 10-K.

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Cash Flow. The following presents information on cash flows (in thousands):

	Six Months Ended October 31,	
	2024	2023
Net cash provided by (used in) operating activities	\$ 10,509	\$ 1,867
Net cash provided by (used in) investing activities	(120)	(5,134)
Net cash provided by (used in) financing activities	(3)	(5)
Increase in cash and cash equivalents	\$ 10,386	\$ (3,272)

The net cash provided by operating activities for the six months ended October 31, 2024 was primarily due to cash generated from business operations and a reduction in real estate inventory and other assets and an increase in taxes payable (receivable), net offset in part by an increase in investment assets and a reduction in accounts payable and accrued expenses. The net cash provided by operating activities for the six months ended October 31, 2023 was primarily due to cash generated from business operations and a reduction real estate inventory and other assets offset in part by an increase in investment assets and a reduction in accounts payable and accrued expenses.

Notes payable decreased from \$35,000 as of April 30, 2024 to \$32,000 as of October 31, 2024 due to principal debt repayments. Refer to Note 6 to the unaudited condensed consolidated financial statements included in this report on Form 10-Q and Note 6 to the consolidated financial statements contained in the 2024 Form 10-K for detail regarding the Company's notes payable.

Asset and Liability Levels. The following presents information on certain assets and liabilities (dollars in thousands):

	October 31, 2024	April 30, 2024	Increase (decrease)	
Real estate inventory	\$ 63,354	\$ 65,983	\$ (2,629)	(4)%
Investment assets, net	12,972	12,551	421	3 %
Other assets	2,761	2,990	(229)	(8)%
Deferred income taxes, net	9,367	11,038	(1,671)	(15)%
Accounts payable and accrued expenses	3,410	4,745	(1,335)	(28)%
Income taxes (payable) receivable	(563)	27	(590)	(a)

(a) Percentage not meaningful.

- Real estate inventory consists of (dollars in thousands):

	October 31, 2024	April 30, 2024	Increase (decrease)	
Land inventory	\$ 53,899	\$ 57,527	\$ (3,628)	(6)%
Homebuilding model inventory	4,247	4,138	109	3 %
Homebuilding construction in process	5,208	4,318	890	21 %
Total	\$ 63,354	\$ 65,983		

From April 30, 2024 to October 31, 2024, the change in land inventory in New Mexico was primarily due to the sale of land offset in part by land development activity, the change in homebuilding model inventory was primarily due to the sale of homes offset in part by the completion of homes not yet sold and the change in homebuilding construction in process was primarily due to an increase in the number of homes that started construction.

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- Investment assets consist of (dollars in thousands):

	October 31, 2024	April 30, 2024	Increase (decrease)	
Land held for long-term investment	\$ 8,879	\$ 9,200	\$ (321)	(3)%
Owned real estate leased or intended to be leased	4,222	3,449	773	22 %
Less accumulated depreciation	(129)	(98)	31	32 %
Owned real estate leased or intended to be leased, net	4,093	3,351	742	22 %
Total	\$ 12,972	\$ 12,551		

During the six months ended October 31, 2024, the Company sold 585.2 acres of undeveloped property in Sandoval County, New Mexico categorized as land held for long-term investment.

As of October 31, 2024, fourteen homes were leased to residential tenants. As of April 30, 2024, ten homes were leased to residential tenants. Given the impact on demand as a result of affordability challenges, the Company has opportunistically leased completed homes. Depreciation associated with owned real estate leased or intended to be leased was \$24,000 and \$48,000 for the three and six months ended October 31, 2024 and \$29,000 and \$48,000 for the three and six months ended October 31, 2023.

- From April 30, 2024 to October 31, 2024:
 - The change in other assets was primarily due to a decrease in prepaid expenses related to the termination of a land development cash collateralized performance guaranty.
 - The change in deferred income taxes, net was primarily due to the income tax effect of the amount of income before income taxes for the six months ended October 31, 2024.
 - The change in accounts payable and accrued expenses was primarily due to an increase in accrued property taxes and a decrease in accounts payable and accrued expenses.
 - The change in income taxes (payable) receivable was primarily due to the payment of taxes and the accrual of state income taxes payable related to the amount of income before income taxes for the six months ended October 31, 2024.

Off-Balance Sheet Arrangements. As of October 31, 2024 and October 31, 2023, the Company did not have any off-balance sheet arrangements (as defined in Item 303(a)(4) (ii) of Regulation S-K).

Recent Accounting Pronouncements. Refer to Note 1 to the consolidated financial statements contained in the 2024 Form 10-K and Note 1 to the unaudited condensed consolidated financial statements included in this report on Form 10-Q for a discussion of recently issued accounting pronouncements.

Statement of Forward-Looking Information

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. The Company and its representatives may from time to time make written or oral statements that are “forward-looking”, including statements contained in this report and other filings with the Securities and Exchange Commission, reports to the Company’s shareholders and news releases. All statements that express expectations, estimates, forecasts or projections are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, other written or oral statements, which constitute forward-looking statements, may be made by or on behalf of the Company. Words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “projects”, “forecasts”, “may”, “should”, variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and contingencies that are difficult to predict. All forward-looking statements speak only as of the date of this report or, in the case of any document incorporated by reference, the date of that document. All subsequent written and oral forward-looking statements attributable to the Company or any person acting on behalf of the Company are qualified by the cautionary statements in this section. Many of the factors that will determine the Company’s future results are beyond the ability of management to control or predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in or suggested by such forward-looking statements.

The forward-looking statements contained in this report include, but are not limited to, statements regarding (1) the Company’s ability to finance its future working capital, land development, acquisition of land, homebuilding, commercial projects, general and administrative expenses and capital expenditure needs, (2) the Company’s expected liquidity sources, including the availability of bank financing for projects and the utilization of existing bank financing, (3) estimates of the Company’s exposure to warranty claims and liabilities for litigation and legal claims, estimates of the cost to complete of common land development costs and the estimated relative sales values of individual parcels of land in connection with the allocation of common land development costs, (4) the adequacy of warranty reserves, subcontractor indemnities and third-party insurance to cover the ultimate resolution of any potential liabilities associated with known and anticipated warranty and construction defect related claims and litigation, (5) the conditions resulting in homebuyer affordability challenges, (6) the amount of land sale revenues during 2025 and the fiscal year ending April 30, 2026, (7) the backlog of homes under contract and in production and the dollar amount of expected sale revenues when such homes are closed, (8) the categorization of homes and buildings leased or intended to be leased to third parties, (9) the timing of recognizing unrecognized compensation expense related to shares of common stock issued under the AMREP Corporation 2016 Equity Compensation Plan, (10) the future issuance of deferred stock units to directors of the Company, (11) the dilution to earnings per share that unvested shares of restricted common stock or shares issuable upon the exercise of stock options may cause in the future and (12) the future business conditions that may be experienced by the Company. The Company undertakes no obligation to update or publicly release any revisions to any forward-looking statement to reflect events, circumstances or changes in expectations after the date of such forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Vice President, Finance and Accounting, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. As a result of such evaluation, the Company's Chief Executive Officer and Vice President, Finance and Accounting have concluded that such disclosure controls and procedures were effective as of October 31, 2024 to provide reasonable assurance that the information required to be disclosed in the reports the Company files or submits under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (ii) accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Vice President, Finance and Accounting, as appropriate, to allow timely decisions regarding disclosure. The Company believes that a control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the control system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Changes in Internal Control over Financial Reporting

No change in the Company's system of internal control over "financial reporting" (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934) occurred during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting.

PART II. OTHER INFORMATION

Item 5. Other Information

During the three months ended October 31, 2024, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement”, as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Sixth Modification Agreement, dated August 16, 2024, between BOKF, NA dba Bank of Albuquerque and AMREP Southwest Inc.
31.1	Certification required by Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2	Certification required by Rule 13a-14(a) under the Securities Exchange Act of 1934
32	Certification required pursuant to 18 U.S.C. Section 1350
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit)

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 thereunto duly authorized.

Date: December 13, 2024

AMREP CORPORATION
(Registrant)

By: /s/ Adrienne M. Uleau

Name: Adrienne M. Uleau

Title: Vice President, Finance and Accounting
(Principal Accounting Officer)

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	Sixth Modification Agreement, dated August 16, 2024, between BOKE, NA dba Bank of Albuquerque and AMREP Southwest Inc.
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31.2	Certification required by Rule 13a-14(a) under the Securities Exchange Act of 1934
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SIXTH MODIFICATION AGREEMENT

BOKF, NA dba Bank of Albuquerque (the "Lender"); and AMREP Southwest Inc., a New Mexico corporation (the "Borrower"), agree:

1. Recitals. The following Recitals apply to this Sixth Modification Agreement (the "Agreement").

A. Borrower is indebted to Lender as evidenced by a Revolving Line of Credit Promissory Note dated February 3, 2021, in the original principal amount of Four Million and No/100 Dollars (\$4,000,000.00), made by Borrower in favor of the Lender (the "Original Note"). In connection with the Original Note, Borrower and Lender entered into a Loan Agreement dated February 3, 2021 (the "Loan Agreement").

B. Payment and performance of the Original Note is secured by, among other things, a Line of Credit Mortgage, Security Agreement and Fixture Filing dated February 3, 2021, and recorded in the real property records of Sandoval County, New Mexico (the "Recording Office") on February 3, 2021, as Document No. 2021003917, made by Borrower in favor of Lender (the "Mortgage"). The Mortgage, the Loan Agreement and all other documents evidencing, guaranteeing or securing the Original Note are referred to in this Agreement as the "Loan Documents".

C. At the request of Borrower, Lender issued a reserve letter in favor of the City of Santa Fe, New Mexico, as evidenced by a Demand Promissory Note in the original principal amount of One Million Three Hundred Twenty-Two Thousand Seven Hundred Sixteen and 82/100 Dollars (\$1,322,716.82), dated January 25, 2022, made by Borrower in favor of Lender (the "Demand Note"). The Demand Note is secured by the Mortgage. In connection with the Demand Note, Borrower and Lender entered into a First Modification Agreement dated January 25, 2022 (the "First Modification").

D. At the request of Borrower, Lender removed the semi-annual resting requirement in the Original Note, as evidenced by a Second Modification Agreement dated April 13, 2022 (the "Second Modification").

E. At the request of Borrower, Lender renewed and extended the maturity of the Original Note and increased the amount of credit available under the Original Note, as evidenced by a First Amended and Restated Revolving Line of Credit Promissory Note, dated August 15, 2022, in the original principal amount of Five Million Seven Hundred Fifty Thousand and No/100 Dollars (\$5,750,000.00) (the "First Restated Note"). In connection with the First Restated Note, Borrower and Lender entered into a Third Modification Agreement dated August 15, 2022 (the "Third Modification").

F. At the request of Borrower, Lender renewed and extended the maturity of the Demand Note, as evidenced by the First Amended and Restated Demand Promissory Note dated February 4, 2023, in the original principal amount of One Million Three Hundred Twenty-Two Thousand Seven Hundred Sixteen and 82/100 Dollars (\$1,322,716.82) (the "First Restated Demand Note"). In connection with the First Restated Demand Note, Borrower and Lender entered into a Fourth Modification Agreement dated February 4, 2023 (the "Fourth Modification").

G. At the request of Borrower, Lender renewed and extended the maturity of the First Restated Demand Note and reduced the original principal balance under the First Restated Demand Note, as evidenced by a Second Amended and Restated Demand Promissory Note dated February 4, 2024, in the original principal amount of One Hundred Seventy-Two Thousand Four Hundred Fifty-Three and 55/100 Dollars (\$172,453.55) (the "Second Restated Demand Note"). In connection with the Second Restated Demand Note, Borrower and Lender entered into a Fifth Modification Agreement dated February 4, 2024 (the "Fifth Modification" and, together with the First Modification, the Second Modification, the Third Modification, the Fourth Modification and this Agreement, the "Modification Agreements").

H. Borrower has requested that Lender issue two (2) reserve letters in favor of the City of Albuquerque, New Mexico, to be evidenced as follows: (i) by a Third Demand Promissory Note dated August 16, 2024 in the original principal amount of One Million Seven Hundred Four Thousand Three Hundred Seventy-Four and 28/100 Dollars (\$1,704,374.28), made by Borrower in favor of Lender (the "Third Demand Note"), which Third Demand Note is secured by the Mortgage; and (ii) by a Fourth Demand Promissory Note dated August 16, 2024 in the original principal amount of One Hundred Seven Thousand Four Hundred Eighty-Three and 7/100 Dollars (\$107,483.07), made by Borrower in favor of Lender (the "Fourth Demand Note"), which Fourth Demand Note is secured by the Mortgage, and Lender is willing to do so, provided that, among other things, Borrower enters into this Agreement.

2. Definitions. Capitalized terms used but not defined in this Agreement have the meanings given to them in the Loan Agreement and the Mortgage.

3. Required Payments. Concurrently with the execution of this Agreement, Borrower shall have paid to Lender: (i) all accrued unpaid interest due under the Original Note; (ii) recording fees and costs; lawyers' fees and costs; and all other fees and costs related to this Agreement; and (iii) a loan fee in the amount of Five Hundred and No/100 Dollars (\$500.00).

4. Conditions Precedent. Before this Agreement becomes effective and any party becomes obligated under it, all of the following conditions shall have been satisfied in a manner acceptable to Lender in the exercise of Lender's sole and absolute discretion:

A. Lender shall have received such assurances as Lender may require that the validity and priority of the Mortgage has not been and shall not be impaired by this Agreement or the transactions contemplated by this Agreement, including but not by way of limitation, a modification endorsement on New Mexico Form 80 dated as of the date of recording of this Agreement and endorsing the mortgagee policy of title insurance issued in connection with the Mortgage, providing that policy coverage has not been reduced or terminated by virtue of the recording of this Agreement, and showing no matters of record since the recording of the Mortgage except as are acceptable to Lender in Lender's sole discretion.

B. Lender shall have received a fully executed and acknowledged original of this Agreement, a fully executed Third Demand Note and Fourth Demand Note and such other documents as Lender requires.

C. This Agreement shall have been recorded in the Recording Office.

5. Modification of Terms of Loan Documents. The Loan Documents are supplemented, amended and modified as follows:

A. Each reference in the Loan Documents to any of the Loan Documents is deemed to be a reference to the Loan Documents as amended and modified by this Agreement.

B. Each reference in the Loan Documents to the "Note" is deemed to be a reference to the First Restated Note, the Second Restated Demand Note, the Third Demand Note and the Fourth Demand Note, as amended and modified by this Agreement.

6. Ratification of Obligations Under Loan Documents. Borrower reasserts, ratifies and reaffirms all of Borrower's obligations under the Loan Documents, all of which continue in full force and effect as modified by this Agreement. Borrower specifically acknowledges, agrees and represents that:

A. This Agreement is a legal, valid and binding obligation of Borrower and is enforceable against Borrower in accordance with its terms.

B. The covenants and obligations set forth in this Agreement benefit and are in the best interest of the Borrower.

C. The aggregate indebtedness evidenced by the First Restated Note, the Second Restated Demand Note, the Third Demand Note and the Fourth Demand Note is valid and existing and is not subject to any defenses, offsets, claims or counterclaims.

D. The indebtedness evidenced by the Second Restated Demand Note, the Third Demand Note and the Fourth Demand Note reduces the amount available to be borrowed by Borrower under the First Restated Note.

E. No indulgence or part indulgence by Lender and nothing contained herein or in any other agreement among Borrower and/or Lender nor any other action or inaction by Lender, has waived or shall constitute a waiver of any default or Event of Default that may exist under the Loan Documents or an election of remedies by Lender or a waiver of any of the rights, remedies or recourse of Lender provided in any of the Loan Documents or otherwise afforded by law or in equity.

F. Lender has satisfied and performed its obligations under the Loan Documents and all other documents pertaining to the indebtedness evidenced by the First Restated Note, the Second Restated Demand Note, the Third Demand Note and the Fourth Demand Note as of the date of this Agreement.

G. The Mortgage, as modified by the Modification Agreements, secures the Note, as modified by the Modification Agreements, the First Restated Note, the First Restated Demand Note, the Second Restated Demand Note, the Third Demand Note and the Fourth Demand Note.

7. Release. To the extent Borrower now has any claims, offsets, defenses to or counterclaims against the Lender or as to the repayment of all or a portion of the indebtedness evidenced by the First Restated Note or the transaction evidenced by the Loan Documents, whether known or unknown, fixed or contingent, the same are hereby forever irrevocably waived and released in their entirety by Borrower.

8. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the

remaining provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid or unenforceable provisions, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

9. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of Borrower and Lender and their respective successors, legal representatives and assigns.

10. Applicable Law. THIS AGREEMENT, AND EACH OTHER LOAN DOCUMENT, AND ALL MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW MEXICO, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES. BORROWER AND LENDER HEREBY CONSENT TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF SANDOVAL, STATE OF NEW MEXICO AND IRREVOCABLY AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. BORROWER AND LENDER EXPRESSLY SUBMIT AND CONSENT TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVE ANY DEFENSE OF FORUM NON CONVENIENS.

11. Waiver of Jury Trial. EACH OF BORROWER AND LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH OF BORROWER AND LENDER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH OF BORROWER AND LENDER WARRANTS AND REPRESENTS THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

12. No Novation. BORROWER AND LENDER EXPRESSLY INTEND AND AGREE THAT THIS AGREEMENT EVIDENCES A MODIFICATION ONLY OF THE LOAN DOCUMENTS AND IS NOT A NOVATION.

[SIGNATURES ON NEXT PAGE]

Dated: Effective August 16, 2024.

“BORROWER”

AMREP SOUTHWEST INC.,
a New Mexico corporation

By: /s/ Carey A. Plant
Carey A. Plant, Vice President

“LENDER”

BOKF, NA dba BANK OF ALBUQUERQUE

By: /s/ Darin Davis
Darin Davis, Senior Vice President

STATE OF NEW MEXICO

COUNTY OF SANDOVAL

This instrument was acknowledged before me on August 16, 2024, by Carey A. Plant, Vice President of AMREP Southwest Inc., a New Mexico corporation.

/s/ Karen Lee Ward
Notary Public

My Commission Expires:

11/18/2025

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

This instrument was acknowledged before me on August 21, 2024, by Darin Davis, Senior Vice President of BOKF, NA dba Bank of Albuquerque.

/s/ Annette A. Orona
Notary Public

My Commission Expires:

6/28/2026

CERTIFICATION

I, Adrienne M. Uleau, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended October 31, 2024 of AMREP Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: December 13, 2024

/s/ Adrienne M. Uleau

Adrienne M. Uleau

Vice President, Finance and Accounting

(Principal Financial Officer)

CERTIFICATION

I, Christopher V. Vitale, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended October 31, 2024 of AMREP Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: December 13, 2024

/s/ Christopher V. Vitale

Christopher V. Vitale
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of AMREP Corporation (the "Company") on Form 10-Q for the period ended October 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 13, 2024

/s/ Adrienne M. Uleau

Adrienne M. Uleau
Vice President, Finance and Accounting
(Principal Financial Officer)

/s/ Christopher V. Vitale

Christopher V. Vitale
President and Chief Executive Officer
(Principal Executive Officer)
