

AMREP CORP.
Form DEF 14A
August 05, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No. ____)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

<input type="checkbox"/>	Preliminary Proxy Statement
<input type="checkbox"/>	Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
<input checked="" type="checkbox"/>	Definitive Proxy Statement
<input type="checkbox"/>	Definitive Additional Materials
<input type="checkbox"/>	Soliciting Material Pursuant to Rule 14a-12

AMREP CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

AMREP CORPORATION
(An Oklahoma corporation)

NOTICE OF 2016 ANNUAL MEETING OF SHAREHOLDERS

September 13, 2016

NOTICE IS HEREBY GIVEN that the 2016 Annual Meeting of Shareholders of AMREP Corporation (the “Company”) will be held at the Conference Center at Normandy Farm, 1401 Morris Road, Blue Bell, Pennsylvania on September 13, 2016 at 9:00 A.M. Eastern Time for the following purposes:

- (1) To elect one director in Class II to hold office until the 2019 annual meeting of shareholders and until his successor is elected and qualified;
- (2) To approve the adoption of the AMREP Corporation 2016 Equity Compensation Plan;
- (3) To approve, on an advisory basis, the compensation paid to the Company’s named executive officers as disclosed in the accompanying proxy statement; and
- (4) To consider and act upon such other business as may properly come before the meeting.

In accordance with the Company’s By-Laws, the Board of Directors has fixed the close of business on July 27, 2016 as the record date for the determination of shareholders of the Company entitled to notice of and to vote at the meeting and any continuation or adjournment thereof. The list of such shareholders will be available for inspection by shareholders during the ten days prior to the meeting at the offices of the Company, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540.

Whether or not you expect to be present at the meeting, please mark, date and sign the enclosed proxy and return it to the Company in the self-addressed envelope enclosed for that purpose. The proxy is revocable and will not affect your right to vote in person in the event you attend the meeting.

By Order of the Board of Directors

Christopher V. Vitale, *Secretary*

Dated: August 5, 2016
Princeton, New Jersey

**Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to be Held on September 13, 2016**

The Proxy Statement and Annual Report to Shareholders are available at <http://www.edocumentview.com/axr>.

Upon the written request of any shareholder of the Company, the Company will provide to such shareholder a copy of the Company's annual report on Form 10-K for the year ended April 30, 2016, including the financial statements, filed with the Securities and Exchange Commission. Any request should be directed to AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary. There will be no charge for such report unless one or more exhibits thereto are requested, in which case the Company's reasonable expenses of furnishing exhibits may be charged.

AMREP CORPORATION
300 Alexander Park, Suite 204
Princeton, New Jersey 08540

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

To be Held at 9:00 A.M. Eastern Time on September 13, 2016

This proxy statement (the “Proxy Statement”) is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board”) of AMREP Corporation (the “Company”) for use at the Annual Meeting of Shareholders of the Company to be held on September 13, 2016, and at any continuation or adjournment thereof (the “Annual Meeting”). The Annual Meeting will be held at the Conference Center at Normandy Farm, 1401 Morris Road, Blue Bell, Pennsylvania.

The Annual Report of the Company on Form 10-K for the fiscal year ended April 30, 2016 filed on July 29, 2016 with the Securities and Exchange Commission is included in this mailing but does not constitute a part of the proxy solicitation material. This Proxy Statement and the accompanying Notice of 2016 Annual Meeting of Shareholders and proxy card are first being sent to shareholders on or about August 5, 2016. All references in this Proxy Statement to fiscal 2016 and fiscal 2015 mean the Company’s fiscal years ended April 30, 2016 and 2015.

QUESTIONS AND ANSWERS CONCERNING THE ANNUAL MEETING

What will be voted on at the Annual Meeting?

There are three matters scheduled for a vote:

Proposal Number 1: Election of one director in Class II to hold office until the 2019 annual meeting of shareholders and until his successor is elected and qualified;

· Proposal Number 2: Approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan; and

Proposal Number 3: Approval, on an advisory basis, of the compensation paid to the Company's named executive officers as disclosed in this Proxy Statement.

What if another matter is properly brought before the Annual Meeting?

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote on those matters in accordance with their best judgment.

How does the Board recommend I vote on the proposals?

The Board recommends that you vote:

- "FOR" the election as director of the nominee named in this Proxy Statement;
- "FOR" the approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan; and

“FOR” the approval, on an advisory basis, of the compensation paid to the Company’s named executive officers as disclosed in this Proxy Statement.

Who is entitled to vote at the Annual Meeting?

Only shareholders of record as of the close of business on July 27, 2016, the date fixed by the Board in accordance with the Company’s By-Laws, are entitled to notice of and to vote at the Annual Meeting.

If I have given a proxy, how do I revoke that proxy?

Anyone giving a proxy may revoke it at any time before it is exercised by giving the Secretary of the Company written notice of the revocation, by submitting a proxy bearing a later date or by attending the Annual Meeting and voting.

How will my proxy be voted?

All properly executed, unrevoked proxies in the enclosed form that are received in time will be voted in accordance with the shareholders’ directions and, unless contrary directions are given, will be voted “FOR” the election as director of the nominee named in this Proxy Statement, “FOR” the approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan and “FOR” the approval, on an advisory basis, of the compensation paid to the Company’s named executive officers as disclosed in this Proxy Statement.

What if a nominee is unwilling or unable to serve?

This is not expected to occur but, in the event that it does, proxies will be voted for a substitute nominee designated by the Board or, in the discretion of the Board, the position may be left vacant.

What are “broker non-votes”?

Under the rules that govern brokers, if brokers or nominees who hold shares in “street name” on behalf of beneficial owners do not have instructions on how to vote on matters deemed by the New York Stock Exchange to be “non-routine” (which include the proposals in this Proxy Statement), a broker non-vote of those shares will occur, which means the shares will not be voted on such matters. If your shares are held in “street name,” you must cast your vote or instruct your nominee or broker to do so if you want your vote to be counted with respect to the proposals in this Proxy Statement.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count votes as follows:

- for Proposal Number 1 (for the election of a director), votes “For” and “Withhold” and broker non-votes; and

for Proposal Number 2 (approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan), votes “For” and “Against,” abstentions and broker non-votes. Abstentions are treated as shares present and entitled to vote on Proposal Number 2 and, therefore, will have the same effect as a vote “Against” Proposal Number 2.

for Proposal Number 3 (approval, on an advisory basis, of the compensation paid to the Company’s named executive officers as disclosed in this Proxy Statement), votes “For” and “Against,” abstentions and broker non-votes. Abstentions are treated as shares present and entitled to vote on Proposal Number 3 and, therefore, will have the same effect as a vote “Against” Proposal Number 3.

Broker non-votes have no effect and will not be counted towards the vote total for any proposal.

How many votes are needed to approve each proposal?

With respect to Proposal Number 1 (for the election of a director), the one nominee receiving the highest number of “FOR” votes from the holders of shares present in person or represented by proxy and entitled to vote will be elected as a director. This is referred to as a plurality.

Proposal Number 2 (approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan) must receive “For” votes from the holders of a majority of shares present in person or represented by proxy and entitled to vote in order to be approved.

Proposal Number 3 (approval, on an advisory basis, of the compensation paid to the Company’s named executive officers as disclosed in this Proxy Statement) must receive “For” votes from the holders of a majority of shares present in person or represented by proxy and entitled to vote in order to be approved.

How many shares can be voted at the Annual Meeting?

As of July 27, 2016, the Company had issued and outstanding 8,071,454 shares of common stock, par value \$.10 per share (“Common Stock”). Each share of Common Stock is entitled to one vote on matters to come before the Annual Meeting.

How many votes will I be entitled to cast at the Annual Meeting?

You will be entitled to cast one vote for each share of Common Stock you held at the close of business on July 27, 2016, the record date for the Annual Meeting, as shown on the list of shareholders at that date prepared by the Company’s transfer agent for the Common Stock.

What is a “quorum?”

The presence, in person or by proxy, of the holders of a majority of the outstanding shares of Common Stock of the Company authorized to vote will constitute a quorum for the transaction of business at the Annual Meeting. Abstentions will be counted in determining whether a quorum is present at the Annual Meeting. Broker non-votes will be counted for purposes of calculating whether a quorum is present at the Annual Meeting, but will not be counted for purposes of determining the number of votes present in person or represented by proxy and entitled to vote with respect to a particular proposal. Broker non-votes will not, therefore, impact the Company's ability to obtain a quorum and will have no effect on the election of a director, approval of the adoption of the AMREP Corporation 2016 Equity Compensation Plan or approval, on an advisory basis, of the compensation paid to the Company's named executive officers as disclosed in this Proxy Statement. A quorum must be present in order to transact business at the Annual Meeting.

Who may attend the Annual Meeting?

All shareholders of the Company who owned shares of record at the close of business on July 27, 2016 may attend the Annual Meeting. If you want to vote in person and you hold Common Stock in street name (*i.e.*, your shares are held in the name of a broker, dealer, custodian bank or other nominee), you must obtain a proxy card issued in your name from the firm that holds your shares and bring that proxy card to the Annual Meeting, together with a copy of a statement from that firm reflecting your share ownership as of the record date, and valid identification. If you hold your shares in street name and want to attend the Annual Meeting but not vote in person, you must bring to the Annual Meeting a copy of a statement from the firm that holds your shares reflecting your share ownership as of the record date, and valid identification.

**COMMON STOCK OWNERSHIP OF
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

Set forth in the following table is information concerning the beneficial ownership, as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended, of Common Stock by the persons who, to the knowledge of the Company, own beneficially more than 5% of the outstanding shares. The table also sets forth the same information concerning beneficial ownership for each director and director nominee of the Company, each named executive officer of the Company, and all directors and named executive officers of the Company as a group. Unless otherwise indicated, (i) reported ownership is as of July 27, 2016, and (ii) the Company understands that the beneficial owners have sole voting and investment power with respect to the shares beneficially owned by them. In the case of directors, the director nominee and executive officers, the information below has been provided by such persons at the request of the Company.

Beneficial Owner	Shares Owned Beneficially	% of Class
Nicholas G. Karabots, et al Albert V. Russo (<i>Director</i>), Lena Russo, Clifton Russo, Lawrence Russo	2,096,061	(1) 26.0
Bauer Media Group USA, LLC Robert E. Robotti, et al Lloyd I. Miller, III Poplar Point Capital Management LLC, et al	1,273,867	(2) 15.8
	825,000	(3) 10.2
	718,004	(4) 8.9
	502,953	(5) 6.2
	403,292	(6) 5.0
Other Directors and Named Executive Officers		
Edward B. Cloues, II	3,000	*
Lonnie A. Coombs	3,766	*
Theodore J. Gaasche	-	-
Rory Burke	6,000	(7) *
Peter M. Pizza	9,000	(8) *
Christopher V. Vitale	25,500	(9) *
Directors and Named Executive Officers as a Group (7 persons)	1,321,133	16.4

* Indicates less than 1%.

The information in the table and in this footnote is based solely on Amendment No. 31 filed jointly by these persons on March 14, 2014 to the Schedule 13D filed with the Securities and Exchange Commission on August 4, (1) 1993. The following table sets forth information regarding the beneficial ownership of Common Stock by Mr. Karabots, Glendi Publications, Inc. and Kappa Media Group, Inc., each of P.O. Box 736, Fort Washington, PA 19034.

Beneficial Owner	Shares Owned Beneficially	% of Class
Nicholas G. Karabots	2,096,061	(a) 26.0
Glendi Publications, Inc.	1,481,724	(b) 18.4
Kappa Media Group, Inc.	512,337	(c) 6.3

Mr. Karabots has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, (a) of such shares, of which 1,994,061 shares are owned indirectly through Glendi Publications, Inc. and Kappa Media Group, Inc.

(b) Mr. Karabots has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of these shares, which are directly owned by Glendi Publications, Inc.

(c) Mr. Karabots has the sole power to vote or direct the vote, and the sole power to dispose or direct the disposition, of these shares, which are directly owned by Kappa Media Group, Inc.

The information in the table and in this footnote is based solely on information received from Mr. Albert Russo. Albert V. Russo, Lena Russo, Clifton Russo and Lawrence Russo, each c/o American Simlex Company, 401 Broadway, New York, NY 10013, have reported that they share voting power as to these shares and that each of (2) them has sole dispositive power as to the following numbers of such shares representing the indicated percentages of the outstanding Common Stock: Albert V. Russo – 821,068 (10.2%); Lena Russo – 33,740 (0.4%); Clifton Russo – 237,617 (2.9%); and Lawrence Russo – 181,442 (2.2%).

The information in the table and this footnote is based solely on a Schedule 13G filed by this person with the (3) Securities and Exchange Commission on June 24, 2014. The principal address of Bauer Media Group USA, LLC is 270 Sylvan Avenue, Englewood Cliffs, NJ 07632.

(4) The information in the table and in this footnote is based solely on information received from Mr. Robotti. The following table sets forth information regarding the beneficial ownership of Common Stock by Robert E. Robotti, Robotti & Company, Incorporated (“R&CoI”), Robotti & Company, LLC (“R&CoL”) and Robotti & Company Advisors, LLC (“R&CoA”), each of 60 East 42nd Street, Suite 3100, New York, NY 10165, and Kenneth R. Wasiak, Ravenswood Management Company, L.L.C. (“RMC”), The Ravenswood Investment Company, L.P. (“RIC”) and

Ravenswood Investments III, L.P. ("RI"), each of 104 Gloucester Road, Massapequa, NY 11758.

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Beneficial Owner	Shares	
	Owned	Beneficially
Robert E. Robotti	718,004	(a),(b),(c),(d)
R&CoI	718,004	(a),(b)
R&CoL	7,770	(a)
R&CoA	710,234	(b)
Kenneth R. Wasiak	364,630	(c),(d)
RMC	364,630	(c),(d)
RIC	225,258	(c)
RI	139,372	(d)

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- (a) Each of Mr. Robotti and R&CoI share with R&CoL the power to vote or direct the vote, and the power to dispose or direct the disposition, of 7,770 shares of Common Stock owned by the discretionary customers of R&CoL.
- (b) Each of Mr. Robotti and R&CoI share with R&CoA the power to vote or to direct the vote, and the power to dispose or direct the disposition, of 710,234 shares of Common Stock owned by the advisory clients of R&CoA.
- (c) Each of RMC and Messrs. Robotti and Wasiak share with RIC the power to vote or direct the vote, and the power to dispose or direct the disposition, of 225,258 shares of Common Stock owned by RIC.
- (d) Each of RMC and Messrs. Robotti and Wasiak share with RI the power to vote or to direct the vote, and the power to dispose or direct the disposition, of 139,372 shares of Common Stock owned by RI.

The information in the table and this footnote is based solely on a Schedule 13G filed by this person with the Securities and Exchange Commission on December 28, 2015. The principal address of Mr. Miller is 3300 South Dixie Highway, Suite 1-365, West Palm Beach, FL 33405.

The information in the table and this footnote is based solely on a Schedule 13G filed by Poplar Point Capital Management LLC, Poplar Point Capital Partners LP, Poplar Point Capital GP LLC and Jad Fakhry with the Securities and Exchange Commission on December 28, 2015. The principal address of each such person is c/o Poplar Point Capital Management LLC, 840 Hinckley Road, Suite 250, Burlingame, CA 94010. Each of Poplar Point Capital Management LLC, Poplar Point Capital Partners LP, Poplar Point Capital GP LLC and Jad Fakhry may be deemed to beneficially own 403,292 shares of Common Stock. Each of Poplar Point Capital Management LLC, Poplar Point Capital Partners LP, Poplar Point Capital GP LLC and Jad Fakhry share the power to vote or to direct the vote, and the power to dispose or direct the disposition, of 403,292 shares of Common Stock owned by Poplar Point Capital Partners LP.

(7) Includes 2,000 restricted shares of Common Stock that will vest on March 5, 2017, subject to the continued employment of Mr. Burke on the vesting date.

(8) Includes 2,000 restricted shares of Common Stock that vested on August 1, 2016. Mr. Pizza ceased being an officer effective April 30, 2016, and his employment ended on August 1, 2016. 1,000 restricted shares of Common Stock that would have vested on July 8, 2017 have been forfeited as a result of Mr. Pizza's termination of employment on August 1, 2016.

(9) Includes 3,000 restricted shares of Common Stock that vested on August 1, 2016, 2,000 restricted shares of Common Stock that will vest on July 8, 2017, 2,000 restricted shares of Common Stock that will vest one-half on July 13, 2017 and one-half on July 13, 2018 and 7,500 restricted shares of Common Stock that will vest one-third on June 21, 2017, one-third on June 21, 2018 and one-third on June 21, 2019, subject in each case to the continued employment of Mr. Vitale on each vesting date.

PROPOSAL NUMBER 1

ELECTION OF DIRECTOR

The Board is a classified board divided into three classes – Class I, Class II and Class III. Class I and II each consists of one director and Class III consists of two directors. Each director serves for a term expiring at the annual meeting of shareholders held in the third year following the year of his election and until his successor is elected and qualified. At this Annual Meeting, one Class II director will be elected to serve until the 2019 annual meeting of shareholders and until his successor is elected and qualified, except in the event of such director's earlier death, resignation or removal. The terms of office of the Class I and Class III directors will expire at the annual meetings of shareholders to be held in 2018 and 2017, respectively, upon the election and qualification of their successors, except in the event of any such director's earlier death, resignation or removal.

At the recommendation of its Nominating and Corporate Governance Committee, the Board is nominating Robert E. Robotti for election at the Annual Meeting as a Class II director. Although the Board does not expect that Mr. Robotti will be unable to serve as a director, should he become unavailable it is intended that the shares represented by proxies in the accompanying form will be voted for the election of a substitute nominee recommended to the Board by the Nominating and Corporate Governance Committee or, in the discretion of the Board, the position may be left vacant.

The following information relates to the nominee of the Board for election and the other directors of the Company.

Nominee to serve until the 2019 Annual Meeting of Shareholders (Class II):

ROBERT E. ROBOTTI, age 62, has been the president of Robotti & Company Advisors, LLC (a registered investment advisor) and Robotti & Company, LLC (a registered broker-dealer), or their predecessors, since 1983. He has been the managing member of Ravenswood Management Company, LLC (and its predecessor) since 1980, which serves as the general partner of The Ravenswood Investment Company, L.P. and Ravenswood Investments III, L.P. From 2007 to March 2015, Mr. Robotti had served as a portfolio manager of Robotti Global Fund, LLC, a global equity fund. He currently serves as a director of Panhandle Oil & Gas Company, a NYSE-listed diversified mineral company located in Oklahoma City, and as a director and Chairman of the Board of Pulse Seismic Inc., a seismic data licensing business located in Calgary, Alberta, and has held these positions for more than the past five years. Mr. Robotti was a director of BMC Building Materials Holding Corporation from May 2012 to December 2015. Mr. Robotti was a board member of the Corporate Governance Subcommittee of the SEC's Advisory Committee of Smaller Public companies from 2005 to 2006. He has an MBA in Accounting and was a certified public accountant earlier in his career, which license is currently inactive. Mr. Robotti's qualifications to serve on the Board include his

extensive experience in the investment business as the founder, CEO, Chairman and controlling owner of a registered investment advisor and a registered broker-dealer, or their predecessors, and as the manager of several investment partnerships. Additionally, he brings to the Board a broad understanding of governance, audit and compensation issues as a result of his service on several other public company boards.

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Directors continuing in office until the 2017 Annual Meeting of Shareholders (Class III):

THEODORE J. GAASCHE, age 54, has been a director of the Company since January 2013. Mr. Gaasche has been the Executive Vice President, Operations of Spartan Organization, Inc., a private company that advises various print, publishing and other portfolio companies, since January 2013. Mr. Gaasche was the President and Chief Executive Officer of the Company from August 2011 to January 2013. Mr. Gaasche had served as the Company's Vice President - Corporate Development from February 2011 to August 2011. From 2009 through July 2011, he served as Executive Vice President, Operations of Spartan Organization. Mr. Gaasche was the Company's Vice President - Corporate Development on a less than full-time basis while he also was employed by Spartan Organization. For over twenty years until 2008, Mr. Gaasche held positions of increasing responsibility at various divisions of SunGard Data Systems Inc., most recently as the Chief Executive Officer of SunGard Availability Services, a division of SunGard that provided disaster recovery, managed information technology and related services. Mr. Gaasche brings to the Board his extensive business experience, including his knowledge of the Company as its prior President and Chief Executive Officer.

ALBERT V. RUSSO, age 62, has been a director of the Company since 1996. Mr. Russo is the Managing Partner of real estate entities Russo Associates and Pioneer Realty and is a Partner of American Simlex Company, a textile exporter, and has held these positions for more than the past five years. Mr. Russo is also the Managing Partner of 401 Broadway Building, a real estate company which acquired its principal asset in 2006 from a court appointed receiver for 401 Broadway Realty Company, of which he was a general partner, in connection with the resolution of a dispute among the partners. Mr. Russo has been involved in the ownership and management of commercial real estate for more than 25 years and contributes to the Board his specialized knowledge of the real estate business.

Director continuing in office until the 2018 Annual Meeting of Shareholders (Class I):

EDWARD B. CLOUES, II, age 68, has been a director of the Company since 1994 and currently serves as the Chairman of the Board. Mr. Cloues has been the Interim Chief Executive Officer of Penn Virginia Corporation since October 2015. He also serves as a director of Hillenbrand, Inc. and as a director and Chairman of the Board of Penn Virginia Corporation, and has held these positions for more than the past five years. He had served as a director and Chairman of the Board of PVR GP, LLC, the General Partner of PVR Partners, L.P., until its sale in March 2014. For more than five years prior to its sale in 2010, Mr. Cloues was a director, the Chairman of the Board and the Chief Executive Officer of K-Tron International, Inc., a material handling equipment manufacturer. Prior to 1998, Mr. Cloues was a law firm partner at a major global law firm where he specialized in mergers and acquisitions and other business law matters. That experience combined with the experience gained from his former 12 year chief executive position with K-Tron International, Inc., which had been publicly held prior to its sale, has given him a strong background in dealing with complex business transactions and general management issues. Additionally, he brings to the Board a broad understanding of governance and compensation issues as a result of his service on several other public company boards.

Director continuing in office until the 2016 Annual Meeting of Shareholders (Class II):

LONNIE A. COOMBS, age 68, has been a director of the Company since 2001. Mr. Coombs' term of office expires at the Annual Meeting and he is not standing for reelection. Mr. Coombs is a certified public accountant and provides accounting, tax and business consulting services, and has been engaged in this occupation for more than the past five years with his firm, Lonnie A. Coombs, CPA. Mr. Coombs brings to the Board the expertise in financial and accounting matters he has accumulated over his approximately 40 years as a practicing certified public accountant, and the diverse business knowledge he has gained in dealing through his practice with a broad range of commercial enterprises.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE CLASS II NOMINEE.

PROPOSAL NUMBER 2

APPROVAL OF THE ADOPTION

OF THE AMREP CORPORATION 2016 EQUITY COMPENSATION PLAN

On June 21, 2016, the Board adopted the AMREP Corporation 2016 Equity Compensation Plan (the “Plan”), subject to shareholder approval. The Board has directed that the proposal to approve its adoption of the Plan be submitted to the Company’s shareholders at the Annual Meeting. Shareholder approval is being sought (i) in order for the shares covered by the Plan to meet the listing requirements of the New York Stock Exchange, (ii) so that compensation attributable to certain grants under the Plan may qualify for an exemption from the \$1 million deduction limit under section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”) and (iii) in order for any incentive stock options granted thereunder to meet the requirements of the Code.

The Company’s only existing equity compensation plan is the AMREP Corporation 2006 Equity Compensation Plan, which is not affected by the adoption of the Plan. However, the AMREP Corporation 2006 Equity Compensation Plan expires by its terms on September 19, 2016. If approved by the shareholders, the Plan will become effective on September 20, 2016 or, if later, the date of such approval.

Given below is a summary of the material provisions of the Plan. A copy of the Plan is attached to this Proxy Statement as Appendix A. Because the description is a summary, it does not contain all of the information about the Plan that may be important to you. For details of the terms of the Plan, you should refer to the full text of the Plan, which is hereby incorporated by reference into this Proxy Statement.

General

The Company is the sponsor of the Plan. The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974 or qualified under Section 401(a) of the Code. All expenses associated with the Plan are borne by the Company.

Purpose

The purpose of the Plan is to attract employees, directors, officers, advisors, consultants and other personnel and to induce them to remain with the Company and its subsidiaries and encourage them to increase their efforts to make the Company's business more successful, whether directly or through the Company's subsidiaries or other affiliates. In furtherance of these objectives, the Plan is designed to provide equity-based incentives to such persons in the form of options, restricted stock, restricted stock units, deferred stock units, stock appreciation rights, dividend equivalent rights and other forms of equity-based awards as contemplated by the Plan (collectively, "Awards"), with eligibility for such Awards determined by the Board's Compensation and Human Resources Committee or a subcommittee thereof (the "Plan Administration Committee").

Effective Date and Termination of the Plan

If approved by the shareholders, the Plan will become effective on September 20, 2016 or, if later, the date of such approval. The Plan terminates on, and no Award will be granted under the Plan on or after, September 19, 2026; provided, however, that the Board may, at any time prior to that date, terminate the Plan. Notwithstanding the foregoing, a termination of the Plan that occurs after an Award is made will not materially impair the rights of a participant under the Plan (each a "Participant") unless the Participant consents. Further, the termination of the Plan will not impair the power and authority of the Plan Administration Committee with respect to any outstanding Award.

Administration

Except as described below, the Plan is administered by the Plan Administration Committee, which consists of two or more non-employee directors, each of whom is intended to be, to the extent required by Rule 16b-3 under the Securities Exchange Act of 1934, as amended, a “non-employee director” under Rule 16b-3 and qualify as an outside director under Section 162(m) of the Code. If, at any time during the term of the Plan, the Plan Administration Committee does not exist, the functions of the Plan Administration Committee will be exercised by the Board. No member of the Plan Administration Committee may act as to matters under the Plan specifically relating to such member, and grants of Awards to a member of the Board will be made and administered by the Board rather than the Plan Administration Committee. Where this summary of the Plan hereafter refers to the “Plan Administration Committee,” it is intended to refer to the Board in those instances where the Board rather than the Plan Administration Committee is responsible for the administration of the Plan.

The Plan Administration Committee has the full authority to administer and interpret the Plan, to determine the terms, provisions and conditions of Award agreements (provided that such terms, provisions and conditions are not inconsistent with the Plan), to determine the eligibility of eligible Participants to receive an Award, to authorize the granting of Awards to eligible Participants and to determine the number of shares (“Shares”) of Common Stock to be covered under any Award agreement, considering the position and responsibilities of the eligible Participant, the nature and value to the Company of the eligible Participant’s present and potential contribution to the success of the Company whether directly or through the Company’s subsidiaries or affiliates and such other factors as the Plan Administration Committee may deem relevant.

The Plan Administration Committee, in its discretion, may in the case of Awards (including, in particular, Awards other than options) intended to qualify for an exception from the limitations imposed by Section 162(m) of the Code, (i) establish one or more performance goals (“Performance Goals”) as a precondition to the issuance or vesting of Awards, and (ii) provide, in connection with the establishment of the Performance Goals, for predetermined Awards to those Participants (who continue to meet all applicable eligibility requirements) with respect to whom the applicable Performance Goals are satisfied. The Performance Goals will be based upon the criteria set forth in Exhibit A to the Plan. The Performance Goals will be established in a timely fashion such that they are considered pre-established for purposes of the rules governing performance-based compensation under Section 162(m) of the Code. Prior to the award or vesting, as applicable, of affected Awards under the Plan, the Plan Administration Committee is required to certify that any applicable Performance Goals, and other material terms of the Award, have been satisfied. Performance Goals which do not satisfy the foregoing may be established by the Plan Administration Committee with respect to Awards not intended to qualify for an exception from the limitations imposed by Section 162(m) of the Code.

Eligibility and Types of Awards

The following persons are eligible to be granted Awards under the Plan: (i) employees, directors, officers, advisors, consultants and other personnel of the Company or any of its subsidiaries or other persons who are expected to provide significant services to the Company or its subsidiaries, and (ii) any joint venture affiliates of the Company and other entities designated in the discretion of the Plan Administration Committee, or officers, directors, employees, members, or managers of the foregoing. Grants of Awards under the Plan are determined by the Plan Administration Committee.

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As previously noted, all directors and employees of the Company or its affiliates are eligible to receive awards under the Plan, including the Company’s named executive officers, Messrs. Burke, Martin and Vitale. As of July 27, 2016, all of the Company’s directors (four persons), executive officers (three persons) and employees of the Company and its affiliates (approximately 450 persons) were eligible to participate in the Plan.

New Plan Benefits

See “Compensation of Directors” below for anticipated equity awards to be made from the Plan to the Company’s directors if the Plan is approved by shareholders. The table below presents the number of deferred common share units of the Company approved for issuance by the Board on the last trading day of calendar year 2016 to each non-employee member of the Board if the Plan is approved by the Company’s shareholders:

Name	Dollar Value of Deferred Common Share Units	(1)	Number of Deferred Common Share Units	(2)
Non-executive director group	\$ 60,000	(1)	10,619	(2)

(1) Assumes that there will be four non-employee members of the Board through the last trading day of calendar year 2016.

(2) The number of deferred common share units in the table is based on the closing price per Share of Common Stock of \$5.65 on July 27, 2016, as reported on the New York Stock Exchange. The actual number of deferred common share units to be issued to the non-employee members of the Board will be determined on the last trading day of calendar year 2016 based on the closing price per Share of Common Stock, as reported on the New York Stock Exchange, on such date.

The number and types of Awards that will be granted in the future under the Plan are not determinable, as the Plan Administration Committee will make these determinations in its sole discretion. Accordingly, other than as described above, it is not possible to determine the benefits that will be received by eligible Participants if the Plan is approved by the Company’s shareholders. The closing price per Share of Common Stock as reported on the New York Stock Exchange on July 27, 2016 was \$5.65.

Available Shares

Subject to adjustment upon certain corporate transactions or events, the total number of Shares subject to Awards granted under the Plan (including securities convertible into or exchangeable for Shares), in the aggregate, may not exceed 500,000 Shares, each of which may be issued as incentive stock options. The maximum number of Shares that may underlie options granted in any calendar year to any eligible Participant, other than any non-employee director of the Company or its subsidiaries (each a “Director”), may not exceed 50,000 Shares. The maximum number of Shares that may underlie Awards, other than options, granted in any calendar year to any eligible Participant, other than any Director, may not exceed 30,000 Shares. The maximum number of Shares that may underlie options granted in any calendar year to any Director may not exceed 25,000 Shares. The maximum number of Shares that may underlie Awards, other than options, granted in any calendar year to any Director, may not exceed 15,000 Shares. Shares distributed under the Plan may be treasury Shares or authorized but unissued Shares. Any Shares that have been granted as restricted stock or that have been reserved for distribution in payment for options, restricted stock units, deferred stock units, or other equity-based Awards but are later forfeited or for any other reason are not payable under the Plan may again be made the subject of Awards under the Plan. Unless earlier terminated by the Board, no new Award may be granted under the Plan after September 19, 2026.

Awards Under the Plan

Stock Options

An option is the right to purchase, at a price and for the term fixed by the Plan Administration Committee in accordance with the Plan, a number of Shares determined by the Plan Administration Committee. The terms of specific options, including whether options constitute “incentive stock options” for purposes of Section 422(b) of the Code, will be determined by the Plan Administration Committee. The exercise price of an option will also be determined by the Plan Administration Committee and reflected in the applicable Award agreement. The exercise price for each option will be not less than 100% of the Fair Market Value (as defined in the Plan) of a Share on the day the option is granted. In the case of an incentive stock option granted to a more than 10% shareholder, the exercise price may not be lower than 110% of the Fair Market Value of a Share on the day the option is granted. Options will be exercisable at such times and subject to such terms as determined by the Plan Administration Committee. Each option will be exercisable after the period or periods specified in the applicable Award agreement, which will generally not exceed ten years from the date of grant (or five years in the case of an incentive stock option granted to a more than 10% shareholder, if permitted under the Plan). An option must be exercised by the holder thereof by written notice (in the form prescribed by the Plan Administration Committee) to the Company or its designee specifying the number of Shares subject to such exercise.

Except as may otherwise be provided in the applicable Award agreement, if a Participant’s employment is terminated by the Company without cause or because of the Participant’s death or disability, the Plan provides for limited periods of time in which certain options may be exercised and any options that are not exercised will be forfeited. Subject to the provisions of the applicable Award agreement, if the Participant’s employment is terminated for cause, all the Participant’s vested and unvested options will immediately be forfeited.

Each option granted under the Plan is nontransferable by the optionee except by will or the laws of descent and distribution of the state wherein the optionee is domiciled at the time of the optionee’s death; provided, however, that the Plan Administration Committee may (but need not) permit other transfers, where it concludes that such transferability (i) does not result in accelerated U.S. federal income taxation, (ii) does not cause any option intended to be an incentive stock option to fail to be described in Section 422(b) of the Code, (iii) complies with applicable law, including securities laws, and (iv) is otherwise appropriate and desirable. The Plan Administration Committee may also grant “stock appreciation rights” as part of (or as the exclusive way to exercise) an option.

The Plan Administration Committee will determine the time or times at which an option may be exercised in whole or in part, and the method or methods by which, and the form or forms in which, payment of the option price with respect thereto may be made or deemed to have been made. An individual who holds an option granted under the Plan will have none of the rights of a shareholder with respect to the Shares which are the subject of that option unless and

until those Shares are issued and outstanding as a result of the exercise of the option.

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Restricted Stock

A restricted stock award is an award of Common Stock that is subject to restrictions on sale, transferability and such other restrictions, if any, as the Plan Administration Committee may impose at the date of grant. Grants of restricted stock will be subject to vesting schedules as determined by the Plan Administration Committee. Restrictions on the Shares will lapse in accordance with the terms of the applicable Award agreement, as determined by the Plan Administration Committee. The restrictions on the Shares may lapse separately or in combination at such times, under such circumstances, including, without limitation, a specified period of employment or the satisfaction of pre-established criteria, in such installments or otherwise, as the Plan Administration Committee may determine. Except to the extent restricted under the Award agreement relating to the restricted stock, a participant granted restricted stock has all of the rights of a shareholder, including, without limitation, the right to vote and the right to receive dividends on the restricted stock. Cash dividends on Shares of restricted stock will, unless otherwise provided by the Plan Administration Committee, be held by the Company until the period of forfeiture in relation to the Shares has lapsed. Such dividends will be forfeited if the underlying Shares are forfeited. If the Shares are not forfeited, the dividends will be paid over to the Participant as soon as practicable after the period of forfeiture has lapsed.

Except as may otherwise be provided in the provisions of the applicable Award agreement, if, during the forfeiture period in relation to a Participant's restricted stock, the Participant's employment is terminated by the Company without cause, or because of the death or disability of the Participant, or in the event of a change in control of the Company, the restrictions on all the Participant's restricted stock will immediately lapse. Except as may otherwise be provided in the provisions of the applicable Award agreement, if the Participant's employment is terminated for cause, or the Participant terminates his or her employment, all the Participant's restricted stock that is still subject to restrictions will immediately be forfeited and, if the Participant paid any purchase price for the restricted stock, the Company will pay the Participant the lower of that price or the then Fair Market Value of the stock on the date of termination.

Subject to the other terms of the Plan, the Plan Administration Committee may provide a specified purchase price for, determine the restrictions applicable to, and determine or impose other conditions to the grant of, any restricted stock awarded under the Plan as it may deem appropriate.

Restricted Stock Units

A restricted stock unit represents a future right to receive the Fair Market Value of a Share, or, if provided by the Plan Administration Committee, the right to receive the Fair Market Value of a Share in excess of a base value established by the Plan Administration Committee at the time of grant. Each restricted stock unit will generally be settled by the transfer of one Share. Restricted stock units will vest as provided in the applicable Award agreement. The Plan Administration Committee may allow the Company, or the Participant, to elect that restricted stock units be settled by the transfer of cash or Shares. Generally, the settlement date for restricted stock units will be the first day of the month

following the month in which the restricted stock units vest. The Plan Administration Committee may, in its discretion and under certain circumstances, permit a Participant to receive, as settlement of restricted stock units, installments over a period not to exceed 10 years. In addition, the Plan Administration Committee may establish a program under which distributions with respect to restricted stock units may be deferred for additional periods, with any such deferrals being subject to Section 409A of the Code.

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Rights to payments with respect to restricted stock units are generally not subject to alienation, transfer, assignment, pledge, garnishment, levy, execution, or other legal or equitable process. Restricted stock units do not give the holder thereof any rights with respect to Common Stock or any ownership interest in the Company. Except as may be provided in accordance with the Plan, the holder of a restricted stock unit will not have any voting, dividend or derivative or other similar rights with respect to the restricted stock unit.

Deferred Stock Units

A deferred stock unit represents a future right to receive Shares upon the lapse of any applicable vesting requirements.

Each deferred stock unit will be settled by the transfer of one Share. Deferred stock units will vest as provided in the applicable Award agreement. Generally, the settlement date for deferred stock units will be the first day of the month following the grantee's termination of service. The Plan Administration Committee may, in its discretion and under certain circumstances, permit a Participant to receive, as settlement of deferred stock units, installments over a period not to exceed 10 years. In addition, the Plan Administration Committee may establish a program under which distributions with respect to deferred stock units may be deferred for additional periods, with any such deferrals being subject to Section 409A of the Code.

Rights to payments with respect to deferred stock units are generally not subject to alienation, transfer, assignment, pledge, garnishment, levy, execution, or other legal or equitable process. Deferred stock units do not give the holder thereof any rights with respect to Common Stock or any ownership interest in the Company. Except as may be provided in accordance with the Plan, the holder of a deferred stock unit will not have any voting, dividend or derivative or other similar rights with respect to the deferred stock unit.

Dividend Equivalent Rights

A dividend equivalent right is a right to receive (or have credited) the equivalent value of regular cash dividends declared on Common Stock otherwise subject to an Award. The Plan Administration Committee may provide that amounts payable with respect to dividend equivalents will be converted into cash or additional Common Stock or a combination of the two. The Plan Administration Committee will establish all other limitations and conditions of awards of dividend equivalents as it deems appropriate. Dividend equivalents granted in relation to options that are intended to qualify as performance-based compensation for purposes of Section 162(m) of the Code will be payable regardless of whether the related option is exercised. The Plan Administration Committee may establish a program under which amounts payable in respect of dividend equivalents may be deferred.

Stock Appreciation Rights

A stock appreciation right provides the holder with a right to the monetary equivalent of the increase in the value of a specified number of Shares over a specified period of time.

The Plan Administration Committee may grant stock appreciation rights to eligible Participants separately or in tandem with any option (for all or a portion of the applicable option). The Plan Administration Committee will establish the base amount of the stock appreciation right at the time it is granted, which base amount will be equal to the per Share exercise price of the related option or, if there is no related option, an amount equal to or greater than the Fair Market Value of a Share on the day the stock appreciation right is granted.

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In the case of tandem stock appreciation rights, the number of stock appreciation rights granted may not exceed the number of Shares underlying the related option. Upon the exercise of an option, the stock appreciation rights relating to the Common Stock covered by such exercise will terminate. Upon the exercise of stock appreciation rights, the related option will terminate to the extent of an equal number of Shares.

A stock appreciation right will be exercisable during the period specified by the Plan Administration Committee in the applicable Award agreement and will vest as provided in such Award agreement. When a grantee exercises stock appreciation rights, the grantee will receive in settlement of such stock appreciation rights an amount equal to the amount by which the Fair Market Value of the underlying Common Stock on the date of exercise exceeds the base amount of the stock appreciation right at the time it is granted. The appreciation in a stock appreciation right may be paid in Shares or cash.

Other Equity-Based Awards

The Plan authorizes the granting of other Awards based upon the Common Stock of the Company (including the grant of securities convertible into Common Stock) and interests (which may be expressed as units or otherwise) in subsidiaries, as applicable.

Special Rules Upon Reorganizations, Changes in Control, Etc.

If the Company is involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of Shares, sale of all or substantially all of the assets or stock of the Company or a transaction similar thereto, or upon certain changes in capital structure and other similar events, the Plan Administration Committee may make related adjustments in its discretion to outstanding Awards and various Plan provisions (including, without limitation, to the number and kind of Shares available under the Plan).

Without limiting the foregoing, upon a “Change in Control” (as defined in the Plan) of the Company, the Plan Administration Committee may make such adjustments as it, in its discretion, determines are necessary or appropriate in light of the Change in Control, but only if the Plan Administration Committee determines that the adjustments do not have an adverse economic impact on the Participants (as determined at the time of the adjustments).

Rights of Award Recipients

Nothing in the Plan or in any grant made pursuant to the Plan confers to the recipient of an Award any right to continue in the employ or other service of the Company, its subsidiaries or affiliates or interfere in any way with the right of the Company, its subsidiaries or affiliates and their shareholders, members, directors, managers or officers to terminate the individual's employment or other service at any time.

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Amendment and Termination

The Board may amend the Plan as it deems advisable, except that it may not amend the Plan in any way that would adversely affect a Participant with respect to an Award previously granted unless the amendment is required in order to comply with applicable laws; provided, however, that the Plan may not be amended without shareholder approval in any case in which amendment in the absence of shareholder approval would cause the Plan to fail to comply with any applicable legal requirement or applicable exchange or similar rule.

Governing Law

The Plan is governed by and will be construed in accordance with the laws of the State of New Jersey without regard to any principles of conflicts of laws which could cause the application of the laws of any jurisdiction other than the State of New Jersey.

Certain U.S. Federal Income Tax Consequences

THIS DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS INTENDED ONLY AS A SUMMARY OF SOME OF THE MORE GENERALLY APPLICABLE U.S. FEDERAL INCOME TAX RULES. NO ATTEMPT HAS BEEN MADE TO DISCUSS SPECIAL PROVISIONS THAT MIGHT BE APPLICABLE IN A PARTICULAR SITUATION. THIS DISCUSSION DOES NOT ADDRESS STATE, CITY OR LOCAL TAX ISSUES. THIS DISCUSSION IS INTENDED FOR THE INFORMATION OF SHAREHOLDERS CONSIDERING HOW TO VOTE AT THE ANNUAL MEETING AND NOT AS TAX GUIDANCE TO GRANTEEES, AS THE CONSEQUENCES MAY VARY WITH THE TYPES OF GRANTS MADE, THE IDENTITY OF THE GRANTEEES AND THE METHOD OF PAYMENT OR SETTLEMENT.

Non-Qualified Stock Options

No income will be recognized by an option holder at the time a non-qualified stock option is granted. Ordinary income will generally be recognized by an option holder, however, at the time a non-qualified stock option is exercised in an amount equal to the excess of the Fair Market Value of the underlying Common Stock on the exercise date over the exercise price. This amount of income will be subject to income tax withholding and employment taxes. The Company will generally be entitled to a deduction for U.S. federal income tax purposes in the same amount as the amount included in ordinary income by the option holder with respect to his or her non-qualified stock option. Gain or

loss on a subsequent sale or other disposition of the Shares acquired upon the exercise of a non-qualified stock option will be measured by the difference between the amount realized on the disposition and the tax basis of such Shares, and will generally be long-term or short-term capital gain depending on the holding period involved. The tax basis of the Shares acquired upon the exercise of any non-qualified stock option will be equal to the sum of the exercise price of the non-qualified stock option and the amount included in income with respect to the option. Notwithstanding the foregoing, in the event that exercise of the option is permitted other than by cash payment of the exercise price, various special tax rules may apply.

Incentive Stock Options

In general, neither the grant nor the exercise of an incentive stock option will result in taxable income to an option holder or a deduction for the Company. If an option holder disposes of the Shares acquired upon the exercise of the incentive stock option on or after the later of (i) two years after the incentive stock option is granted and (ii) one year after the transfer of the Shares to the option holder pursuant to exercise of the option, the difference between the amount realized on such disposition and the option holder's basis in the Shares will be taxed as capital gain or loss. The Company will not be entitled to a tax deduction. In addition, the option holder must be an employee of the Company or a qualified subsidiary at all times between the date of grant and the date three months (one year in the case of disability) before exercise of the option. Special rules apply in the case of the death of the option holder. However, the exercise of an incentive stock option (if the holding period rules described in this paragraph are satisfied) may subject the optionee to the alternative minimum tax.

If the holding period rules noted above are not satisfied, gain recognized on the disposition of the Shares acquired upon the exercise of an incentive stock option will be characterized as ordinary income. This gain will be equal to the difference between the exercise price and the Fair Market Value of the Shares at the time of exercise (special rules may apply to disqualifying dispositions where the amount realized is less than the value at exercise). The Company will generally be entitled to a deduction equal to the amount of such gain included by an option holder as ordinary income. Any excess of the amount realized upon such disposition over the Fair Market Value at exercise will generally be long-term or short-term capital gain depending on the holding period involved. Notwithstanding the foregoing, if exercise of the option is permitted other than by cash payment of the exercise price, various special tax rules may apply. The current position of the Internal Revenue Service is that income tax withholding and employment taxes do not apply upon the exercise of an incentive stock option or upon any subsequent disposition, including a disqualifying disposition, of Shares acquired pursuant to the exercise of the incentive stock option.

Restricted Stock

Unless a holder of restricted stock makes an “83(b) election” (as discussed below), there generally will be no tax consequences as a result of the grant of restricted stock until the restricted stock is no longer subject to a substantial risk of forfeiture or is transferable (free of the risk). Dividends paid on unvested Shares, if retained by the grantee, will generally be treated as compensation income for U.S. federal income tax purposes (unless an 83(b) election has been made, as discussed below). Generally, when the restrictions are lifted, the holder will recognize ordinary income, and the Company will be entitled to a deduction equal to the difference between the Fair Market Value of the stock at that time and the amount, if any, paid by the holder for the restricted stock. This amount of income will be subject to income tax withholding and employment taxes. Subsequently realized changes in the value of the stock generally will be treated as long-term or short-term capital gain or loss, depending on the length of time the Shares are held prior to disposition of the Shares. In general terms, if a holder makes an 83(b) election (under Section 83(b) of the Code) upon the award of restricted stock, the holder will recognize ordinary income on the date of the award of restricted stock, and the Company will be entitled to a deduction equal to (i) the Fair Market Value of the restricted stock as though the stock were (A) not subject to a substantial risk of forfeiture or (B) transferable, minus (ii) the amount, if any, paid for the restricted stock. If an 83(b) election is made, there will generally be no tax consequences to the holder upon the lifting of restrictions, and all subsequent appreciation in the restricted stock generally would be eligible for capital gains treatment. In the event of a forfeiture after an 83(b) election is made, no deduction or loss will be available, other than with respect to amounts actually paid for the stock.

Restricted Stock Units

In general, a grantee of restricted stock units is not taxed at the time of the grant. Instead, the holder is taxed at the time in which there is no longer a substantial risk of forfeiture (i.e., at the time the restricted stock units have vested). Generally, when the restrictions are lifted, the holder must recognize ordinary income, and the Company will be entitled to a deduction, equal to the difference between the Fair Market Value of the grant at that time, minus the amount paid for the grant (if any). This amount of income will be subject to income tax withholding and employment

taxes. For grants that are settled in actual Shares, the employee's tax holding period begins at the time of distribution (which may or may not coincide with vesting), and the holder's tax basis is equal to the amount paid for the stock plus the amount included as ordinary income. Subsequently realized changes in the value of the stock generally will be treated as long-term or short-term capital gain or loss, depending on the length of time the Shares are held prior to disposition of the Shares.

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Deferred Stock Units

In general, a grantee of deferred stock units is not taxed at the time of the grant. Instead, the holder is taxed at the time in which there is no longer a substantial risk of forfeiture (i.e., at the time of settlement of the deferred stock units). Generally, when there is no longer a substantial risk of forfeiture, the holder must recognize ordinary income, and the Company will be entitled to a deduction equal to the difference between the Fair Market Value of the grant at that time, minus the amount paid for the grant (if any). This amount of income will be subject to income tax withholding and employment taxes. For grants that are settled in actual Shares, the employee's tax holding period begins at the time of distribution, and the holder's tax basis is equal to the amount paid for the stock plus the amount included as ordinary income. Subsequently realized changes in the value of the stock generally will be treated as long-term or short-term capital gain or loss, depending on the length of time the Shares are held prior to disposition of the Shares.

Dividend Equivalent Rights

There generally will be no tax consequences as a result of the award of a dividend equivalent right. When payment is made, the holder of the dividend equivalent generally will recognize ordinary income, and the Company will be entitled to a deduction, equal to the amount received in respect of the dividend equivalent right. This amount of income will be subject to income tax withholding and employment taxes.

Stock Appreciation Rights

There generally will be no tax consequences as a result of the award of a stock appreciation right. Upon the exercise of a stock appreciation right, the holder generally will recognize ordinary income in an amount equal to the excess of the Fair Market Value of the underlying Common Stock on the exercise date over the exercise price. This amount of income will be subject to income tax withholding and employment taxes. The Company will generally be entitled to a deduction for U.S. federal income tax purposes in the same amount as the amount included in ordinary income by the holder of the stock appreciation right with respect to his or her stock appreciation right.

Securities Exchange Act of 1934

Additional special tax rules may apply to those Award holders who are subject to the rules set forth in Section 16 of the Securities Exchange Act of 1934, as amended.

Section 409A of the Internal Revenue Code

To the extent applicable, it is intended that the Plan and any awards granted under the Plan comply with the requirements of Section 409A of the Code.

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Deductibility of Executive Compensation Under Section 162(m) of the Internal Revenue Code

Section 162(m) of the Code sets limits on the deductibility of compensation in excess of \$1,000,000 paid by publicly held companies to certain employees (the “million dollar cap”). The Internal Revenue Service has also issued Treasury Regulations which provide rules for the application of the million dollar cap deduction limitations. Income which is treated as “performance-based compensation” under these rules will not be subject to the limitation on deductibility imposed by Section 162(m) of the Code.

The Plan has been designed to permit option grants to qualify under the performance-based compensation rules so that income of a grantee attributable to the exercise of a nonqualified option may be exempt from the million dollar cap limits on deduction by us. The Plan’s provisions are consistent with the performance-based compensation rules, so that if the Plan Administration Committee consists exclusively of members of the Board who qualify as “outside directors” as defined in the regulations promulgated under Section 162(m), the compensation income arising on exercise of those options should qualify as performance-based compensation which is deductible by us even if that income would be in excess of the otherwise applicable limits on deductible compensation income under Section 162(m).

The Plan also permits, but does not require, the grant of performance-based restricted stock awards, which would be subject to performance-based vesting provisions established by the Plan Administration Committee consistent with the terms of the Plan. The compensation income recognized as a result of such grants by a grantee would also qualify as performance-based compensation which may, therefore, be exempt from the million dollar cap limit on deductions we may take.

The general federal income tax principles discussed above are highly complex and subject to changes which may be brought about by subsequent legislation or by regulations and administrative rulings which may be applied on a retroactive basis. Grantees may also be subject to state and local and/or foreign taxes with respect to option and stock appreciation rights grants, option and stock appreciation rights exercises and the subsequent holding and disposition of Shares acquired by grantees on the exercise of an option or pursuant to a restricted award or deferred stock unit. Accordingly, grantees should refer to the applicable tax laws of the relevant jurisdictions to determine the tax consequences of their receipt of awards under any applicable state, local or foreign law. Grantees should consult their own tax advisor in connection with the tax consequences of the grant and exercise of any option or stock appreciation rights received under the Plan, the receipt of a restricted stock, restricted stock unit or deferred stock unit award (or the receipt of Shares pursuant to such awards), the receipt of dividend equivalent rights, or other equity-based awards as well as the subsequent holding and disposition of Shares received in connection with an award.

Approval of this proposal requires the affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE ADOPTION OF THE AMREP CORPORATION 2016 EQUITY COMPENSATION PLAN.

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PROPOSAL NUMBER 3

ADVISORY VOTE ON THE COMPENSATION PAID TO THE COMPANY'S NAMED EXECUTIVE OFFICERS

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and Section 14A of the Securities Exchange Act of 1934, as amended, the Company's shareholders are entitled to vote to approve, on an advisory basis, the compensation paid to the Company's named executive officers as disclosed in this Proxy Statement in accordance with the rules of the Securities and Exchange Commission. The compensation paid to the Company's named executive officers subject to the vote is disclosed in the compensation table and related narrative disclosure contained in this Proxy Statement.

The Board is asking the shareholders to indicate their support for the compensation paid to the Company's named executive officers as described in this Proxy Statement by casting a non-binding advisory vote "FOR" the following resolution:

"RESOLVED, that the shareholders of AMREP Corporation hereby APPROVE, on a nonbinding advisory basis, the compensation paid to the Company's named executive officers, as disclosed in the Company's proxy statement for the 2016 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the executive compensation table and narrative discussion disclosed therein."

Because the vote is advisory, it is not binding on the Board or the Company. In accordance with the Dodd-Frank Act, the vote to approve the compensation of the Company's named executive officers shall not be construed: (i) as overruling any decision by the Company or the Board; (ii) to create or imply any change in the fiduciary duties of the Company or the Board; or (iii) to create or imply any additional fiduciary duties for the Company or the Board. Nevertheless, the views expressed by the shareholders, whether through this vote or otherwise, are important to management and the Board and, accordingly, the Board and the Compensation and Human Resources Committee intend to consider the results of this vote in making determinations in the future regarding executive compensation arrangements.

At the most recent annual meeting of shareholders held on September 10, 2015, the Company's shareholders voted to approve, on an advisory basis, the compensation paid to the Company's named executive officers as disclosed in the proxy statement for that meeting dated August 8, 2015. Nevertheless, the Company did receive a significant number of votes against approving this compensation, including from the Company's largest beneficial shareholder whose vote constituted a substantial majority of the votes cast against approving such compensation. The Chairman of the

Compensation and Human Resources Committee, who is also the Chairman of the Board, reached out to this major shareholder to receive feedback and better understand the reasons for the negative vote. This shareholder did not identify any specific objections to executive compensation but instead said that his vote was more intended to send a message that he was not satisfied with the general direction of the Company and its results.

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Advisory approval of this proposal requires the affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE APPROVAL OF THE COMPENSATION PAID TO THE COMPANY’S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT.

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THE BOARD OF DIRECTORS AND ITS COMMITTEES

Governance Standards

The Company's Common Stock is listed on the New York Stock Exchange, and the Company is subject to the New York Stock Exchange's Corporate Governance Standards (the "Governance Standards"). The Governance Standards, among other things, generally require a listed company to have independent directors within the meaning of the Governance Standards as a majority of its board of directors and for the board to have an audit committee, a nominating/corporate governance committee and a compensation committee, each composed entirely of independent directors.

Based principally on their responses to questions to these persons regarding the relationships addressed by the Governance Standards and discussions with them, the Board has determined that other than his service as a director, each of Edward B. Cloues, II, Lonnie A. Coombs, Robert E. Robotti and Albert V. Russo has no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company, and, therefore, meets the director independence requirements of the Governance Standards. The Board was informed that Mr. Coombs, who is a certified public accountant, (i) for many years has provided, and expects to continue to provide, business and tax consulting services to certain companies owned by Nicholas G. Karabots, a beneficial owner of approximately 26% of the outstanding shares of the Company, including a company that is a customer of the Company's subscription fulfillment services business, (ii) the revenues from such business and tax consulting services for the Company's last three fiscal years have accounted for from 1.2% to 4.2% of Mr. Coombs' professional service revenues over those periods and (iii) Mr. Coombs is also a director of two private companies controlled by Mr. Karabots and in the past has served as a director of other such companies. However, the Board concluded that Mr. Coombs' relationships with Mr. Karabots and his companies is as an independent contractor, and not as an employee, partner, shareholder or officer, and would not interfere with Mr. Coombs' independence from the Company's management.

As required by the Governance Standards, the Board has adopted Corporate Governance Guidelines (the "Guidelines") that address various matters involving the Board and the conduct of its business. The Board has also adopted a Code of Business Conduct and Ethics setting forth principles of business conduct applicable to the directors, officers and employees of the Company. The Guidelines and Code of Business Conduct and Ethics, as well as the charters of the Board's Nominating and Corporate Governance Committee, Audit Committee and Compensation and Human Resources Committee, may be viewed under "Corporate Governance" on the Company's website at www.amrepcorp.com, and written copies will be provided to any shareholder upon written request to the Company at AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary. The Company intends to disclose on its website any amendment to or waiver of any provision of the Code of Business Conduct and Ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions.

Directors are expected to attend Annual Meetings of Shareholders, and all of the directors attended last year's Annual Meeting. The Board held six meetings during the last fiscal year. All of the directors attended at least 75% of the total number of meetings held during the last fiscal year of the Board and its Committees of which they were members. Pursuant to the Guidelines, the Board has established a policy that the non-management directors meet in executive session at least twice per year and that the independent directors also meet in executive session at least twice per year. The Chairman of the Board (currently, Edward B. Cloues, II), if in attendance, will be the presiding director at each such executive session; otherwise, those attending may select a presiding director. Since December 31, 2010, no member of management has been a director.

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Any shareholder or other interested person wishing to communicate with the Board or any of the directors may send a letter addressed to the member or members of the Board to whom the communication is directed in care of AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary. All such communications will be forwarded to the specified addressee(s).

Board Leadership Structure

Since the Company has no chief executive officer, the Board is charged with the oversight of the Company's business. While it is unusual for a company not to have a chief executive officer, the Company believes that its leadership structure is appropriate and works well for it since the membership of the Board includes Mr. Cloues who is an experienced public company chief executive officer, Mr. Coombs who is experienced with financial and accounting matters, Mr. Gaasche who is the former chief executive officer of the Company and Mr. Russo who is one of the major shareholders of the Company. The Board previously had an Executive Committee, which was disbanded in September 2015 in light of the reduction in the size of the Board to four directors, three of whom were on the Executive Committee.

Nominating and Corporate Governance Committee

The Board has a Nominating and Corporate Governance Committee that operates under a written charter adopted by the Board. Each member of the Nominating and Corporate Governance Committee is required to be an independent director, as defined by the Governance Standards. The members of this Committee are Messrs. Cloues (Chairman), Coombs and Russo, each of whom has been determined by the Board to be an independent director within the meaning of the Governance Standards. This Committee reports regularly to the Board concerning its activities. The Nominating and Corporate Governance Committee held three meetings during the last fiscal year.

The duties of the Nominating and Corporate Governance Committee include identifying individuals the Committee considers qualified to be elected Board members consistent with criteria approved by the Board, and recommending persons to be nominated by the Board for election by the shareholders. When considering a nominee for election as a director, the Committee considers the experience, skills and knowledge of business and management practices a candidate may possess and the perspective he or she may bring to the Board, and employs criteria calling for, among other things, the person's personal and professional integrity, good judgment, high level of ability and business acumen, and experience in the Company's industries, as well as the ability of the nominee to devote sufficient time to performing his or her duties on the Board in an effective manner. Although the Committee has no specific policy regarding the diversity of the membership of the Board, it is the objective of the Committee that the Board be comprised of persons of diverse backgrounds such that as a unit the members of the Board will possess the necessary skills to appropriately discharge their responsibilities as the Company's directors. The Committee is also responsible for periodically reviewing and recommending changes to the Guidelines and for overseeing the Company's corporate

governance practices.

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The Nominating and Corporate Governance Committee will consider candidates for director recommended by shareholders on the same basis as any other proposed nominees. Any shareholder desiring to propose a candidate for selection as a nominee of the Board for election at the 2017 Annual Meeting of Shareholders may do so by sending a written communication no later than May 1, 2017 to the Nominating and Corporate Governance Committee, AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary, identifying the proposing shareholder, specifying the number of shares of Common Stock held by such shareholder and stating the name and address of the proposed nominee and the information concerning such person that the regulations of the Securities and Exchange Commission require be included in a proxy statement relating to such person's proposed election as a director.

Audit Committee

The Board has an Audit Committee that operates under a written charter adopted by the Board. Each member of the Audit Committee is required to be an independent director, as defined by the Governance Standards. The members of this Committee are Messrs. Coombs (Chairman), Cloues and Russo, each of whom has been determined by the Board to be an independent director within the meaning of the Governance Standards. The Board has also determined that Mr. Coombs, who is a certified public accountant, qualifies as an audit committee financial expert within the meaning of Securities and Exchange Commission regulations. This Committee reports regularly to the Board concerning its activities. The Audit Committee held seven meetings during the last fiscal year.

The duties of the Audit Committee include (i) appointing the Company's independent registered public accounting firm, approving the services to be provided by that firm and its compensation and reviewing that firm's independence and performance of services, (ii) reviewing the scope and results of the yearly audit by the independent registered public accounting firm, (iii) reviewing the Company's system of internal controls and procedures, (iv) reviewing with management and the independent registered public accounting firm the Company's annual and quarterly financial statements, (v) reviewing the Company's financial reporting and accounting standards and principles and (vi) overseeing the administration and enforcement of the Company's Code of Business Conduct and Ethics. In addition to the Audit Committee's responsibilities set forth above, the Audit Committee has, pursuant to its charter, primary responsibility for the oversight of risks that could affect the Company.

Compensation and Human Resources Committee

The Board has a Compensation and Human Resources Committee that operates under a written charter adopted by the Board. Each member of the Compensation and Human Resources Committee is required to be an independent director, as defined by the Governance Standards. The members of this Committee are Messrs. Cloues (Chairman), Coombs and Russo, each of whom has been determined by the Board to be an independent director within the meaning of the Governance Standards. This Committee reports regularly to the Board concerning its activities. During

the last fiscal year, the Compensation and Human Resources Committee held four meetings on a formal basis and met periodically on an informal basis. In addition, a subcommittee of the Compensation and Human Resources Committee held one meeting during the last fiscal year to consider and approve certain equity compensation awards.

The Compensation and Human Resources Committee is responsible for reviewing and approving the corporate goals and objectives applicable to the Company's chief executive officer, if any, and determining his compensation and that of the Company's other executive officers, establishing overall compensation and benefit levels and fixing bonus pools for other employees, and making recommendations to the Board concerning other matters relating to employee and director compensation. With respect to salaries, bonuses and other compensation and benefits, the decisions and recommendations of the Compensation and Human Resources Committee are subjective and are not based on any list of specific criteria. In the past, factors influencing the Committee's decisions regarding executive salaries have included the Committee's assessment of the executive's performance and any changes in functional responsibility. In determining the salary to be paid to a particular individual, the Committee applies these and other criteria, while also using its best judgment of compensation applicable to other executives holding comparable positions both within the Company and at other companies. Additionally, the Committee in developing its recommendations regarding director compensation looks to director compensation at other public companies of the Company's size. Executive officers of the Company do not play a role in determining their compensation. Neither the Board nor the Committee has engaged compensation consultants for the purposes of determining or advising upon executive or director compensation.

Risk Oversight

The Board is actively involved in risk oversight and management of risk. The Board has ultimate responsibility for the oversight of risks facing the Company and for the management of those risks, with the Audit Committee conducting preliminary evaluations of risk and addressing risk prior to review by the Board. The Audit Committee considers and reviews with management the Company's internal control processes. The Audit Committee also considers and reviews with the Company's independent registered public accounting firm the adequacy of the Company's internal controls, including the processes for identifying significant risks or exposures, and elicits recommendations for the improvement of such procedures where needed. In addition to the Audit Committee's role, the full Board is involved in the oversight and administration of risk and risk management practices by overseeing members of senior management in their risk management capacities. Members of the Company's senior management have day-to-day responsibility for risk management and establishing risk management practices, and members of management are expected to report matters relating specifically to the Audit Committee directly thereto, and to report all other matters directly to the Chairman of the Board or the Board as a whole. Members of the Company's senior management have an open line of communication to the Chairman of the Board and the Board as a whole and have the discretion to raise issues from time-to-time in any manner they deem appropriate, and management's reporting on issues relating to risk management typically occurs through direct communication with directors, the Chairman of the Board or the Audit Committee as matters requiring attention arise.

In furtherance of its risk oversight responsibilities, the Board has evaluated the Company's overall compensation policies and practices for its employees to determine whether such policies and practices create incentives that could reasonably be expected to affect the risks faced by the Company and its management, has further assessed whether any risks arising from these policies and practices are reasonably likely to have a material adverse effect on the Company, and has concluded that the risks arising from the Company's policies and practices are not reasonably likely to have a material adverse effect on the Company.

EXECUTIVE OFFICERS

For information with respect to executive officers, see "Executive Officers of the Registrant" in Part I of the Company's Annual Report on Form 10-K for the year ended April 30, 2016, filed pursuant to the Securities Exchange Act of 1934, as amended.

COMPENSATION OF EXECUTIVE OFFICERS

The following table contains summary information regarding the compensation of the Company's executive officers as required by Item 402(n) of Regulation S-K.

Summary Compensation Table

Name and Principal Position	Year ⁽¹⁾	Salary (\$)	Stock Awards ⁽²⁾		All Other Compensation ⁽³⁾ (\$)	Total ⁽³⁾ (\$)
			Bonus (\$)	Awards (\$)		
CHRISTOPHER V. VITALE	2016	238,462	-	15,660	1,097	255,219
Executive Vice President, Chief Administrative Office, General Counsel and Secretary of the Company	2015	227,079	-	41,400	2,076	270,555
RORY BURKE	2016	288,600	-	-	1,160	289,760
President and Chief Executive Officer of Palm Coast Data LLC	2015	288,177	-	-	17,576	305,753
PETER M. PIZZA ⁽⁴⁾	2016	205,600	-	-	810	206,410
Former Vice President and Chief Financial Officer of the Company	2015	205,097	-	20,700	2,076	227,873

(1) The year references are to the fiscal years ended April 30.

(2) The amounts indicated represent the grant date fair value related to awards of restricted stock granted during fiscal years 2016 and 2015 computed in accordance with stock-based accounting rules (FASB ASC Topic 718). The determination of this value is based on the methodology set forth in Note 13 to the Company's audited financial statements included in the Company's Annual Report on Form 10-K for the year ended April 30, 2016.

(3) The amounts reported include payment of life insurance premiums and, additionally, in the case of Mr. Burke, relocation expenses of \$15,000 for 2015.

(4) Mr. Pizza ceased being an officer effective April 30, 2016, and his employment with the Company ended on August 1, 2016.

Clifford R. Martin was appointed as Vice President and Chief Financial Officer of the Company effective as of May 1, 2016, which is the beginning of the Company's 2017 fiscal year.

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Outstanding Equity Awards at April 30, 2016

Name	Stock Awards Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested (#)	(2)	\$	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or other Rights that have not Vested (\$)⁽¹⁾
CHRISTOPHER V. VITALE	10,000	(2)	\$	44,500
RORY BURKE	2,000	(3)	\$	8,900
PETER M. PIZZA	4,000	(4)	\$	17,800

(1) Value is based on the closing price per share of Common Stock of \$4.45 on April 29, 2016, as reported on the New York Stock Exchange.

2,000 restricted shares of Common Stock vested on July 8, 2016, 1,000 restricted shares of Common Stock vested on July 13, 2016 and 3,000 restricted shares of Common Stock vested on August 1, 2016. 2,000 restricted shares of Common Stock will vest on July 8, 2017 and 2,000 restricted shares of Common Stock will vest one-half on July 13, 2017 and one-half on July 13, 2018, subject in each case to the continued employment of Mr. Vitale on each vesting date.

(3) The restricted shares of Common Stock will vest on March 5, 2017, subject to the continued employment of Mr. Burke on the vesting date.

(4) 1,000 restricted shares of Common Stock vested on July 8, 2016 and 2,000 restricted shares of Common Stock vested on August 1, 2016. 1,000 restricted shares of Common Stock that would have vested on July 8, 2017 have been forfeited as a result of Mr. Pizza's termination of employment on August 1, 2016.

On June 21, 2016, Mr. Vitale was awarded 7,500 restricted shares of Common Stock, which will vest one-third on June 21, 2017, one-third on June 21, 2018 and one-third on June 21, 2019, subject to the continued employment of Mr. Vitale on each vesting date.

Mr. Pizza participated in the Company's Retirement Plan for Employees (the "Retirement Plan"), which was amended effective January 1, 1998 to change it into a cash balance defined benefit plan. The Retirement Plan was subsequently frozen effective March 1, 2004, so that in the determination of the benefit payable, a participant's compensation from and after March 1, 2004 is not taken into account. A participant's benefit under the amended Retirement Plan is now comprised of (a) the participant's cash balance as of February 29, 2004, plus interest on the cash balance (currently credited annually at the 30-year Treasury Rate for December of the previous year as published by the Board of Governors of the Federal Reserve System), and (b) the participant's periodic pension benefit under the Retirement Plan as at December 31, 1997 had the participant been at normal retirement age at that date. Assuming that Mr. Pizza elects the life annuity form of pension, his annual retirement benefits are estimated to be \$5,229.

Other than as described below, the Company's executive officers are not subject to agreements or other arrangements that provide for payments upon a change in control of the Company and the Company's policies for severance payments upon termination of employment apply to the executive officers on the same basis as the Company's other salaried employees. The Compensation and Human Resources Committee retains the discretion to enter into severance agreements with individual executive officers on terms satisfactory to it. Effective as of March 5, 2014, Palm Coast Data LLC entered into a change of control agreement (the "COC Agreement") with Mr. Burke. The COC Agreement provides for certain rights and benefits in the event Palm Coast Data LLC terminates Mr. Burke's employment without cause or Mr. Burke terminates his employment with Palm Coast Data LLC for good reason (as each of those terms are defined in the COC Agreement), and in each case in connection with a change in control of the Company or Palm Coast Data LLC (a "double-trigger"), including severance payable to Mr. Burke equal to one times his annual base salary and continued health and medical insurance to Mr. Burke for one year. In addition, if the change of control is solely with respect to Palm Coast Data LLC, the COC Agreement provides that any vesting, restrictions or conditions on the exercisability or the sale of equity awards granted by the Company or its affiliates to Mr. Burke shall lapse or otherwise be deemed fully vested, accelerated or otherwise satisfied. These rights and benefits are subject to certain customary non-competition and non-solicitation obligations and are contingent upon the execution of a release.

In 2006, the Board adopted, and the shareholders approved, the AMREP Corporation 2006 Equity Compensation Plan, which authorizes stock-based awards of various kinds to employees covering up to a total of 400,000 shares of Common Stock. Under the terms of the AMREP Corporation 2006 Equity Compensation Plan, its administrator has the discretion to accelerate the vesting of, or otherwise remove restrictions on, awards under the AMREP Corporation 2006 Equity Compensation Plan upon a change in control of the Company.

COMPENSATION OF DIRECTORS

Compensation for the non-employee members of the Board is approved by the Board, which considers recommendations for director compensation from the Company's Compensation and Human Resources Committee.

Effective as of April 1, 2016, compensation provided to the non-employee members of the Board is as follows:

If the Plan contemplated by Proposal 2 is approved by the Company's shareholders:

o each non-employee member of the Board shall be paid an annual cash fee of \$60,000 in equal quarterly installments in arrears;

o

on the last trading day of calendar year 2016, each non-employee member of the Board shall be issued the number of deferred common share units of the Company under the Plan equal to \$15,000 divided by the closing price per share of Common Stock, reported on the New York Stock Exchange on such date; and

on the last trading day of each calendar year after calendar year 2016, each non-employee member of the Board shall be issued the number of deferred common share units of the Company under the Plan equal to \$20,000 divided by the closing price per share of Common Stock reported on the New York Stock Exchange on such date.

If the Plan contemplated by Proposal 2 is not approved by the Company's shareholders,

each non-employee member of the Board shall be paid an annual cash fee of \$60,000 in equal quarterly installments in arrears during calendar year 2016;

each non-employee member of the Board on December 31, 2016 shall be paid an additional \$15,000 for service during calendar year 2016, which shall be pro-rated for any new directors added to the Board after April 1, 2016; and

each non-employee member of the Board shall be paid an annual cash fee of \$80,000 in equal quarterly installments in arrears after calendar year 2016.

The Chairmen of the Audit Committee and of the Compensation and Human Resources Committee shall each be paid an annual fee of \$7,500 in equal quarterly installments, and the other members of those committees shall not be paid any fee with respect to service on such committee. The members of the Nominating and Corporate Governance Committee, including its Chairman, serve without additional compensation.

In addition to the fees described above, Edward B. Cloues, II is paid an annual fee of \$135,000 for his services as Chairman of the Board.

All amounts shall be pro-rated to reflect any director's removal from the Board, retirement from the Board or refusal to stand for election to the Board or any new director being appointed or elected to the Board; provided that, any deferred common share units of the Company that would have been issued on the last trading day of a calendar year to a director who was removed from the Board, retired from the Board or refused to stand for election to the Board prior to such issuance date shall be paid in cash rather than as deferred common share units of the Company, where the cash payment will equal the pro rata number of shares that would have been issued to the director multiplied by the closing price per share of Common Stock reported on the New York Stock Exchange on the last trading day of the calendar year.

There shall be no separate meetings fees for the Board or any committee thereof.

Prior to April 1, 2016, compensation provided to the non-employee members of the Board was as follows:

Each non-employee member of the Board was paid an annual fee of \$80,000 in equal quarterly installments and an additional \$1,500 for each Board meeting attended in person or by telephone at meetings called for attendance in person and \$500 for each Board meeting attended by telephone unless, in the case of a telephonic meeting, the Board determined that the meeting and attendant preparation were so brief that no payment was warranted.

The Chairmen of the Audit Committee and the Compensation and Human Resources Committee were each paid an annual fee of \$7,500, and each other member of those Committees was paid an annual fee of \$5,000, in equal quarterly installments. The members of the Nominating and Corporate Governance Committee served without additional compensation.

In addition to the fees described above, Edward B. Cloues, II was paid an annual fee of \$135,000 for his services as Chairman of the Board, and Theodore J. Gaasche was paid a monthly fee of \$5,000 for his services as Vice Chairman of the Executive Committee until the Executive Committee was disbanded in September 2015.

The following table summarizes the compensation earned by the Company's directors for fiscal 2016:

Name	Fees Earned or Paid in Cash (\$)	Total (\$)
Edward B. Cloues, II	232,458	232,458
Lonnie A. Coombs	96,625	96,625
Theodore J. Gaasche	112,667	112,667
Albert V. Russo	93,500	93,500
Jonathan B. Weller ⁽¹⁾	32,333	32,333

(1) Mr. Weller's service as a member of the Board ended on September 10, 2015.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of April 30, 2016 concerning Common Stock of the Company that is issuable under its compensation plans.

Plan Category	(A) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(B) Weighted average exercise price of outstanding options, warrants and rights	(C) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A))
Equity compensation plans approved by shareholders	-	-	349,000 (1)
Equity compensation plans not approved by shareholders	-	-	-
Total	-	-	349,000

Represents shares of Common Stock available for grant under the AMREP Corporation 2006 Equity Compensation Plan less outstanding grants of restricted shares of Common Stock previously made under the plan. The AMREP Corporation 2006 Equity Compensation Plan expires by its terms on September 19, 2016.

CERTAIN TRANSACTIONS

Prior to February 9, 2015, the Company was engaged in the Newsstand Distribution Services business and the Product Packaging and Fulfillment Services business, operated by Kable Media Services, Inc. (“KMS”), Kable Distribution Services, Inc. (“Kable Distribution”), Kable News Company, Inc., Kable News International, Inc., Kable Distribution Services of Canada, Ltd. and Kable Product Services, Inc. (collectively, the “Company Group”). The Newsstand Distribution Services business operated a national distribution business that distributed publications and the Product Packaging and Fulfillment Services business offered electronic and traditional commerce solutions to customers.

On February 9, 2015, American Investment Republic Co. (“Seller”), a subsidiary of the Company, entered into a stock purchase agreement (the “Stock Purchase Agreement”) with DFI Holdings, LLC (“Distribution Buyer”) and KPS Holdco, LLC (“Products Buyer”, and together with Distribution Buyer, the “MD Buyers”), where each MD Buyer was controlled by Michael P. Duloc. The closing of the transactions contemplated by the Stock Purchase Agreement occurred on February 9, 2015.

Prior to February 9, 2015, Mr. Duloc was the chief executive officer and president of the Company Group and certain other subsidiaries of the Company and was a principal executive officer of the Company. In connection with the closing of the transactions contemplated by the Stock Purchase Agreement, effective on February 9, 2015, Mr. Duloc was removed as an officer of each direct and indirect subsidiary of the Company and ceased to be a principal executive officer of the Company. Mr. Duloc is the son-in-law of Nicholas G. Karabots, a significant shareholder of the Company. Mr. Duloc’s spouse, who is Mr. Karabots’ daughter, is an officer of one of Mr. Karabots’ companies to which the Company Group and the Company’s subscription fulfillment services business provided services. Mr. Karabots was a director and Vice Chairman of the Board and of the Executive Committee of the Board until January 22, 2013 and was Chairman of the Compensation and Human Resources Committee of the Board until November 28, 2012. A special committee of the Board, comprised of directors whom the Board found to be independent of Mr. Karabots and pursuant to a written charter, considered and negotiated the terms of the sale of the Company Group.

Pursuant to the Stock Purchase Agreement, Products Buyer acquired, through the purchase of all of the capital stock of Kable Product Services, Inc., the Company’s Product Packaging and Fulfillment Services business. Immediately following such acquisition, pursuant to the Stock Purchase Agreement, Distribution Buyer acquired, through the purchase of all of the capital stock of KMS, the Company’s Newsstand Distribution Services business operated by KMS’s direct and indirect subsidiaries, namely Kable Distribution, Kable News Company, Inc., Kable News International, Inc. and Kable Distribution Services of Canada, Ltd.

Consideration for MD Buyers acquiring the Company Group included MD Buyers paying Seller \$2,000,000, which consisted of \$400,000 of cash paid by MD Buyers on February 9, 2015 and \$1,600,000 paid by execution by MD Buyers of a secured promissory note, dated as of February 9, 2015 (the “Buyer Promissory Note”).

As a result of the transaction, other than (i) the elimination of substantially all of the intercompany amounts of the Company Group due to or from the Company and its direct and indirect subsidiaries (not including the Company Group) through offset and capital contribution and (ii) certain other limited items identified in the Stock Purchase Agreement and the agreements entered into in connection with the Stock Purchase Agreement, the Company Group retained all of its pre-closing assets, liabilities, rights and obligations. At February 9, 2015, the Company Group had assets of \$4,564,000 and liabilities of \$15,732,000, which included \$11,605,000 of negative working capital with respect to Kable Distribution. The negative working capital of Kable Distribution represented its net payment obligation due to publisher clients and other third parties. The Company recognized a pretax gain of \$10,479,000 on its financial statements as a result of the transaction in the fourth quarter of 2015.

The following agreements, each dated as of February 9, 2015, were entered into in connection with the Stock Purchase Agreement:

Buyer Promissory Note. MD Buyers entered into the Buyer Promissory Note, which required MD Buyers to pay Seller \$1,600,000 in 24 equal monthly instalments, commencing on February 1, 2016, with interest due and payable monthly commencing on March 1, 2015. Interest accrued at a rate per annum determined on the first business day of each month equal to three percent plus the “prime rate,” as published in The Wall Street Journal. The Buyer Promissory Note contained customary events of default and representations, warranties and covenants provided by MD Buyers to Seller, and was secured by a pledge of substantially all of the personal property of MD Buyers and the Company Group, *pari passu* with other secured obligations owed by MD Buyers and the Company Group to Seller under the Stock Purchase Agreement and the agreements entered into in connection with the Stock Purchase Agreement.

Releases. (a) Seller entered into a release agreement in favor of the Company Group and its affiliates and (b) the Company Group, MD Buyers and Mr. Duloc entered into release agreements in favor of Seller and its affiliates. Subject to certain limited exceptions, each of the release agreements released all claims that the releasing party may have had against the parties being released.

Line of Credit. Seller provided the Company Group with a secured revolving line of credit pursuant to a line of credit promissory note (the “Line of Credit”). The Line of Credit permitted the Company Group to borrow from Seller up to a maximum principal amount of \$2,000,000 from February 9, 2015 until May 11, 2015, \$1,500,000 from May 12, 2015 until August 5, 2016 and \$1,000,000 from August 6, 2016 until February 9, 2017, with interest due and payable monthly commencing on March 1, 2015.

The principal amount permitted to be borrowed under the Line of Credit was subject to the following borrowing base: (a) from February 9, 2015 until May 11, 2015, (i) 50% of eligible accounts receivable of the Company Group and (ii) 45% of eligible unbilled receivables of Kable Distribution and (b) from May 12, 2015 until February 9, 2017,