

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

2019 Annual Incentive Compensation Plan

On April 9, 2019, the Executive Compensation and Human Resources Committee (the “Compensation Committee”) of the Board of Trustees of Pennsylvania Real Estate Investment Trust (the “Company”) approved the Company’s 2019 annual cash incentive plan for employees at the level of director or above. The Company’s Chief Executive Officer, Chief Financial Officer and certain other executive officers (collectively, the “Executive Officers”) are all eligible to receive performance-based bonuses under the plan. Payments pursuant to the plan, if any, will be made after the Company’s results for 2019 are determined.

Under the plan, the Compensation Committee approved threshold (i.e., minimum), target and outperformance (i.e., maximum) annual cash incentive opportunity levels, expressed as a percentage of base salary, that the Executive Officers are eligible to receive.

The level of the award that each of the Executive Officers is eligible to receive will depend upon the Company’s 2019 Funds From Operations (“FFO”) per share, achievement of strategic objectives, same-store net operating income growth, the Company’s leverage and individual performance evaluations. FFO is a commonly used measure of operating performance in the real estate industry, and the Company computes FFO in accordance with standards established by the National Association of Real Estate Investment Trusts.

The following table sets forth the award threshold, target and outperformance levels for the Executive Officers under the plan, expressed as a percentage of base salary:

| Title | Incentive Award Opportunity as a Percentage of Base Salary | | |
|-------------------------|--|--------|----------------|
| | Threshold | Target | Outperformance |
| Joseph F. Coradino | 70% | 140% | 280% |
| Robert F. McCadden | 40% | 80% | 160% |
| Mario C. Ventresca, Jr. | 30% | 60% | 120% |
| Andrew M. Ioannou | 30% | 60% | 120% |
| Joseph J. Aristone | 30% | 60% | 120% |

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PENNSYLVANIA REAL ESTATE
INVESTMENT TRUST

Date: April 15, 2019 By: /s/ Lisa M. Most
Lisa M. Most
Senior Vice President and General Counsel