

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY

COMPENSATION COMMITTEE CHARTER

Adopted as of June 2, 2010

I. PURPOSE

Pursuant to Section 4.13 of the Amended and Restated Declaration of Trust, as amended (the "Declaration of Trust"), the Board of Trustees (the "Board") of First Real Estate Investment Trust of New Jersey (the "Trust"), by resolution of the Board, has designated a committee of the Board that shall be known as the Compensation Committee (the "Committee").

The primary purpose of the Committee is to review, recommend and submit to the Board for approval, all compensation, including, without limitation, grants of equity-based awards under the Trust's Equity Incentive Plan (the "Equity Incentive Plan") and such other incentive compensation plans that may be adopted, of (a) the executive officers of the Trust, including, but not limited to, the Chairman of the Board and Chief Executive Officer, the President, Treasurer and Chief Financial Officer, the Executive Secretary and Secretary, and such other officers as the Board may appoint from time to time (individually an "Executive Officer" and collectively, the "Executive Officers"), (b) the members of the Board, (c) the Trust's managing agent (the "Managing Agent") and its employees, and (d) other independent contractors and consultants of the Trust (collectively, the "Consultants"). The Committee will fulfill these responsibilities primarily by carrying out the activities enumerated in Section IV of this Charter.

II. MEMBERSHIP

The Committee shall be comprised of three to five independent members of the Board who shall meet the independence requirements of the NASDAQ Marketplace Rules and the rules and regulations of the Securities and Exchange Commission (the "SEC"). The members of the Committee shall be elected by the Board to serve for terms of one year, or until their successors are duly elected and qualified. The Board may remove members of the Committee from such committee, with or without cause. Vacancies on the Committee shall be filled by the Board. The Board will designate one member of the Committee as Chairperson.

III. MEETINGS AND REPORTS

The Committee shall meet at least semi-annually, or more frequently as circumstances dictate. Meetings may take place via teleconferencing or other electronic means. The Committee shall make regular reports to the Board of its activities, which shall include, if required, recommendations for further action by the Board.

IV. RESPONSIBILITIES AND DUTIES

The duties and responsibilities of the Committee shall include the following, in addition to such other duties and responsibilities as may be delegated to the Committee from time to time by the Board.

Review of and Recommendations as to Compensation

1. Define the Trust's compensation philosophy and objectives for the Executive Officers insofar as such philosophy and objectives relate to base compensation, cash based bonus compensation, equity based compensation or other benefit plans.
2. Ensure that the Trust's compensation policies and programs are supportive of the Trust's mission and long-range plans.
3. Review and make recommendations to the Board with respect to Executive Officer compensation, including, without limitation, base salaries and bonuses or other benefits. In that connection, the Committee shall:
 - (i) annually evaluate the performance of each Executive Officer against financial and non-financial goals and objectives recommended by the Committee and approved by the Board, and make recommendations to the Board regarding the base salary, bonus and other compensation and benefits for such Executive Officers based on this evaluation;
 - (ii) review and recommend the eligibility criteria and award guidelines for bonus programs;
 - (iii) review compensation agreements between the Trust and the Executive Officers and make recommendations with respect to the terms of such agreements; and
 - (iv) administer and oversee and make recommendations with respect to any cash based bonus compensation program or other benefit plan for Executive Officers.
4. Review and make recommendations to the Board with respect to Board compensation.
5. Review and make recommendations to the Board with respect to compensation to be conferred under the Equity Incentive Plan, and such other equity based compensation plans adopted from time to time, to Executive Officers, members of the Board, the Managing Agent and its employees, and Consultants; provided, that the Committee shall not have the power or authority or be charged to administer the Equity Incentive Plan, which administration is reserved to the Board thereunder.

Document Review and Reports

6. Annually conduct a review of this Charter and recommend any proposed changes to the Board.
7. Prepare reports for submission to the Board regarding the compensation programs and policies of the Trust and/or its subsidiaries which this Charter contemplates for review and/or administration by the Committee.
8. Produce an annual report on executive compensation in accordance with the rules and regulations of the SEC for inclusion in the Trust's proxy statement to be furnished to the Trust's shareholders in connection with the annual meeting of shareholders.

Compensation Plans

9. Review and make recommendations to the Board with respect to the adoption, amendment and termination of the Trust's cash or equity based incentive compensation and other benefit plans.

Legal Compliance

10. Ensure that the Trust's compensation policies and programs comply with applicable law.
11. Review with the Trust's counsel legal compliance matters.
12. Perform any other activities relating to compensation and related matters consistent with this Charter, the Declaration of Trust, and governing law, as the Committee or the Board deems necessary or appropriate.

Retention of Advisors

13. In order to more appropriately discharge its duties, the Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the review and evaluation of compensation for Executive Officers, members of the Board, the Managing Agent and its employees, and Consultants, and shall have the authority to approve such consultant's fees and other retention terms. The Committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.