

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the Quarterly Period Ended January 31, 2009

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 000-25043

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY

(Exact name of registrant as specified in its charter)

New Jersey

(State or other jurisdiction of incorporation or organization)

22-1697095

(I.R.S. Employer Identification No.)

505 Main Street, Hackensack, New Jersey

(Address of principal executive offices)

07601

(Zip Code)

201-488-6400

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of March 12, 2009, the number of shares of beneficial interest outstanding was 6,942,232

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Part I: Financial Information**Item 1: Unaudited Condensed Consolidated Financial Statements**

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>(Unaudited)</u> January 31, 2009	<u>(Audited)</u> October 31, 2008
(In Thousands of Dollars)		
<u>ASSETS</u>		
Real estate, at cost, net of accumulated depreciation	\$ 208,673	\$ 208,955
Construction in progress	8,518	8,058
Cash and cash equivalents	8,028	8,192
Tenants' security accounts	2,315	2,377
Sundry receivables	4,555	4,371
Secured loans receivable	3,326	3,326
Prepaid expenses and other assets	2,619	2,952
Acquired over market leases and in-place lease costs	815	865
Deferred charges, net	2,661	2,660
Totals	<u>\$ 241,510</u>	<u>\$ 241,756</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Liabilities:		
Mortgages payable	\$ 192,340	\$ 192,352
Accounts payable and accrued expenses	4,209	4,014
Dividends payable	2,084	2,084
Tenants' security deposits	3,004	3,061
Acquired below market value leases and deferred revenue	3,433	3,485
Total liabilities	<u>205,070</u>	<u>204,996</u>
Minority interest	<u>13,442</u>	<u>13,199</u>
Commitments and contingencies		
Shareholders' equity:		
Shares of beneficial interest without par value:		
8,000,000 shares authorized;		
6,993,152 and 6,993,152 shares issued and outstanding	24,969	24,969
Treasury stock, at cost: 46,720 shares	(1,075)	(1,075)
Deficit	(896)	(333)
Total shareholders' equity	<u>22,998</u>	<u>23,561</u>
Totals	<u>\$ 241,510</u>	<u>\$ 241,756</u>

See Notes to Condensed Consolidated Financial Statements.

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
AND UNDISTRIBUTED EARNINGS (DEFICIT)
THREE MONTHS ENDED JANUARY 31, 2009 AND 2008
(Unaudited)

	Three Months Ended	
	January 31,	
	2009	2008
	(In Thousands of Dollars, Except Per Share Amounts)	
Revenue:		
Rental income	\$ 9,192	\$ 8,980
Reimbursements	1,405	1,385
Sundry income	152	92
Totals	10,749	10,457
Expenses:		
Operating expenses	2,700	2,925
Management fees	463	456
Real estate taxes	1,592	1,446
Depreciation	1,474	1,338
Totals	6,229	6,165
Operating income	4,520	4,292
Investment income	79	159
Interest expense including amortization of deferred financing costs	(2,715)	(2,933)
Minority interest	(363)	(115)
Net Income	\$ 1,521	\$ 1,403
Earnings per share:		
Basic	\$ 0.22	\$ 0.21
Diluted	\$ 0.22	\$ 0.20
Weighted average shares outstanding:		
Basic	6,946	6,763
Diluted	6,946	6,906
UNDISTRIBUTED EARNINGS (DEFICIT)		
Balance, beginning of period	\$ (333)	\$ 1,891
Net income	1,521	1,403
Less dividends declared	(2,084)	(2,034)
Balance, end of period	\$ (896)	\$ 1,260
Dividends declared per share	\$ 0.30	\$ 0.30

See Notes to Condensed Consolidated Financial Statements.

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED JANUARY 31, 2009 AND 2008
(Unaudited)

	Three Months Ended	
	January 31,	
	2009	2008
	(In Thousands of Dollars)	
Operating activities:		
Net income	\$ 1,521	\$ 1,403
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,474	1,338
Amortization	118	176
Net amortization of acquired leases	9	(24)
Deferred revenue	(29)	(59)
Minority interest	363	115
Changes in operating assets and liabilities:		
Tenants' security accounts	62	2
Sundry receivables, prepaid expenses and other assets	30	515
Accounts payable, accrued expenses and other liabilities	(35)	819
Tenants' security deposits	(57)	(64)
Net cash provided by operating activities	3,456	4,221
Investing activities:		
Capital improvements - existing properties	(815)	(331)
Construction and pre development costs	(547)	(3,315)
Net cash used in investing activities	(1,362)	(3,646)
Financing activities:		
Repayment of mortgages	(576)	(575)
Proceeds from mortgages and construction loans	516	-
Deferred financing costs	6	(40)
Proceeds from exercise of stock options	-	139
Dividends paid	(2,084)	(2,704)
Distribution to minority interest	(120)	(327)
Net cash used in financing activities	(2,258)	(3,507)
Net decrease in cash and cash equivalents	(164)	(2,932)
Cash and cash equivalents, beginning of period	8,192	12,740
Cash and cash equivalents, end of period	\$ 8,028	\$ 9,808
Supplemental disclosure of cash flow data:		
Interest paid, including capitalized construction period interest of \$55 and \$86 in fiscal 2009 and 2008, respectively.	\$ 2,591	\$ 2,890
Income taxes paid	\$ -	\$ -
Supplemental schedule of non cash financing activities:		
Accrued capital expenditures, construction costs, pre-development costs and interest	\$ 278	\$ 131
Dividends declared but not paid	\$ 2,084	\$ 2,034

See Notes to Condensed Consolidated Financial Statements.

FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 - Basis of presentation:

The accompanying condensed consolidated financial statements have been prepared without audit, in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial statements and pursuant to the rules of the Securities and Exchange Commission ("SEC"). Accordingly, certain information and footnotes required by GAAP for complete financial statements have been omitted. It is the opinion of management that all adjustments considered necessary for a fair presentation have been included, and that all such adjustments are of a normal recurring nature.

The consolidated results of operations for the three months ended January 31, 2009 are not necessarily indicative of the results to be expected for the full year. The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Annual Report on Form 10-K for the year ended October 31, 2008 of First Real Estate Investment Trust of New Jersey ("FREIT").

Note 2 - Earnings per share:

Basic earnings per share is calculated by dividing net income by the weighted average number of shares outstanding during each period (denominator). The calculation of diluted earnings per share is similar to that of basic earnings per share, except that the denominator is increased to include the number of additional shares that would have been outstanding if all potentially dilutive shares, such as those issuable upon the exercise of stock options and warrants, were issued during the period.

In computing diluted earnings per share for the three month period ended January 31, 2009 and 2008, the assumed exercise of all of FREIT's outstanding stock options, adjusted for application of the treasury stock method, would have increased the weighted average number of shares outstanding as shown in the table below.

	Three Months Ended	
	January 31,	
	2009	2008
Basic weighted average shares outstanding	6,946,432	6,762,663
Shares arising from assumed exercise of stock options	-	142,982
Dilutive weighted average shares outstanding	6,946,432	6,905,645

Basic and diluted earnings per share, based on the weighted average number of shares outstanding during each period, are comprised of ordinary income for the three month period ended January 31, 2009 and the prior year's comparable period.

Note 3 - Segment information:

FREIT has determined that it has two reportable segments: commercial properties and residential properties. These reportable segments offer different types of space, have different types of tenants, and are managed separately because each requires different operating strategies and management expertise. The commercial segment contains ten (10) separate properties and the residential segment contains nine (9) properties. The accounting policies of the segments are the same as those described in Note 1 in FREIT's Annual Report on Form 10-K for the year ended October 31, 2008.

The chief operating and decision-making group of FREIT's commercial segment, residential segment and corporate/other is comprised of FREIT's Board of Trustees.

FREIT assesses and measures segment operating results based on net operating income ("NOI"). NOI, a standard used by real estate professionals, is based on operating revenue and expenses directly associated with the operations of the real estate properties, but excludes deferred rents (straight lining), lease amortization, depreciation, and financing costs. NOI is not a measure of operating results or cash flows from operating activities as measured by GAAP, and is not necessarily indicative of cash available to fund cash needs and should not be considered an alternative to cash flows as a measure of liquidity.

Real estate rental revenue, operating expenses, NOI and recurring capital improvements for the reportable segments are summarized below and reconciled to consolidated net income for the three months ended January 31, 2009 and 2008. Asset information is not reported since FREIT does not use this measure to assess performance.

	Three Months Ended	
	January 31,	
	2009	2008
	(In Thousands of Dollars)	
Real estate rental revenue:		
Commercial	\$ 5,816	\$ 5,624
Residential	4,891	4,762
Totals	<u>10,707</u>	<u>10,386</u>
Real estate operating expenses:		
Commercial	2,307	2,291
Residential	2,034	2,146
Totals	<u>4,341</u>	<u>4,437</u>
Net operating income:		
Commercial	3,509	3,333
Residential	2,857	2,616
Totals	<u>\$ 6,366</u>	<u>\$ 5,949</u>
Recurring capital improvements-residential	<u>\$ 129</u>	<u>\$ 146</u>
Reconciliation to consolidated net income:		
Segment NOI	\$ 6,366	\$ 5,949
Deferred rents - straight lining	51	47
Amortization of acquired leases	(9)	24
Net investment income	79	159
Minority interest in earnings of subsidiaries	(363)	(115)
General and administrative expenses	(414)	(390)
Depreciation	(1,474)	(1,338)
Financing costs	(2,715)	(2,933)
Net income	<u>\$ 1,521</u>	<u>\$ 1,403</u>

Note 4 - Share repurchase program:

On April 9, 2008, FREIT's Board of Trustees authorized up to \$2 million for the repurchase of FREIT shares. Share repurchases under this program may be made from time to time in the open market or through privately negotiated transactions, depending on trading prices of FREIT shares and other market conditions. This share repurchase program may be limited or terminated at any time and without prior notice. As of January 31, 2009, FREIT repurchased 46,720 shares of common stock at a cost of \$1,075,000, which is reflected in the Shareholders' Equity section of FREIT's condensed consolidated balance sheets.

Hill, Thompson, Magid & Co., Inc., FREIT's repurchasing agent under its share repurchase plan adopted pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, advised FREIT on March 3, 2009 that effective March 4, 2009, it would cease transacting business and would no longer be a participating market maker in any over-the-counter bulletin board securities. Therefore, no repurchases of shares will be made under FREIT's share repurchase plan until a new repurchasing agent is engaged. FREIT is in the process of identifying a new repurchasing agent to act under its share repurchase plan. As of the date of this report, a new repurchasing agent has not been engaged.

Subsequent event: In February 2009, FREIT repurchased an additional 4,200 shares of common stock at a cost of \$14 per share.

Note 5 - Management agreement, fees and transactions with related party:

Hekemian & Co., Inc. ("Hekemian") currently manages all the properties owned by FREIT, except for The Rotunda, which is managed by an independent third party management company. The management agreement with Hekemian, effective November 1, 2001, requires the payment of management fees equal to a percentage of rents collected. Such fees were approximately \$427,000 and \$420,000 for the three months ended January 31, 2009 and 2008, respectively, and have been included in the accompanying condensed consolidated statements of income. In addition, the management agreement provides for the payment to Hekemian of leasing commissions, as well as the reimbursement of operating expenses incurred on behalf of FREIT. Such fees amounted to approximately \$147,000 and \$84,000 for the three months ended January 31, 2009 and 2008, respectively. The management agreement expires on October 31, 2009, and is automatically renewed for periods of two years unless either party gives notice of non-renewal.

From time to time, FREIT engages Hekemian to provide certain additional services, such as consulting services related to development and financing activities of FREIT. Separate fee arrangements are negotiated between Hekemian and FREIT with respect to such additional services. No such fees were paid to Hekemian for the three months ended January 31, 2009 and 2008.

Mr. Robert S. Hekemian, Chairman of the Board, Chief Executive Officer and a Trustee of FREIT, is the Chairman of the Board and Chief Executive Officer of Hekemian. Mr. Robert S. Hekemian, Jr, a Trustee of FREIT, is the President of Hekemian.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Statement Identifying Important Factors That Could Cause FREIT's Actual Results to Differ From Those Projected in Forward Looking Statements.

Readers of this discussion are advised that the discussion should be read in conjunction with the unaudited condensed consolidated financial statements of FREIT (including related notes thereto) appearing elsewhere in this Form 10-Q, and the consolidated financial statements included in FREIT's most recently filed Form 10-K. Certain statements in this discussion may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect FREIT's current expectations regarding future results of operations, economic performance, financial condition and achievements of FREIT, and do not relate strictly to historical or current facts. FREIT has tried, wherever possible, to identify these forward-looking statements by using words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning.

Although FREIT believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, such statements are subject to risks and uncertainties, which may cause the actual results to differ materially from those projected. Such factors include, but are not limited to the following: general economic and business conditions, which will, among other things, affect demand for rental space, the availability of prospective tenants, lease rents, the financial condition of tenants and the default rate on leases, operating and administrative expenses and the availability of financing; adverse changes in FREIT's real estate markets, including, among other things, competition with other real estate owners, competition confronted by tenants at FREIT's commercial properties; governmental actions and initiatives; environmental/safety requirements; and risks of real estate development and acquisitions. The risks with respect to the development of real estate include: increased construction costs, inability to obtain construction financing, or unfavorable terms of financing that may be available, unforeseen construction delays and the failure to complete construction within budget.

OVERVIEW

FREIT is an equity real estate investment trust ("REIT") that owns a portfolio of residential apartment and commercial properties. Our revenues consist primarily of fixed rental income from our residential and commercial properties and additional rent in the form of expense reimbursements derived from our income producing commercial properties. Our properties are primarily located in northern New Jersey and Maryland. We acquire existing properties for investment. We also acquire properties, which we feel have redevelopment potential, and make changes and capital improvements to these properties. We develop and construct properties on our vacant land. Our policy is to acquire and develop real property for long-term investment.

The global economic and financial crisis: The current extraordinary and unprecedented bank liquidity and credit market crisis has exacerbated an already weakened economic climate resulting in a deep U.S. and worldwide recession. Continued concern about energy costs, inflation, cost and availability of credit, and increasing unemployment have resulted in an unprecedented lack of confidence by consumers and businesses. It is expected that this poor economic climate will continue, through 2009, and possibly longer.

This economic and financial crisis has affected, and will continue to affect FREIT in a number of ways:

Residential Properties: While the occupancy at our residential properties remains high, we are beginning to experience resistance to rent increases, granting concessions, a higher number of move-outs and higher than usual incidences of late or defaulted monthly rental payments. We expect this trend to continue through 2009 and result in residential revenues that will be flat or slightly lower than during fiscal 2008.

Commercial Properties: Because of reduced consumer spending resulting in lower profitability, some commercial tenants, large and small, are requesting rent reductions, or lower renewal option rents. To date we have experienced little fall-out. However, we expect to see a fall out of some smaller tenants, and if the recession is prolonged, some larger tenants. We expect re-leasing vacated space to take longer and, generally, at lower rents that reflect current economic conditions. Again, we expect revenues at our commercial properties to be flat or slightly lower during fiscal 2009 than during fiscal 2008.

Development Projects and Capital Expenditures: We plan to significantly reduce capital expenditures during fiscal 2009 compared to prior years, by concentrating only on those capital expenditures that are absolutely necessary. We continue to pursue the completion of the development and construction activities started at our Damascus Shopping Center in Damascus, MD. Because of reduced demand from residential rental tenants and buyers, curtailed business expansion, and the current state of the credit markets, no date has been determined for the commencement of construction at our Rotunda and South Brunswick projects.

Debt Financing Availability: The dislocations in the credit markets have caused significant price volatility and liquidity disruptions. High pricing spreads and very conservative debt service ratio requirements have made certain financing unattractive and, in certain instances, unavailable. Additionally, construction financing for large, mixed use projects is virtually unavailable, or too costly. As a result of this difficult financing environment and reduced end user demand (see above), FREIT has not determined a date for the commencement of construction at its Rotunda Project.

The \$22.5 million mortgage loan entered into by Grande Rotunda, LLC for the acquisition of the Rotunda property is scheduled to come due on July 19, 2009. FREIT is exploring the extension of the loan's maturity date or replacement of the loan.

Operating Cash Flow and Dividend Distributions: FREIT's cash position remains strong. We expect that cash provided by operating activities will be adequate to cover mandatory debt service payments, necessary capital improvements and dividends necessary to retain qualification as a REIT. Additionally, FREIT has embarked on a program to reduce operating expenses across the board to increase cash flow. It is FREIT's intention to maintain its quarterly dividend at \$.30 per share until the economic climate indicates a change is appropriate, but not less than the level required to maintain its REIT status for Federal income tax purposes.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

Pursuant to the Securities and Exchange Commission ("SEC") disclosure guidance for "Critical Accounting Policies," the SEC defines Critical Accounting Policies as those that require the application of management's most difficult, subjective, or complex judgments, often because of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods.

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, the preparation of which takes into account estimates based on judgments and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates. The accounting policies and estimates used, which are outlined in Note 1 to our Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended October 31, 2008, have been applied consistently as at January 31, 2009 and October 31, 2008, and for the three months ended January 31, 2009 and 2008. We believe that the following accounting policies or estimates require the application of management's most difficult, subjective, or complex judgments:

Revenue Recognition: Base rents, additional rents based on tenants' sales volume and reimbursement of the tenants' share of certain operating expenses are generally recognized when due from tenants. The straight-line basis is used to recognize base rents under leases if they provide for varying rents over the lease terms. Straight-line rents represent unbilled rents receivable to the extent straight-line rents exceed current rents billed in accordance with lease agreements. Before FREIT can recognize revenue, it is required to assess, among other things, its collectibility. If we incorrectly determine the collectibility of revenue, our net income and assets could be overstated.

Valuation of Long-Lived Assets: We periodically assess the carrying value of long-lived assets whenever we determine that events or changes in circumstances indicate that their carrying amount may not be recoverable. When FREIT determines that the carrying value of long-lived assets may be impaired, the measurement of any impairment is based on a projected discounted cash flow method determined by FREIT's management. While we believe that our discounted cash flow methods are reasonable, different assumptions regarding such cash flows may significantly affect the measurement of impairment.

All references to per share amounts are on a diluted basis unless otherwise indicated.

RESULTS OF OPERATIONS

Real Estate revenue for the three months ended January 31, 2009 (“Current Quarter”) increased 2.8% to \$10,749,000 compared to \$10,457,000 for the three months ended January 31, 2008 (“Prior Year’s Quarter”). The increase in real estate revenues for the Current Quarter was primarily attributable to higher base rental income at FREIT’s residential and commercial operations, along with higher occupancy levels at many of our commercial properties (exclusive of the Damascus operation). However, this increase was slightly offset by a decrease in occupancy levels at our residential operations.

Net income for the Current Quarter was \$1,521,000 (\$0.22 per share diluted) compared to \$1,403,000 (\$0.20 per share diluted) for the Prior Year’s Quarter. The schedule below provides a detailed analysis of the major changes that impacted net income for the three months ended January 31, 2009 and 2008:

The consolidated results of operations for the Current Quarter are not necessarily indicative of the results to be expected for the full year.

NET INCOME COMPONENTS

	Three Months Ended		
	January 31,		
	2009	2008	Change
	<i>(thousands of dollars)</i>		
Income from real estate operations:			
Commercial properties	\$ 3,551	\$ 3,404	\$ 147
Residential properties	2,857	2,616	241
Total income from real estate operations	6,408	6,020	388
Financing costs:			
Fixed rate mortgages	(2,582)	(2,561)	(21)
Floating rate - Rotunda	(133)	(372)	239
Total financing costs	(2,715)	(2,933)	218
Investment income	79	159	(80)
General & administrative expenses:			
Accounting fees	(100)	(179)	79
Legal & professional fees	(50)	-	(50)
Trustee fees	(124)	(113)	(11)
Corporate expenses	(140)	(98)	(42)
Total general & administrative expenses	(414)	(390)	(24)
Minority interest in earnings of subsidiaries	(363)	(115)	(248)
Depreciation:			
Same properties (1)	(1,361)	(1,292)	(69)
Damascus center-phase I becoming operational in June 2008	(113)	(46)	(67)
Total depreciation	(1,474)	(1,338)	(136)
Net Income	\$ 1,521	\$ 1,403	\$ 118

(1) Properties operated since the beginning of fiscal 2008.

SEGMENT INFORMATION

The following table sets forth comparative net operating income ("NOI") data for FREIT's real estate segments and reconciles the NOI to consolidated net income for the Current Quarter, as compared to the Prior Year's Quarter:

Three Months Ended January 31:

	Commercial				Residential				Combined	
	Three Months Ended		Increase (Decrease)		Three Months Ended		Increase (Decrease)		Three Months Ended	
	January 31,				January 31,				January 31,	
	2009	2008	\$	%	2009	2008	\$	%	2009	2008
	(in thousands)				(in thousands)				(in thousands)	
Rental income	\$ 4,360	\$ 4,194	\$ 166	4.0%	\$ 4,790	\$ 4,715	\$ 75	1.6%	\$ 9,150	\$ 8,909
Reimbursements	1,405	1,385	20	1.4%	-	-	-	-	1,405	1,385
Other	51	45	6	13.3%	101	47	54	114.9%	152	92
Total revenue	5,816	5,624	192	3.4%	4,891	4,762	129	2.7%	10,707	10,386
Operating expenses	2,307	2,291	16	0.7%	2,034	2,146	(112)	-5.2%	4,341	4,437
Net operating income	\$ 3,509	\$ 3,333	\$ 176	5.3%	\$ 2,857	\$ 2,616	\$ 241	9.2%	6,366	5,949
Average										
Occupancy %	<u>89.2%</u>	<u>89.5%</u>		<u>-0.3%</u>	<u>93.8%</u>	<u>95.7%</u>		<u>-1.9%</u>		

Reconciliation to consolidated net income:

Deferred rents - straight lining	51	47
Amortization of acquired leases	(9)	24
Net investment income	79	159
General and administrative expenses	(414)	(390)
Depreciation	(1,474)	(1,338)
Financing costs	(2,715)	(2,933)
Minority interest	(363)	(115)
Net income	\$ 1,521	\$ 1,403

NOI is based on operating revenue and expenses directly associated with the operations of the real estate properties, but excludes deferred rents (straight lining), lease amortization, depreciation, and financing costs. FREIT assesses and measures segment operating results based on NOI. NOI is not a measure of operating results or cash flow as measured by generally accepted accounting principles, and is not necessarily indicative of cash available to fund cash needs and should not be considered an alternative to cash flows as a measure of liquidity.

COMMERCIAL SEGMENT

The commercial segment contains ten (10) separate properties during Fiscal 2009 and Fiscal 2008. Seven are multi-tenanted retail or office centers, and one is a single tenanted store. In addition, FREIT owns land in Rockaway, NJ and Rochelle Park, NJ from which it receives monthly rental income. The Rockaway land is leased to a tenant who has built and operates a bank branch on the land. In Rochelle Park, NJ, FREIT leases the land to a tenant who plans to build and operate a bank branch on the land.

As indicated in the table above under the caption Segment Information, revenue and NOI from FREIT's commercial segment for the Current Quarter increased by 3.4% and 5.3% over the comparable prior year's period. The primary reasons for the increase in both revenue and NOI for the Current Quarter was higher base rental income and higher occupancy levels at many of our commercial properties (exclusive of the Damascus operation). The ongoing renovation at our Damascus Shopping Center property located in Damascus, MD (the "Damascus Center"), caused a temporary decline in occupancy levels. The average occupancy rate for the Damascus Center decreased to 41.4% for the Current Quarter, as compared to 52.3% for the Prior Year's Quarter. (See discussion below). Average occupancy rates for FREIT's commercial segment for the Current Quarter was at 95.2%, exclusive of the Damascus Center, compared to 94.1% for the prior year's period.

The current economic crisis has reduced overall consumer spending, resulting in lower profitability for certain of our commercial tenants. As a result, some commercial tenants, both large and small, are requesting rent reductions, or lower renewal option rents. To date we have experienced little fall-out. However, we expect to see a fall out of some smaller tenants, and if the recession is prolonged, some larger tenants. We expect re-leasing vacated space to take longer and, generally, to be at lower rents that reflect current economic conditions. We expect revenues at our commercial properties to be flat or slightly lower during fiscal 2009 than during fiscal 2008.

DEVELOPMENT ACTIVITIES

A modernization and expansion is underway at our Damascus Center in Damascus, MD (owned by our 70% owned affiliate, Damascus Centre, LLC). Total construction costs are expected to approximate \$21.9 million. The building plans incorporate an expansion of retail space from its current configuration of approximately 140,000 sq. ft. to approximately 150,000 sq. ft., which will be anchored by a modern 58,000 sq. ft. Safeway supermarket. Construction on Phase I began in June 2007, and was completed in June 2008. Phase I construction costs were approximately \$6.2 million, of which \$1.1 million related to tenant improvements. Phase II, which comprises a new 58,000 sq. ft. Safeway supermarket, was started in December 2008 and is expected to be completed this summer. Construction costs for Phase II are expected to approximate \$7.3 million (a substantial portion of these costs are under contract). Total construction costs will be funded from a \$27.3 million construction loan entered into on February 12, 2008. The construction loan is secured by the shopping center owned by Damascus Centre, LLC. This loan will be drawn upon as needed to fund already expended and future construction costs at the Damascus Shopping Center. As of January 31, 2009, \$5.6 million of this loan was drawn down to cover construction costs. (See "Liquidity and Capital Resources" for additional information regarding this loan.) Because of this expansion, leases for certain tenants have been allowed to expire and not renewed. This has caused occupancy to decline, on a temporary basis, during the construction phase.

Development plans and studies for the expansion and renovation of our Rotunda property in Baltimore, MD (owned by our 60% owned affiliate Grande Rotunda, LLC) were completed during Fiscal 2008. The Rotunda property, on an 11.5-acre site, currently consists of an office building containing 138,000 sq. ft. of office space and 78,000 sq. ft. of retail space on the lower floor of the main building. The building plans incorporate an expansion of approximately 180,500 sq. ft. of retail space, approximately 302 residential rental apartments, 56 condominium units and 120 hotel rooms, and structured parking. Development costs for this project are expected to approximate \$200 million. City Planning Board approval has been received. As of January 31, 2009, we have expended approximately \$5.2 million for planning and feasibility studies. Due to the current economic and credit crisis, the start date for the construction has not yet been determined.

RESIDENTIAL SEGMENT

FREIT operates nine (9) multi-family apartment communities totaling 1,075 apartment units. As indicated in the table above under the caption Segment Information, revenue and NOI from FREIT's residential segment for the Current Quarter increased by 2.7% and 9.2% over the comparable prior year's period. The primary reasons for the increase for the Current Quarter were higher base rental income, along with lower operating expenses at many of our residential properties. This increase was realized in spite of a decrease in occupancy levels at our residential properties. The Pierre Towers and Westwood Hills properties were the primary contributors to the favorable increase in revenue and NOI for the Current Quarter.

As indicated above, a decline in residential occupancy levels tempered the favorable increase for the Current Quarter. Average occupancy rates for the Current Quarter were at 93.8% compared to 95.7% for the prior year's period. Although, the occupancy at our residential properties remains high, the current economic crisis is causing high unemployment in our areas of operation, and as a result we are experiencing resistance to rent increases, granting concessions, a higher number of move-outs and higher than usual incidences of late or defaulted monthly rental payments. We expect this trend to continue through 2009 and result in residential revenues that will be flat or slightly lower than during Fiscal 2008.

Our residential revenue is principally composed of monthly apartment rental income. Total rental income is a factor of occupancy and monthly apartment rents. Monthly average residential rents at the end of the Current Quarter and the Prior Year's Quarter were \$1,562 and \$1,523, respectively. A 1% decline in annual average occupancy, or a 1% decline in average rents from current levels, results in an annual revenue decline of approximately \$202,000 and \$188,000, respectively.

Capital expenditures: Since all of our apartment communities, with the exception of The Boulders, were constructed more than 25 years ago, we tend to spend more in any given year on maintenance and capital improvements than may be spent on newer properties. A major renovation program is ongoing at The Pierre Towers apartment complex ("The Pierre"). We are in the process of modernizing, where required, all apartments and some of the buildings' mechanical services. This renovation is expected to cost approximately \$3 - \$4 million, and apartments are being renovated as they become temporarily vacant, over the next year. These costs will be financed from operating cash flow and cash reserves. Through January 31, 2009, we expended approximately \$3.4 million in capital improvements at The Pierre, including approximately \$546,000 during the Current Quarter.

INVESTMENT INCOME

Investment income decreased 50% to \$79,000 during the Current Quarter from \$159,000 for the prior year's period. Investment income is principally derived from interest earned from cash on deposit in institutional money market funds and interest earned from secured loans receivable (loans made to Hekemian employees, including certain members of the immediate family of Robert S. Hekemian, FREIT CEO and Chairman of the Board and Robert S. Hekemian, Jr., a trustee of FREIT, for their equity investment in Grande Rotunda, LLC, a limited liability company, in which FREIT owns a 60% equity interest and Damascus Centre, LLC, a limited liability company, in which FREIT owns a 70% equity interest). The decrease in investment income for the Current Quarter was primarily attributable to lower interest income on the Company's investments in cash and cash equivalents, due in part to lower interest rates. Slightly offsetting the decrease in investment income was increased interest income relative to secured loans made to Hekemian employees in connection with the sale of equity interests in the Rotunda and the Damascus Center.

To protect our cash deposits due to the current banking crisis, we have repositioned our bank deposits to fall within the insured limits of the FDIC and the U.S. Treasury Guarantee Program. This necessitated transferring significant balances from interest bearing deposit accounts to non-interest bearing deposit accounts, which will result in reduced earnings from interest income for the foreseeable future.

FINANCING COSTS

	Three Months Ended	
	January 31,	
	2009	2008
	(\$ in thousands)	
Fixed rate mortgages:		
1st Mortgages		
Existing	\$ 2,247	\$ 2,369
New	91	-
2nd Mortgages		
Existing	126	130
Variable rate mortgages:		
Acquisition loan-Rotunda	175	392
Construction loan-Damascus	48	-
Other	72	55
	<u>2,759</u>	<u>2,946</u>
Amortization of Mortgage Costs	59	73
Total Financing Costs	<u>2,818</u>	<u>3,019</u>
Less amount capitalized	<u>(103)</u>	<u>(86)</u>
Financing costs expensed	<u>\$ 2,715</u>	<u>\$ 2,933</u>

Financing costs before capitalized amounts for the Current Quarter decreased 6.7% compared to the Prior Year's Quarter.

Our acquisition loan for The Rotunda property of \$22.5 million bears a floating interest rate. Significantly lower interest rates over the course of the Current Quarter decreased the level of interest expense (inclusive of capitalized interest) for The Rotunda to \$175,000 for the Current Quarter, as compared to \$392,000 for the Prior Year's Quarter.

GENERAL AND ADMINISTRATIVE EXPENSES ("G & A")

During the Current Quarter, G&A was \$414,000, as compared to \$390,000 for the Prior Year's Quarter. The primary components of G&A are accounting fees, legal & professional fees and Trustees' fees amounting in the aggregate to \$274,000 for the Current Quarter and \$292,000 for the Prior Year's Quarter, respectively.

DEPRECIATION

Depreciation expense from operations for the Current Quarter was \$1,474,000, an increase of \$136,000 over the prior year's comparable period. The increase was primarily attributable to current renovation and construction projects becoming operational at the Damascus Shopping Center, The Rotunda, and the Westridge Square Shopping Center, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our financial condition remains strong. Net cash provided by operating activities was \$3.5 million for the Current Quarter compared to \$4.2 million for the Prior Year's Quarter. We expect that cash provided by operating activities will be adequate to cover mandatory debt service payments, recurring capital improvements and dividends necessary to retain qualification as a REIT (90% of taxable income).

As at January 31, 2009, we had cash and marketable securities totaling \$8.0 million compared to \$8.2 million at October 31, 2008.

Credit Line: FREIT has an \$18 million line of credit provided by the Provident Bank. The line of credit is for a two year term ending in January 2010, but can be cancelled by the bank, at its will, at each anniversary date. Draws against the credit line can be used for general corporate purposes, for property acquisitions, construction activities, and letters of credit. Draws against the credit line are secured by mortgages on FREIT's Franklin Crossing Shopping Center, Franklin Lakes, NJ, retail space in Glen Rock, NJ, Palisades Manor Apartments, Palisades Park, NJ, and Grandview Apartments, Hasbrouck Heights, NJ. Interest rates on draws will be set at the time of each draw for 30, 60, or 90-day periods, based on our choice of the prime rate or at 175 basis points over the 30, 60, or 90-day LIBOR rates at the time of the draws.

In connection with its construction activities in Rockaway, NJ, FREIT utilized the credit line for the issuance of a \$384,000 Letter of Credit, which expires in fiscal 2009. As of January 31, 2009, approximately \$17.6 million is available under the line of credit.

We have begun the rebuilding of the Damascus Shopping Center, in Damascus, MD. The total capital required for this project is estimated at \$21.9 million. Total construction costs will be funded by a \$27.3 million construction loan entered into on February 12, 2008. The construction loan is secured by the shopping center owned by Damascus Centre, LLC. This loan will be drawn upon as needed to fund already expended and future construction costs at the Damascus Shopping Center. This loan has a term of forty-eight (48) months, with one twelve (12) month extension option. FREIT guarantees 30% of the outstanding principal amount of the loan plus other costs. If the borrower defaults, Damascus 100, LLC (which owns a 30% equity interest in Damascus Centre, LLC) has indemnified FREIT for up to 30% of any losses under its guaranty. Draws against this loan bear interest at the BBA LIBOR daily floating rate plus 135 basis points. As of January 31, 2009, Damascus drew down \$5.6 million of this loan to cover construction costs. We expect this development project to add to revenues, income, cash flow, and shareholder value.

We are planning a major expansion at The Rotunda in Baltimore, MD that will require capital estimated at \$200 million. We expect financing for the Rotunda will be, for the most part, from mortgage financing. Planning and feasibility studies for this project have been substantially completed. As of January 31, 2009, approximately \$5.2 million was expended during this phase, which adds to the value of our property. However, due to the current economic crisis and liquidity and credit crunch, no date for the commencement of construction has been determined.

At January 31, 2009, FREIT's aggregate outstanding mortgage debt was \$192.3 million and bears a weighted average interest rate of 5.24%, and an average life of approximately 5.4 years. These fixed rate mortgages are subject to amortization schedules that are longer than the term of the mortgages. As such, balloon payments (unpaid principal amounts at mortgage due date) for all mortgage debt will be required as follows:

Fiscal Year	2009	2010	2012	2013	2014	2016	2017	2018	2019	2022
<i>(\$ in millions)</i>										
Mortgage "Balloon" Payments	\$22.5	\$12.2	\$5.6	\$8.0	\$25.9	\$24.5	\$22.0	\$5.0	\$28.1	\$14.4

The following table shows the estimated fair value and carrying value of our long-term debt at January 31, 2009 and October 31, 2008:

<i>(\$ in Millions)</i>	January 31, 2009	October 31, 2008
Fair Value	\$207.4	\$196.2
Carrying Value	\$192.3	\$192.4

Fair values are estimated based on market interest rates at January 31, 2009 and October 31, 2008 and on discounted cash flow analysis. Changes in assumptions or estimation methods may significantly affect these fair value estimates.

FREIT expects to refinance the individual mortgages with new mortgages when their terms expire. To this extent we have exposure to interest rate risk. If interest rates, at the time any individual mortgage note is due, are higher than the current fixed interest rate, higher debt service may be required, and/or refinancing proceeds may be less than the amount of mortgage debt being retired. For example, at January 31, 2009 a 1% interest rate increase would reduce the fair value of our debt by \$10 million, and a 1% decrease would increase the fair value by \$11 million.

FREIT also has interest rate exposure on its floating rate loans. Currently, FREIT has \$28.1 million in floating rate loans outstanding, of which \$22.5 million relates to the acquisition loan for The Rotunda and \$5.6 million relates to the construction loans for the Damascus redevelopment project. A 1% rate fluctuation would impact FREIT's annual interest cost by approximately \$281,000.

We believe that the values of our properties will be adequate to command refinancing proceeds equal to or higher than the mortgage debt to be refinanced. We continually review our debt levels to determine if additional debt can prudently be utilized for property acquisition additions to our real estate portfolio that will increase income and cash flow to our shareholders.

FUNDS FROM OPERATIONS ("FFO"):

Many consider FFO as the standard measurement of a REIT's performance. We compute FFO as follows:

Funds From Operations ("FFO")

	Three Months Ended	
	January 31,	
	2009	2008
	(\$ in thousands)	
Net income	\$ 1,521	\$ 1,403
Depreciation	1,474	1,338
Amortization of deferred mortgage costs	59	73
Deferred rents (Straight lining)	(51)	(47)
Amortization of acquired leases	9	(24)
Capital Improvements - Apartments	(129)	(146)
Minority interests:		
Equity in earnings of affiliates	363	115
Distributions to minority interests	(120)	(327)
FFO	\$ 3,126	\$ 2,385
<i>Per Share - Basic</i>	<i>\$ 0.45</i>	<i>\$ 0.35</i>
<i>Per Share - Diluted</i>	<i>\$ 0.45</i>	<i>\$ 0.35</i>
Weighted Average Shares		
Outstanding:		
<i>Basic</i>	6,946	6,763
<i>Diluted</i>	6,946	6,906

FFO does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States of America, and therefore should not be considered a substitute for net income as a measure of results of operations or for cash flow from operations as a measure of liquidity. Additionally, the application and calculation of FFO by certain other REITs may vary materially from that of FREIT's, and therefore FREIT's FFO and the FFO of other REITs may not be directly comparable.

INFLATION

Inflation can impact the financial performance of FREIT in various ways. Our commercial tenant leases normally provide that the tenants bear all or a portion of most operating expenses, which can reduce the impact of inflationary increases on FREIT. Apartment leases are normally for a one-year term, which may allow us to seek increased rents as leases renew or when new tenants are obtained, subject to prevailing market conditions.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

See “Residential Segment” and “Liquidity and Capital Resources” under Item 2 above for a detailed discussion of FREIT’s quantitative and qualitative market risk disclosures.

Item 4: Controls and Procedures

At the end of the period covered by this report, we carried out an evaluation of the effectiveness of the design and operation of FREIT’s disclosure controls and procedures. This evaluation was carried out under the supervision and with participation of FREIT’s management, including FREIT’s Chairman and Chief Executive Officer and Chief Financial Officer, who concluded that FREIT’s disclosure controls and procedures are effective. There has been no change in FREIT’s internal control over financial reporting during the first three months of fiscal 2009 that has materially affected, or is reasonably likely to materially affect, FREIT’s internal control over financial reporting.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in FREIT’s reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in FREIT’s reports filed under the Exchange Act is accumulated and communicated to management, including FREIT’s Chief Executive Officer and Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

Part II: Other Information

Item 1A: Risk Factors

There were no material changes in any risk factors previously disclosed in the Company’s Annual Report on Form 10-K for the year ended October 31, 2008, that was filed with the Securities and Exchange Commission on January 14, 2009.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Information regarding FREIT’s share repurchase program for the three months ended January 31, 2009 is as follows:

Issuer Purchases of Equity Securities (1)(2)(3)(4)

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
November 1, 2008 through November 30, 2008	-	-	-	\$ 925,255
December 1, 2008 through December 31, 2008	-	-	-	\$ 925,255
January 1, 2009 through January 31, 2009	-	-	-	\$ 925,255
Total	-	-	-	\$ 925,255

- (1) On April 9, 2008, FREIT’s Board of Trustees authorized up to \$2 million for the repurchase of FREIT’s shares of beneficial interest. The share repurchase plan provides for the repurchase of FREIT shares on or before March 31, 2009.
- (2) Share repurchases under this program may be made from time to time in the open market or in privately negotiated transactions, depending on the price of FREIT shares and other market conditions. This share repurchase program may be limited or terminated at any time and without prior notice.
- (3) Rule 10b5-1 permits the implementation of a written plan for repurchasing shares of company stock at times when the issuer is not in possession of material, nonpublic information and allows issuers adopting such plans to repurchase shares on a regular basis, regardless of any repurchases to be effected through FREIT’s repurchasing agent, Hill, Thompson, Magid & Co., Inc., pursuant to the terms and conditions set forth in the share repurchase plan, which has been established in accordance with applicable regulations. On March 3, 2009, Hill, Thompson, Magid & Co., Inc., advised FREIT that effective March 4, 2009, it would cease transacting business and would no longer be a participating market maker in any over-the-counter bulletin board securities. Therefore, no repurchases of shares will be made under FREIT’s share repurchase plan until a new repurchasing agent is engaged. FREIT is in the process of identifying a new repurchasing agent to act under its share repurchase plan. As of the date of this report, a new repurchasing agent has not been engaged.
- (4) As of January 31, 2009, FREIT repurchased 46,720 shares at a cost of \$1,075,000, which is reflected in the Shareholders’ Equity section of FREIT’s balance sheet.

Subsequent event:

- In February 2009, FREIT repurchased an additional 4,200 shares of common stock at a cost of \$14 per share.

Item 6: Exhibits

Reference is made to the Exhibit index below.

Exhibit Index

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SIGNATURES

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

**FIRST REAL ESTATE INVESTMENT
TRUST OF NEW JERSEY
(Registrant)**

Date: March 12, 2009

/s/ Robert S. Hekemian

(Signature)

Robert S. Hekemian
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

/s/ Donald W. Barney

(Signature)

Donald W. Barney
President, Treasurer and Chief Financial Officer
(Principal Financial/Accounting Officer)

EXHIBIT 31.1**CERTIFICATION**

I, Robert S. Hekemian, certify that:

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

Date: March 12, 2009

/s/ Robert S. Hekemian

Robert S. Hekemian

Chairman of the Board and Chief Executive Officer

EXHIBIT 31.2**CERTIFICATION**

I, Donald W. Barney, certify that:

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

Date: March 12, 2009

/s/ Donald W. Barney

Donald W. Barney

President, Treasurer and Chief Financial Officer

EXHIBIT 32.1

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

In connection with the Quarterly Report of First Real Estate Investment Trust of New Jersey (the “Company”) on Form 10-Q for the quarter ended January 31, 2009 (the “Report”), I, Robert S. Hekemian, Chairman of the Board and Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. § 78m(a) or 78o(d), and,
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 12, 2009

/s/ Robert S. Hekemian
Robert S. Hekemian
Chairman of the Board and Chief Executive Officer

EXHIBIT 32.2

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

In connection with the Quarterly Report of First Real Estate Investment Trust of New Jersey (the “Company”) on Form 10-Q for the quarter ended January 31, 2009 (the “Report”), I, Donald W. Barney, President, Treasurer and Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. § 78m(a) or 78o(d), and,
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 12, 2009

/s/ Donald W. Barney
Donald W. Barney
President, Treasurer and Chief Financial Officer