



Share Redemption Program

Questions and Answers

Updated March 20, 2019

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Share Redemption Program (the “Program”)

Questions and Answers

Updated March 20, 2019

Overview of the Program

What is the purpose of the Program?

In the absence of an established trading market for our shares, you, as our stockholder, are limited as to where and at what price you can sell your shares, often having to dispose of your shares at unfavorable prices. In order to address these challenges, we established the Program in November 2016 in order to provide interim liquidity for you such that you will be able to liquidate all or a portion of your holdings of our common stock, subject to conditions and limitations of the Program.

Who is eligible to participate in the Program?

All of our stockholders are eligible to participate in the Program (other than current directors, officers and employees, subject to certain exceptions).

Am I required to participate in the Program?

No, you are not required to participate in the Program.

How often will the Company make redemptions under the Program?

We make redemptions, subject to the terms of the Program, semi-annually, with purchases being made two times a year on a single date following the end of the applicable semi-annual period. The semi-annual periods run from December 1 - May 31 and from June 1 - November 30 of each year. [See Q&A on page 6 for timing of actual payment for shares.]

Are there circumstances where the Company may not redeem shares?

Yes. Redemption of your shares is subject to us having sufficient funds to do so and remaining in compliance with all applicable federal, state and other laws, rules and regulations. In addition, we are limiting all aggregate purchases of our common stock under the Program to \$1 million per year.

Is there any minimum or maximum amount of shares that I must present for redemption?

No.

Are there any requirements or conditions to my eligibility to participate in the Program?

Stockholders can offer their shares for repurchase at any time during the period in which the Program is open. However, while the Program is open to all stockholders, any stockholder seeking redemption of his/her or its holdings of our common stock must meet the following conditions:

- No Encumbrances - All shares presented for redemption must be owned by the stockholder(s) making the presentation, or the party presenting the shares must be authorized to do so by the owner(s) of the shares. Such shares must be fully transferable and not subject to any liens or other encumbrances.
- Share Redemption Request Form - The shares presented for redemption under the Program must be accompanied by a fully completed and executed Share Redemption Request Form.
- Deadline for Presentment - All shares presented and all completed Share Redemption Request Forms must be received by our redemption agent, American Stock Transfer & Trust Company, LLC (“AST”), on or before the end of the applicable semi-annual period in order to have such shares eligible for redemption for such semi-annual period.

How long will the Program be in place?

The Program will not terminate until (i) our shares of common stock are listed for trading on any national securities exchange (such as New York Stock Exchange or Nasdaq), (ii) the Company merges with a company whose shares are listed on a national securities exchange or (iii) a secondary market for our shares develops.

Additionally, our board of directors, in its sole discretion, may terminate, amend or suspend the Program if it determines to do so is in the best interest of the Company. A determination by the board of directors to terminate, amend or suspend the Program will require the affirmative vote of a majority of the members of the board of directors. If the Company terminates, materially amends or suspends the Program, the Company will provide to stockholders written notice of such event at least 30 days prior to the effective date of the termination. We will also file a Current Report on Form 8-K with the Securities and Exchange Commission to report any termination, material amendment or suspension of the Program.

Who is the Company’s Redemption Agent under the Program and what is such agent’s contact information?

All redemptions under the Program are administered on behalf of the Company by AST. AST performs all recordkeeping and administrative functions required to be performed in connection with the Program.

AST’s phone number for assistance is (877) 248-6417 or (718) 921-8317.

Redemption Price

What is the current redemption price per share?

\$13.58 per share. The redemption price of \$13.58 per share will be effective with respect to share redemption requests submitted from December 1, 2018 until such time as our board of directors determines a new redemption price.

How was the redemption price determined?

In accordance with the Program, the redemption price per share is equal to 90% of the Company's net asset value, or NAV, per share as of the end of the most recently completed calendar year, subject to adjustment. On March 20, 2019, our board of directors by written consent unanimously determined the NAV per share of our common stock as \$15.09 as of December 31, 2018, following a valuation of the Company's assets and liabilities performed by Duff & Phelps, LLC, an independent third-party valuation firm. Please see our Current Report on Form 8-K filed with the Securities and Exchange Commission on March 22, 2019, for a full description of the methodology and assumptions used to determine the estimated per share NAV.

Why did you use NAV per share and not another valuation method?

The NAV per share is the required methodology for determining the repurchase price under the Program. In requesting no action-relief from the staff of the Securities and Exchange Commission (which is a common practice for non-listed REITs conducting share redemption programs), we represented to the staff that the redemption price would be 90% of the NAV per share for the most recently completed calendar year, and this fact was specifically noted by the staff of the Securities and Exchange Commission in granting relief. Using NAV per share to determine the repurchase price is a standard feature of repurchase/redemption plans permitted by the staff of the Securities and Exchange Commission. Moreover, NAV per share is the most commonly used and widely recognized type of valuation applied to non-listed REITs and is the valuation method recommended by the Investment Program Association.

Is \$13.58 per share how much GTJ is worth?

\$13.58 per share represents 90% of the Company's net asset value, or NAV, per share as of December 31, 2018, which is the required methodology for determining the repurchase price under the Program. The estimated NAV per share is not audited and does not represent the fair value of our assets or liabilities according to GAAP, nor is it intended to represent the amount that you could expect to receive if you were to sell your shares now or if we complete a liquidity event. It is also important to keep in mind that the estimated per share NAV is simply a snapshot as of a particular date (i.e., December 31, 2018) and may fluctuate over time as we continue to purchase properties and actively manage our portfolio.

Why aren't we using the high end of the range rather than the mid-point of the range of the NAV?

The board of directors reviewed the range of NAV per share provided by Duff & Phelps and determined that using the mid-point of the range was the most appropriate valuation. The board

considered what other peer non-traded REITs did in establishing NAV and many, if not most, use the mid-point of the range when the valuation firm gave a range of NAV per share for their share redemption programs.

Can the redemption price change?

Yes. Our board of directors may change the redemption price per share at any time by providing 30 days' advance notice to stockholders in the event the Company has sold property and has made one or more special distributions to its stockholders of all or a portion of the net proceeds from such sales. In such case, the per share redemption price will be reduced by the net sale proceeds per share distributed to stockholders prior to the redemption date as a result of the sale of such property in the special distribution. The board of directors will, in its sole discretion, determine which distributions, if any, constitute a special distribution. While the board of directors does not have specific criteria for determining a special distribution, the board of directors expects that a special distribution will only occur upon the sale of a property and the subsequent distribution of the net sale proceeds.

How will I know if the redemption price changes?

Our board of directors will announce any redemption price adjustment and the time period of its effectiveness by filing a Current Report on Form 8-K with the Securities and Exchange Commission and by mailing to the Company's stockholders an announcement of such redemption price adjustment and time period of its effectiveness at least 30 days prior to the effective date thereof.

Pro Rata Redemption Policy

Are shares redeemed on a first come, first served basis?

No. The Company will repurchase shares on a pro rata basis at the end of each redemption period, subject to compliance with the policy on priority of repurchases. [See next question below].

What happens if the Company cannot purchase all shares presented for redemption in a redemption period?

If the Company cannot purchase all shares presented for redemption in any semi-annual period (for example, because it does not have sufficient cash available or the Program reached the \$1 million per year limit), the Company will, in such a case, honor redemption requests in the following order of priority:

1. redemptions upon the death of a stockholder (so long as any such redemption request is received by AST within one year of the date of such stockholder's death) or upon the disability of a stockholder (or pro rata if less than all of such death or disability redemption requests can be satisfied);
2. any redemptions that have been carried over from one or more previous semi-annual periods where the redemption amount remaining is less than \$2,500; and

3. pro rata as to all other redemption requests.

What are my options if my redemption request is not fulfilled by the Company during a particular semi-annual redemption period?

The Company will treat any unsatisfied portion of the redemption request as a request for redemption the following semi-annual period, unless you notify AST otherwise and withdraw your request in accordance with the terms of the Program. You may (A) withdraw your request for redemption at any time prior to ten (10) days before the last day of any semi-annual period or (B) allow your request to remain in the redemption pool for a redemption at such time, if, any, when sufficient funds become available. Such pending requests will generally be honored on a pro rata basis.

Redemption Process

When can I make my share redemption requests under the Program?

The first semi-annual period under the Program commenced on June 1, 2017 and is currently ongoing. However, on February 15, 2019, we commenced a self-tender offer in response to a third-party tender offer. The Program is temporarily suspended during the tender offer as required by Securities and Exchange Commission rules. Redemption requests that are submitted through the Program during the offer and for 10 business days thereafter will not be accepted for consideration. The suspension of the Program is anticipated to terminate on April 22, 2019 and thereafter the Company will recommence accepting redemption requests under the Program.

How do I request redemption of my shares?

Your stock certificate(s) and a completed Share Redemption Request Form must be delivered to AST as follows:

If delivering by mail:

American Stock Transfer & Trust
Company, LLC
Operations Center
Attn: Reorganization Department
P.O. Box 2042
New York, New York 10272-2042

If delivering by hand or courier:

American Stock Transfer & Trust
Company, LLC
Operations Center
Attn: Reorganization Department
6201 15th Avenue
Brooklyn, New York 11219

Do not send your certificate(s) to us. The method of delivery is at your option and risk. Delivery will be deemed effective only when received by AST. If your stock certificate(s) are sent by mail, registered mail with return receipt requested and proper insurance is suggested.

What happens to my stock certificates when I submit my shares for redemption?

All shares evidenced by a certificate that are surrendered for redemption will be promptly converted to book-entry form upon receipt by AST. [See Q&A on page 7 for more information on book-entry shares.]

May I withdraw my redemption request if I change my mind?

Yes, you may withdraw your redemption request upon written notice to the Company at any time prior to ten (10) days before the end of the applicable semi-annual period. If your request to redeem shares is timely withdrawn in accordance with the terms of the Program, the shares that are withdrawn will remain in book-entry form, and new certificate(s) will not be sent to you, unless specifically requested in your written withdrawal request.

When will I be paid for shares that are redeemed under the Program?

The redemption price per share will be paid in cash no later than three (3) business days following the last calendar day of the applicable semi-annual period (May 31 and November 30). Thus, the redemption price for shares redeemed during the current semi-annual period will be paid by June 5, 2019.

Share Redemption Request Form—General

Where can I obtain a copy of the Share Redemption Request Form?

The Share Redemption Request Form is available by clicking on the “Share Redemption Form” link under the “Investor Relations” tab of our corporate website, <https://www.gtjreit.com>.

Can I use a form other than the Share Redemption Request Form to request redemption of my shares?

No. You must use the Share Redemption Request Form to request redemption of your shares.

Does my signature need to be medallion-stamped guaranteed?

Yes. All signatures on the Share Redemption Request Form must be medallion-stamped guaranteed by a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association, Inc. Examples include the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program and the Stock Exchanges Medallion Program. Please note that a medallion-stamped guarantee is different than an acknowledgement by a notary public.

Do I need to fill out the Substitute Form W-9?

Yes. Please fill out the Substitute Form W-9 that is included with the Share Redemption Request Form. Failure to provide the information on the form may subject you to 24% backup withholding on the payment of any cash. For questions regarding completing the Substitute Form W-9, please refer to the sections entitled “Important Tax Information” and “Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9” immediately following the Substitute Form W-9.

Who will determine whether I properly requested redemption of my shares?

All questions as to the validity, form and eligibility of any surrender of certificates will be determined by AST in consultation with us and such determination by us shall be final and binding. We reserve the right to waive any irregularities or defects in the surrender of any certificates. A surrender will not be deemed to have been made until all irregularities have been cured or waived.

What is required to show that a stockholder has died or is disabled?

If submitting due to death, please attach a copy of the death certificate within one (1) year of the stockholder's death. If submitting due to disability, please provide the appropriate documentation from one of the following agencies: Social Security Administration, U.S. Office of Personnel Management or Department of Veterans Affairs.

What if I need assistance with completing my Share Redemption Request Form?

For assistance, please call AST at (877) 248-6417 or (718) 921-8317 or call the Company at (516) 693-5500.

Share Redemption Request Form—Special Circumstances

What if I want to redeem some, but not all, of my shares?

If fewer than all the shares evidenced by any share certificate delivered to AST are to be surrendered for redemption, fill in the number of shares which are to be surrendered for redemption in the column titled "Number of Shares Surrendered for Redemption" in the box titled "Description of Shares Surrendered" on the Share Redemption Request Form. In such cases, the remainder of the shares that were evidenced by the old certificate(s) but not surrendered for redemption will be issued to you in book-entry form, and new certificate(s) will not be sent to you unless specifically provided by checking the appropriate box on the Share Redemption Request Form.

What if I lost my stock certificate(s)?

If your stock certificate(s) has been lost, stolen, misplaced or destroyed, contact AST for instructions at (877) 248-6417 or (718) 921-8317 prior to submitting your Share Redemption Request Form. Any stockholder who has lost certificates should make arrangements (which may include the posting of a bond or other satisfactory indemnification and an affidavit of loss) to replace lost certificates. Such arrangements should be made with AST.

How do I indicate that the redemption request is for a death or disability?

Please check the box for death or disability under "Type of Redemption" on the Share Redemption Request Form. Please note that the Company reserves the right to request additional documentation to confirm any redemption request due to death or disability. If treatment as a priority redemption request is not granted, the request will be treated as an ordinary redemption.

What if my shares are held jointly?

If any of the shares surrendered are owned by two or more joint owners, all such owners must sign the Share Redemption Request Form exactly as written on the face of the certificate(s).

What if my shares are registered in different names on several certificates?

If any shares are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Share Redemption Request Forms as there are different registrations.

What if I am a trustee, executor, administrator, guardian, attorney-in-fact, officer for a corporation or other person acting in a fiduciary or representative capacity?

Share Redemption Request Forms executed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary capacity who are not identified as such in the registration must be accompanied by proper evidence of the signer's authority to act. When signing the Share Redemption Request Form, please set forth your full title.

What if I want the payment to be made to another person?

If payment is to be made to a person other than the registered owner(s), then the surrendered stock certificates must be endorsed or accompanied by duly executed stock powers, in either case signed exactly as the name(s) of the registered owners appear on such certificate(s) or stock power(s), with the signatures on the certificate(s) or stock power(s) guaranteed by an eligible institution as provided in the Share Redemption Request Form.

Can I sign the Share Redemption Request Form if I am not the registered holder?

If the surrendered certificates are registered in the name of a person other than the signer of the Share Redemption Request Form, or if payment is to be made to a person other than the signer of the Share Redemption Request Form, then the surrendered certificates must be endorsed or accompanied by duly executed stock powers, in either case signed exactly as the name(s) of the registered owners appear on such certificate(s) or stock power(s), with the signatures on the certificate(s) or stock power(s) guaranteed by an eligible institution as provided in the Share Redemption Request Form.

Additional and Miscellaneous Information

Why did you suspend the Program in February 2019?

On February 15, 2019, we commenced a self-tender offer in response to a third-party tender offer. The Program is temporarily suspended during the tender offer as required by Securities and Exchange Commission rules. Redemption requests that are submitted through the Program during the offer and for 10 business days thereafter will not be accepted for consideration. The suspension of the Program is anticipated to terminate on April 22, 2019 and thereafter the Company will recommence accepting redemption requests under the Program.

Why did you not redeem any shares under the Program for the semi-annual period running from June 1, 2018 to November 30, 2018?

Redemptions under the Program are limited to an aggregate of \$1 million during any calendar year. This limit was met for the 2018 calendar year on June 5, 2018, when the Company redeemed 77,399 shares under the Program for aggregate consideration of \$999,995.08. As a result, the Company did not redeem any shares under the Program during the semi-annual period running from June 1, 2018 to November 30, 2018. The Company has resumed redemptions under the Program for the semi-annual period running from December 1, 2018 to May 31, 2019. Any unsatisfied portions of prior redemption requests will be treated as requests for redemption for the semi-annual period running from December 1, 2018 to May 31, 2019, unless such requests have been or are withdrawn in accordance with the terms of the Program.

Where else can I obtain additional information about the Program?

Please see the newsletters we have sent to you describing the Program. We have also filed Current Reports on Form 8-K with the Securities and Exchange Commission (<http://www.sec.gov>) to disclose approval and terms of the Program, the number of shares redeemed under the Program, as well as the methodology and assumptions used to determine the estimated per share NAV. Both the Form 8-Ks and newsletters have been posted on our corporate website at <https://www.gjtreit.com>. You may also contact us with any questions at (516) 693-5500.

How many other stockholders are participating in the Program at this point?

Securities and Exchange Commission insider trading laws prohibit us from disclosing information until the period closes about how many stockholders are requesting redemptions. In accordance with our no-action request to the Securities and Exchange Commission, following each semi-annual period, we will file a Current Report on Form 8-K with the Securities and Exchange Commission to report the number of shares of common stock that were redeemed during such period and the redemption price at which such shares were redeemed.

Will I have to pay taxes on the money I receive from my shares?

We are not giving our stockholders any tax advice. We strongly urge you to consult with your own counsel, accountant or business advisor as to legal, tax and related matters concerning the redemption of your shares.

Should I redeem my shares?

We are not making any recommendation to any stockholder whether to sell any shares of common stock. You must make your own decision in consultation with your advisors.