



via regular mail

January 23, 2017

Re: GTJ REIT, Inc. (the “Company”) – Share Redemption Program

Dear Stockholder:

We are pleased to announce that in November 2016 our Board of Directors (the “Board”) adopted a share redemption program for our stockholders to be implemented in 2017 (the “Program”). Under this Program, shares of our Company’s common stock may be redeemed by the Company from stockholders, as described below.

The purpose of this newsletter is to provide you an overview of this Program and explain how you may participate in the Program if you choose.

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 such shares at unfavorable prices. In order to address these challenges, this Program will provide interim liquidity for you such that you will be able to liquidate all or a portion of your holdings of the Company’s 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.

Am I required to participate in this Program?

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

How often will the Company make redemptions under the Program?

The Company will make redemptions, subject to the terms of the Program, semi-annually, with purchases made twice a year on a single date certain following the end of the applicable semi-annual period. The semi-annual periods will run from December 1 - May 31 and from June 1 - November 30 of each year. The first semi-annual period under the Program will be open commencing on June 1, 2017.

The Company may redeem the shares, provided that we have sufficient funds to do so and remain in compliance with all applicable federal, state and other applicable laws, rules and regulations. Any and all shares so redeemed by the Company will be canceled and returned to the

status of authorized but unissued shares. We are limiting all aggregate purchases under the Program to \$1 million per year.

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

The effective date of the Program is as of January 1, 2017; the first semi-annual period under the Program will be open commencing on June 1, 2017. As a result, share redemption requests under the Program can first be made after June 1, 2017.

What will be the redemption price for my shares under the Program?

The redemption price per share will be equal to 90% of the Company's net asset value per share as of the end of the most recently completed calendar year, subject to adjustment.

Our Board 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 ("SEC") 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. Further, our Board 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 will, in its sole discretion, determine which distributions, if any, constitute a special distribution. While the Board does not have specific criteria for determining a special distribution, the Board expects that a special distribution will only occur upon the sale of a property and the subsequent distribution of the net sale proceeds.

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).

How will the Company fund the Program?

The Company will limit the number of shares redeemed under the Program during any calendar year to no more than \$1 million, subject to sufficient funds being available.

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

No.

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 as described above 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 or 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.

The Company would treat any unsatisfied portion of the redemption request as a request for redemption the following semi-annual period.

A stockholder may (A) withdraw the stockholder's request for redemption at any time prior to ten (10) days before the last day of any semi-annual period or (B) allow the stockholder's 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.

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 the Company's common stock must meet the following conditions:

- No Encumbrances - All shares presented for redemption must be owned by the stockholder(s) making the presentment, 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 Form - The shares presented for redemption under the Program must be accompanied by a completed Share Redemption Request form, a copy of which is available through the Company's Redemption Agent (AST, see below). All share certificates must be properly endorsed.
- Deadline for Presentment - The Company will redeem shares on or before the third (3) business day following the end of each semi-annual period. All shares presented and all completed Share Redemption Request forms must be received by the Redemption Agent (see below) 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.

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.

Who will act as the Company's Redemption Agent under the Program and what is such agent's contact information?

All redemptions under the Program will be administered on behalf of the Company by American Stock Transfer & Trust Company, LLC ("AST"). AST will perform 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.

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, (ii) the Company merges with a listed company or (iii) a secondary market for the Company's shares develops.

Additionally, our Board, 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 to terminate, amend or suspend the Program will require the affirmative vote of a majority of the members of the Board. 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 thereof. We will also file a Current Report on Form 8-K with the SEC to report any termination, material amendment or suspension of the Program.

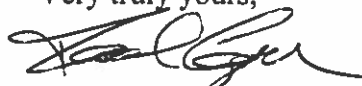
Where else can I obtain additional information about the Program?

In addition to this newsletter, we have filed a Current Report on Form 8-K with the SEC (<http://www.sec.gov>) to disclose approval and terms of the Program. Both the 8-K and this newsletter have been posted on our corporate website at <http://www.gjtreit.com>. You are also welcome to direct your questions to our Chief Financial Officer, Ben Zimmerman, at 516-693-5500 or benzimmerman@gjtreit.com.

Also, following each semi-annual period, we will file a Current Report on Form 8-K with the SEC to report the number of shares, if any, that were redeemed under the Plan and the redemption price at which such shares were redeemed.

The discussion in this newsletter is a summary of material terms and provisions of the Program. For your reference, you can find a full copy of the Program on our website at <http://www.gjtreit.com>. **We encourage you to read the Program in its entirety and contact us should you have any questions.**

I thank you for your continued support of the Company. As always, please feel free to speak with me, Louis Sheinker or Ben Zimmerman.

Very truly yours,

Paul Cooper, CEO

GTJ REIT, INC.

SHARE REDEMPTION PROGRAM

Effective As of January 1, 2017

The Board of Directors of GTJ REIT, Inc., a Maryland corporation (the "Company"), has adopted and elected, effective January 1, 2017, to implement a share redemption program (the "SRP") by which shares of the Company's common stock, \$0.0001 par value per share ("Shares"), may be redeemed by the Company from stockholders subject to certain conditions and limitations. The purpose of the SRP is to provide limited interim liquidity for stockholders (under the conditions and limitations set forth below) until a liquidity event occurs. No stockholder is required to participate in the SRP.

Redemption of Shares

The Company may, at its sole discretion, redeem Shares presented to the Company for cash to the extent it has sufficient proceeds to do so. Any and all Shares redeemed by the Company shall be canceled and return to the status of authorized but unissued Shares. Shares acquired by the Company through the SRP will not be reissued unless they are first registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, and other appropriate state securities laws or are exempt from such registration.

Redemption Price

The redemption price per Share will be equal to 90% of the Company's net asset value ("NAV") per Share as of the end of the most recently completed calendar year. 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 our stockholders an announcement of such redemption price adjustment and time period of its effectiveness at least 30 days prior to the effective date thereof. The Board may change the redemption price per share at any time by providing 30 days' advance notice to stockholders in the event we have sold property and have made one or more special distributions to our 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 investors prior to the redemption date as a result of the sale of such property in the special distribution. Our Board of Directors will, in its sole discretion, determine which distributions, if any, constitute a special distribution. While our Board of Directors does not have specific criteria for determining a special distribution, we expect that a special distribution will only occur upon the sale of a property and the subsequent distribution of the net sale proceeds.

Funding and Operation of SRP

The Company will make purchases under the SRP semi-annually. The semi-annual periods will run from December 1 - May 31 and June 1 - November 30 of each year (each a "semi-annual period"). The redemption price will be paid in cash no later than three business days following the last calendar day of the applicable semi-annual period, subject to sufficient funds being available. The Company will limit the number of Shares redeemed during any calendar year to \$1 million in Shares, subject to sufficient funds being available.

If we could not purchase all Shares presented for redemption in any semi-annual period, based upon insufficient cash available as described above or the limit on the number of Shares we may redeem during any calendar year, we would attempt to honor redemption requests as follows (and in the following order of priority): (1) redemptions upon the death or 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. We would treat any unsatisfied portion of the redemption request as a request for redemption the following semi-annual period. At such time, you may then (1) withdraw your request for redemption at any time prior to ten (10) days before the last day of the new semi-annual period or (2) 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. We will determine whether we have sufficient funds

available as soon as practicable after the end of each semi-annual period, but in any event prior to the applicable payment date. The redemption price per share will be determined on the date of redemption.

Stockholder Requirements

Any stockholder may request a redemption with respect to all or a designated portion of the Shares, subject to the following conditions and limitations:

No Encumbrances. All Shares presented for redemption must be owned by the stockholder(s) making the presentment, 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.

Annual Limitation. Subject to funds being available, the Company will limit the number of Shares redeemed during any calendar year to \$1 million in Shares.

Share Redemption Form. The presentment of Shares must be accompanied by a completed Share Redemption Request form, a copy of which is attached hereto as Exhibit A. All Share certificates must be properly endorsed.

Deadline for Presentment. The Company will redeem Shares on or about the third business day following the end of each semi-annual period or at such other times as determined by the Board of Directors. All Shares presented and all completed Share Redemption Request forms must be received by the Redemption Agent (as defined below) 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.

Redemption Request Withdrawal. 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.

Redemption Agent

All redemptions will be effected by the Company or on behalf of the Company by American Stock Transfer & Trust Company, LLC (the "Redemption Agent"), who shall contract with the Company for such services. All recordkeeping and administrative functions required to be performed in connection with the SRP will be performed by the Redemption Agent.

Termination, Amendment or Suspension of the SRP

The SRP will terminate and the Company will not accept Shares for redemption in the event (i) the Shares are listed on any national securities exchange, or (ii) we merge with a listed company. Additionally, the Board of Directors of the Company, in its sole discretion, may terminate, amend or suspend the SRP if it determines to do so is in the best interest of the Company. A determination by the Company's Board of Directors to terminate, amend or suspend the SRP 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 SRP, the Company will provide to stockholders written notice of such event at least 30 days prior to the effective date thereof.

Miscellaneous

Liability. Neither the Company nor the Redemption Agent shall have any liability to any stockholder for the value of the stockholder's Shares, the redemption price of the stockholder's Shares, or for any damages resulting from the stockholder's presentment of his Shares or the redemption of the Shares under the SRP, except as result from the Company's or the Redemption Agent's gross negligence, recklessness or violation of applicable law; provided, however, that nothing contained herein shall constitute a waiver or limitation of any rights or claims a stockholder may have under federal or state securities laws.

Taxes. Stockholders shall have complete responsibility for payment of all taxes, assessments and other applicable obligations resulting from the Company's redemption of Shares.

EXHIBIT A TO SHARE REDEMPTION PROGRAM

[Intentionally Omitted]