

**TRINITY PLACE HOLDINGS INC.
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

CHARTER

I. Purpose

The purpose of the Audit Committee (the “**Committee**”) is to assist the Board of Directors (the “**Board**”) of Trinity Place Holdings Inc. (the “**Company**”) in fulfilling its oversight responsibilities by performing the following functions:

- Overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.
- Monitoring the integrity of the Company’s financial statements.
- Monitoring compliance with legal and regulatory requirements.
- Monitoring the independence, qualifications and performance of the independent auditors.

II. Composition

The Committee shall be comprised of at least three Board members, with the exact number being determined by the Board, subject to, if applicable, the Company’s Amended and Restated Certificate of Incorporation, as the same may be amended from time to time. Each member of the Committee shall meet the independence requirements of the NYSE Stock Exchange and Rule 10A-3 under the Securities Exchange Act of 1934 (the “**Exchange Act**”). A member must not have participated in the preparation of the financial statements of the Company at any time during the past three years. Each member must also be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. In addition, at least one member needs to be financially sophisticated, in that he or she (a) has past employment experience in finance or accounting, (b) has a professional certification in accounting, (c) has any other comparable experience or background leading to the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities or (d) otherwise qualifies as an “audit committee financial expert” under Item 407 of Regulation S-K under the Exchange Act.

Members of the Committee shall be appointed by the Board and shall serve at the pleasure of the Board, for such term or terms as the Board may determine. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

III. Meetings

The Committee shall meet at least quarterly, or more frequently as circumstances dictate.

As part of its job to foster open communication, the Committee shall meet periodically with senior and financial management and the independent auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee may meet by telephone or video conference and may take action by written consent.

At any time when the Committee consists of less than the full Board, the Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate, and circulate minutes of Committee meetings to the Board.

IV. Duties and Responsibilities

To carry out its purpose, the Committee shall have the following duties and responsibilities:

(a) Documents/Reports Review

1. Review and reassess the adequacy of this Charter at least annually, and make changes as circumstances dictate.
2. To review and discuss with the Company's independent auditors and management the Company's annual audited financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's annual report on Form 10-K before the Form 10-K is filed. If deemed appropriate after such review, the Committee shall recommend to the Board that the financial statements and the MD&A section be included in the Company's Form 10-K.
3. Review and discuss with the independent auditors and management the Company's quarterly financial statements and disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's quarterly report on Form 10-Q prior to the filing of the Company's Form 10-Q.
4. Review the regular internal reports to senior management prepared by financial management and any responses to such reports.
5. Review with financial management and the independent auditors those communications required to be communicated by the independent auditors by Statement of Accounting Standards ("SAS") 61 as amended by SAS 90 relating to the conduct of the audit.
6. Prepare (i) the audit committee report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement and (ii) any disclosure required to be included in the Company's public filings if the Committee approves the performance of any non-audit services by the independent auditors.

(b) Independent Auditors, Independent Counsel, and Other Advisers

1. To appoint, compensate, retain, terminate, and oversee the work of the independent auditor engaged (including resolution of disagreements between management and the Independent Auditor regarding financial reporting) for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting preparing or issuing an audit report or performing other audit, review, or attest services for the Company. The Independent Auditor shall report directly to the Committee.
2. Pre-approve all auditing services and permitted non-audit and tax services (including the fees and terms thereof) to be performed for the Company by its independent auditors and other registered public accounting firms and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors.

3. At least annually, to obtain and review a report by the Company's independent auditors that describes (i) the accounting firms internal quality control procedures; (ii) any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review or inspection of the Company or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the Company and any steps taken to deal with any such issues; and (iii) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors this report and any relationships or services that might impact the objectivity and independence of the auditors.
4. Review any reports from the independent auditors regarding (i) all critical accounting policies and practices to be used, (ii) alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, ramifications of their use and the treatment preferred by the independent auditors, and (iii) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
5. On an annual basis, review and discuss with the independent auditors all significant relationships the independent auditors have with the Company to determine their continued independence. Also on an annual basis, the Committee shall ensure its receipt from the independent auditors of a formal written statement delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard 1, and to actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor. The Committee will take, or recommend that the Board take, any other appropriate action to oversee the independence of the independent auditors.
6. At least annually, to evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner and to assure for the regular rotation of the lead audit partner having primary responsibility for the audit or review, as required by law and consider regular rotation of the accounting firm serving as the Company's independent auditors.
7. To review and discuss with the Company's independent auditors: (i) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (ii) the overall audit strategy, (iii) the scope and timing of the annual audit, (iv) any significant risks identified during the auditors' risk assessment procedures and (v) when completed, the results, including significant findings, of the annual audit.
8. Periodically consult with the independent auditors out of the presence of management about internal controls over financial reporting and the fullness and accuracy of the Company's financial statements.
9. To review and discuss with management and the Company's independent auditors, as applicable: the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma or adjusted non-GAAP information; and any financial information and earning guidance provided to analysts and ratings agencies, including the type of information to be disclosed and type of presentation to be made.
10. Direct the Company to pay the amounts determined by the Committee to be paid as compensation to the independent auditors for purposes of preparing or issuing an audit report and to any advisers employed by the Committee.

(c) Financial Reporting Processes and Controls

1. In consultation with the independent auditors and financial management, review the integrity of the Company's financial reporting processes and controls, including both its internal controls over financial reporting and its external controls.
2. Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
3. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors or financial management.
4. Periodically review the Company's system of internal controls over financial reporting and consider their effectiveness in ensuring that (i) records are maintained in reasonable detail and accurately and fairly reflect the transactions and disposition of the assets of the Company, (ii) there is reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and (iii) there is reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.
5. Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during the certification process for the Company's Form 10-Ks and Form 10-Qs about (i) any significant deficiencies in the design or operation of internal controls over financial reporting or material weaknesses therein, (ii) any fraud involving management or other employees who have a significant role in the Company's internal controls over financial reporting and (iii) any change in internal controls over financial reporting that has materially affected or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

(d) Process Improvement

1. Establish and oversee procedures for the receipt, retention, treatment and investigation of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
2. To review separately with each of financial management and the independent auditors any audit problems or difficulties encountered during the course of the audit including any restrictions on the scope of work or access to required information.
3. To review and discuss with each of financial management and the independent auditors any disagreement among management and the independent auditors and management's response to problems, difficulties or disagreements.
4. To review with management and the Company's independent auditors: (a) any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; and any major issues as to the adequacy of the Company's internal and disclosure controls and any special audit steps adopted in light of material control deficiencies; (b) any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements,

including the effects of alternative GAAP methods; and (c) the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

(e) Other Duties and Responsibilities

1. Perform any other activities consistent with this Charter, the Company's Bylaws and Policies and governing law, as the Committee or the Board deems necessary or appropriate.
2. The Committee shall conduct an annual evaluation of the performance of its duties under this Charter. The Committee shall conduct this evaluation in such manner as it deems appropriate.
3. Review and approve any transactions between the Company and any related person (as defined in Item 404 of Regulation S-K) on an ongoing basis pursuant to and in accordance with the Company's Related Party Transactions Policy.
4. To review and discuss with management policies and guidelines to govern the process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
5. To set clear Company hiring policies for employees or former employees of the Company's independent auditors.

V. Resources and Authority

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or management.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of:

- Compensation to the independent auditors and any other public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- Compensation of any advisors employed by the Committee; and
- Ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

Last reviewed and updated effective as of June 16, 2015