

GRAMERCY PROPERTY TRUST

AUDIT COMMITTEE CHARTER

The Board of Trustees (the “**Board**”) of Gramercy Property Trust (the “**Trust**”) has established an Audit Committee (the “**Committee**”) and has adopted and approved this charter (the “**Charter**”) for the Committee.

I. Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to: (i) the integrity of the Trust’s financial statements; (ii) the Trust’s compliance with legal and regulatory requirements; (iii) the independent auditor’s qualifications and independence; and (iv) the performance of the Trust’s internal audit function and independent auditor.

The Trust’s executive management is responsible for the preparation, presentation and integrity of the Trust’s financial statements, as well as the Trust’s financial reporting process, accounting policies, internal audit function, internal accounting controls, risk management and disclosure controls and procedures. The Trust’s independent auditor is responsible for auditing the Trust’s financial statements, auditing the effectiveness of internal control over financial reporting and for reviewing the Trust’s unaudited interim financial statements. The Committee’s job is one of oversight, and, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Trust’s financial statements or any professional certification as to the independent auditor’s work.

II. Membership

The Committee shall be made up of three or more independent trustees selected by the Board, each of whom shall satisfy the independence, experience and other requirements of the Sarbanes-Oxley Act of 2002, the rules and regulations of the Securities and Exchange Commission (“**SEC**”) and the rules of the New York Stock Exchange (“**NYSE**”). The Board will make all determinations regarding satisfaction of Committee membership requirements. In addition, the Committee shall not include any member who:

- accepts any consulting, advisory, or other compensatory fee, directly or indirectly, from the Trust, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board; or

- is an affiliate of the Trust or any subsidiary of the Trust, other than a director who satisfies the independence requirements of the NYSE.

Each member of the Committee must 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 shall be an “audit committee financial expert” as determined by the Board in accordance with the rules of the SEC. No Committee member shall simultaneously serve on the audit committee of more than three public companies (including the Trust) without prior disclosure to the Committee and the Board and an affirmative determination by the Board that such service does not impair the ability of such member to serve effectively on the Committee, which determination shall be disclosed in the annual proxy statement.

Committee members are appointed by the Board, which also decides the Committee’s exact number. Each Committee member is subject to annual reconfirmation by the Board and may be removed

by the Board from the Committee at any time. Resignation or removal of a trustee from the Board automatically effectuates the resignation or removal, as applicable, of such trustee from the Committee. The Board has the sole right to fill vacancies on the Committee.

Unless a chairman is appointed by the Board, the members of the Committee shall designate a chairman by majority vote of the full Committee membership. The chairman shall preside at all regular meetings of the Committee and set the agenda for each Committee meeting.

III. Meetings

The Committee shall meet as often as it determines, but not less frequently than quarterly. A majority of the members shall represent a quorum of the Committee, and, if a quorum is present, any action approved by at least a majority of the members present (in person or by telephone conference call) shall represent the valid action of the Committee. The Committee may form and delegate authority to subcommittees, or to one or more members of the Committee, when appropriate. The Committee shall meet with management, internal auditors and the independent auditor in separate executive sessions as appropriate. The Committee shall meet with the independent auditor and management on a quarterly basis to review the Trust's financial statements and financial reports. The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IV. Authority and Responsibilities

The Committee's authority and responsibilities shall be as follows:

A. Financial and Related Reporting

1. Form 10-Q. The Committee shall, prior to each filing by the Trust of a Quarterly Report on Form 10-Q (the "**Form 10-Q**") with the SEC, review with the Trust's management and independent auditors, and approve, the interim financial information to be included in the Form 10-Q and review the matters described in Statement on Auditing Standards No. 61, as it may be modified or supplemented, of the American Institute of Certified Public Accountants, Communication with Audit Committees ("**SAS 61**"). In connection therewith, the Committee shall review any matters of significance that have arisen in connection with the preparation of such financial statements and brought to their attention by management or the independent auditors, including, to the extent applicable, significant adjustments, management judgments and accounting estimates, significant reserves and/or accruals, significant new accounting principles, disagreements between management and the independent auditors and their effect, if any, on the Trust's consolidated financial statements and recent or proposed requirements of the SEC, the Financial Accounting Standards Board (the "**FASB**") or other similar governing bodies, and the disclosure set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-Q.

2. Form 10-K. The Committee shall, prior to each filing by the Trust of an annual report on Form 10-K (the “**Form 10-K**”) with the SEC, review with the Trust’s management and independent auditors, and approve, the audited financial statements to be included in the Form 10-K and in the Trust’s annual report to stockholders (the “**Annual Report**”) and review and consider the matters described in SAS 61. In connection therewith, the Committee shall review any matters of significance that have arisen in connection with the preparation of such financial statements and brought to their attention by management or the independent auditors, including, to the extent applicable, significant adjustments, management judgments and accounting estimates, significant reserves and/or accruals, significant new accounting principles, disagreements between management and the independent auditors and their effect, if any, on the Trust’s consolidated financial statements and recent or proposed requirements of the SEC, the FASB or other similar governing bodies, and the disclosure set forth under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Form 10-K. Following such review, the Committee shall recommend to the Board whether the audited financial statements should be included in the Form 10-K and the Annual Report.

3. Certifying Officers. The Committee shall meet with the Trust’s Chief Executive Officer, Chief Financial Officer and/or any other officer of the Trust responsible for certifying the Trust’s Form 10-K or Form 10-Qs filed with the SEC, prior to the filing of any such certification, and review with such officers any matters that have come to their attention relating to (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Trust’s ability to record, process, summarize and report financial data and the identification of any material weakness in internal controls, and (b) any fraud, whether or not material, that involves the Trust’s management or other employees who have a significant role relating to the Trust’s internal controls.

4. Earnings Releases and Guidance. The Committee shall review and discuss with the Trust’s management any earnings press releases to be issued by the Trust, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made). The Committee need not discuss in advance each earnings release or each instance in which the Trust may provide earnings guidance.

5. Audit Committee Report. The Committee shall issue the Audit Committee Report that the SEC rules require be included in the Trust’s proxy statement related to the annual meeting of shareholders.

B. Annual Review and Performance Evaluation

1. Review of Independent Auditor. At least annually, the Committee shall review the qualifications, independence and performance of the independent auditor, including, without limitation, the performance of the lead partner of the independent auditor, and present its conclusions to the Board in advance of the annual meeting of shareholders. As part of such annual review, the Committee shall obtain and review a report by the independent auditor describing:

- the independent auditor’s internal quality-control procedures;
- all relationships between the independent auditor and the Trust;
- any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor;
- any steps taken to deal with any such issues; and
- ensure that neither the lead partner nor the concurring partner of the independent auditor serves, respectively, in that capacity for more than five years (or such other period as may be prescribed by the rules and/or regulations of the NYSE, the SEC, the FASB or other similar governing bodies).

In performing this function, the Committee shall also (1) seek the opinion of management and the internal auditors of the independent auditor’s performance and (2) consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm.

2. Independent Auditor Report. The Committee shall annually obtain and review a report from the independent auditor, which shall be delivered prior to the filing of the audit report with the SEC, which sets forth:

- all critical accounting policies and practices used by the Trust;
- all alternative accounting treatments of financial information within GAAP related to material items that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the accounting firm; and
- other material written communication between the accounting firm and management.

3. Reporting to the Board. The Committee shall make regular reports to the Board. On an annual basis, the Committee shall report to the Board, after the close of each fiscal year but prior to the Trust's annual meeting of shareholders, as well as on any other occasion deemed appropriate by the Committee, any issues that arise with respect to the quality or integrity of the Trust's publicly reported financial statements, the Trust's compliance with legal or regulatory requirements, the performance and independence of the independent auditor, the performance of the internal audit function or any other matters it deems appropriate concerning the activities of the Committee or is requested by the Board.

4. Internal Audit. At least annually, the Committee shall review the Trust's internal auditing program and the internal audit plan, which review may include, to the extent deemed appropriate by the Committee, a review of the responsibilities, budget and staffing of the Trust's internal audit function and the performance of the senior officer or officers responsible for the internal audit function. In performing this function, the Committee shall review any significant reports issued by the internal audit function during the prior year with those responsible for the internal audit function and management's response and follow-up to those reports.

5. Ethics Code Compliance Officer. The Committee shall appoint, on an annual basis and for a term of one year, an Ethics Code Compliance Officer, who will administer and monitor the Trust's compliance with the Code of Business Conduct and Ethics with the help of the Committee. The Committee shall have the exclusive power to remove such individual from this position, with or without cause, and the exclusive power to fill any vacancy occurring in the position for whatever reason.

6. Regulatory and Legal Matters. On at least an annual basis, the Committee shall review with the Trust's legal counsel, (a) any legal or regulatory matters that could have a significant impact on the Trust's financial statements, (b) the Trust's compliance with applicable laws and regulations and (c) inquiries received from regulators or governmental agencies.

C. Review of Independent Auditor and Internal Audit Functions

1. Accounting Policies. The Committee shall review all major accounting policy matters involved in the preparation of the Trust's interim and annual financial reports with management and any deviations from prior practice with the independent auditor.

2. Integrity of Financial Reporting and Controls. In consultation with management, the independent auditor and the internal auditor, the Committee shall consider the integrity of the Trust's financial reporting processes and controls, including (a) the adequacy and effectiveness of the Trust's system of internal accounting controls, (b) any recommendations of such external and/or internal auditors with respect to any material weaknesses in the Trust's system of internal controls, (c) any material matters or problems with respect to accounting, Electronic Data Processing records, procedures or operations of the Trust which have not been resolved to such external and/or internal auditors' satisfaction after having been brought to the attention of management and (d) any material matters or problems with respect to the safeguarding of the Trust's assets and limitations on authority of the Trust's management relating to, among other things, investments, borrowings and derivative instruments. Such review should also consider the impact of the adequacy and effectiveness of the Trust's system of internal accounting controls on the Trust's financial reporting on both an annual and quarterly basis. In furtherance of this assessment, the Committee shall discuss with management the results of the foregoing reviews, including significant items and potential ways to improve the accounting procedures and controls.

3. Risk Assessment. The Committee shall discuss the Trust's guidelines or policies with respect to risk assessment and risk management, including but not limited to, (a) guidelines and policies to govern the process by which risk assessment and risk management is undertaken by the Trust and its management, (b) the adequacy of the Trust's insurance coverage, (c) any uninsured or commercially uninsurable risks, (d) the Trust's interest rate risk management, (e) the Trust's counter-party and credit risks, (f) any environmental risks relating to the Trust and (g) any other major financial risk exposure of the Trust.

4. Engagement of Independent Auditors. The Committee shall directly appoint, retain, determine the compensation for, evaluate, oversee and terminate the Trust's independent auditors engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Trust. The Committee shall establish clear hiring policies for current or former employees of the independent auditor that comply with the applicable rules and/or regulations or the NYSE, the SEC, the FASB or similar governing bodies.

5. Pre-Approval of Services. The Committee shall pre-approve, to the extent required by applicable law, all audit and non-audit engagements (other than engagements for non-audit services prohibited under Section 10A(g) of the Securities Exchange Act of 1934 (the "**Exchange Act**") or the applicable rules of the SEC or the Public Company Accounting Oversight Board (the "**PCAOB**")) and the related fees and terms with the independent auditor; provided, however, the pre-approval requirement is waived with respect to the provision of non-audit services for the Trust if the "de minimus" provisions of Section 10A(i)(1)(B) of the Exchange Act are satisfied. In accordance with applicable law, the Committee may delegate this authority to one or more designated members of the Committee; provided that any such decision made pursuant to the foregoing delegation of authority shall be presented to the Committee at its next regularly-scheduled meeting.

6. Internal Audit. The Committee shall satisfy itself as to the professional competency of those responsible for the internal audit function.
7. Tax Matters. The Committee shall review with the Trust's management and tax advisors the status of all tax returns, including open years and potential disputes. The Committee shall review with the Trust's independent auditors the adequacy of tax reserves included in the Trust's consolidated financial statements.
8. Audit Plan. The Committee shall review, with the independent auditor, with the members of management who are responsible for preparing the Trust's financial statements and with those responsible for the internal audit function, at a time when the annual audit plan is being developed, the plan's timing, scope, staffing, locations, foreseeable issues, priorities and procedures, the engagement team and the coordination between the independent auditor and those responsible for preparing the financial statements or the internal audit function in executing the plan.
9. Meetings with Auditors. The Committee shall meet separately and periodically with management and those responsible for the internal audit function and the independent auditor. The Committee shall review with the independent auditor, on completion of the annual audit, its experience, any difficulties encountered, any restrictions on its work or access to information, cooperation received, significant disagreements with management, its findings and its recommendations and the responsibilities, budget and staffing of the Trust's internal audit function. As part of this review, the Committee shall oversee the resolution of any disagreements between management and the independent auditor. The Committee shall request assurance from the independent auditor that Section 10A(b) of the Exchange Act relating to the discovery by the independent auditor of possible illegal acts has not been implicated.
10. Required Communications. After receipt by the Committee of the written disclosures and the letter from the independent auditors required by the applicable requirements of the PCAOB regarding the independent auditor's communications with the Committee concerning independence, the Committee shall review and discuss with the independent auditor the potential effects of any disclosed relationships or services on the objectivity and independence of the independent auditors and, based on such disclosures, statement, discussion and affirmation, take or recommend that the Board take appropriate action in response to the independent auditors' report to satisfy itself of the independent auditors' independence. In addition, before approving the initial engagement of any independent auditor, the Committee shall receive, review and discuss with the audit firm all information required by, and otherwise take all actions necessary for compliance with the requirements of, Rule 3526 of the PCAOB.
11. Complaint Procedures. The Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Trust regarding accounting, internal accounting controls or auditing matters, (ii) the confidential, anonymous submission by employees of the Trust of concerns regarding questionable accounting or auditing matters and (iii) the conduct exit interviews with departing executive officers in order to evaluate the company corporate accounting and reporting practices.

D. Other Activities

1. Investigations. The Committee is authorized to conduct any investigation it deems appropriate to fulfilling its responsibilities, including matters brought to its attention relating to alleged or potential fraudulent or illegal activities.
2. REIT Status. The Committee shall periodically review the requirements the Trust must meet in order to be taxed as a real estate investment trust, and any policies and procedures implemented by the internal auditors or the independent auditors to monitor the Trust's compliance with such requirements.

V. Resources and Authority

The Committee may take such actions within the general scope of its responsibilities hereunder as the Committee shall deem appropriate or as directed by the Board. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants and to determine the compensation of such counsel, experts or consultants, and direct and full access to all books, records, facilities and personnel of the Trust. The Committee also shall have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The Trust shall provide appropriate funding, as reasonably determined by the Committee, for payment of compensation to the independent auditors for the audit report and to any legal, accounting or other consultants or experts employed by the Committee, and for payment of the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In addition to the indemnification, exculpation and similar provisions contained in the Trust's Declaration of Trust and Bylaws or in statutory and common law, and in addition to applicable insurance, each member of the Committee shall, in the performance of such member's duties, be fully protected in relying on information, opinions, reports or statements prepared or presented by any of the Trust's officers or employees, or committees of the Board or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence, all to the extent permitted under Maryland law.

VI. Charter and Performance Review

The Committee will conduct an annual review the Committee charter and an annual evaluation of the performance of the Committee and recommend any proposed changes to the Board.

VII. Limitation on Scope; Access to Resources

The Committee members shall serve on the Committee subject to the understanding on their part and the part of the Trust's management, independent auditors and internal auditors that:

- A. The Committee members are not employees or officers of the Trust and are not directly involved in the Trust's daily operations and they will not serve as members of the Committee on a full-time basis.
- B. In carrying out its responsibilities, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management

and such experts, advisors and professionals with whom the Committee may consult. The committee shall have full access to all books, records, facilities and personnel of the Trust. The Committee shall have the authority to request that any officer or employee of the Trust, the Trust's outside legal counsel, the Trust's independent auditor or any other professional retained by the Trust to render advice to the Trust attend a meeting of the Committee or meet with any members of or advisors to the Committee.

VIII. Amendments

This Charter may be amended at any time in whole or in part by the Board.

ADOPTED: FEBRUARY 25, 2016