

CORPORATE GOVERNANCE GUIDELINES OF ACRE REALTY INVESTORS INC.

(Adopted March 12, 2015)

The following shall constitute the Corporate Governance Guidelines (the “Corporate Governance Guidelines”) of the board of directors (the “Board”) of Acre Realty Investors Inc. (the “Company”):

1. DIRECTOR INDEPENDENCE

A majority of the Board shall meet the standards of director independence set forth in the listing standards of the NYSE MKT stock exchange (the “NYSE MKT”), or of any other national securities exchange or quotation system on which the Company’s securities may become listed or traded in the future, as the same may be amended from time to time (the “listing standards”).

A director shall not be independent unless the Board determines that the director has no material relationships with the Company.

The Board will affirmatively determine annually and at other times required by the listing standards that the directors designated as independent have no material relationships to the company (either directly or with an organization in which the director is a partner, stockholder or officer, or is financially interested) that may interfere with the exercise of their independence from management and the Company.

2. DIRECTOR QUALIFICATIONS

The Nominating & Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new directors as well as the composition of the Board as a whole. This assessment will include an analysis of directors’ qualifications under the categorical standards for independence listed above, as well as consideration of diversity, age, skills and experience in the context of the Board’s needs. Nominees for directorship will be selected by the Nominating & Corporate Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Board itself, by the Chairman of the Nominating & Corporate Governance Committee and the Chairman of the Board.

The Board presently has seven (7) members. The Board would be willing to expand to a somewhat larger size, however, to accommodate the availability of an outstanding candidate. It is the sense of the Board that a size of five (5) to ten (10) is appropriate and most effective.

It is not the sense of the Board that in every instance a director who retires or changes from the position he or she held (outside of his or her position as a director of the Company) when joining the Board should necessarily leave the Board. However, it is the sense of the Board that individual directors who change the position they held when they were elected to the Board should volunteer to resign from the Board. Such a step provides an opportunity for the Board,

through the Nominating & Corporate Governance Committee, to review the continued appropriateness of Board membership under the circumstances.

While there is no limit on the number of public company boards on which a director may serve, if a director serves on more than five, his or her service on this Board shall be subject to the Board's determination that such simultaneous service on such other boards will not impair his or her ability to effectively serve on this Board. Directors should advise the Chairman of the Board and the Chairman of the Nominating & Corporate Governance Committee in advance of accepting an invitation to serve on another public company board.

The Board does not believe it should establish term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they have the significant disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term limits, the Nominating & Corporate Governance Committee will review each director's continuation on the Board at least every three years. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a director.

3. DIRECTOR RESPONSIBILITIES

The director's basic responsibility is to perform his or her duties as a director, including his or her duties as a member of a committee of the Board on which he or she serves, in a manner believed to be in good faith and in the best interests of the Company and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. Directors and officers are in a fiduciary relationship with the Company and its shareholders and are held to a standard of utmost good faith and loyalty. In discharging his or her duties, each director is entitled to rely on any information, opinion, report, or statement, including any financial statement or other financial data, prepared or presented by (i) an officer or employee of the Company whom the director reasonably believes to be reliable and competent in the matters presented; (ii) a lawyer, certified public accountant, or other person, as to a matter which the director reasonably believes to be within the person's professional or expert competence; or (iii) a committee of the board on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

The directors shall also be entitled (i) to have the Company purchase reasonable levels of directors' and officers' liability insurance on their behalf; (ii) to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, bylaws and any indemnification agreements; and (iii) to exculpation as provided by state law and the Company's charter.

Directors are expected to attend Board meetings and meetings of committees on which they serve, to spend the time needed and meet as frequently as necessary to discharge properly their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting. Directors should review these materials in advance of the meeting.

The Board may designate a Chief Executive Officer (the “CEO”). In the absence of such designation, the President shall be the CEO of the Company. The Board has no policy with respect to the separation of the offices of Chairman of the Board and the CEO. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination when it elects a new chief executive officer.

The Chairman of the Board will establish the agenda for each Board meeting. At the beginning of the year the Chairman of the Board will establish a schedule of significant agenda subjects to be discussed during the year (to the degree this can be foreseen). Each director is encouraged to suggest the inclusion of items on the agenda. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company’s long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

The independent directors will meet in executive session at least quarterly. The independent director who presides at these meetings, and the process for determining who will preside, will be determined by the independent directors, and the name of the director presiding over these meetings, or the process for designating such providing director, will be disclosed in the annual proxy statement.

The Board believes that management speaks for the Company. Individual directors may, from time to time, meet or otherwise communicate, subject to the Company’s Corporate Disclosure—Regulation FD Policy, with various constituencies that are involved with the Company. It is expected that directors would do this only with the knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

4. BOARD COMMITTEES

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating & Corporate Governance Committee. The members of these committees will comply with any requirements of the NYSE MKT (or any other national securities exchange or quotation system on which the Company’s securities may be listed or traded in the future) that may be put into effect from time to time. Committee members will be appointed by the Board upon recommendation of the Nominating & Corporate Governance Committee with consideration of the desires of individual directors. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its own performance.

The chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year each committee will establish a schedule of the principal agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all directors.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

5. DIRECTOR ACCESS TO OFFICERS

Directors have full and free access to officers of the Company and, as necessary and appropriate, to the Company's independent advisers. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Secretary of the Company or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications between a director and an officer of the Company, or advise the CEO of any such oral communications. The directors shall also have access to other employees of the external manager of the Company who provide services to or for the benefit of the Company upon request to the Company's CEO or Secretary.

The Board welcomes regular attendance at each Board meeting of the Company's senior officers. If the CEO wishes to have additional Company personnel attend on a regular basis, this suggestion should be brought to the Board for approval.

6. DIRECTOR COMPENSATION

The form and amount of director compensation will be determined by the Board based on a recommendation of the Compensation Committee in accordance with the policies and principles set forth in its charter. The Compensation Committee will conduct an annual review of director compensation. The Compensation Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

7. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

Management shall develop an orientation program for all new directors. This orientation should include presentations by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, these Corporate Governance Guidelines, its Code of Business Conduct and Ethics, its principal officers and its internal and independent auditors. In addition, the new director orientation program should include visits to the Company's executive offices. All other directors are also invited to attend new directors orientation programs.

8. MANAGEMENT EVALUATION

The Board will conduct an annual review of the performance of A-III Manager LLC, the Company's external manager (the "Manager"), the executive officers of the Company and the employees of the Manager who serve as executive officers of the Company, in order to ensure that the Manager is providing the best service and leadership for the Company in the long- and short-term.

9. ANNUAL PERFORMANCE EVALUATION

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating & Corporate Governance Committee will receive comments from all directors and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board can improve.

10. GOVERNANCE AND VOTING AGREEMENT

The Board acknowledges that the Board's composition and the composition of the Board's committees are subject to the provisions of that certain Governance and Voting Agreement, dated as of January 30, 2015, by and among the Company, A-III Investment Partners LLC and Charles S. Roberts, and will use its best effort to ensure compliance with the requirements of such agreement during its term.