

**BLUEROCK RESIDENTIAL GROWTH REIT, INC.**  
**COMPENSATION COMMITTEE CHARTER**  
**As of March 26, 2014**

**Purpose**

The Compensation Committee is appointed by the Board of Directors (the “Board”) of Bluerock Residential Growth REIT, Inc. (the “Company”). The functions of the Compensation Committee shall include (a) reviewing and approving on an annual basis the corporate goals and objectives relevant to the compensation of the Company’s chief executive officer (the “CEO”), if any, evaluating the CEO’s performance in light of such goals and objectives and determining and approving the remuneration, if any, of the CEO based on such evaluation; (b) reviewing and approving the compensation, if any, of all of the Company’s other officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) and the officers of the External Manager (as defined below) to the extent provided for herein; (c) reviewing and approving the Company’s executive compensation policies and plans; (d) overseeing plans and programs related to the compensation of any external manager of the Company (the “External Manager”), including fees payable to the External Manager pursuant to any agreement with the External Manager (the “Management Agreement”); (e) implementing and administering the Company’s incentive compensation equity-based remuneration plans, including, without limitation, the Company’s 2014 Equity Incentive Plan for Individuals (the “2014 Individuals Plan”) and the Company’s 2014 Equity Incentive Plan for Entities (the “2014 Entities Plan” and, together with the 2014 Individuals Plan and any other incentive compensation equity-based remuneration plans, collectively, the “Equity Plans”), except with respect to awards made to directors who are not employees, which will be administered by the Board, or as otherwise provided by the Board; (f) assisting management in complying with the Company’s proxy statement and annual report disclosure requirements; (g) producing a report on executive compensation to be included in the Company’s annual proxy statement; and (h) reviewing, evaluating and recommending changes, if appropriate, to the remuneration for directors.

**Committee Formation, Duration and Membership**

The Compensation Committee shall consist of no fewer than three members, all of whom shall be members of the Board. All members of the Compensation Committee shall (i) meet the independence requirements of the New York Stock Exchange, NYSE MKT LLC or any other nationally recognized securities exchange on which the Company’s securities are traded (the “Applicable Securities Exchange”), as amended from time to time, which are applicable to a member of the Compensation Committee, (ii) qualify as a “non-employee director” for purposes of Rule 16b-3 under the Exchange Act, and (iii) qualify as an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. The members of the Compensation Committee shall serve at the pleasure of the Board and the Board shall have the power at any time, subject to the rules of the Applicable Securities Exchange, as amended from time to time, to (A) designate and appoint a chairman of the Compensation Committee, (B) remove any member of the Compensation Committee, (C) fill any vacancy created by any such removal or by any resignation of a director serving thereon, (D) designate an alternate member to replace any absent or disqualified member of the Compensation Committee or (E) dissolve the Compensation Committee.

**Committee Authority and Responsibilities**

1. The Compensation Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser. The Compensation Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by the Compensation Committee (a “Compensation Consultant”). The Company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to each Compensation Consultant retained by the Compensation Committee. The Compensation Committee shall not be required to retain a Compensation Consultant, and may rely on published information or any other sources it deems acceptable in its sole discretion. The Compensation Committee shall also have authority to obtain professional advice and assistance from within the Company or elsewhere.

2. At such time as the Company ceases to be a smaller reporting company, the Compensation Committee may select a Compensation Consultant only after taking into consideration all factors relevant to the Compensation Consultant’s independence from the Company’s management, including the following:

- (A) The provision of other services to the Company by the Compensation Consultant or the person that employs the Compensation Consultant;
- (B) The amount of fees received from the Company by the Compensation Consultant or the person that employs the Compensation Consultant, as a percentage of the total revenue of the Compensation Consultant or person that employs the Compensation Consultant, as applicable;
- (C) The policies and procedures of the Compensation Consultant, or the person that employs the Compensation Consultant, that are designed to prevent conflicts of interest;
- (D) Any business or personal relationship of the Compensation Consultant, or the person that employs the Compensation Consultant, with a member of the Compensation Committee;
- (E) Any stock of the Company owned by the Compensation Consultant or the person that employs the Compensation Consultant; and
- (F) Any business or personal relationship of the Compensation Consultant, or the person employing the Compensation Consultant, with an executive officer of the Company.

Nothing in paragraphs 1 and 2 above shall be construed: (A) to require the Compensation Committee to implement or act consistently with the advice or recommendations of any Compensation Consultant; or (B) to affect the ability or obligation of the Compensation Committee to exercise its own judgment in fulfillment of the duties of the Compensation Committee. The Compensation Committee is required to conduct the independence assessment outlined in paragraph 2 with respect to any Compensation Consultant that provides advice to the Compensation Committee, other than: (i) in-house legal counsel; and (ii) any Compensation Consultant whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the Compensation Consultant, and about which the Compensation Consultant does not provide advice. Nothing in these paragraphs 1 and 2 shall be construed to require a Compensation Consultant to be independent; only that the Compensation Committee consider the enumerated independence factors before selecting or receiving advice from a Compensation Consultant. The Compensation Committee may select or receive advice from any Compensation Consultant it prefers, including ones that are not independent, after considering the six independence factors outlined in paragraph 2.

3. The Compensation Committee shall take into account that, if the Management Agreement provides that the External Manager is responsible for managing the Company's affairs, the Company's officers shall not receive, nor, absent a change in circumstances, would they be expected in the future to receive, any cash compensation from the Company for their services as the Company's officers. Instead, the Company will pay the External Manager the fees provided for in the Management Agreement. The Compensation Committee has the authority to determine whether and when it would be in the best interest of the Company to change this approach. The Compensation Committee may, however, compensate the Company's officers or the officers of the External Manager, whether directly or indirectly, with restricted or unrestricted shares of the Company's common stock or other awards in accordance with the Equity Plans, and will determine if and when any awards pursuant to the Equity Plans are received.

4. The Compensation Committee shall seek to maintain competitive compensation for independent directors and should encourage increased ownership of the Company's stock through the payment of a portion of director compensation in Company stock, options to purchase Company stock or other equity-based compensation pursuant to the Equity Plans. Committee chairmen may receive such additional reasonable compensation for serving in their role as such as may be determined from time to time. Notwithstanding the foregoing or any other provision contained in this Compensation Committee Charter (this "Charter"), a director who is also an officer of the Company shall not receive compensation for services rendered as a director.

5. The Compensation Committee shall have direct responsibility to annually review and approve corporate goals and objectives relevant to CEO compensation, if any, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level based on this evaluation, subject to paragraph 3 hereof. In determining the long-term incentive component of CEO compensation, the Compensation

Committee will consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years.

6. The Compensation Committee shall annually review, authorize and approve the compensation, subject to paragraphs 3, 4 and 5 above, of all directors and officers of the Company and, to the extent provided for in paragraph 3 above, the officers of the External Manager if the Management Agreement provides that the External Manager is responsible for managing the Company's affairs, including (a) incentive and equity-based compensation (which, to the extent payable to the officers of the External Manager, whether directly or indirectly, shall not be limited or affected by any fees payable to the External Manager pursuant to the terms of the Management Agreement) and (b) compensation for Audit Committee members that complies with the requirements of the Applicable Securities Exchange and Rule 10A-3 under the Exchange Act. The Compensation Committee shall administer all Equity Plans in accordance therewith except (i) as otherwise provided by the Board from time to time, and (ii) with respect to awards made to directors who are not employees, which will be administered by the Board. 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. Subject to paragraphs 3 and 5 above, the Compensation Committee shall annually review and approve the compensation, if any, for the CEO and the other officers of the Company, and, to the extent provided for in paragraph 3 above, the officers of the External Manager if the Management Agreement provides that the External Manager is responsible for managing the Company's affairs, including, to the extent applicable, (a) the annual base salary level of each such officer, (b) the annual incentive opportunity level of each such officer, (c) the long-term incentive opportunity level of each such officer, (d) employment agreements, severance arrangements, and change in control agreements/provisions, as the case may be, (e) the bonus pool and allocation and (f) any special or supplemental benefits; provided, however, incentive compensation payable to the officers of the External Manager, either directly or indirectly, pursuant to (b) and (c) above shall not be limited or affected by any fees payable to the External Manager pursuant to the terms of the Management Agreement.

8. The Compensation Committee shall have the full power and authority of the Board to authorize the issuance of shares of the Company's common stock or other securities of the Company or other awards in accordance with the Equity Plans (collectively, the "Incentive Securities") in connection with compensation arrangements for the directors, the CEO, the other officers and the employees of the Company, and, to the extent provided for in paragraph 3 above, the officers of the External Manager if the Management Agreement provides that the External Manager is responsible for managing the Company's affairs, to the extent delegated by the Board to the Compensation Committee from time to time by one or more resolutions duly adopted by the Board providing authorization for the issuance of Incentive Securities by the Compensation Committee and setting the maximum number of such shares or other securities to be issued by the Compensation Committee during any period and in the aggregate for the foregoing purposes. Without limiting the generality of the foregoing, the Compensation Committee, as the Board committee administering the Equity Plans, may, in its sole discretion and from time to time, grant awards provided in the Equity Plans in such form and amount as the Compensation Committee shall determine up to the number of the Incentive Securities authorized and reserved for issuance under the applicable Equity Plan at any time and from time to time, as approved by the Board and the Company's stockholders. Notwithstanding the foregoing or any other provision contained in this Charter, (a) the provisions of this paragraph 8 shall be subject to the provisions of paragraph 6 of this Charter, and (b) the issuance of the Incentive Securities, to the extent payable to the officers of the External Manager, either directly or indirectly, shall not be limited or affected by, any fees payable to the External Manager pursuant to the terms of the Management Agreement.

9. The Compensation Committee is directly responsible for producing an annual report on executive officer compensation for inclusion in the Company's annual proxy statement or annual report in accordance with applicable rules and regulations.

10. The Compensation Committee shall consider the impact of the Company's compensation plans, and the incentives created by the Company's compensation plans, on the Company's risk profile.

11. The Compensation Committee may consult with, and seek the recommendations of, the CEO with respect to any of the matters for which it is responsible; provided, however, that the Compensation Committee shall

retain full authority with respect to its recommendations and may choose not to follow the recommendations of the CEO. The CEO may not be present during voting or deliberations with respect to the CEO's compensation.

12. The Compensation Committee may form and delegate authority to subcommittees when appropriate; provided, however, that such subcommittees shall be composed entirely of independent directors and each such subcommittee shall have its own charter setting forth its purpose and responsibilities.

13. The Compensation Committee shall meet at least semi-annually and shall make regular reports to the Board. A majority of the Compensation Committee members shall constitute a quorum. Each Compensation Committee member shall have one vote and actions at meetings may be approved by a majority of the Compensation Committee members present.

14. The Compensation Committee shall review the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. This Charter may be amended in whole or in part with the approval of a majority of the Board. The Compensation Committee shall annually review its own performance.