

WELLSFORD REAL PROPERTIES, INC.

POLICY FOR PROTECTION OF WHISTLEBLOWERS FROM RETALIATION

Wellsford Real Properties, Inc. (the "Company") is committed to protecting employees, contractors, subcontractors and all others who deal with the Company (collectively, "Employees") from interference with making a protected disclosure or retaliation for having made a protected disclosure. Pursuant to this policy, a Company Employee may not: (1) retaliate against an Employee who has made a protected disclosure, nor (2) directly or indirectly use or attempt to use the official authority or influence of his or her position or office for the purpose of interfering with the right of an Employee to make a protected disclosure to the Company's senior officers, Audit Committee or Board of Directors. It is the intention of the Company to take whatever action may be needed to prevent and correct activities that violate this policy.

The Sarbanes-Oxley Act of 2002 (the "Act") creates "whistleblower" protection for Employees against certain retaliatory actions by the Company or by any "officer, employee, contractor, subcontractor, or agent of such company..." An Employee may not be discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against because of any "lawful act" done by the Employee: (1) to provide information, cause information to be provided, or otherwise assist in an investigation regarding any conduct which the Employee reasonably believes constitutes a violation of federal securities laws, any rule or regulation of the Securities and Exchange Commission, or any provision of federal law relating to fraud against shareholders, when the information or assistance is provided to or the investigation is conducted by- (a) a federal regulatory or law enforcement agency; (b) any Member of Congress or any committee of Congress; or (c) a person with supervisory authority over the Employee (or such other person working for the Company who has authority to investigate, discover, or terminate misconduct); (2) to file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed (with any knowledge of the Company) relating to an alleged violation of federal securities laws, any rule or regulation of the Securities and Exchange Commission, or any provision of federal law relating to fraud against shareholders.

This policy is intended to ensure that (1) any Employee filing a report, pursuant to the Company's Policy for the Reporting of Questionable Accounting or Financial Matters, is protected in the event there is retaliation against such Employee in connection with the filing of such report, (2) any Employee who makes a protected disclosure pursuant to §806 of the Act is protected from retaliation in connection with such disclosure, and (3) Employees do not, directly or indirectly, use or attempt to use their official authority or influence of his or her position or office for the purpose of interfering with the right of an Employee to make a protected disclosure to the Company's senior officers, Audit Committee or Board of Directors.

This policy will in no way limit other rights available to Employees under the Act or state laws and regulations. This policy is meant to ensure that an effective internal procedure is available to Employees in the event there is retaliation against such Employee in connection with any of the above scenarios. However, this Policy is not the only remedy available to an Employee regardless of an Employee's decision to report an act of retaliation pursuant to this Policy.

Complaint Procedure

Any Employee who believes he or she has been subjected to or affected by any retaliatory conduct should report such conduct to the appropriate supervisory personnel (if such supervisory personnel is not the source of or otherwise involved in the retaliatory conduct). Any supervisory employee who receives such a report, or who otherwise is aware of retaliatory conduct, is required to advise the Company's Chief Financial Officer, of any such report or knowledge of retaliatory conduct. If the Employee believes that reporting such conduct to the appropriate supervisor is for any reason inappropriate, unacceptable or will be ineffectual, or if the report to the supervisor has been made and the retaliatory conduct has not ended, the Employee should report the incident directly to another appropriate senior officer within the Company, or if deemed appropriate, the Chairperson of the Audit Committee.

If the reporting instructions set forth above cannot be followed, or have been followed and the retaliatory conduct has not ended, the Employee should (and the supervisory employee must) report the retaliatory conduct directly to the Company's Chief Executive Officer.

All internal complaints will be investigated promptly and with the discretion, and all information obtained will be handled on a "need to know" basis. At the conclusion of an investigation, as appropriate, remedial and/or disciplinary action will be taken where the allegations are verified and/or otherwise substantiated. The Employee reporting the retaliatory conduct under this complaint procedure will be advised of the conclusion of the investigation and any remedial and/or disciplinary.

In order to allow the Company to prevent and correct unlawful retaliatory conduct, it is essential that Employees use this Complaint Procedure and that the Company receive information about every instance of such conduct. **No Employee will suffer additional retaliation or intimidation as a result of using this Complaint Procedure, and any such retaliation or attempts at such retaliation will not be tolerated by the Company.** Accordingly, every Employee should understand that under no circumstances should any Employee believe or conclude that he or she cannot or should not report any unlawful retaliatory conduct.

Other Remedies and Appropriate Agencies

In addition to the internal complaint process set forth above, any Employee who believes he or she has been subjected to or affected by any such retaliatory conduct may file a formal complaint with the appropriate governmental agencies and/or may commence an appropriate lawsuit as permitted by applicable law. Using the Company's internal complaint procedure does not prohibit the Employee from filing a complaint with the appropriate agencies or from commencing the appropriate lawsuit; however, applicable law will impose a short time period for filing such a claim or commencing such a lawsuit- typically, not less than six months or 180 days from the retaliatory conduct. Any Employee who wishes to avail themselves of such remedies should consult with an attorney to assure that those remedies are preserved.

Employee Acknowledgement

Each Employee is asked to sign and date a copy of this Policy Statement, and return that copy to the Chief Financial Officer to confirm that he or she has received and reviewed, and understands, this Policy and Complaint Procedure.

Name:

Dated: