

**BNP RESIDENTIAL PROPERTIES, INC.
COMPENSATION COMMITTEE CHARTER**

I. Purpose

The Compensation Committee (Committee) shall carry out the Board of Directors (Board) responsibility relating to compensation of the members of the Board and executive officers of the Company.

II. Membership

The Committee shall consist of a minimum of three (3) Directors. Members of the Committee shall be appointed by the Board upon the recommendation of the Nominating Committee. All members of the Committee shall be independent Directors and shall satisfy the standards for independence for members of the Audit Committee as set forth in the American Stock Exchange Company Guide. A member of the Committee may be removed at any time in the discretion of the Board.

III. Authority and Responsibilities

A. To assist the Board in developing and evaluating potential candidates for executive positions, including the Chief Executive Officer of the Company (CEO), and to oversee the development of executive succession plans.

B. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the CEO. The Committee shall evaluate, at least once a year, the CEO s performance in light of these established goals and objectives, and based upon these evaluations, shall set the CEO s annual compensation.

C. To review and approve on an annual basis the evaluation process and compensation structure for the Company s officers. The Committee shall evaluate the performance of the Company s senior executive officers and shall approve the annual compensation for such senior executive officers. The Committee shall also provide oversight of management s decisions concerning the performance and compensation of the other Company officers.

D. To review, and make recommendations with respect to, incentive compensation plans and equity-based plans. The Committee shall have and shall exercise all the authority of the Board with respect to the administration of such plans.

E. To review and approve a peer group of companies to which the Company will compare itself for compensation purposes.

F. The Committee will review and approve all employment agreements, severance arrangements and change in control agreements or provision, in each case when and if appropriate.

G. The Committee may retain such compensation consultants, outside counsel and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

H. The Committee shall make regular report its actions and any recommendations to the Board.

G. The Committee will review the adequacy of this charter and its own performance, and recommend proposed changes, to the Board not less frequently than annually.

Adopted: November 24, 2003
Last Revised: November 24, 2003