



Audit Committee Charter

1. Organization and Purpose

The Audit Committee (the “**Committee**”) is a committee of directors appointed by the Board of Directors (the “**Board**”) of Reis, Inc. (together with its subsidiaries, unless the context otherwise requires, the “**Company**”). The Committee shall represent and assist the Board in fulfilling its responsibilities relating to oversight of: (i) the integrity of the Company’s financial statements and internal controls, (ii) financial reports and other financial information provided by the Company to any non-tax governmental body or the public, (iii) the Company’s compliance with legal and regulatory requirements, (iv) the qualifications and independence of the Company’s independent registered public accounting firm (the “**Independent Auditor**”) and (v) the performance of the Independent Auditor.

2. Committee Membership

The Committee shall consist of at least three members. Each member of the Committee shall satisfy, in the judgment of the Board, the independence requirements of the NASDAQ Global Market (“**NASDAQ**”) and applicable law, including the Sarbanes-Oxley Act of 2002 (“**SOX**”) and the regulations thereunder.

No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years; and each Committee member shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. At least one member of the Committee shall, in the judgment of the Board, be an “audit committee financial expert” in accordance with the rules and regulations of the Securities and Exchange Commission (“**SEC**”) and at least one member (who may also serve as the audit committee financial expert) shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication in accordance with NASDAQ listing standards. Members of the Committee should enhance their familiarity with finance and accounting matters by participating in appropriate educational programs; the Company shall reimburse Committee members for the cost of these programs.

The members of the Committee shall be appointed by the Board. If the Board does not designate a Chairperson of the Committee, the Committee shall elect a Chairperson from its own membership. Committee members may be replaced by the Board from time to time.

3. Statement of Policy

The Independent Auditor shall report directly to the Committee. The Committee shall serve as an independent and objective party to monitor the Company's financial reporting process and internal control system. The Committee shall endeavor to maintain free and open communication among the Board, the Independent Auditor and financial personnel and senior management of the Company. Consistent with these functions, the Committee shall encourage continuous improvement of, and should foster adherence to, the Company's accounting and financial policies, procedures and practices at all levels.

The Committee shall be responsible for reviewing and approving all related party transactions.

The Committee shall have the authority and will have appropriate funding from the Company to engage any independent advisors and consultants, including legal counsel, that it determines are necessary to carry out its duties, and for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements and for the effectiveness of internal control over financial reporting. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The Independent Auditor is responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviewing the company's quarterly financial statements prior to their filing, and annually auditing management's assessment of the effectiveness of internal control over financial reporting, and other procedures. In fulfilling their duties hereunder, it is recognized that members of the Committee are not (i) performing the functions of auditors or accountants, and therefore, it is not their responsibility to conduct "field work" or other types of auditing or accounting reviews or (ii) employees of the Company. Members of the Committee may rely, without independent verification, on the information provided to them and the representations made to them by management or the Independent Auditor.

The Committee's oversight does not provide an independent basis to determine that management has maintained appropriate accounting and financial reporting policies, appropriate internal controls and procedures or appropriate disclosure controls and procedures, or that the Company's reports and information provided under the Securities Exchange Act of 1934, as amended, are accurate and complete. Furthermore, the Committee's consideration and discussions referred to in this Charter do not assure that the audit of the Company's financial statements has been carried out in accordance with generally accepted auditing standards, that the financial statements are presented in accordance with generally accepted accounting principles, that the Independent Auditor is in fact "independent," or that the matters required to be certified by the Company's chief executive officer, chief financial officer or other officers of the Company under the

SOX and the applicable rules and regulations of the SEC have been properly and accurately certified.

4. Access to Management

The Committee and its members shall have complete access to management. Should any member of the Committee believe that participation of management or outside advisors in any discussion of a particular subject would be advisable, he or she is encouraged to make such request.

5. Committee Duties and Responsibilities; Operating Procedures

Management is responsible for preparing the Company's financial statements, and the Independent Auditor is responsible for auditing those financial statements. The Independent Auditor's accountability is to the Committee. The Committee's policies and procedures should remain flexible, in order to best react to changing conditions and to help ensure that the Company's accounting and reporting practices are in accordance with all requirements and are of the highest quality. The following shall be the principal duties and responsibilities of the Committee and are set forth as a guide, with the understanding that the Committee may supplement them as appropriate:

a. Relationship with Independent Auditor

- i. The Committee shall (a) select and retain (subject to approval by the Company's stockholders), periodically review and evaluate, and terminate when appropriate, the Independent Auditor; (b) set the Independent Auditor's compensation; and (c) oversee the work of the Independent Auditor.
- ii. The Committee shall (a) pre-approve all audit and non-audit services provided by the Independent Auditor, consistent with applicable law and NASDAQ requirements; and (b) establish policies and procedures for the engagement of the Independent Auditor to provide permitted audit and non-audit services.
- iii. The Committee shall, at least annually, consider the independence of the Independent Auditor, including whether the provision by the Independent Auditor of permitted non-audit services is compatible with independence under applicable law and NASDAQ requirements; and obtain and review a report from the Independent Auditor describing all relationships between the Independent Auditor and the Company.
- iv. The Committee shall, at least annually, receive and review: (a) a report by the Independent Auditor describing the Independent Auditor's internal quality control procedures and any material issues raised by the most recent internal quality control review, most recent peer review and most recent Public Company Accounting Oversight Board ("PCAOB") 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, and any steps taken to deal with any such issues; (b) a formal written statement delineating all relationships between the Independent Auditor and the Company; and (c) other required reports from the Independent Auditor.

- v. The Committee shall determine that procedures have been established to ascertain whether any Independent Auditor engaged on behalf of any joint venture in which the Company has a significant investment is independent with respect to the Company.
- vi. The Committee shall (a) determine whether it is appropriate to adopt a policy of rotating Independent Auditors on a regular basis; (b) determine that there are appropriate rotations of partner level personnel assigned to the Company's audit engagement as required by applicable rules and regulations; (c) periodically review the experience and qualifications of the senior members of the Independent Auditor's team and the quality control procedures of the Independent Auditor; and (d) not less frequently than every five years, conduct a formal review of the selection of the Independent Auditor.

b. Process; Internal Controls

- i. The Committee shall review with the Independent Auditor: (a) the scope of the audit in advance of the audit; (b) the results of the audit following the audit; (c) any problems or difficulties that the Independent Auditor encountered in the course of the Independent Auditor's audit work, and management's response(s); and (d) any questions, comments or suggestions the Independent Auditor may have relating to the internal controls, and accounting practices and procedures, of the Company.
- ii. The Committee shall review management's certifications of disclosure controls and procedures and internal control over financial reporting as of the end of each quarter and at year end and, in the case of the report of management as of year end, the required report of management and attestation of the Independent Auditor regarding management's evaluation of the internal control over financial reporting.
- iii. The Committee shall review with management and the Independent Auditor the annual and quarterly financial statements of the Company, including (a) any material changes in accounting principles or practices used in preparing the financial statements prior to the filing of any report on Form 10-K or 10-Q with the SEC; (b) disclosures relating to internal controls over financial reporting; (c) the items required by PCAOB Auditing Standard No. 16 as in effect at that time, in the case of the annual statements, and PCAOB AU Section 722 as in effect at that time, in the

case of the quarterly financial statements; and (d) reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in any report on Form 10-K or 10-Q filed with the SEC. As part of such review, the Committee shall determine whether the Independent Auditor, as well as Company financial and accounting personnel, are satisfied with the disclosure and content of such documents, and shall authorize the filing of each report on Form 10-K or 10-Q.

- iv. The Committee shall recommend to the Board, based on the reviews described in paragraphs 5(a)(iii) and 5(b)(iii), whether the annual financial statements should be included in the Company's annual report on Form 10-K.
- v. The Committee shall prepare its Audit Committee Report for inclusion in the Company's annual proxy statement that complies with the rules and regulations of the SEC.
- vi. The Committee shall review earnings press releases, as well as Company policies with respect to earnings press releases, financial information and earnings guidance provided to analysts and rating agencies (this function may be performed by the Chairperson or by the full Committee).
- vii. The Committee shall review with the Independent Auditor and the financial and accounting personnel of the Company, out of the presence of management, the adequacy of the accounting and financial controls, computerized information system controls and security and matters that the Committee or any of the foregoing parties believe should be discussed privately with the Committee.
- viii. The Committee shall review with the Independent Auditor the adequacy of financial and accounting personnel and the cooperation received during the course of the Independent Auditor's audits or quarterly reviews.
- ix. The Committee shall elicit any recommendations for improvement of particular areas where augmented controls are desirable. Emphasis should be given to the adequacy of those internal controls designed to expose any activity that might be unethical or otherwise improper.
- x. The Committee shall advise financial and accounting management and the Independent Auditor that they are expected to provide a timely analysis of significant current financial reporting issues, best reporting practices and quality of accounting principles followed by the Company in preparing its financial statements.
- xi. The Committee shall determine, with regard to new or unusual transactions or events, including related party transactions, the Independent Auditor's reasoning for the appropriateness of the accounting

principles, estimates, judgments and disclosure practices adopted by management.

- xii. The Committee shall consider and recommend to the Board, if appropriate, material changes to the Company's accounting principles and practices as suggested by the Independent Auditor or management.
- xiii. The Committee shall review any significant disagreement or changes required in the Independent Auditor's audit plans among management and the Independent Auditor in connection with the preparation of the financial statements.
- xiv. The Committee shall review with management and the Independent Auditor the effect of current and pending regulatory and accounting trends, developments and initiatives, as well as off-balance sheet structures, on the Company's financial statements, and take such actions with respect thereto as the Committee may deem appropriate.
- xv. The Committee shall review and approve all related party transactions involving the Company, on the one hand, and any director, executive officer or other employee, or any family member or affiliate of any of them, on the other hand.
- xvi. The Committee shall make itself available to meet with management to discuss any matters which it or management deem appropriate.

c. Ethical and Legal Compliance

- i. The Committee shall inquire of management and the Independent Auditor about any potential financial or reporting risks or exposures to the Company and shall review with management the steps management has taken to minimize such risk.
- ii. The Committee shall ascertain that the Company has procedures in place to identify and resolve conflicts of interest with respect to employees, directors and joint venture partners. Such procedures should include retention of documentation with respect to such matters and discussions with the Board, if appropriate.
- iii. The Committee shall (a) discuss Company policies with respect to risk assessment and risk management; (b) review contingent liabilities and risks that may be material to the Company; and (c) review major economic, legislative or regulatory developments which could materially impact the Company's contingent liabilities and risks.
- iv. The Committee shall review (a) the status of the Company's compliance with laws, regulations and internal procedures; and (b) the scope and status of systems designed to promote Company compliance with laws,

regulations and internal procedures, through review of reports from management, legal counsel and third parties, as determined by the Committee.

- v. The Committee shall establish procedures for the confidential and anonymous receipt, retention and treatment of complaints regarding the Company's accounting, internal accounting controls or auditing matters, as well as for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or audit matters.
- vi. The Committee shall investigate, and/or review with management and the Independent Auditor, any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements, auditing or accounting policies.
- vii. The Committee shall establish policies for the hiring by the Company of employees and former employees of the Independent Auditor, in compliance with applicable law and NASDAQ listing standards.
- viii. The Committee shall review, with the Company's legal counsel, legal and regulatory matters that may have a material impact on the Company's financial statements, compliance policies and programs, including corporate securities trading policies.
- ix. The Committee shall comply with all reporting requirements of the SEC, the SOX, NASDAQ and any other applicable law.

d. General

- i. The Committee may form and delegate authority to subcommittees as the Committee may deem appropriate in its sole discretion.
- ii. The Committee shall meet four times per year or more frequently as the circumstances require. As part of its job to foster open communication, the Committee may ask members of management or others to attend meetings and provide pertinent information. The Committee may also meet with the chief financial officer and the Independent Auditor in separate executive sessions.
- iii. Meetings may be in person or by telephone conference call and should allow for timely preparation and filing of the Company's interim and year-end financial statements (or the earlier issuance of a press release relating thereto). A majority of the members of the Committee shall constitute a quorum for the transaction of business at any meeting of the Committee. The act of a majority of the Committee members present at a meeting shall be the act of the Committee. Minutes of each meeting of the Committee will be prepared.

- iv. The Committee shall report regularly to the Board with respect to its activities and make recommendations to the Board as appropriate.
- v. The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- vi. The Committee shall annually evaluate its performance.
- vii. The Committee shall ensure that this Charter is posted on the Company's website and otherwise published or filed as required by applicable law.
- viii. The Committee shall perform any other activities consistent with this Charter, the Company's organizational documents and applicable law, as the Board or the Committee deems necessary or appropriate.