

Upon request of any Trustee, the Adviser and any Person who controls, is controlled by or is under common control with the Adviser, shall from time to time promptly furnish the Trustees with such information on a confidential basis as to any investments within the Trust's investment policies made by the Adviser or such other Person for their own account as may be provided in the contract with the Adviser in effect from time to time. If a majority of the Trustees who are not Affiliated Trustees deem it advisable, any contract between the Trust and the Adviser may provide for a cross-option arrangement whereby the Trust would grant the Adviser, and the Adviser and/or one or more such other Persons would grant the Trust, the right to participate or to designate a participant or participants in certain Mortgage Loans and other investments in which such respective granting parties are involved.

ARTICLE V

INVESTMENT POLICY

5.1. *Statement of Policy.* While the Trustees are authorized pursuant to Article III to invest the Trust Estate in a wide variety of investments, it is the present (as of the initial public offering of Securities of the Trust) intention of the Trustees (1) to invest the Trust Estate initially in Mortgage Loans, short-term Government (including Government guaranteed or insured) securities, bankers' acceptances, bank certificates of deposit and deposits in members of the Federal Home Loan Bank System, until their continuing investment objectives are attained and (2) thereafter to invest a major portion of the Trust Estate in short-term Construction Loans and Development Loans secured by First Mortgages on income-producing commercial, residential and industrial Real Properties; to invest a smaller portion of the Trust Estate in conventional long-term First Mortgage Loans on income-producing commercial, residential and industrial Real Properties; to acquire Real Property equity participation and make Real Property equity investments which (exclusive of equity interests in Real Property acquired through foreclosure of a mortgage owned by the Trust or conveyed to the Trust in full or partial satisfaction of indebtedness owed to the Trust, or acquired in connection with the making of a First Mortgage Loan if the Trust gives no consideration other than the making of such loan) are not presently expected to exceed in aggregate book value 20% of the Total Assets of the Trust Estate; and to make or invest in a variety of other forms of Real Property loans and related investments, including Junior Mortgage Loans, instalment contract loans and corporate net lease financings.