

vided any such Person is, in the sole judgment of the Trustees, properly qualified to make such a determination.

"Certificates of Deposit" shall mean evidences of deposits in, or obligations of, banking institutions and savings institutions the deposits of which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

"Commercial Paper" shall mean indebtedness of the Trust evidenced by unsecured promissory notes maturing not more than 270 days after the date of issue.

"Construction Loans" shall mean Mortgage Loans made to finance the construction of buildings and other improvements on real estate and may include the financing of all or part of the cost of the acquisition of such real estate (including leaseholds therein).

"Declaration of Trust" shall mean this Declaration of Trust as amended, restated or modified from time to time. References in this Declaration of Trust to "Declaration", "hereof", "herein" and "hereunder" shall be deemed to refer to the Declaration of Trust and shall not be limited to the particular text, article or section in which such words appear.

"Development Loans" shall mean Mortgage Loans made to finance the development of land into a site or sites suitable for the construction of improvements thereon or suitable for other residential, recreational, commercial, industrial or public uses and may include the financing of all or part of the cost of the acquisition of such land (including leaseholds therein).

"Equity Investments in Real Property" shall mean investments in the ownership of, or participations in the ownership of, Real Property including the development thereof and any interest therein other than Mortgage Loans, or of any type of interest in any corporate or other entity principally involved in owning, developing, improving, financing, operating or managing Real Property.

"FHA" shall mean the Federal Housing Administration and any successor thereto.

"First Mortgage" shall mean a Mortgage which takes priority or precedence over all other charges or encumbrances upon the Real Property, other than a leasehold interest therein, and which must be satisfied before such other charges are entitled to participate in the proceeds of any sale or other disposition of such Real Property. However, such priority shall not be deemed to be abrogated by liens for taxes, assessments which are not due or remain payable without penalty, contracts, easements, ground rents and leases acceptable to the Trust (other than contracts for repayment of borrowed monies), mechanics' and materialmen's liens for work performed and materials furnished which are not in default or are in good faith being contested and other claims normally deemed in the same locality in which the Real Property is located not to abrogate the priority of a first mortgage.

"First Mortgage Loans" shall mean Mortgage Loans secured or collateralized by First Mortgages.

"Gap Loans" shall mean Junior Mortgage Loans made or acquired by the Trust to finance the difference between the minimum amount which a permanent lender has agreed to fund and the maximum amount which such permanent lender would fund if certain occupancy, rental or other requirements are met.

"Government Securities" shall mean Securities which are obligations of, or guaranteed by, the United States Government, any State or Territory of the United States of America, or any agency or political subdivision thereof, including, without limitation, all Government Securities from time to time constituting qualified real estate investment trust assets under the Internal Revenue Code.