

*3.4 Other Activities.* The Adviser may have other business interests but may not (although its Affiliates may) engage in other activities similar to those to be performed for the Trust, including the rendering of services and advice to other Persons, the acting as a trustee and the management of other investments (including investments of the Adviser and its Affiliates). The Trustees may request the Adviser to engage in other activities which complement the Trust's investments and to provide services requested by the borrowers or prospective borrowers from the Trust, and the Adviser may receive compensation or commissions therefor from the Trust or other Persons.

The Adviser shall be required by the Trustees to use its best efforts to present a continuing and suitable investment program to the Trust which is consistent with the investment policies and objectives of the Trust, but, unless otherwise determined by the Trustees, no Affiliate of the Adviser shall be obligated to present any particular investment opportunity to the Trust even if such opportunity is of a character which, if presented to the Trust, could be taken by the Trust, and, subject to the foregoing, shall be protected in taking for its own account (individually or as a trustee) or recommending to others any such particular investment opportunity. The Adviser shall be required to act on a basis which is fair and reasonable to the Trust and the Shareholders.

Upon the request of any Trustee, the Adviser and any Affiliate of the Adviser, by virtue of ownership of the Adviser, position as officer, director or agent of the Adviser, or a control relationship with the Adviser, shall, from time to time, promptly furnish the Trustees to the extent feasible and legally permissible with information on a confidential basis as to any investments within the Trust's investment policies made by the Adviser or such Person for its own account and as to any investment opportunities within the Trust's investment policies furnished by the Adviser or such Person to others.

#### ARTICLE IV

##### INVESTMENTS

*4.1 Primary Investments.* Subject to the prohibitions contained in Section 4.4 hereof, the general investment policy of the Trustees shall be to invest the assets of the Trust in entire or participating interests in Construction Loans, Development Loans, and other Short-Term First Mortgage Loans, and other investments in real estate, directly or indirectly, in such proportions as the Trustees may deem advisable from time to time. Said investments shall be made with a view towards maximizing current income commensurate with risks acceptable to the Trustees.

*4.2 Additional Investments.* To the extent that the Trust has assets not otherwise invested in accordance with the provisions of Section 4.1 hereof, the Trustees may invest the assets of the Trust, subject to Section 4.4 hereof, as follows:

- (a) First Mortgage Intermediate-Term Loans;
- (b) First Mortgage Long-Term Loans;
- (c) Wrap-Around Loans;
- (d) Gap Loans;
- (e) Warehousing Loans;
- (f) Stand-by Commitments;
- (g) Equity Investments in Real Property;
- (h) Securities, including shares of other real estate investment trusts;