

stock or other equity interests of the Adviser, and (iv) any Person controlling, controlled by or under common control with any of the foregoing Persons unless such transaction: (1) has been approved, after disclosure of such relationship, by a majority of the Trustees, including a majority of the Trustees who are not Affiliates of any such Person (other than the Trust) who is a party to the transaction; (2) is, in the opinion of such unaffiliated Trustees, on terms fair and reasonable to the Trust and its Shareholders; and (3) is, in the opinion of such unaffiliated Trustees, on terms at least as favorable to the Trust and its Shareholders as the terms for comparable transactions of which the Trustees have knowledge with an entity not an Affiliate of the Trust. All commissions or remuneration received by any such person in connection with any such transaction shall be deducted from the fee paid to the Adviser. The price of any Mortgage Loan purchased in such a transaction may not exceed the fair market value thereof determined on the basis of prevailing interest rates for similar loans. The price of any other property purchased in such transaction may not exceed the fair market value thereof as determined by an independent appraisal. The simultaneous acquisition by the Trust and any such Affiliate of participations in a loan or other investment shall not be deemed to constitute the purchase or sale of property by one or the other.

(b) Notwithstanding anything in this Section 2.17 to the contrary, there shall be no restriction on transactions between the Trust and any Person named in subsection (a) of this Section 2.17 with regard to (i) the initial investments of the Trust which are or may be described in a Registration Statement filed under the Securities Act of 1933 in respect of the first public offering of Securities of the Trust or (ii) purchases or sales of Securities of the Trust on the same terms then being offered to all holders of any class of Securities of the Trust or to the public.

(c) Any Trustee or officer, employee or agent of the Trust may acquire, own, hold and dispose of Securities of the Trust, for his individual account, and may exercise all rights of a holder of such Securities to the same extent and in the same manner as if he were not such a Trustee or officer, employee or agent.

(d) The Trust may make Construction Loans or other short-term investments where an Affiliate has a commitment to provide the long-term financing, and may make investments in Real Property on which an Affiliate has an existing mortgage or other encumbrance. The foregoing provisions of this Section 2.17 shall in no way affect contracts for the furnishing of services to or by the Trust, nor shall such provisions affect any other transactions, contracts, acts or dealings (not prohibited by such foregoing provisions) between the Trust and any Affiliate of the Trust or in which any Affiliate has an interest disclosed to the Trust; and no Trustee, officer, employee or agent of the Trust shall have any liability as a result of entering into any purchase or loan, contract for services, or other transaction, contract, act or dealing not prohibited by such foregoing provisions. However, any Person who (i) is an officer, director or employee of the Adviser, (ii) holds beneficially, directly or indirectly, 1% or more of the outstanding capital stock or other equity interests of the Adviser, (iii) is an officer, director, employee, partner or trustee of a corporation, partnership or trust which either holds beneficially, directly or indirectly, 1% or more of the outstanding capital stock or other equity interests of the Adviser or controls, is controlled by, or is under common control with, the Adviser, or (iv) controls, is controlled by, or is under common control with the Adviser, shall offer the Trust a right of first refusal to the full extent of any investment opportunity relating to Real Property, Mortgages, Mortgage Loans, and interests therein available to such Person which is consistent with the investment policies of the Trust, unless the Trust shall have informed the Adviser that the Trust is not interested in making proposed investments of the same type as the proposed investment. Notwithstanding anything herein to the contrary, the Advisory