

4, but the failure so to invest its assets shall not affect the validity of any investment made or action taken by the Trustees.

The general purpose of the Trust is to seek real estate investment trust income as defined in Part II, Subchapter M, Chapter 1 of Subtitle A of the Internal Revenue Code, as amended. The Trustees intend to make investments in such a manner as to comply with the requirements of said provisions of the Internal Revenue Code with respect to the composition of the Trust's investments and the derivation of its income, provided, however, that no Trustee, officer, employee or agent of the Trust or the Investment Administrator shall be liable for any act or omission resulting in the loss of tax benefits under the Internal Revenue Code, except for that arising from his or its own bad faith, willful misconduct, gross negligence or reckless disregard of his or its duties or for his or its failure to act in good faith in the reasonable belief that his or its action was in the best interests of the Trust.

To the extent that the Trust has assets not otherwise invested in accordance with this Section 4, the Trustees may invest such assets on an interim basis in:

- (a) Construction mortgage loans or other short-term mortgage loans or real property in-

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