

REAL ESTATE INVESTMENT MANAGEMENT AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF COMPANY]
a corporation duly incorporated pursuant to the laws of _____
(the "Company")

- and -

[NAME OF MANAGEMENT FIRM]
a corporation duly incorporated pursuant to the laws of _____
(the "Manager")

WHEREAS the Company wishes to retain the services of the Manager to manage certain real estate investments of the Company and to perform administrative services for the Company on the following terms and conditions;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

1. Definitions

Unless otherwise indicated, the following words and phrases shall have the following meanings wherever the same are used throughout this Agreement:

- (a) **"affiliate"** means, with respect to any party, another party that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with such party;
- (b) **"Code"** means the Internal Revenue Code of 1986, as amended;
- (c) **"governing instruments"** means the articles or certificate of incorporation or other charter, as the case may be, and bylaws of the Company and its subsidiaries;
- (d) **"mortgage loans"** means construction, mixed use, land acquisition and development loans primarily secured by mortgages or deeds of trust on real estate properties;
- (e) **"outside directors"** refers to those members of the Board of Directors of the Company, if any, who are not officers or employees of the Company nor officers, directors or affiliates of the Manager;
- (f) **"REIT"** means Real Estate Investment Trust as defined under Section 856 of the Code;
- (g) **"REIT Provisions of the Code"** refers to Sections 856 through 860 of the Code.

2. General Duties of the Manager

2.1 *Administrative Duties.* The Manager shall be responsible for the day-to-day operations of the Company, subject to supervision by the Company's Board of Directors, and shall perform such services relating to the assets and operations of the Company as may be appropriate, including:

- (a) representing the Company in connection with the purchase of mortgage loans;
- (b) in accordance with the instructions of the Board of Directors, investing or reinvesting any of the Company's funds;

- (c) furnishing reports and statistical and economic research to the Company regarding the Company's real estate investment activities and the performance of its portfolio of mortgage loans;
- (d) administering the day-to-day operations of the Company and performing administrative functions necessary in the management of the Company, including the collection of revenues, the payment of the Company's expenses, debts and obligations and the maintenance of appropriate computer systems and other services necessary to perform such administrative functions;
- (e) advising the Board of Directors in connection with policy decisions;
- (f) overseeing the servicing of the Company's mortgage loans;
- (g) establishing underwriting, appraisal and quality control procedures for the mortgage loans acquired by the Company;
- (h) conducting a legal document review of each mortgage loan acquired to verify the accuracy and completeness of the information contained in the security instruments and other pertinent documents in the mortgage loan file;
- (i) providing the Company with data processing, legal and administrative services to the extent required to implement the business strategy of the Company;
- (j) providing all actions necessary for compliance by the Company with all federal, state and local regulatory requirements applicable to the Company with respect to its business activities, including maintaining books and records and preparing or causing to be prepared all financial statements required under applicable regulations and contractual undertakings;
- (k) providing all actions necessary to enable the Company to make required federal, state and local tax filings and reports and generally enable the Company to maintain its status as a REIT, including, but not limited to, soliciting stockholders for required information to the extent required by the REIT provisions of the Code;
- (l) communicating on behalf of the Company with the stockholders of the Company as required to satisfy any reporting requirements and to maintain effective relations with such stockholders; and
- (m) performing such other services as may be required from time to time for management and other activities relating to the assets and growth of the Company as the Board of Directors shall reasonably request or the Manager shall deem appropriate.

2.2 *Subcontractors.* The Manager may enter into subcontracts with other parties to provide any such services to the Company, provided that it exercises reasonable care in the selection of such subcontractors.

2.3 *Cooperation of the Company.* The Company agrees to take all actions reasonably required to permit the Manager to carry out its duties and obligations. The Company further agrees to make available all materials reasonably required to enable the Manager to satisfy its obligations to deliver financial statements and any other information or reports with respect to the Company.