

REALTY FINANCE CORPORATION

AMENDED AND RESTATED COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Realty Finance Corporation (the “Company”). Its primary functions are to:

- Determine how the Company’s chief executive officer (“CEO”) should be compensated,
- Administer the Company’s 2005 Equity Incentive Plan, as amended (the “Plan”),
- Set policies, and review management decisions, regarding compensation of the Company’s senior executives other than its CEO, and
- Produce the report on executive compensation required to be included in the Company’s proxy statement for its annual meeting and any other committee reports regarded by applicable securities laws or stock exchange listing requirements or rules.

Organization

- The Committee will consist of no fewer than three members. All members of the Committee will be, in the business judgment of the Board, “independent” under the independence requirements set forth, from time to time, in the listing standards of the New York Stock Exchange (“NYSE”) and any other applicable laws, rules or regulations, including, without limitation, any rules promulgated by the Securities and Exchange Commission (the “SEC”). The Board members will be elected annually for a term of one year and will serve at the pleasure of the Board.
- The members of the Committee will be appointed, removed and replaced by, and in the sole discretion of, the Board.
- The Board will designate a member of the Committee to be the chairman of the Committee.
- The Committee will create its own rules of procedure, including rules regarding notice of meetings, quorum and voting. Such rules will be consistent with the Articles of Incorporation, as amended (the “Charter”) and Bylaws (the “Bylaws”) of the Company and with this charter.
- The Committee may create subcommittees to perform particular functions, either generally or in specific instances, and such subcommittees shall be comprised of members who meet the independence requirements set forth above and shall have published charters.
- Minutes will be kept with regard to each meeting of the Committee, which will record all actions taken by the Committee. The minutes will be maintained with the books and records of the Company. Copies of the minutes of each meeting of the Committee will be sent promptly after the meeting to all members of the Board.
- The Committee will report to the Board at all regular meetings of the Board or at such other times as the Committee deems necessary or appropriate.

- The Committee shall meet in person or telephonically at least twice a year at a time and place determined by the Committee chairman, with further meetings to occur when deemed necessary or desirable by the Committee or its chairman. Actions of the committee may also be taken by unanimous written consent when deemed necessary or desirable by the committee of its chairperson.
- The Committee may request members of management or others to attend meetings and provide pertinent information as necessary.

Responsibilities and Powers

To fulfill its purposes, the Compensation Committee will:

- Determine the corporate goals and objectives whose achievement will affect the CEO's compensation, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation based on this evaluation.
- In determining the long-term incentive component of the CEO's compensation, consider, among other things, the Company's performance, the return to its stockholders relative to the returns to stockholders of comparable companies, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years.
- In consultation with the CEO, establish the Company's general compensation philosophy, and oversee the development and implementation of employee compensation programs.
- Oversee the development and implementation of compensation programs for the Board, including members of Board committees.
- Review the recommendations of the CEO with regard to the compensation of the officers of the Company and with regard to other highly paid employees of the Company and its subsidiaries and, based on that review, recommend any changes it deems advisable or submit the recommendations of the CEO to the Board for ratification and approval.
- Make recommendations to the Board with respect to the Company's Plan, as well as other incentive-compensation plans and equity-based plans that will apply to senior executives and other key employees of the Company, oversee the activities of the individuals and committees responsible for administering these plans, and discharge any responsibilities imposed on the Committee by any of these plans.
- To the extent the Committee deems advisable, retain compensation consultants to advise the Committee about levels and types of compensation being given by companies similar to the Company to their chief executive officers and other senior executives and any other matters the Committee deems appropriate. The Committee has the sole authority in determining any consultants to retain or terminate and in determining their fees.
- To the extent the Committee deems advisable, consult with legal counsel (which may be counsel to the Company) about any matters, including tax deductibility to the Company and tax effects upon employees, that the Committee deems relevant with regard to particular compensation related decisions.

- Conduct and provide to the Board an annual evaluation of its own performance, which evaluation must compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year.
- Conduct and provide to the Board an annual review of this charter and recommend to the Board any changes the Committee deems appropriate.
- Produce an annual report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement required by the corporate governance standards of the NYSE and in accordance with applicable SEC rules and regulations.
- Prepare a summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.
- Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs.

Any performance evaluation conducted by the Committee shall be performed in such manner as the Committee deems appropriate. Any report to the Board may take the form of an oral report by any designated member of the Committee. The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee; provided that a charter is adopted for such subcommittee.

Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants at the expense of the Company. The Committee shall have the sole authority to select and retain a consultant or search firm, to terminate any consultant or search firm retained by it, and to approve the consultant or search firm's fees and other retention terms. The Committee has the power in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.