

**CHARTER
OF
THE NOMINATING AND GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS
OF
SPIRIT FINANCE CORPORATION**

I. PURPOSE

The primary purposes of the Nominating and Governance Committee (the “Committee”) of the Board of Directors (“Board”) of Spirit Finance Corporation (the “Company”) are to: (i) identify individuals qualified to become Board members and members of committees of the Board; (ii) recommend that the Board select a group of director nominees for the next annual meeting of the Company's shareholders; (iii) develop and recommend to the Board a set of effective corporate governance policies and procedures applicable to the Company; and (iv) oversee the evaluation of the Board, committees of the Board, and management.

II. COMPOSITION

The Committee will be composed of at least two directors, all of whom satisfy the definition of “independent” under the listing standards of the New York Stock Exchange (“NYSE”) and of the NASDAQ Stock Market, Inc. (“NASDAQ”).

A Chairperson of the Committee and each Committee member shall be elected by the Board for a term of one year and shall serve until the Committee member's successor is duly elected and qualified, but the Board may remove Committee members at any time by Board action.

III. MEETINGS

The Chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chairperson of the Committee will ensure that the agenda for each meeting is circulated in advance of the meeting. A quorum will consist of a majority of the members of the Committee and actions by a majority of the duly elected members of the Committee will constitute an action of the Committee. Meetings will be held at the principal offices of the Company or as directed by the Chairperson of the Committee.

Members of the Committee may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting. The Committee may also take action without a meeting, if a consent in writing to such action is signed by each member of the Committee, or each member grants electronic consent, and such written or electronic consent is filed with the minutes of proceedings of the Committee.

The Company will appoint the Chairperson of the Committee, or an appropriate employee of, or counsel to, the Company to keep regular minutes of all Committee proceedings. The minutes of each meeting will be reviewed and approved by legal counsel and the Chairperson of the Committee. The approved minutes will become a permanent corporate record and will be provided to the Board after each meeting. Unless otherwise provided in the Charter, the meetings and any other actions of the Committee will be governed by the provisions of the articles and bylaws of the Company applicable to meetings and actions of the Board and Committees thereof.

IV. RESPONSIBILITIES AND DUTIES

The Committee will have the authority, to the extent it deems necessary or appropriate, to retain a search firm to be used to identify director candidates. The Committee shall have sole authority to retain and terminate any such search firm, including sole authority to approve the firm's fees and other retention terms. The Committee shall also have authority, to the extent it deems necessary or appropriate, to retain other advisors, including but not limited to independent counsel. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any search firm or other advisors employed by the Committee.

The Committee will make regular reports to the Board and will propose any necessary action to the Board. The Committee will review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval. The Committee will annually evaluate the Committee's own performance.

The Committee will exercise the following responsibilities and duties:

1. Generally supervise, administer and monitor all Board governance matters.
2. Establish standards for service on the Board and service on committees of the Board.
3. Review and evaluate the role of the Board, its committees and each member.
4. Identify individuals qualified to become members of the Board and recommend director candidates for election and reelection to the Board and service on committees of the Board.
5. Recommend to the Board director nominees to fill vacancies on the Board as necessary.
6. Consider and make recommendations to the Board regarding Board size and composition, committee composition and structure, and procedures affecting directors.
7. Periodically review and update the Company's code of business conduct and ethics.

8. Develop and recommend to the Board for approval a set of corporate governance principles applicable to the Company and review such guidelines at least annually and recommend changes as necessary.
9. Monitor the Company's corporate governance principles and practices.
10. Oversee the evaluation of the Board and its committees, which may include developing and recommending an annual self-evaluation process.
11. Oversee the evaluation of management.
12. Oversee compliance with regulations governing the Company, including those of the Securities and Exchange Commission.
13. Oversee compliance with material contractual governance undertakings by the Company.
14. Committee will consider and make recommendations to the Board regarding independence standards.