

**CHARTER OF THE NOMINATING/CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
ARBOR REALTY TRUST, INC.**

**ADOPTED BY THE BOARD OF DIRECTORS OF
ARBOR REALTY TRUST, INC. ON MARCH 18, 2004**

I. PURPOSE OF THE COMMITTEE

The purposes of the Nominating/Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of Arbor Realty Trust, Inc. (the "Company") shall be to identify and recommend to the Board individuals qualified to serve as directors of the Company and on committees of the Board; to advise the Board with respect to the Board's composition, procedures and committees; to develop and recommend to the Board a set of corporate governance principles applicable to the Company; and to oversee the evaluation of the Board and the Company's management.

II. COMPOSITION OF THE COMMITTEE

The Committee shall be comprised of three or more directors as appointed by the Board from time to time among the members of the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange ("NYSE") and any additional requirements that the Board deems appropriate. Any vacancy on the Committee shall be filled by a vote of the majority of the directors present at a meeting of the Board at which a quorum is present. No member of the Committee shall be removed except by a vote of the majority of the directors present at a meeting of the Board at which a quorum is present.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee shall fix its own rules of procedure, which shall be consistent with the Company's charter and Bylaws and this charter. The Board shall designate one member of the Committee as its Chairperson. The Committee shall meet as provided by its rules and as frequently as the Chairperson of the Committee, in consultation with the other members of the Committee, deems necessary or desirable. The Chairperson of the Committee or at least two of the members of the Committee may call a special meeting of the Committee. A majority of the members of the Committee present in person, or by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, shall constitute a quorum.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee shall consist

of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

Following each of its meetings, the Committee shall deliver a report, which may be oral, on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

The Committee may take any action required or permitted to be taken at any meeting of the Committee without a meeting, if a consent in writing to such action is signed by each member of the Committee and such written consent is filed with the minutes of proceedings of the Committee.

IV. DUTIES OF THE COMMITTEE

A. Board Candidates and Nominees

The Committee shall have the following responsibilities with respect to candidates and nominees to the Board:

- (a) To assist in identifying, recruiting and, if appropriate, interviewing candidates to fill positions on the Board, including persons suggested by stockholders or others. The Committee may, if it deems appropriate, establish procedures to be followed by stockholders in submitting recommendations for candidates to the Board.
- (b) To recommend to the Board the director nominees for election by the stockholders or appointment by the Board (except where a third party has the legal right to nominate such directors), as the case may be, pursuant to the Company's Bylaws, which recommendations shall be consistent with the Board's criteria for selecting new directors. Such criteria include the possession of such knowledge, experience, skills, expertise and diversity so as to enhance the Board's ability to manage and direct the affairs and business of the Company, including, when applicable, to enhance the ability of committees of the Board to fulfill their duties and/or to satisfy any independence requirements imposed by law, regulation or listing requirements of the NYSE.
- (c) To review the suitability for continued service as a director of each member of the Board when his or her term expires and when he or she has

a significant change in status, including but not limited to an employment change, and to recommend whether or not the director should be re-nominated.

B. Board Composition and Procedures

The Committee shall have the following responsibilities with respect to the composition and procedures of the Board as a whole:

- (a) To review annually with the Board the composition of the Board as a whole and to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by the NYSE.
- (b) To review periodically the size of the Board and to recommend to the Board any appropriate changes.
- (c) To make recommendations on the frequency and structure of meetings of the Board.
- (d) To make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including, but not limited to, procedures with respect to the waiver by the Board of any Company rule, guideline, procedure or corporate governance principle.

C. Board Committees

The following shall be the responsibilities of the Committee with respect to the committee structure of the Board:

- (a) To make recommendations to the Board regarding the size and composition of each standing committee of the Board, including the identification of individuals qualified to serve as members of a committee, including the Committee, and to recommend individual directors to fill any vacancy that might occur on a committee, including the Committee.
- (b) To monitor the functioning of the committees of the Board and to make recommendations for any changes, including the creation and elimination of committees.
- (c) To review annually committee assignments and the policy with respect to the rotation of committee memberships and/or chairpersonships and to report any recommendations to the Board.

- (d) To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

D. Corporate Governance

The following shall be the responsibilities of the Committee with respect to corporate governance:

- (a) To develop and review periodically, and at least annually, the corporate governance principles adopted by the Board to assure that they are appropriate for the Company and comply with the requirements of the NYSE and to recommend any desirable changes to the Board.
- (b) To consider any other corporate governance issues that arise from time to time and to develop appropriate recommendations for the Board.

E. Evaluation of the Board and Management

The Committee shall be responsible for overseeing the evaluation of the Board as a whole and the management of the Company and shall evaluate and report to the Board on the performance and effectiveness of the Board. The Committee shall establish procedures to allow it to exercise this oversight function.

F. Conflicts of Interest

The Company's executive officers and other members of the Board must receive the written approval of a majority of the members of Committee (including a majority of the disinterested directors on such Committee) prior to taking certain actions in an actual or apparent conflict of interest situation. The Committee is responsible for evaluating and resolving such situations in accordance with the Company's policies and all applicable laws, regulations and listing standards. Certain situations involving an actual or apparent conflict of interest may also require the approval of the Independent Director Committee of the Board.

G. Other Duties

The Committee is responsible for performing such additional activities, and considering such other matters, as the Board from time to time deems necessary or appropriate.

V. EVALUATION OF THE COMMITTEE

The Committee shall, on an annual basis, evaluate its performance under this charter. In conducting this review, the Committee shall evaluate whether this charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this charter and any recommended changes to the Company's or the Board's policies or procedures.

VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and may retain, at the Company's expense, such independent counsel or other advisers as it deems necessary. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.

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While the members of the Committee have the duties and responsibilities set forth in this charter, nothing contained in this charter is intended to create, or should be construed as creating, any responsibility or liability of the members of the Committee, except to the extent otherwise provided under the applicable laws of the United States and Maryland that shall continue to set the legal standard for the conduct of the members of the Committee.

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