

**UNITED DEVELOPMENT FUNDING IV
NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

Adopted April 22, 2014

I. STATEMENT OF PURPOSE

The Board of Trustees (the “Board”) of United Development Funding IV (the “Trust”) appoints a Nominating and Governance Committee (the “Committee”) to identify and to recommend to the Board individuals qualified to serve as trustees of the Trust and on committees of the Board; to advise the Board with respect to the Board composition, procedures and committees; to develop and recommend to the Board a set of governance principles applicable to the Trust; and to oversee the evaluation of the Board and the Trust’s management.

II. COMMITTEE MEMBERS

The Committee shall have at least three members appointed by the Board, with one member appointed as chairperson. The Committee shall consist entirely of independent trustees. For purposes hereof, an “independent” trustee is a trustee who meets the NASDAQ Stock Market LLC definition of “independence,” as determined by the Board.

III. POWERS, DUTIES AND RESPONSIBILITIES

The Committee shall have the powers, duties and responsibilities delegated to it by the Board as set forth below.

A. Board Candidates and Nominees

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

(a) To assist in identifying, recruiting and, if appropriate, interviewing candidates to fill positions on the Board, including persons suggested by shareholders or others. The Committee may, if it deems appropriate, establish procedures to be followed by shareholders in submitting recommendations for Board candidates.

(b) To review the background and qualifications of individuals being considered as trustee candidates. Among the qualifications considered in the selection of candidates, the Committee shall look at the following attributes and criteria of candidates: experience, skills, expertise, diversity, personal and professional integrity, character, business judgment, time availability in light of other commitments, dedication, conflicts of interest and such other relevant factors that the Committee considers appropriate in the context of the needs of the Board.

(c) In accordance with the criteria established by the Board and pursuant to the Bylaws of the Trust, to recommend to the Board the trustee nominees for election by the shareholders or appointment by the Board.

(d) To review the suitability for continued service as a trustee of each Board member when his or her term expires and when he or she has a change in status, including but not limited to an employment change, and to recommend whether or not the trustee should be re-nominated.

B. Board Composition and Procedures

The Committee shall have the following duties and 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 trustees required by the NASDAQ.

(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 Board meetings.

(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 Trust rule, guideline, procedure or corporate governance principle.

C. Board Committees

The Committee shall have the following duties and responsibilities with respect to the committee structure of the Board:

(a) After consultation with the Chairman and Chief Executive Officer and after taking into account the experiences and expertise of individual trustees, 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 trustees 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 trustee, to make such a recommendation at any time.

D. Corporate Governance

The Committee shall have the following duties and responsibilities with respect to corporate governance:

(a) To develop and recommend to the Board a set of corporate governance principles for the Trust, which shall be consistent with any applicable laws, regulations and listing standards.

(b) To review periodically, and at least annually, the corporate governance principles adopted by the Board to assure that they are appropriate for the Trust and comply with the requirements of the listing standards, and to recommend any desirable changes to the Board.

(c) 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 have the following duties and responsibilities with respect to evaluation of the Board and management:

(a) The Committee shall be responsible for overseeing the evaluation of the Board as a whole and management 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.

IV. SUBCOMMITTEES

The Committee may delegate its duties and responsibilities to one or more subcommittees as it determines appropriate.

V. OUTSIDE ADVISORS

The Committee will have the authority to retain such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions, including any search firm used to identify trustee candidates, and to approve the fees and other retention terms of any advisors retained by the Committee.

VI. COMMITTEE MEETINGS

The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Committee determines. The majority of the members of the Committee constitutes a quorum. The Committee will report regularly to the full Board of Trustees with respect to its activities.

VII. EVALUATION OF THE COMMITTEE

The Committee shall, on an annual basis, evaluate its performance. 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.