

Owens Realty Mortgage, Inc.

COMPENSATION COMMITTEE CHARTER

This Compensation Committee Charter was restated by the Board of Directors (the “Board”) of Owens Realty Mortgage, Inc., a Maryland corporation (the “Company”), on January 4, 2016.

I. Purpose

The purposes of the Compensation Committee (the “Committee”) of the Board are: (a) to discharge or assist the Board in discharging the Board’s responsibilities relating to compensation, if any, of the Company’s directors and executive officers; (b) to oversee the compensation of Owens Financial Group, Inc., the Company’s external manager (the “Manager”), and review the performance of and compensation payable to the Manager pursuant to the Company’s charter and the management agreement (the “Management Agreement”), by and between the Company and the Manager; and (c) to produce an annual report on executive compensation for inclusion in the Company’s Annual Report on Form 10-K and/or proxy statement for the annual meeting of stockholders in accordance with, and to the extent required by, applicable rules and regulations.

The Committee shall have all of the powers of the Board that are necessary or appropriate for the Committee to fulfill its purposes and carry out its duties and responsibilities as set forth in this Charter. In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it from time to time by the Board, consistent with the Company’s bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval (except as required by law), and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all of the powers of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be composed of at least three directors as determined by the Board, none of whom shall be an employee of the Company and each of whom shall (a) satisfy the independence requirements of the NYSE MKT LLC (the “NYSE MKT”) and applicable regulations promulgated by the U.S. Securities and Exchange Commission (the “SEC”), (b) be a “non-employee director” within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), (c) be an “outside director” under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), and (d) at all times comply with any other applicable listing requirements and rules and regulations of the NYSE MKT, as modified from time to time, and the rules and regulations of the SEC, as modified or amended from time to time.

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

III. Meetings and Procedures

The Chair (or, in his or her absence, a member designated by the Chair or the Committee) shall preside at each meeting of the Committee and set the agenda for each Committee meeting. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet on a regularly scheduled basis at least two times per year and more frequently as the Committee deems necessary or desirable.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings from time to time members of the Company's management, personnel of the Manager or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including but not limited to any non-management director who is not a member of the Committee.

The Committee shall have the sole and exclusive authority, as it deems appropriate, to retain, replace and oversee the work of, as needed, any independent counsel, compensation and benefits consultants and other outside experts or advisors, as the Committee believes to be necessary or appropriate. The Committee may also utilize the services of the Company's regular legal counsel or other advisors to the Company. Before selecting outside counsel, a compensation and benefits consultant or other experts or advisors, the Committee shall consider the independence factors as described in Rule 10C-1 of the Exchange Act and in Section 303A.05(c)(iv) of the rules of the NYSE MKT. The Company shall provide for appropriate funding, as determined by the Committee in its sole discretion, for payment of compensation to any such persons retained by the Committee.

The Chair shall report to the Board regarding the activities of the Committee at appropriate times and as otherwise requested by the Chairman of the Board.

IV. Duties and Responsibilities

Manager Compensation and Evaluation

1. The Committee shall oversee the performance of the Manager and the management fees and the other compensation payable to the Manager.
2. The Committee shall evaluate periodically the performance of the Manager in view of the Company's investment objectives and the obligations of the Manager under the Management Agreement.

Executive and Director Compensation

3. The Committee shall, at least annually, review the compensation philosophy of the Company and oversee the development, implementation and administration of any and all compensation plans, policies and programs of the Company.

4. To the extent that the Company is responsible for paying all or any part of the compensation and/or any other employee benefits of the Company's Chief Executive Officer: (x) the Committee shall at least annually: (i) review and approve corporate goals and objectives relating to the compensation by the Company of the Company's Chief Executive Officer, (ii) evaluate the performance of the Chief Executive Officer in light of those goals and objectives, and (iii) determine and approve the compensation by the Company of the Chief Executive Officer based on such evaluation; (y) the Committee shall, in determining the long-term incentive component of the Chief Executive Officer's compensation that is payable by the Company, if any, consider the Company's performance and relative stockholder return, the value of similar incentive awards to Chief Executive Officers at comparable companies, and the awards (if any) given by the Company to the Chief Executive Officer in past years; and (z) the Committee shall have the sole and exclusive power to determine any such compensation of the Chief Executive Officer by the Company. The Chief Executive Officer may not be present during any voting or deliberations relating to his or her compensation.

5. To the extent that the Company is responsible for paying all or any part of the compensation and/or any other employee benefits of any of its executive officers (other than the Chief Executive Officer), in consultation with the Chief Executive Officer, the Committee shall consider, formulate and evaluate the corporate goals and objectives relevant to the Company's compensation of, and the Committee shall establish the Company's compensation programs applicable to, all executive officers of the Company (other than the Chief Executive Officer), if any, and, together with the Chief Executive Officer, determine the compensation levels of any such executive officers payable by the Company.

6. The Committee shall annually review, evaluate and, if appropriate, recommend changes to direct and indirect forms of compensation for the Company's directors.

7. The Committee shall make recommendations to the Board with respect to the implementation of any incentive compensation plans and/or equity-based plans by the Company, and shall review and approve all officers' employment agreements and severance arrangements with the Company, if any.

8. The Committee shall implement, administer and manage and at least annually review all of the Company's annual bonus, incentive compensation, equity compensation, employee pension and welfare benefit plans (including the Company's 401(k), employee stock purchase plan, long-term incentive plan, management incentive plan and others), if any. All such annual plan reviews should include reviewing the plan's administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of the plan's internal and external administrators if any duties have been delegated.

9. The Committee shall establish, manage and review all other executive compensation policies and plans of the Company, if any.

10. The Committee shall establish and periodically review policies concerning any perquisite benefits provided by the Company.

11. The Committee shall determine the Company's policy with respect to change of control or "parachute" payments by the Company, if any.

12. The Committee shall periodically review the need for a Company policy regarding compensation paid by the Company, if any, to the Company's executive officers in excess of limits deductible under Section 162(m) of the Code.

Other Committee Responsibilities

13. The Committee shall manage and review executive officer and director indemnification and insurance matters.

14. The Committee shall manage and review any employee loans in an amount equal to or greater than \$75,000; notwithstanding the foregoing, no loans shall be made to executive officers of the Company, and any loans will be in accordance with applicable law.

15. The Committee shall assist management in complying with the Company's proxy statement and annual report disclosure requirements and shall prepare and approve any Compensation Committee Report required to be included as part of the Company's annual proxy statement and/or annual report on Form 10-K in accordance with applicable rules and regulations promulgated by the SEC.

16. The Committee shall oversee and assist the Company in preparing any required Compensation Discussion & Analysis ("CD&A") for inclusion in the Company's annual proxy statement and/or annual report on Form 10-K, as well as other Company reports (when and as required by applicable rules and regulations) that are filed with the SEC. The Committee shall provide a description of the processes and procedures for the consideration and determination of executive and director compensation, if and to the extent required for inclusion in the Company's annual proxy statement, all in accordance with applicable rules and regulations. The Committee shall review and discuss any such CD&A with Company management and, based on the review and discussion, make a recommendation to the Board regarding whether to include any such CD&A in the Company's annual proxy statement and/or annual report on Form 10-K.

17. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in the structure and operations of the Committee or the procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

18. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, except that it shall not delegate its responsibilities set forth in paragraph 8 of Section IV above or for any matters that involve executive compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code by virtue of being approved by a committee of "outside directors" or is intended to be exempt from Section 16(b) under the Exchange Act pursuant to Rule 16b-3 by virtue of being approved by a committee of "non-employee directors."

VI. Disclosure

This Charter, as it may be amended from time to time, shall be posted on the Company's Web site.