

Cherry Hill Mortgage Investment Corp
Form DEF 14A
April 25, 2019

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under §240.14a-12

**Cherry Hill Mortgage Investment Corporation
(Name of Registrant as Specified In Its Charter)**

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CHERRY HILL MORTGAGE INVESTMENT CORPORATION
1451 Route 34, Suite 303
Farmingdale, New Jersey 07727

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

NOTICE IS HEREBY GIVEN that the 2019 Annual Meeting of Stockholders (the Annual Meeting) of Cherry Hill Mortgage Investment Corporation (the Company) will be held on June 12, 2019, at 8:00 a.m., Eastern Time, at The Westin Mount Laurel, 555 Fellowship Road, Mount Laurel, New Jersey 08054. At the Annual Meeting, the Company s stockholders will be asked to vote on the following matters:

- the election to the Board of Directors of the Company of the four nominees named in the attached Proxy
- (1) Statement to serve until the 2020 Annual Meeting of Stockholders and until their successors are duly elected and qualified;
 - (2) approval, on a non-binding advisory basis, of the compensation of our named executive officers for the year ended December 31, 2018;
 - (3) approval, on a non-binding advisory basis, of the preferred frequency of future non-binding advisory votes on the compensation of our named executive officers;
 - (4) the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019; and
 - (5) such other business as may properly be brought before the Annual Meeting and at any adjournments or postponements thereof.

We know of no other matters to come before the Annual Meeting. Only stockholders of record as of the close of business on April 12, 2019 are entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement of the meeting.

Whether or not you plan to attend the Annual Meeting, your vote is very important, and we encourage you to vote promptly. If you vote by proxy, but later decide to attend the Annual Meeting in person, or for any other reason desire to revoke your proxy, you may do so at any time before your proxy is voted.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Martin J. Levine

Martin J. Levine,
Secretary

Farmingdale, New Jersey
April 26, 2019

IMPORTANT NOTICE REGARDING THE INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON JUNE 12, 2019

The notice of meeting, proxy statement and annual report are available at www.edocumentview.com/CHMI.

CHERRY HILL MORTGAGE INVESTMENT CORPORATION

1451 Route 34, Suite 303

Farmingdale, New Jersey 07727

(877) 870-7005

PROXY STATEMENT

2019 ANNUAL MEETING OF STOCKHOLDERS

GENERAL INFORMATION

Proxy Solicitation

The Board of Directors (the Board) of Cherry Hill Mortgage Investment Corporation, a Maryland corporation (we, our, us or our company), has made these materials available to you in connection with its solicitation of proxies for its Annual Meeting of Stockholders to be held on June 12, 2019, at 8:00 a.m., Eastern Time, at The Westin Mount Laurel, 555 Fellowship Road, Mount Laurel, New Jersey 08054, and at any adjournments or postponements thereof (the Annual Meeting). These materials were mailed to our stockholders on or about April 26, 2019.

All stockholders will have the ability to access our proxy materials at www.edocumentview.com/CHMI.

In addition to solicitation by mail, certain of our directors and officers may solicit proxies by telephone, personal contact or other means of communication. They will not receive any additional compensation for these activities. In addition, brokers, banks and other persons holding common stock on behalf of beneficial owners will be requested to solicit proxies or authorizations from beneficial owners. We will bear all costs incurred in connection with the preparation, assembly and mailing of our proxy materials and the solicitation of proxies and will reimburse brokers, banks and other nominees, fiduciaries and custodians for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of our common stock. Although no proxy solicitor has been engaged at this time, we may determine it is necessary to employ an outside firm to assist in the solicitation process. If so, we will pay the proxy solicitor reasonable and customary fees.

No person is authorized to give any information or to make any representation not contained in this Proxy Statement and, if given or made, you should not rely on that information or representation as having been authorized by us. The delivery of this Proxy Statement does not imply that the information herein has remained unchanged since the date of this Proxy Statement.

Cherry Hill Contact Information

The mailing address of our principal executive office is 1451 Route 34, Suite 303, Farmingdale, New Jersey 07727, and our main telephone number is (877) 870-7005. We maintain an Internet website at www.chmireit.com. Information at or connected to our website is not and should not be considered part of this Proxy Statement.

FREQUENTLY ASKED QUESTIONS ABOUT THE ANNUAL MEETING

On what am I voting?

You are being asked to vote on the following proposals:

- the election of the director nominees named in this Proxy Statement (Proposal No. 1);
- approval, on a non-binding advisory basis, of the compensation paid to our named executive officers for the year ended December 31, 2018 (the Say-on-Pay Proposal) (Proposal No. 2);
- approval, on a non-binding advisory basis, of the preferred frequency of future non-binding advisory votes on the compensation of our named executive officers (Proposal No. 3); and
- the ratification of the appointment of Ernst & Young LLP (E&Y) as our independent registered public accounting firm for the fiscal year ending December 31, 2019 (Proposal No. 4).

Who can vote?

Holders of our common stock as of the close of business on the record date, April 12, 2019, are entitled to vote, either in person or by proxy, at the Annual Meeting. Each share of our common stock has one vote.

How do I vote?

By Proxy—Before the Annual Meeting, you can give a proxy to vote your shares in one of the following ways:

- using the telephone or Internet voting procedures described on the accompanying proxy card; or
- by completing and signing your proxy card and mailing it in time to be received prior to the Annual Meeting.

In Person—You may come to the Annual Meeting and cast your vote there. If your shares are held in street name (for example, if your shares are held in the name of a broker, bank or other nominee (each, a nominee)) and you wish to attend the Annual Meeting and vote in person, you must (a) bring to the Annual Meeting an account statement or letter from your nominee indicating that you were the beneficial owner of the shares on April 12, 2019, and (b) obtain a legal proxy from your nominee giving you the right to vote the shares your nominee holds on your behalf.

The telephone and Internet voting procedures are designed to confirm your identity, to allow you to give your voting instructions and to verify that your instructions have been properly recorded. If you wish to vote by telephone or Internet, please follow the instructions that are included on the accompanying proxy card. If you mail us your properly completed and signed proxy card, or vote by telephone or Internet, your shares will be voted according to the choices that you specify.

If you sign and mail your proxy card without marking any choices, your proxy will be voted:

- **FOR** the election of all director nominees named in this Proxy Statement;
- **FOR** the approval, on a non-binding advisory basis, of the compensation paid to our named executive officers for the year ended December 31, 2018;
- **FOR** the approval, on a non-binding advisory basis, of holding future non-binding advisory votes on the compensation of our named executive officers every three years; and
- **FOR** the ratification of the appointment of E&Y as our registered independent public accounting firm for the fiscal year ending December 31, 2019;

We do not expect any other matters to be brought before the Annual Meeting. However, by giving your proxy, you appoint the persons named as proxies as your representatives at the Annual Meeting. If any matter requiring a stockholder vote should arise at the Annual Meeting and that matter is not described in our proxy material, the proxy holders will vote your shares in accordance with their best judgment.

May I change or revoke my vote?

Yes. You may change your vote or revoke your proxy at any time prior to the Annual Meeting by:

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- notifying our Secretary in writing at 1451 Route 34, Suite 303, Farmingdale, New Jersey 07727, that you are revoking your proxy;
- providing another signed proxy that is dated after the proxy you wish to revoke; or
- attending the Annual Meeting and voting in person.

Will my shares be voted if I do not provide my proxy?

It depends on whether you hold your shares in your own name or in street name by a nominee. If you hold your shares directly in your own name, they will not be voted unless you provide a proxy or vote in person at the Annual Meeting.

Brokerage firms generally have the authority to vote customers' un-voted shares on certain routine matters. If your shares are held in street name by a brokerage firm, the brokerage firm can vote your shares for the ratification of the appointment of E&Y as our registered independent public accounting firm for the fiscal year ending December 31, 2019 (Proposal No. 4) if you do not timely provide your voting instructions, because this matter is considered routine under the applicable rules. The other items (Proposals Nos. 1, 2 and 3) are not considered routine, and the brokerage firm cannot vote your shares without your specific voting instruction.

What constitutes a quorum?

As of the record date, a total of 16,658,170 shares of our common stock were issued and outstanding and entitled to vote at the Annual Meeting. In order to conduct the Annual Meeting, a majority of the shares entitled to vote must be present in person or by proxy. This is referred to as a quorum. If you submit a properly executed proxy card or vote by telephone or on the Internet, you will be considered part of the quorum. Abstentions and broker non-votes will be counted as present and entitled to vote for purposes of determining a quorum. If a quorum is not present, the Annual Meeting may be adjourned or postponed from time to time until a quorum is obtained, to a date not more than 120 days after the original record date without notice other than announcement at the Annual Meeting. A broker non-vote occurs when a nominee who holds shares in street name has not received voting instructions from the beneficial owner of the shares and either chooses not to vote those shares on a routine matter or is not permitted to vote those shares on a non-routine matter.

What vote is needed to approve the matters submitted?

Election of Directors (Proposal No. 1). Directors are elected by a plurality of the votes cast at the Annual Meeting.

Plurality means that the nominees receiving the largest number of votes cast are elected as directors up to the maximum number of directors to be chosen at the Annual Meeting. For purposes of this vote, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote for this proposal.

Say-on-Pay (Proposal No. 2). The affirmative vote of a majority of the votes cast at the Annual Meeting is required to approve the Say-on-Pay Proposal. For purposes of this vote, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote for this proposal.

Frequency of Future Say-on-Pay Proposals (Proposal No. 3). The affirmative vote of a majority of the votes cast at the Annual Meeting for the option of every three years, every two years or every year will be the frequency for future non-binding advisory votes on the compensation of our named executive officers. For purposes of this vote, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote for this proposal. In the event that no option receives a majority of the votes cast, we will consider the option that receives the most votes by stockholders at the Annual Meeting to be the option selected by our stockholders.

Ratification of Appointment of E&Y (Proposal No. 4). The affirmative vote of a majority of the votes cast at the Annual Meeting is required to approve this proposal. For purposes of this vote, abstentions will not be counted as votes cast and will have no effect on the result of the vote for this proposal. Because this matter is considered routine under applicable rules, we do not expect there to be any broker non-votes on this proposal.

**PROPOSAL NO. 1:
ELECTION OF DIRECTORS**

Our Board has fixed the number of directors at four. The four persons named below (each, a director nominee) currently serve on our Board and have been recommended by our Nominating and Corporate Governance Committee and nominated by our Board to serve on our Board until our 2020 Annual Meeting of Stockholders and until their respective successors are elected and qualified.

Our Board has no reason to believe that any of the director nominees will be unable, or will decline, to serve if elected. If any director nominee is unable to stand for election, the persons appointed to vote your proxy may vote at the Annual Meeting for another candidate proposed by our Board, or our Board may choose to reduce the size of our Board, provided that we continue to have a majority of independent directors following any such reduction. In addition, our Board has determined that all of the director nominees, other than Mr. Lown, are independent under applicable rules of the U. S. Securities and Exchange Commission (the SEC) and the New York Stock Exchange (the NYSE).

The following table sets forth the name, position with our company prior to the Annual Meeting and age at the Annual Meeting of each director nominee:

Name	Position	Age
Jeffrey B. Lown II	President and Chief Executive Officer	55
Robert C. Mercer, Jr.	Independent Director	71
Joseph P. Murin	Independent Director	69
Regina M. Lowrie	Independent Director	65

We believe that all of the director nominees are intelligent, experienced and proactive with respect to management and risk oversight, and that they exercise good judgment. The biographical descriptions below set forth certain information with respect to each director nominee, including the experience, qualifications, attributes or skills of each director nominee that led us to conclude that such person should serve as a director.

Jeffrey B. Lown II has served as our President and as a director since the completion of our initial public offering in October 2013 and as our Chief Executive Officer since March 2017. Mr. Lown also served as our Chief Investment Officer through March 2016, at which time Julian Evans was appointed as Chief Investment Officer. Mr. Lown has over 20 years of combined experience in the financial services industry and the residential mortgage markets. Mr. Lown joined Freedom Mortgage Corporation (Freedom Mortgage) in April 2012 and served as Executive Vice President in charge of strategic funding projects and capital markets until July 2016, at which time he began to focus his full-time efforts on us and the management of our business. Prior to joining Freedom Mortgage, Mr. Lown served as a Portfolio Manager at Avenue Capital Group from April 2011 to January 2012. Prior to co-founding and serving as a principal of Green Lake Investment Partners, LLC in the fall of 2010, Mr. Lown spent 11 months at New Oak Capital LLC as head of the residential mortgage loan business and as a member of the bank advisory group. Prior to joining New Oak Capital, Mr. Lown was a fellow at the Office of Thrift Supervision (the OTS), from March 2008 through September 2009. At the OTS, he served as an advisor to the Senior Deputy Director's office and focused on residential mortgage loan origination and residential asset valuation and RMBS. Noteworthy assignments included participating in the creation of the Obama administration's Making Home Affordable modification program, the review of TARP Capital Purchase Program applications for OTS thrifts and working with the Acting Deputy Director of Examinations, Supervision, and Consumer Protection and regional staff on troubled institutions.

Before OTS, from April 2002 to March 2008, Mr. Lown worked at UBS Securities LLC in mortgage trading. While at UBS Securities, Mr. Lown managed an internal mortgage origination platform specializing in Alt-A mortgage loans, overseeing all units within the organization, including sales, capital markets and operations. Mr. Lown began his career at Salomon Brothers (now Citigroup) in 1991, where he spent 11 years working for the mortgage trading desk.

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The last six years at Citigroup were in the Mortgage Finance Group where Mr. Lown held several positions both in investment banking and mortgage finance roles. While serving in these positions, he developed strong credit, contract finance and securitization skills.

As a consequence of Mr. Lown's more than 20 years' experience in the residential mortgage markets, our Board, upon the recommendation of our Nominating and Corporate Governance Committee, believes that he is well qualified to provide valuable advice in many important areas and he should serve as a director.

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Robert C. Mercer, Jr. has served as a director, chairman of our Audit Committee and member of our Compensation Committee and Nominating and Corporate Governance Committee since March 15, 2017 when he was appointed to fill a vacancy on our Board and is independent in accordance with applicable NYSE and SEC rules. Mr. Mercer has over 40 years of management and executive experience in generating and servicing consumer loans and mortgages. From July 2009 to March 2017, Mr. Mercer served as a Senior Examiner/Subject Matter Expert – Credit Risk, Operations and Counterparty Management at the Federal Housing Finance Agency (FHFA) in Washington, D.C. At FHFA Mr. Mercer monitored Freddie Mac's seller/servicer and mortgage insurance counterparty risk analysis focusing on concentration of risk, regulatory risk and servicing transfer approvals. He also monitored Freddie Mac's credit loss forecasting and loan loss reserve adequacy for its single family and multifamily loan portfolios.

Prior to his work at FHFA, Mr. Mercer's experience includes managing problem portfolio workouts, managing due diligence processes involving mergers and acquisitions, purchasing mortgage portfolios and developing or enhancing profit and risk models to improve portfolio predictability and profitability. In addition to his operational experience, he also has an extensive credit risk background, having been Chief Credit Officer of Citicorp National Services. Mr. Mercer has been involved in all aspects of credit risk management, including the development of proprietary score cards.

As President of American Equity Mortgage, Inc. in St. Louis, Missouri, Mr. Mercer was responsible for expanding the retail branch network and improving operational efficiencies. Mr. Mercer has held senior executive and management positions in consumer lending at a series of financial institutions that ultimately became part of National City Bank, including Equibank, Integra Bank and Altegra Credit Company. Prior to that Mr. Mercer held positions at Citicorp and Valley National Bank in Phoenix, Arizona after beginning his career with a thirteen-year stint at Ford Motor Credit Company.

Mr. Mercer brings to our Board over 40 years of experience in the consumer lending and mortgage industry sectors. Due to the depth and extent of his financial and credit risk management experience, our Board, upon the recommendation of our Nominating and Corporate Governance Committee, believes that he should serve as a director.

Joseph Murin has served as a director, chairman of our Nominating and Corporate Governance Committee and member of our Audit Committee and Compensation Committee since the completion of our initial public offering in October 2013 and is independent in accordance with applicable NYSE and SEC rules. Since September 2009, Mr. Murin has served as the Chairman of The Collingwood Group LLC, a Washington, D.C.-based strategic investment and advisory firm serving the financial services industry that he co-founded in 2009. Since September 2012, Mr. Murin has served as President of New Day Financial LLC, a mortgage lender that provides homeowners with FHA, VA and reverse mortgage loans, and as Chairman of the Board of Directors of Chrysalis Holdings, LLC, a private investment firm focused on building and growing successful businesses that provide home financing, data analytics and technology solutions in the mortgage banking and financial services industries. From October 2001 to October 2007, Mr. Murin served, and since December 2009, he has served, as a director of the Point Park University. From July 2011 to August 2012, Mr. Murin served as the Chief Executive Officer of National Real Estate Information Services, a portfolio company owned by funds managed by affiliates of Fortress Investment Group, LLC.

President George W. Bush nominated Mr. Murin in October 2007 to serve as President of Ginnie Mae, a position which he held from July 2008 to August 2009. He also served as a consultant to the White House until he was confirmed by the U.S. Senate from January 2008 until May 2008. Prior to his nomination to serve as President of Ginnie Mae, Mr. Murin was with HUD for two years, to which he brought more than 40 years of diverse experience in the financial services, mortgage and banking industries. This experience includes having served as the Chief Executive Officer of a number of financial organizations such as Century Mortgage Co. from September 1986 to January 1989, Lender's Service Inc. from May 1991 to December 2001, and Mortgage Settlement Network Innovations from September 2004 to August 2007. Mr. Murin served as a director for iGATE Corporation (NASDAQ: IGTE) from August 2009 to April 2013. Mr. Murin holds a bachelor's degree in business from National Louis University.

As a consequence of Mr. Murin's more than 40 years' experience in the financial services, mortgage and banking industries, including his service as President of Ginnie Mae, our Board, upon the recommendation of our Nominating and Corporate Governance Committee, believes that he is well qualified to provide valuable advice to our Board in many important areas and that he should serve as a director.

Regina Lowrie has served as a director, chairman of our Compensation Committee and member of our Audit Committee and Nominating and Corporate Governance Committee since the 2015 Annual Meeting. With more than 30 years of experience in the financial services industry, Ms. Lowrie's background includes senior management positions in sales, operations, acquisitions and investments, enterprise risk management, regulatory oversight, policies and procedures. She is a Certified Mortgage Banker (CMB) and holds the distinction of being the first woman Chairman of the National Mortgage Bankers Association in the organization's 94-year history. Ms. Lowrie also was the first woman to lead the local chapter of the Philadelphia Mortgage Bankers Association.

Ms. Lowrie is the founder, President and Chief Executive Officer of RML Advisors, headquartered in Blue Bell, Pennsylvania. RML Advisors' charter is to serve the financial services industry as an advisor and consultant providing a broad range of services to assist clients in developing a blueprint for success in a volatile market with numerous regulatory challenges. RML Advisors also specializes in helping mortgage banking clients analyze various enterprise risks including compliance risks associated with service providers. From 2007 to 2013, Ms. Lowrie was the President of Vision Mortgage Capital, a division of Continental Bank, and Senior Vice President of Continental Bank. She was responsible for creating, developing, directing and managing all aspects of the mortgage division, including strategic planning, enterprise risk management, quality control, compliance, secondary marketing and sales operations and budgeting process.

From 1994 to 2006, Ms. Lowrie was the President and Chief Executive Officer of Gateway Funding Diversified Mortgage Services, located in Horsham, Pennsylvania. At the time Gateway Funding was sold in 2006, Gateway Funding had grown to 800 employees with 57 branch offices and had a loan production of \$3.5 billion with revenues of over \$100 million. Prior to 1994, Ms. Lowrie held executive and senior management positions at Commonwealth Federal Savings and Loan and subsequently Comnet Mortgage Services.

Based on Ms. Lowrie's more than 30 years of experience in all aspects of the residential mortgage business, our Board, upon the recommendation of our Nominating and Corporate Governance Committee, believes that she should serve as a director.

Our Board recommends that you vote FOR the election of each director nominee named above.

CORPORATE GOVERNANCE

Our Board of Directors

Our business is managed by Cherry Hill Mortgage Management, LLC (the **Manager**), subject to the oversight and direction of our Board. Our Manager is an SEC-registered investment adviser and is responsible for administering our business activities and day-to-day operations. The directors are informed about our business at meetings of our Board and its committees and through supplemental reports and communications.

There were four meetings of our Board in 2018. Each director attended all of the meetings of our Board. Each independent director also attended all committee meetings for the committees on which the director served in 2018. Although our company does not have a policy regarding board members' attendance at the Annual Meeting, all of our directors attended the 2018 Annual Meeting. In accordance with NYSE requirements and our Corporate Governance Guidelines, the independent directors of our Board regularly meet in executive session without management present. Generally, these executive sessions follow a meeting of our Board or of our Audit Committee. In 2018, the independent directors of our Board met in executive session seven times without management present.

Our Board has established three standing committees that are comprised solely of independent directors, the principal functions of which are briefly described below. Matters put to a vote at any one of our three committees must be approved by a majority of the directors on the committee who are present at a meeting at which there is a quorum or by unanimous written consent of the directors on that committee.

Lead Independent Director

Mr. Murin, the chairman of the Nominating and Corporate Governance Committee, serves as the lead independent director. The lead independent director generally is the point of contact for persons desiring to communicate directly with the independent directors. All interested parties may do so by using the IR Contact tab under the Investor Relations section on our website, which is www.chmireit.com, and leaving a message.

Director Independence

Our Board, has determined, after taking into account all facts and circumstances, that there are no material transactions, relationships or arrangements between us and Mr. Mercer, Mr. Murin or Ms. Lowrie requiring disclosure under applicable SEC rules and regulations or otherwise and each of them is independent in accordance with applicable NYSE rules.

Corporate Governance Guidelines

Our Board has adopted Corporate Governance Guidelines, which provide the framework for our governance and represent our Board's current views with respect to selected corporate governance issues considered to be of significance to our stockholders. A current copy of the Corporate Governance Guidelines can be found under **Investor Relations—Corporate Governance** on our website at www.chmireit.com.

Code of Business Conduct and Ethics

Our Board has established a Code of Business Conduct and Ethics that applies to our officers, directors and employees when such individuals are acting for or on our behalf. A current copy of the Code of Business Conduct and Ethics can be found under **Investor Relations—Corporate Governance** on our website at www.chmireit.com. Any waiver of the Code of Business Conduct and Ethics may be made only by the Nominating and Corporate Governance Committee and will be promptly disclosed to stockholders in accordance with applicable SEC and NYSE rules.

Availability of Corporate Governance Materials

Stockholders may view our corporate governance materials, including the charters of our Audit Committee, our Compensation Committee, our Nominating and Corporate Governance Committee, our Corporate Governance Guidelines and our Code of Business Conduct and Ethics, on our website at www.chmireit.com under the section

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Investor Relations — Corporate Governance, and these documents are available in print to any stockholder upon request by writing to 1451 Route 34, Suite 303, Farmingdale, New Jersey 07727, Attention: Secretary. Information at or connected to our website is not and should not be considered a part of this Proxy Statement.

Committees of our Board

Our Board has established three standing committees:

- the Audit Committee;
- the Compensation Committee; and
- the Nominating and Corporate Governance Committee.

The members of these standing committees are appointed by and serve at the discretion of our Board.

Audit Committee

The current members of our Audit Committee are Mr. Mercer (Chairman), Mr. Murin and Ms. Lowrie. Each of these members has been determined to be independent within the meaning of the applicable standards of the NYSE and Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act). In addition, each of these members meets the financial literacy requirements for audit committee membership under the NYSE's rules and the rules and regulations of the SEC. Our Board has determined that each of Mr. Mercer and Mr. Murin is an audit committee financial expert as such term is defined in Item 407(d)(5)(ii) of Regulation S-K. No member of our Audit Committee serves on the audit committee of more than three public companies.

Our Audit Committee held seven meetings in 2018. The primary purpose of our Audit Committee is to assist our Board in fulfilling its oversight responsibility relating to: (i) the integrity of our financial statements and financial reporting process, our systems of internal accounting and financial controls and other financial information we provide; (ii) the performance of the internal audit services function; (iii) the annual independent audit of our financial statements, the engagement of the independent auditors and the evaluation of the independent auditors' qualifications, independence and performance; (iv) our compliance with legal and regulatory requirements, including our disclosure controls and procedures; and (v) the evaluation of risk assessment and risk management policies.

Compensation Committee

The members of our Compensation Committee are Ms. Lowrie (Chairman), Mr. Mercer and Mr. Murin. Our Board has determined that each member of our Compensation Committee is independent within the meaning of the applicable standards of the NYSE. Each member of our Compensation Committee qualifies as a non-employee director for purposes of Rule 16b-3 under the Exchange Act.

Our Compensation Committee held four meetings in 2018. The primary purpose of our Compensation Committee is to assist our Board in discharging its responsibilities relating to the management agreement with our Manager and the compensation of our Manager, directors and executive officers and administration of our compensation plans, policies and programs, including but not limited to our 2013 Equity Incentive Plan (our 2013 Plan). Our Compensation Committee has overall responsibility for evaluating and recommending changes to the compensation plans, our policies and programs and approving and recommending to our Board for its approval awards under, and amendments to, our 2013 Plan. Our Compensation Committee may form and delegate authority to subcommittees comprised solely of independent directors or its chair when appropriate.

Nominating and Corporate Governance Committee

The members of our Nominating and Corporate Governance Committee are Mr. Murin (Chairman), Mr. Mercer and Ms. Lowrie. By virtue of his position of chairman, Mr. Murin also serves as the lead independent director. Our Board

has determined that each member of our Nominating and Corporate Governance Committee is independent within the meaning of the applicable standards of the NYSE.

Our Nominating and Corporate Governance Committee held four meetings in 2018. The primary purpose of our Nominating and Corporate Governance Committee is to assist our Board by: (i) identifying individuals

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qualified to become members of our Board, consistent with any guidelines and criteria approved by our Board; (ii) considering and recommending director nominees for our Board to select in connection with each annual meeting of stockholders; (iii) considering and recommending nominees for election to fill any vacancies on our Board and to address related matters; (iv) developing and recommending to our Board corporate governance guidelines applicable to us; (v) overseeing an annual evaluation of our Board's and management's performance; and (vi) providing counsel to our Board with respect to the organization, function and composition of our Board and its committees. Our Nominating and Corporate Governance Committee is also in charge of reviewing and, where appropriate, approving transactions between us and Freedom Mortgage.

Board Leadership Structure

Our Board has not established a fixed policy regarding the separation of the roles of Chief Executive Officer and Ch