

Altisource Residential Corp  
Form DEF 14A  
April 25, 2017

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

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

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

ALTISOURCE RESIDENTIAL CORPORATION  
(Name of Registrant as Specified In Its Charter)

N/A  
(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:  
N/A
  - (2) Aggregate number of securities to which transaction applies:  
N/A
  - (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):  
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Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

N/A

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

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(3) Filing Party:

N/A

(4) Date Filed:

N/A

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April 25, 2017

Dear Fellow Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2017 Annual Meeting of Stockholders of Altisource Residential Corporation, a Maryland corporation (the “Company”), which will be held at the Buccaneer Hotel, located at 5007 Estate Shoys, Christiansted, United States Virgin Islands 00820 on Tuesday, May 23, 2017, at 9:00 a.m., Atlantic Standard Time. The matters to be considered by stockholders at the 2017 Annual Meeting of Stockholders are described in detail in the accompanying materials.

It is very important that you be represented at the 2017 Annual Meeting of Stockholders regardless of the number of shares you own or whether you are able to attend the meeting in person. We urge you to vote your proxy in one of the manners described in the accompanying materials even if you plan to attend the 2017 Annual Meeting of Stockholders. This will not prevent you from voting in person but will ensure that your vote is counted if you are unable to attend.

Your support of and interest in Altisource Residential Corporation is sincerely appreciated.

Sincerely,

David B. Reiner  
Chairman of the Board of Directors

ALTISOURCE RESIDENTIAL CORPORATION

c/o Altisource Asset Management Corporation  
36C Strand Street  
Christiansted, United States Virgin Islands 00820

NOTICE OF THE 2017 ANNUAL MEETING OF STOCKHOLDERS AND  
IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 23, 2017

NOTICE

The 2017 Annual Meeting of Stockholders of Altisource Residential Corporation, a Maryland corporation, will be held:

Date: Tuesday, May 23, 2017

Time: 9:00 a.m., Atlantic Standard Time

Location: The Buccaneer Hotel  
5007 Estate Shoys  
Christiansted, United States Virgin Islands 00820

PURPOSE

- To consider and vote upon the election of six (6) Directors to serve until the 2018 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified;
- To approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in the proxy statement; and
- To transact such other business as may properly come before the 2017 Annual Meeting of Stockholders and any postponement or adjournment thereof.

PROCEDURES

• Our Board of Directors has fixed the close of business on April 12, 2017 as the record date for the determination of stockholders entitled to notice of and to vote at the 2017 Annual Meeting of Stockholders.

• Only stockholders of record at the close of business on the record date will be entitled to receive notice of and vote at the 2017 Annual Meeting of Stockholders.

The proxy statement for our 2017 Annual Meeting of Stockholders and our Annual Report to Stockholders were made available on or about April 25, 2017 on our website under Shareholders-Investor Relations-Financial Information at <http://ir.altisourceresi.com/financials.cfm>. Additionally, and in accordance with Securities and Exchange Commission ("SEC") rules, you may access our proxy statement at <http://www.proxyvote.com>, a website that does not identify or track visitors of the site, by entering the 12 digit Control Number found on your Beneficial Notice Card or on your Proxy Card.

By Order of the Board of Directors,  
Michael G. Lubin  
Corporate Secretary

April 25, 2017

Christiansted, United States Virgin Islands

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ALTISOURCE RESIDENTIAL CORPORATION  
PROXY STATEMENT  
2017 ANNUAL MEETING OF STOCKHOLDERS

General Information

We have made this proxy statement (“Proxy Statement”) available to you on or about April 25, 2017 as a holder of common stock of Altisource Residential Corporation, a Maryland corporation (“we,” “our,” “RESI” or the “Company”) because our Board of Directors is soliciting your proxy to be exercised at the Annual Meeting of Stockholders and at any postponement or adjournment thereof (the “Annual Meeting”). The Annual Meeting of Stockholders will be held at the Buccaneer Hotel, located at 5007 Estate Shoys, Christiansted, United States Virgin Islands 00820 on Tuesday, May 23, 2017, at 9:00 a.m., Atlantic Standard Time for the purposes listed in the Notice of Annual Meeting of Stockholders.

At the Annual Meeting, our stockholders will be asked to (1) consider and vote upon the election of six (6) Directors to serve until the 2018 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified and (2) the approval, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in this Proxy Statement.

We are not aware of any other matters that may properly come before the Annual Meeting or any postponement or adjournment thereof. If any other matters properly come before the Annual Meeting, the persons designated as proxies intend to vote in accordance with their discretion on such matters.

We have not included a proposal for our stockholders to ratify our appointment of the independent registered public accounting firm for the year ending December 31, 2017. Deloitte & Touche LLP is currently serving as our independent registered public accounting firm. Our Audit Committee routinely reviews our independent auditors. We have initiated a request for proposal (“RFP”) process with several independent registered public accounting firms, including Deloitte & Touche LLP, to be our independent auditors for the year ending December 31, 2017. It is possible that, following this RFP process, which is expected to be completed during the second quarter of 2017, we may retain Deloitte & Touche LLP as our independent registered public accounting firm, or we may retain a new independent registered public accounting firm for the year ending December 31, 2017. In either event, we expect to again include a proposal in the proxy statement for our 2018 Annual Meeting of Stockholders and in future periods.

Proxies to be exercised at the Annual Meeting are being solicited by and on behalf of our Board of Directors primarily through the use of the mails.

Proxy Materials

On or about April 25, 2017, we mailed the proxy materials consisting of this Proxy Statement, the proxy card and our Annual Report to Stockholders (the “Annual Report”) for the year ended December 31, 2016. We also expect our proxy documents to be made available to stockholders on or about April 25, 2017 through the Shareholders link on our website at [www.altisourceresi.com](http://www.altisourceresi.com) or through [www.proxyvote.com](http://www.proxyvote.com).

Stockholders of Record. If your shares are registered in your own name, you will receive a full set of the proxy documents in the mail. As a stockholder of record, you have the right to vote in person or to be represented by proxy at the Annual Meeting. The Company has enclosed a proxy card for you to use. You may also submit voting instructions via the Internet or by telephone by following the instructions on the proxy card.

Beneficial Stockholders. If your shares are not registered in your name, you should receive proxy materials and a voting instruction form from your bank or broker. We recommend that you contact your bank or broker if you do not receive these instructions. As the beneficial owner, you have the right to direct your bank, broker or other holder of record how to vote your shares by using the voting instructions you received.

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## Voting Procedures

If you plan to attend the Annual Meeting and wish to vote in person, we will give you a ballot at the Annual Meeting. However, if your common stock is held in the name of your bank or brokerage firm or other nominee, and you want to vote in person, you will need to obtain a legal proxy from the institution that holds your common stock. If your shares of common stock are held in your name, you can authorize a proxy to vote your shares in lieu of attending the Annual Meeting and voting in person. You may authorize a proxy to vote your shares over the Internet by following the instructions provided in the printed proxy materials, or if you receive printed proxy materials, you may also authorize a proxy to vote your shares by mail or telephone pursuant to instructions provided on the proxy card. If you are authorizing a proxy to vote your shares over the Internet or by telephone, you will need to provide the control number that is printed on the proxy card that you receive.

If your common stock is held in the name of your bank or brokerage firm or other nominee, you should receive separate instructions from the holder of your common stock describing how to provide voting instructions. Even if you plan to attend the Annual Meeting, we recommend that you authorize a proxy to vote your shares in advance of the Annual Meeting as described above so that your vote will be counted if you later decide not to attend the Annual Meeting.

## How a Proxy Works

All valid proxies received prior to the Annual Meeting will be voted in accordance with the directions on the proxies, unless such proxies have previously been revoked. If no contrary instructions are given, other than as discussed below with respect to broker “non-votes,” the shares will be voted as the Board recommends, which is as follows:

• “FOR” the election of each of the six (6) nominees to the Board listed in this Proxy Statement and on the proxy card (Proposal One); and

• “FOR” the approval, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in the Proxy Statement (Proposal Two).

With regard to any other business that properly comes before the Annual Meeting, each proxy received will be voted in the discretion of the persons appointed as proxies.

## How to Revoke a Proxy

You have the power to revoke your proxy at any time before it is exercised at the Annual Meeting by:

• filing written notice with our Corporate Secretary at the following address:

Michael G. Lubin, Corporate Secretary  
Altisource Residential Corporation  
c/o Altisource Asset Management Corporation  
36C Strand Street  
Christiansted, United States Virgin Islands 00820

• submitting a properly executed proxy bearing a later date; or

•

appearing at the Annual Meeting and giving the Corporate Secretary notice of your intention to vote in person. Attending the Annual Meeting will not, by itself, revoke a properly executed proxy.

## Who May Vote

You are entitled to vote at the Annual Meeting or any postponement or adjournment thereof if you are a holder of record of our common stock at the close of business on April 12, 2017, the record date for the Annual Meeting. At the close of business on April 12, 2017, there were 53,527,755 shares of common stock issued, outstanding and able to be voted, and no other class of equity securities were outstanding. Each share of our common stock is entitled to cast one (1) vote at the Annual Meeting on all matters properly presented.

## Quorum and Voting Information

The presence at the Annual Meeting of a majority of the votes of our common stock entitled to be cast, represented in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Abstentions, or, with regard to the election of Directors, “WITHHOLD” votes, and broker “non-votes,” if any, will be treated as present for purposes of determining the presence of a quorum.

A broker “non-vote” occurs when a broker or nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or nominee does not have discretionary voting power on that item and has not received instructions from the beneficial owner.

If the shares you own are held in “street name” by a bank or brokerage firm or other nominee, your bank, brokerage firm or other nominee, as the record holder of your shares, is required to vote your shares according to your instructions. To vote your shares, you will need to follow the directions your bank, brokerage firm or other nominee provides you. You will receive a proxy card that will tell you how to access our proxy materials and authorize a proxy to vote your shares via the Internet. It will also tell you how to request a paper or email copy of our proxy material. You should instruct your bank, brokerage firm or other nominee to vote your shares by following the voting instructions provided by your bank, brokerage firm or other nominee. Please contact your bank, brokerage firm or other nominee for further information.

Proposal One – Election of Directors: Assuming a quorum, each of the six (6) nominees for Director will be elected as Directors of RESI by a plurality of the votes cast in person or by proxy at the Annual Meeting. You may vote “FOR” all nominees, “WITHHOLD” your vote as to all nominees, or vote “FOR” all nominees except those specific nominees from whom you “WITHHOLD” your vote. A properly executed proxy marked “WITHHOLD” with regard to the election of one or more Directors will not be voted with regard to the Director or Directors indicated. “Plurality” means that the six (6) individuals who receive the greatest number of votes cast “FOR” are elected as directors. Cumulative voting in the election of Directors is not permitted.

Neither broker “non-votes” nor votes marked “WITHHOLD” will have an effect with regard to the election of any nominee.

Proposal Two - Approval, on an advisory basis, of the Compensation of the Company’s Named Executive Officers, as Disclosed in the Proxy Statement: Assuming a quorum, the proposal to approve the compensation of the Company’s named executive officers requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting. You may vote “FOR” or “AGAINST” or “ABSTAIN” on Proposal Two.

Abstentions and broker “non-votes” will not be counted in determining the votes cast in connection with Proposal Two and will have no effect on the results of the vote on Proposal Two.

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The below table summarizes the voting requirements to elect Directors and to approve the “Say-on-Pay” proposal in this Proxy Statement:

Proposal	Vote Required
1. Election of Directors	Plurality of votes cast
2. Approval of executive compensation on an advisory basis	Majority of shares represented at meeting in person or by proxy and entitled to vote

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### Board Recommendation

The Board recommends that you vote as follows:

•“FOR” each of the six (6) director nominees set forth in Proposal One; and

•“FOR” the approval, on an advisory basis, of the compensation of the Company’s named executive officers, as disclosed in the Proxy Statement set forth in Proposal Two.

Any properly authorized proxy as to which no instructions are given will be voted in accordance with the foregoing recommendations.

### Costs of Solicitation

We will bear the cost of the solicitation of proxies by the Company. In addition to mail and e-mail, proxies may be solicited personally, via the Internet or by telephone or facsimile by our Directors, officers and employees without additional compensation. Additionally, we may hire a proxy solicitor to help reach the quorum requirement. If we do so, we will pay a reasonable fee in relation to these services. We will reimburse brokers and other persons holding stock in their names, or in the names of nominees, for their expenses for forwarding proxy materials to principals and beneficial owners and obtaining their proxies.

## ELECTION OF DIRECTORS

(Proposal One)

Our Charter and Bylaws provide that that the number of our Directors will be fixed by a majority of our entire Board of Directors but may not be fewer than the minimum required under the Maryland General Corporation Law, which is one, nor more than fifteen. Currently we have six (6) members of our Board of Directors.

The six (6) nominees listed below for election as Directors at the Annual Meeting have been recommended by our Nomination/Governance Committee and nominated by our Board of Directors to serve on the Board until the 2018 Annual Meeting of Stockholders and/or until their successors are duly elected and qualified. Assuming a quorum, the six (6) nominees for Director will be elected as Directors by a plurality of the votes cast in person or by proxy at the Annual Meeting. All of the Company's nominees currently serve as our Directors. There are no arrangements or understandings between any of the Company's nominees and any other person for selection as a nominee.

If any of the Company's nominees are unable or unwilling to stand for election at the time of the Annual Meeting, the person or persons appointed as proxies will vote for a replacement nominee or nominees recommended by our Board of Directors. At this time, our Board of Directors knows of no reason why any of the Company's nominees would not be able or willing to serve as a Director if elected.

## Nominees for Director

The following table sets forth certain information concerning our nominees for Director:

Name	Age (1)	Director Since	Audit Committee	Compensation Committee	Nomination/Governance Committee
David B. Reiner	61	2012	X	X (2)	
Michael A. Eruzio	62	2012		X	X
George G. Ellison	58	2015			
William P. Wall	54	2016	X (2)	X	X
Rochelle R. Dobbs	55	2016	X		X (2)
Wade J. Henderson	68	2017		X	

(1) As of the date of this Proxy Statement.

(2) Expected Committee Chair following the 2017 Annual Meeting of Stockholders.

The principal occupation for at least the last five (5) years and additional biographical information of each Director of RESI is set forth below.

David B. Reiner. Mr. Reiner was elected to the Board of Directors in December 2012 and became Chairman of the Board of Directors on January 16, 2015. Mr. Reiner is currently a Managing Director with Regional Real Estate Investment Corporation ("RREIC"), a registered investment advisor that manages private investment funds that make opportunistic real estate investments. Prior to joining RREIC, Mr. Reiner served as a Managing Director of Grosvenor Investment Management US Inc. ("GIM"), a real estate investment fund, from 2003 to 2011. At GIM, Mr. Reiner was responsible for the development and implementation of business strategy, capital markets activities, fund and investment development, fund-raising, fund operations and investor relations. He also was a member of the Management and Investment Committees for GIM's Investment Funds business and served on the Capital Markets Committee of Grosvenor Fund Management Ltd. Prior to that, Mr. Reiner was a Co-founder and Managing Director

of Legg Mason Real Estate Investors, Inc., from 2000 until 2003, a specialty real estate lender that provided mezzanine and bridge loans to the commercial real estate industry. From December 2011 to October 2015, Mr. Reiner served on the board of directors and as chairman of the Audit Committee of Home Loan Servicing Solutions, Ltd. (“HLSS”). Prior to joining the HLSS board, he served three years on the board of directors of Ocwen Financial Corporation (“Ocwen”), where he was also a member of both the Audit Committee and the Nomination/Governance Committee. Mr. Reiner holds a Bachelor of Arts from the University of South Carolina in Columbia, South Carolina and a Juris Doctorate from George Mason University School of Law in Fairfax, Virginia. He also completed graduate work in international affairs and economics at the Fletcher School of Law & Diplomacy at Tufts

University in Medford, Massachusetts and the Johns Hopkins School of Advanced International Studies in Washington, DC.

Mr. Reiner's real estate investment expertise, particularly with respect to capital market activities, investment strategies and funding operations, provides insight to the Board of Directors. In addition, his background in economics and public company Audit Committee experience enables him to provide guidance to the Board of Directors in overseeing the financial and accounting aspects of our operations.

Michael A. Eruzione. Mr. Eruzione was elected to our Board of Directors in December 2012. Mr. Eruzione represents major corporations as a spokesperson and as a motivational speaker and has served as the Director of Special Outreach at Boston University in Boston, Massachusetts since 1995. He previously served as the Director of Special Programs for Alumni Relations and Development. From 1984 to 1994, Mr. Eruzione worked as a sports commentator for Madison Square Garden, ABC, NBC and CBS. Mr. Eruzione was captain of the 1980 United States Olympic Hockey Team that won the gold medal in Lake Placid, NY. Mr. Eruzione holds a Bachelor of Arts from the Boston University School of Education in Boston, Massachusetts.

Mr. Eruzione's diverse background and experience representing major corporations provides insight to the Board of Directors, particularly with respect to the development of strategic relationships.

George G. Ellison. Mr. Ellison was elected to our Board of Directors on August 25, 2015. Mr. Ellison has served as our Chief Executive Officer since June 15, 2015, as our President since March 31, 2015 and as the Chief Executive Officer of Altisource Asset Management Corporation ("AAMC") since February 17, 2015. Prior to joining AAMC, Mr. Ellison had been employed for 19 years at Bank of America and its predecessor, NationsBank. Mr. Ellison held several roles over his career at Bank of America, most recently being the executive leading the team that managed the valuation and disposition of Bank of America's legacy mortgage loan portfolio and a leading member of Bank of America's Special Initiatives team that worked to resolve Bank of America's representation and warranty litigation. Prior to his most recent roles, Mr. Ellison was Global Head of the Structured Products division within Bank of America's Investment Banking platform. His responsibilities involved all Structured Products including RMBS, ABS, ABCP Conduit and CMBS securities, among others. Mr. Ellison holds a Bachelor of Science in Industrial Engineering from the University of Pittsburgh and a Master's of Business Administration from the Wharton School of Business.

Mr. Ellison's extensive mortgage, real estate, structured products and transactional experience provides the Board of Directors with subject matter expertise in the markets in which the Company competes. In addition, through his position as Chief Executive Officer of AAMC and RESI, Mr. Ellison has acquired significant experience in our business and offers the Board of Directors insight into Company specific operational and transactional matters.

William P. Wall. Mr. Wall was appointed to our Board of Directors on March 1, 2016. Mr. Wall is a managing member of OQ Partners, LLC, a private investment firm headquartered in Lexington, MA. Mr. Wall has served as a Director of Haynes International, Inc. (NASDAQ - HAYN) since 2004 and is the Chairman of the Corporate Governance and Nominating Committee and a member of the Audit Committee and Compensation Committee. Mr. Wall is also a member of the Board of Directors of STAAR Surgical, Inc. (NASDAQ - STAA), where he serves as Chairman of the Nominating and Governance Committee and a member of the Compensation Committee and Audit Committee. From February 2006 until June 2015, Mr. Wall served as general counsel of Abrams Capital Management, LLC, a value-oriented investment firm headquartered in Boston. Prior to joining Abrams Capital, Mr. Wall was a partner at a hedge fund for two years and was employed with Fidelity Investments for seven years, concluding as a Managing Director in its private investment group. Mr. Wall began his career as an Associate at the law firm of Ropes & Gray. Previously, Mr. Wall served as a Director of Automobile Holdings, Nations Commercial Finance and Eightfold Capital Management. Mr. Wall received his Bachelor of Arts from the University of

Massachusetts at Amherst and a Master's of Public Administration and Juris Doctorate from Harvard University.

Mr. Wall provides the Board of Directors with extensive investment, legal and corporate governance expertise and has substantial experience as a member of other public company boards of directors.

Rochelle R. Dobbs. Ms. Dobbs was appointed to our Board of Directors on December 5, 2016. Ms. Dobbs currently serves as Chair of the Company's Nomination/Governance Committee and is a member of the Audit Committee. Since 2010, Ms. Dobbs has served as President of R Dobbs Partners LLC, a New York-based consulting firm focused on commercial real estate transactions, including debt restructures, distressed debt purchases, and debt/

equity originations. From 2000 to 2010, Ms. Dobbs was a Managing Director and Head of Real Estate Structured Finance (US) and Head of CMBS Capital Markets at Bank of America Merrill Lynch (“BAML”), a leading financial institution. At BAML, Ms. Dobbs was involved in the building of origination and servicing platforms designed to deliver a wide range of products and services to public and private clients in the commercial real estate industry. Prior to joining BAML, from 1995 to 2000, Ms. Dobbs was a Managing Director and Head of Loan Origination at Chase Manhattan Bank where she managed a nationwide origination group for Chase’s newly created commercial mortgage backed security business. Ms. Dobbs was a member and served on the Board of Governors of Commercial Mortgage Securities Association. Ms. Dobbs holds a Bachelor of Arts - Economics from New York University in New York City.

Ms. Dobbs’ extensive mortgage, real estate, structured products and transactional experience provides the Board of Directors with subject matter expertise in the markets in which the Company competes as a result of her various leadership roles leading real estate and mortgage operations.

Wade J. Henderson. Mr. Henderson was appointed to our Board of Directors on April 24, 2017. Since 1996, Mr. Henderson has served as the President and CEO of The Leadership Conference on Civil and Human Rights and The Leadership Conference Education Fund. The Leadership Conference on Civil and Human Rights was founded in 1950 and engages in legislative advocacy on behalf of more than 200 national organizations to promote and protect the civil and human rights of all persons in the United States. The Education Fund was founded in 1969 as the education and research arm of The Leadership Conference. As CEO, Mr. Henderson has increased the size of the coalition from 170 to more than 200 member organizations and has led social justice initiatives and developed strategy on major policy priorities regarding civil and human rights on behalf of The Leadership Conference’s constituent organizations. Under his guidance, The Leadership Conference steered successful campaigns to reauthorize the Voting Rights Act; pass the Help America Vote Act, the Fair Sentencing Act, the Lilly Ledbetter Fair Pay Act, the ADA Amendments Act, the Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act. Since 1998, Mr. Henderson has also acted as the Joseph L. Rauh, Jr., Professor of Public Interest Law at the David A. Clarke School of Law, University of the District of Columbia. Prior to his role with The Leadership Conference, Mr. Henderson was the Washington Bureau director of the NAACP from 1991 to 1996, where he directed the organization’s government affairs and national legislative program. From 1982 to 1991, Mr. Henderson was the associate director of the Washington national office of the ACLU. Mr. Henderson holds a Bachelor of Arts from Howard University and a Juris Doctorate from the Rutgers University School of Law and is a member of the Bar of the U.S. Supreme Court and the District of Columbia.

Mr. Henderson’s vast experience with social justice issues, commitment to equality and experience with legislative advocacy provides RESI with valuable insight into the needs of our prospective tenants and strategies for socially responsible growth.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS YOU VOTE “FOR” THE ELECTION OF THE NOMINEES LISTED ABOVE BASED UPON THEIR RESPECTIVE EXPERIENCES, QUALIFICATIONS AND SKILLS IDENTIFIED ABOVE.**

## BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

### Meetings of the Board of Directors

The Board of Directors plays an active role in overseeing management and representing the interests of our stockholders. Directors are asked to attend all meetings of the Board of Directors and the meetings of committees on which they serve. Directors are also consulted for advice and counsel between formal meetings.

Our Board of Directors held seven (7) meetings in 2016. Each incumbent Director that has served since the 2016 Annual Meeting of Stockholders has attended all of these meetings as well as the meetings held by all committees of our Board of Directors on which they served during the year. Ms. Dobbs has also attended all meetings of the Board as well as the meetings held by all committees of our Board of Directors on which she served since the date of her appointment. The Board of Directors also regularly held executive sessions of the independent Directors. While we do not have a formal policy regarding Director attendance at the Annual Meeting, all of the incumbent members of our Board of Directors who were serving as Directors as of the 2016 Annual Meeting of Stockholders attended such meeting.

### Independence of Directors

Our Corporate Governance Guidelines provide that our Board of Directors must be comprised of a majority of Directors who qualify as independent Directors under the standards of the NYSE.

Our Board of Directors annually reviews the direct and indirect relationships that we have with each Director. The purpose of this review is to determine whether any such transactions or relationships are inconsistent with a determination that the Director is independent. Only those Directors who are determined by our Board of Directors to have no material relationship with RESI and otherwise qualify as independent under applicable SEC and NYSE rules are considered independent. This determination is based in part on the analysis of questionnaire responses that follow the independence standards and qualifications established by NYSE rules and federal securities law. Our current Board of Directors has determined that Messrs. Eruzione, Henderson, Reiner and Wall and Ms. Dobbs are independent Directors. The Board of Directors also previously reached this independence determination for Dr. James H. Mullen and Mr. Robert J. Fitzpatrick, who stepped down from the Board of Directors on March 1, 2016 and December 5, 2016, respectively.

### Board Leadership Structure

Our Board of Directors has no fixed policy with respect to the separation of the offices of Chairman of the Board of Directors and Chief Executive Officer. Our Board of Directors retains the discretion to make this determination on a case-by-case basis from time to time as it deems to be in the best interests of the Company and its stockholders at any given time. The Board of Directors currently believes that separating the positions of Chief Executive Officer and Chairman of the Board of Directors is the best structure to fit our needs. Mr. Ellison is our Chief Executive Officer. Mr. Ellison is responsible for our day-to-day operations and for formulating and executing our long-term strategies in collaboration with and under the oversight of the Board of Directors. As Chairman of the Board of Directors, Mr. Reiner leads the Board and oversees meetings of the Board of Directors and the delivery of information necessary for the Board's informed decision-making.

### Director Stock Ownership Guidelines

We recognize the importance of aligning our Board's interests with those of our stockholders. As a result, in 2016 the Board adopted stock ownership guidelines for all of our Directors. Under these guidelines, each Director is expected to accumulate, by July 1, 2021 (or, if later, by July 1 of the fifth year following the year of becoming a Director), Company stock having a fair market value equal to five times such Director's annual base cash retainer for acting as a Director. For purposes of these guidelines, shares held in trust or retirement accounts, deferred stock units and restricted stock units ("RSUs") count toward the ownership guidelines. Each Director is expected to retain 100% of the net after-tax shares received upon vesting and exercise of equity incentive awards until the guidelines are satisfied.

Committees of the Board of Directors

Our Board of Directors has