

# American Home Mortgage Investment Corp.

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## Charter of Compensation Committee

### **Creation; Status; Membership**

The Compensation Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of American Home Mortgage Investment Corp., a Maryland corporation (the “Company”).

The Committee shall consist of three or more directors all of whom, in the judgment of the Board, shall be independent. In this regard, a person may serve on the Committee only if the Board determines that he or she: (i) is a “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended; (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended; and (iii) is “independent” in accordance with the listing standards of the New York Stock Exchange.

The Board shall appoint the members of the Committee, each of whom shall serve on the Committee until the earlier of such member’s (i) removal by the Board or (ii) death or resignation. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee deems appropriate, provided any such subcommittee is composed entirely of independent directors as defined under the then-current listing standards of the New York Stock Exchange. The Board shall designate a member of the Committee to serve as the Committee’s chairperson.

### **Purpose and Responsibilities**

The primary purpose of the Committee is to consider and make recommendations to the Board concerning the compensation of the Company’s Chief Executive Officer (CEO), directors and executive officers.

In addition, the Committee has responsibility for:

- (a) reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO’s performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board), determining and approving the CEO’s compensation level based on this evaluation;

- (b) making recommendations to the Board with respect to compensation of executive officers, incentive-compensation plans and equity-based plans; and
- (c) producing a compensation committee report on executive compensation as required by the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement or annual report on Form 10-K filed with the SEC.

In determining the long-term incentive component of the CEO’s compensation, the Committee shall consider the Company’s performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the Company’s CEO in past years.

In addition, the Committee may, but is not required to:

- establish criteria for membership on the Committee;
- establish a procedure for appointing and/or removing members from the Committee;
- establish a structure for and the operations of the Committee (including any authority to delegate to a subcommittee of the Committee);
- establish a procedure for the Committee’s reporting to the Board;
- recommend criteria for granting options and awarding other equity compensation to the Company’s officers and other employees; and
- perform any other activities consistent with this Charter, the Company’s bylaws and governing law as the Committee or the Board deems appropriate.

### **Meetings and Actions by Written Consent**

The Committee shall meet as often as its members deem necessary to perform the Committee’s responsibilities or as otherwise required by the Board. Notice of the Committee’s meetings shall be given in the same manner as notice for special meetings of the Board. A majority of the members of the Committee shall constitute a quorum for the transaction of business at any meeting of the Committee. The act of a majority of the Committee members present at a meeting shall be the act of the Committee. Members of the Committee may participate in a meeting by means of a conference telephone or similar communications equipment provided that all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

The chairperson of the Committee or any two members of the Committee (if there are at least two members of the Committee at such time) may fix the time and place of

the Committee's meeting, unless the Board shall otherwise provide. In the absence of any member of the Committee, the Committee's members who are present at any meeting of the Committee, whether or not they constitute a quorum, may appoint another director to act in the place of the Committee member who is not present at such meeting, provided that the Board determines that such other director is an independent director in accordance with applicable law, the then current-standards of the New York Stock Exchange and this Charter.

Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent 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.

### **Reporting and Performance Evaluation**

The Committee shall keep minutes of its proceedings and shall report its minutes to the Board at the next succeeding meeting of the Board. The Committee shall conduct and prepare in writing an annual performance evaluation of itself and shall deliver such written performance evaluation to the Board.

### **Committee Resources**

The Committee shall have the authority to obtain advice and assistance from internal or external legal, accounting, financial or other advisors. Without limiting the foregoing, the Committee shall have the authority, to the extent it deems necessary or appropriate, to retain a compensation consultant to assist in the evaluation of director, CEO or executive compensation. The Committee shall have sole authority to retain and terminate any such consulting firm, including sole authority to approve such consulting firm's fees and terms of retention and termination. Upon the Committee's request to the Company, the Company shall promptly pay any fees and costs charged by any such consulting firm or other advisors employed by the Committee.

### **Committee Charter**

The Committee shall review at least annually the adequacy of this Charter and recommend to, and for approval by, the Board any modifications, amendments or other revisions to this Charter that it deems appropriate. This Charter shall be made available on the Company's website.