

Wheeler Real Estate Investment Trust, Inc.  
Form DEF 14A  
May 16, 2016

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

**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange 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 Pursuant to Section 240.14a-12.

**WHEELER REAL ESTATE INVESTMENT TRUST, INC.**

**(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.

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**Riversedge North**

**2529 Virginia Beach Boulevard, Suite 200**

**Virginia Beach, Virginia 23452**

**May 16, 2016**

Dear Fellow Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Wheeler Real Estate Investment Trust, Inc. (the Company) (the Annual Meeting) to be held at the Cavalier Golf & Yacht Club, 1052 Cardinal Road, The Cavalier Room, Virginia Beach, Virginia 23451, on June 15, 2016 at 9:30 a.m., local Virginia Beach, Virginia time.

The enclosed Notice of Annual Meeting of Stockholders and Proxy Statement describe the formal business to be transacted at the Annual Meeting, which includes a report on the operations of the Company. Directors and officers of the Company will be present to answer any questions that you and other stockholders may have. Also enclosed for your review is our Annual Report on Form 10-K, which contains detailed information concerning the activities and operating performance of the Company.

The business to be conducted at the Annual Meeting consists of:

the reelection of eight members of the Board of Directors;

approving the Company's 2016 Long-term Incentive Plan; and

the ratification of Cherry Bekaert LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016.

The Board of Directors has determined that the matters to be considered at the Annual Meeting are in the best interest of Wheeler Real Estate Investment Trust, Inc., and its stockholders, and the Board of Directors unanimously recommends a vote FOR all proposals.

Please indicate your vote by using the enclosed proxy card or by voting by telephone or internet, even if you currently plan to attend the Annual Meeting. This will not prevent you from voting in person, but will assure that your vote is counted. Your vote is important, and it is important that we receive your vote as soon as possible.

Sincerely,

Jon S. Wheeler  
Chairman and Chief Executive Officer

**WHEELER REAL ESTATE INVESTMENT TRUST, INC.**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JUNE 15, 2016**

Wheeler Real Estate Investment Trust, Inc. will hold its Annual Meeting on June 15, 2016, at 9:30 a.m., local Virginia Beach, Virginia time, at the Cavalier Golf & Yacht Club, 1052 Cardinal Road, The Cavalier Room, Virginia Beach, VA 23451. The purpose of the meeting is to:

elect a Board of eight directors to serve until the next annual meeting and until their successors are duly-elected and qualified;

approving the Company's 2016 Long-Term Incentive Plan;

ratify the appointment of Cherry Bekaert LLP as the independent registered public accounting firm; and

act upon such other matters as may properly be presented at the Annual Meeting.

Only stockholders of record at the close of business on April 28, 2016, will be entitled to vote at the meeting.

Your vote is important. Whether or not you plan to attend the meeting, please complete, sign, date and return the enclosed proxy card in the accompanying envelope provided. Your completed proxy will not prevent you from attending the meeting and voting in person should you choose.

Dated: May 16, 2016

By order of the Board of Directors,

Robin Hanisch  
Corporate Secretary

**This Proxy Statement is available at [www.whlr.us](http://www.whlr.us). Among other things, the Proxy Statement contains information regarding:**

**The date, time and location of the meeting**

**A list of the matters being submitted to stockholders**

**Information concerning voting in person**

**WHEELER REAL ESTATE INVESTMENT TRUST, INC.**

**PROXY STATEMENT**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD JUNE 15, 2016**

The Board of Directors of Wheeler Real Estate Investment Trust, Inc. (the **Company** or **we** or **us**) is soliciting proxies to be used at the Annual Meeting of Stockholders following the fiscal year ended December 31, 2015 (the **Annual Meeting**). Distribution of this Proxy Statement and a Proxy Form is scheduled to begin on May 16, 2016. The mailing address of the Company's principal executive office is Riversedge North, 2529 Virginia Beach Boulevard, Suite 200, Virginia Beach, Virginia 23452.

**About the Meeting**

**Who Can Vote**

Record holders of Common Stock, \$0.01 par value per share ( **Common Stock** ) of the Company at the close of business on April 28, 2016 (the **Record Date** ) may vote at the Annual Meeting. On that date, 66,403,669 shares of Common Stock were outstanding. Each share is entitled to cast one vote.

**How Can You Vote**

If you return your signed proxy before the Annual Meeting, we will vote your shares as you direct. You can specify whether your shares should be voted for all, some or none of the nominees for director. You can also specify whether you approve, disapprove or abstain from the proposal to approve the Company's 2016 Long-Term Incentive Plan. You can also specify whether you approve, disapprove or abstain from the other proposal to ratify the selection of auditors. You can also vote by Internet, at the address shown on your proxy card or by phone, at 1-800-652-VOTE (8683).

If a proxy is executed and returned but no instructions are given, the shares will be voted according to the recommendations of the Board of Directors (the **Board of Directors** or the **Board** ). The Board of Directors unanimously recommends a vote **FOR** all of Proposals 1, 2 and 3.

**Revocation of Proxies**

You may revoke your proxy at any time before it is exercised by (a) delivering a written notice of revocation to the Corporate Secretary, (b) delivering another proxy that is dated later than the original proxy, or (c) casting your vote in person at the Annual Meeting. Your last vote will be the vote that is counted.

**What am I voting on?**

You will be voting on the following:

- (1) The reelection of eight members of the Board of Directors, each to serve a term expiring at the Annual Meeting of Shareholders in 2017 or until their successors are duly elected and qualified;

- (2) Approving the Company's 2016 Long-Term Incentive Plan; and
- (3) The ratification of Cherry Bekaert LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2016.



## Vote Required

The holders of a majority of the shares entitled to vote who are either present in person or represented by a proxy at the Annual Meeting will constitute a quorum for the transaction of business at the Annual Meeting. As of April 28, 2016 there were 66,403,669 shares of Common Stock issued and outstanding. The presence, in person or by proxy, of stockholders entitled to cast at least 33,201,835 votes constitutes a quorum for adopting the proposals at the Annual Meeting. If you have properly signed and returned your proxy card by mail or voted by internet or phone, you will be considered part of the quorum, and the persons named on the proxy card will vote your shares as you have instructed. If the broker holding your shares in street name indicates to us on a proxy card that the broker lacks discretionary authority to vote your shares, we will not consider your shares as present or entitled to vote for any purpose.

A plurality of the votes cast is required for the election of directors. This means that the director nominee with the most votes for a particular slot is elected to that slot. A proxy that has properly withheld authority with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum. Abstentions and broker non-votes will not count as votes cast and will not affect the outcome of the vote.

For the proposal to approve the 2016 Long-Term Incentive Plan, a majority of the votes cast at a meeting in which a quorum is present is required for approval. An abstention with respect to such proposal will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention as well as a broker non-vote will have no effect because it is not a vote cast.

The Company's Bylaws do not require that stockholders ratify the appointment of Cherry Bekaert LLP as the Company's independent registered public accounting firm. The Audit Committee will consider the outcome of this vote in its decision to appoint an independent registered public accounting firm next year. The Company, however, is not bound by the stockholders' decision. Even if the selection is ratified, the Audit Committee, in its sole discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interest of the Company and its stockholders.

As of the Record Date, affiliates held 3,256,400 shares representing approximately 4.90% of the shares outstanding. These affiliates have advised the Company that they currently intend to vote all of their shares in favor of the approval of both proposals.

If you received multiple proxy cards, this indicates that your shares are held in more than one account, such as two brokerage accounts, and are registered in different names. You should vote each of the proxy cards to ensure that all your shares are voted.

## Implications of being an emerging growth company

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act, enacted on April 5, 2012 (the JOBS Act). For as long as we are an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding stockholder advisory say-on-pay votes on executive compensation and stockholder advisory votes on golden parachute compensation.

Under the JOBS Act, we will remain an emerging growth company until the earliest of:

the last day of the fiscal year during which we have total annual gross revenues of \$1 billion or more;

the last day of the fiscal year following the fifth anniversary of our initial public offering;

the date on which we have, during the previous three-year period, issued more than \$1 billion in non-convertible debt; and

the date on which we are deemed to be a large accelerated filer under the Securities Exchange Act of 1934, as amended (the Exchange Act ) (we will qualify as a large accelerated filer as of the first day of the first fiscal year after we have (i) more than \$700 million in outstanding common equity held by our non-affiliates and (ii) been public for at least 12 months; the value of our outstanding common equity will be measured each year on the last day of our second fiscal quarter)

### **Other Matters to be Acted Upon at the Annual Meeting**

We do not know of any other matters to be validly presented or acted upon at the Annual Meeting. If any other matter is presented at the Annual Meeting on which a vote may be properly taken, the shares represented by proxies will be voted in accordance with the judgment of the person or persons voting those shares.

### **Expenses of Solicitation**

The Company is making this solicitation and will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes. Some of our directors, officers and employees may solicit proxies personally, without any additional compensation, by telephone or mail. Proxy materials will also be furnished without cost to brokers and other nominees to forward to the beneficial owners of shares held in their names.

### **Available Information**

Our internet website address is *www.whlr.us*. We make available free of charge through our website our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports as soon as reasonably practicable after we electronically file or furnish such materials to the Securities and Exchange Commission (the SEC ). In addition, we have posted the Charters of our Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee, as well as our Code of Business Conduct and Ethics, Corporate Governance Principles, including guidelines on director independence, and Insider Trading Policy, all under separate headings. These charters and principles are not incorporated in this instrument by reference. We will also provide a copy of these documents free of charge to stockholders upon written request.

### **Multiple Stockholders Sharing the Same Address**

The SEC rules allow for the delivery of a single copy of an annual report and proxy statement to any household at which two or more stockholders reside, if it is believed the stockholders are members of the same family. Duplicate account mailings will be eliminated by allowing stockholders to consent to such elimination, or through implied consent if a stockholder does not request continuation of duplicate mailings ( Householding ). Depending upon the practices of your broker, bank or other nominee, you may need to contact them directly to continue duplicate mailings to your household. If you wish to revoke your consent to Householding, you must contact your broker, bank or other nominee.

If you hold shares of Common Stock in your own name as a holder of record, Householding will not apply to your shares.

If you wish to request extra copies free of charge of any annual report, proxy statement or information statement, please send your request to Wheeler Real Estate Investment Trust, Inc., Attention: Secretary, Riversedge North, 2529 Virginia Beach Boulevard, Suite 200, Virginia Beach, Virginia 23452.



## Questions

You may call our Investor Relations Department at 757-627-9088 if you have any questions.

## PLEASE VOTE - YOUR VOTE IS IMPORTANT

### Corporate Governance and Board Matters

The affairs of the Company are managed by the Board of Directors. Directors are elected at the annual meeting of stockholders each year or appointed by the incumbent Board of Directors and serve until the next annual meeting of stockholders or until a successor has been elected or approved.

### Current members of the Board

The members of the Board of Directors on the date of this proxy statement, and the committees of the Board on which they serve, are identified below:

Director	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	Investment Committee	Finance Committee
Jon S. Wheeler					
Kurt Harrington	Member		Member		
Carl B. McGowan, Jr.	Chairperson			Member	
David Kelly					Member
Stewart Brown		Member	Chairperson	Member	Member
William W. King	Member	Chairperson	Member		
Jeffrey Zwerdling		Member		Chairperson	
John McAuliffe					Chairperson

### Role of the Board's Committees

The Board of Directors has standing Audit, Compensation, Nominating and Corporate Governance, Investment and Finance Committees.

**Audit Committee.** The functions of the Audit Committee are described below under the heading *Report of the Audit Committee*. The charter of the Audit Committee was adopted on November 16, 2012, and is available on the Company's Investor Relations tab of our website ([www.whlr.us](http://www.whlr.us)). All of the members of the Audit Committee are independent within the meaning of SEC regulations, the listing standards of the Nasdaq Stock Market and the Company's *Corporate Governance Principles*. Dr. McGowan, a member and Chair of the Audit Committee, is qualified as an audit committee financial expert within the meaning of SEC regulations and the Board has determined that he has accounting and related financial management expertise within the meaning of the listing standards of the Nasdaq Stock Market. All of the members of the Audit Committee meet the independence and experience requirements of the listing standards of the Nasdaq Stock Market. The Audit Committee met six times in 2015.

**Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee is responsible for developing and implementing policies and practices relating to corporate governance, including reviewing and monitoring implementation of the Company's *Corporate Governance Guidelines*. In addition, the Nominating and Corporate Governance Committee develops and reviews background information on candidates for the Board and makes recommendations to the Board regarding such candidates. The Nominating and Corporate

Governance Committee also prepares and supervises the Board's annual review of director independence and the Board's performance self-evaluation. The charter of the Nominating and Corporate Governance Committee was adopted on November 16, 2012 and updated in 2016, and is available on

the Company's Investor Relations website ([www.whlr.us](http://www.whlr.us)). All of the members of the Nominating and Corporate Governance Committee are independent within the meaning of the listing standards of the Nasdaq Stock Market and the Company's *Corporate Governance Principles*. The Nominating and Corporate Governance Committee met two times in 2015.

**Compensation Committee.** The Compensation Committee is responsible for overseeing the policies of the Company relating to compensation to be paid by the Company to the Company's principal executive officer and any other officers designated by the Board, and to make recommendations to the Board with respect to such policies, produce necessary reports on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations and to monitor the development and implementation of succession plans for the principal executive officer and other key executives and make recommendations to the Board with respect to such plans. The charter of the Compensation Committee was adopted on November 16, 2012 and updated in 2014 and 2016, and is available on the Company's Investor Relations website ([www.whlr.us](http://www.whlr.us)). All of the members of the Compensation Committee are independent within the meaning of the listing standards of the Nasdaq Stock Market and the Company's *Corporate Governance Principles*. The Compensation Committee may not delegate its authority to other persons. While the Company's executives will communicate with the Compensation Committee regarding executive compensation issues, the Company's executive officers do not participate in any executive compensation decisions. The Compensation Committee met five times in 2015.

The Compensation Committee retained Mercer as its independent compensation consultant in 2015 to assist in executive compensation issues. Specifically, Mercer assisted the Compensation Committee in its review and design of the Company's executive compensation program for executives and directors. Mercer was engaged by the Compensation Committee after review and consideration of other proposals submitted by prospective compensation consultants. The Compensation Committee engaged Mercer based upon the value and the scope of services that they provide. The Compensation Committee instructed Mercer to provide market assessment of executive and officer compensation, and provide appropriate executive compensation plan designs. Mercer reported directly to the Compensation Committee and performs no other work for the Company.

The Compensation Committee has analyzed whether the work of Mercer as a compensation consultant has raised any conflict of interest, taking into consideration the following factors:

- i. The provision of other services to the Company by Mercer;
- ii. The amount of fees from the Company paid to Mercer as a percentage of the firm's total revenue;
- iii. Mercer policies and procedures that are designed to prevent conflicts of interest;
- iv. Any business or personal relationship of Mercer or the individual compensation advisors employed by the firm with an executive officer of the Company;
- v. Any business or personal relationship of the individual compensation advisors with any member of the Compensation Committee; and

vi. Any stock of the Company owned by Mercer or the individual compensation advisors employed by the firm. The Compensation Committee has determined, based on its analysis of the above factors, that the work of Mercer and the individual compensation advisors employed by Mercer as compensation consultants to the Company has not created any conflict of interest.

***Investment Committee.*** The Investment Committee is responsible for reviewing and analyzing strategic real estate acquisitions and investments. In addition, the Investment Committee makes recommendations to the Board regarding the potential real estate acquisitions and investments. The Investment Committee was formed on September 25, 2013 and has not adopted a charter. All of the members of the Investment Committee are



independent within the meaning of the listing standards of the Nasdaq Stock Market and the Company's *Corporate Governance Principles*. The Investment Committee met three times in 2015.

**Finance Committee.** The Finance Committee is responsible for overseeing the financial policies and practices of the Company. In addition, the Finance Committee oversees the budget process of the Company, including the review of budget policies, practices, and annual budget schedule. The Finance Committee provides regular review of the budget throughout the year and recommends to the Board any changes, additions or deletions to the financial policies and practices as it deems appropriate. The Investment Committee was formed in February 2016 and has not adopted a charter. Two of the members of the Finance Committee are independent within the meaning of the listing standards of the Nasdaq Stock Market and the Company's *Corporate Governance Principles*.

### **Board Leadership Structure**

Jon S. Wheeler ( Mr. Wheeler ) currently holds both the positions of Chief Executive Officer and Chairman of the Board. These two positions have not been consolidated into one position; Mr. Wheeler simply holds both positions at this time. The Board of Directors believes that Mr. Wheeler's service as both Chief Executive Officer and Chairman of the Board is in the best interests of the Company and its shareholders. Mr. Wheeler possesses detailed and in-depth knowledge of the issues, opportunities and challenges facing the Company and its business and is thus best positioned to develop agendas that ensure that the Board's time and attention are focused on the most critical matters. His combined role enables decisive leadership, ensures clear accountability, and enhances the Company's ability to communicate its message and strategy clearly and consistently to the Company's shareholders, employees, customers and suppliers.

Our Board of Directors believes that its governance structure ensures a strong, independent Board even though the Board does not have an independent Chairman. To strengthen the role of our independent directors and to encourage independent Board leadership, the Board of Directors also has established the position of lead independent director, which currently is held by Mr. Zwerdling. The Board of Directors then serving on the Board selected Mr. Zwerdling as lead independent director unanimously. Together, our Lead Independent Director and the Chairman and Chief Executive Officer, facilitate clear leadership, responsibility and accountability, effective decision-making and a cohesive corporate strategy.

### **Selection of Nominees for the Board**

The Nominating and Corporate Governance Committee will consider candidates for Board membership suggested by its members and other Board members, as well as management and stockholders. The committee may also retain a third-party executive search firm to identify candidates upon request of the committee from time to time. A stockholder who wishes to recommend a prospective nominee for the Board should notify the Company's Corporate Secretary or any member of the Nominating and Corporate Governance Committee in writing with whatever supporting material the stockholder considers appropriate. The Nominating and Corporate Governance Committee will also consider whether to nominate any person nominated by a stockholder pursuant to the provisions of the Company's Bylaws relating to stockholder nominations.

Once the Nominating and Corporate Governance Committee has identified a prospective nominee, the committee will make an initial determination as to whether to conduct a full evaluation of the candidate. This initial determination will be based on whatever information is provided to the committee with the recommendation of the prospective candidate, as well as the committee's own knowledge of the prospective candidate, which may be supplemented by inquiries to the person making the recommendation or others. The preliminary determination will be based primarily on the need for additional Board members to fill vacancies or expand the size of the Board and the likelihood that the prospective nominee can satisfy the evaluation factors described below. If the committee determines, in consultation with the Chairman of the Board and other Board members as appropriate, that additional consideration is warranted, it

may request the third-party search firm to

gather additional information about the prospective nominee's background and experience and to report its findings to the committee. The committee will then evaluate the prospective nominee against the standards and qualifications generally set out in the Company's *Corporate Governance Guidelines*, including:

the ability of the prospective nominee to represent the interests of the stockholders of the Company;

the prospective nominee's standards of integrity, commitment and independence of thought and judgment;

the prospective nominee's ability to dedicate sufficient time, energy, and attention to the diligent performance of his or her duties, including the prospective nominee's service on other public company boards, as specifically set out in the Company's *Corporate Governance Guidelines*;

the extent to which the prospective nominee contributes to the range of talent, skill and expertise appropriate for the Board;

the extent to which the prospective nominee helps the Board reflect the diversity of the Company's stockholders, employees, customers, guests and communities; and

the willingness of the prospective nominee to meet any minimum equity interest holding guideline.

The Nominating and Corporate Governance Committee also considers such other relevant factors as it deems appropriate, including the current composition of the Board, the balance of management and independent directors, the need for Audit Committee expertise and the evaluations of other prospective nominees. In connection with this evaluation, the Nominating and Corporate Governance Committee determines whether to interview the prospective nominee, and if warranted, one or more members of the committee, and others as appropriate, interview prospective nominees in person or by telephone. After completing this evaluation and interview, the Nominating and Corporate Governance Committee makes a recommendation to the full Board as to the persons who should be nominated by the Board, and the Board determines the nominees after considering the recommendation and report of the committee.

The Bylaws of the Company provide that any stockholder entitled to vote at the Annual Meeting in the election of directors generally may nominate one or more persons for election as directors at a meeting only if written notice of such stockholders' intention to make such nomination has been delivered personally to, or has been mailed to and received by the Secretary at the principal office of the Company not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting. If a stockholder has a suggestion for candidates for election, the stockholder should follow this procedure. Each notice from a stockholder must set forth (i) the name and address of the stockholder who intends to make the nomination and the name of the person to be nominated, (ii) the class and number of shares of stock held of record, owned beneficially and represented by proxy by such stockholder as of the record date for the meeting and as of the date of such notice, (iii) a representation that the stockholder intends to appear in person or by proxy at the meeting to nominate the person specified in the notice, (iv) a description of all arrangements or understandings between such stockholder and each nominee and any other person (naming those persons) pursuant to which the nomination is to be made by such stockholder, (v) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules, and (vi) the consent of each nominee to serve as a director of the Company if so elected. The chairman of the Annual Meeting may

refuse to acknowledge the nomination of any person not made in compliance with this procedure. The Company has not adopted a specific policy regarding the consideration of director nominees recommended by stockholders and believes this is appropriate because there are not any differences in the manner in which the Nominating and Corporate Governance Committee evaluates nominees for director based on whether the nominee is recommended by a stockholder or the Nominating and Corporate Governance Committee

## Determinations of Director Independence

The Board of Directors reviews the independence of each director yearly. During this review, the Board of Directors considers transactions and relationships between each director (and his or her immediate family and affiliates) and the Company and its management to determine whether any such relationships or transactions are inconsistent with a determination that the director is independent in light of applicable law, listing standards and the Company's director independence standards. The Company believes that it maintains a majority of independent directors who are deemed to be independent under the definition of independence provided by NASDAQ Listing Rule 5605(a)(2).

## Board Meetings During Fiscal 2015.

The Board met eight times during fiscal year 2015. No directors attended fewer than 75% of the meetings of the aggregate of: (i) The total number of meetings of the Board (held during the period for which he or she has been a director); and (ii) the total number of meetings held by all committees of the Board on which he or she served (during the periods that he or she served). Under the Company's Corporate Governance Guidelines, each director is expected to dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties, including by attending meetings of the stockholders of the Company, the Board and Committees of which he or she is a member.

## Compensation of Independent Directors

The Board of Directors believes that competitive compensation arrangements are necessary to attract and retain qualified independent directors. In 2015 after conducting a market review with respect to other leading companies of similar size to the Company, under the supervision of the Compensation Committee, and upon recommendation of the Company's independent compensation consultant, Mercer, the Board approved changes to the compensation arrangements for the independent directors of the Company. These are the first changes made to the overall compensation program for the Board's independent directors since the Company's IPO.

For 2016, the Company now provides each independent director an annual cash retainer of \$25,000 and an annual restricted stock award with a grant date value of \$25,000. The Board set annual retainers for the Audit, Compensation, Nominating and Governance, Investment and Finance committee chairs at \$5,000, \$4,000, \$4,000, \$4,000 and \$4,000 respectively.

## 2015 Director Compensation<sup>(1)</sup>

Name	Fees earned or paid in cash (\$)	Stock awards (\$)	Nonqualified			All other compensation (\$)	Total (\$)
			Option awards (\$)	incentive plan compensation (\$)	deferred earnings (\$)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Stewart J. Brown <sup>(2)</sup>	6,250						6,250
Christopher Ettel <sup>(3)</sup>	8,750	20,000					28,750
Kurt R. Harrington <sup>(4)</sup>	7,500						7,500
Warren Harris <sup>(5)</sup>	7,500	20,000					27,500
David Kelly	15,000	20,000					35,000
William W. King	15,000	20,000					35,000
John McAuliffe <sup>(6)</sup>	1,250						1,250
Ann L. McKinney	15,000	20,000					35,000

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Carl B. McGowan, Jr.	15,000	20,000	35,000
Jeffrey Zwerdling	15,000	20,000	35,000

- (1) This table does not include Jon Wheeler, our Chairman and CEO, because his compensation is fully reflected in the Summary Compensation Table.
- (2) Began serving as a director in August 2015.
- (3) Served as a director until August 2015.

- (4) Began serving as a director in June 2015.
- (5) Served as a director until June 2015.
- (6) Began serving as a director in December 2015.

#### **Stockholder Communications with the Board**

Stockholders and other parties interested in communicating directly with the Board of Directors, including communications regarding concerns relating to accounting, internal accounting controls or audit measures, or fraud or unethical behavior, may do so by writing to the directors at the following address: Wheeler Real Estate Investment Trust, Inc., Attention: Secretary, Riversedge North, 2529 Virginia Beach Boulevard, Suite 200, Virginia Beach, Virginia 23452. The Nominating and Corporate Governance Committee of the Board also approved a process for handling letters received by the Company and addressed to members of the Board but received at the Company. Under that process, the Corporate Secretary of the Company reviews all such correspondence and regularly forwards to the Board a summary of all such correspondence and copies of all correspondence that, in the opinion of the Corporate Secretary, deals with the functions of the Board or committees thereof or that she otherwise determines requires their attention. Directors may at any time review a log of all correspondence received by the Company that is addressed to members of the Board and received by the Company and request copies of any such correspondence. Concerns relating to accounting, internal controls or auditing matters are immediately brought to the attention of the Chairman of the Audit Committee and handled in accordance with procedures established by the Audit Committee with respect to such matters.

#### **Code of Ethics**

The Company has adopted a Code of Business Conduct and Ethics, which applies to all directors, officers and employees. The text of the document is available on the Company's Investor Relations tab of our website ([www.whlr.us](http://www.whlr.us)). The Company intends to post any amendments to or waivers from its Code of Ethics (to the extent applicable to the Company's Chief Executive Officer and Chief Financial Officer) at this location on its website.

#### **Compliance with Section 16(a) of Reporting Requirements**

Based solely on a review of Forms 3, 4 and 5 and any amendments thereto furnished to us pursuant to Rule 16a-3(e) under the Exchange Act and written representations that no other reports were required, we believe that with respect to fiscal 2015 our officers, directors, and beneficial owners of more than 10% of our equity timely complied with all applicable Section 16(a) filing requirements, except a late Form 4 was filed for Jon Wheeler on June 22, 2015 reporting the purchase of 2,000 shares of common stock that occurred on June 17, 2015. Further, our former Senior Vice President of Operations, Victoria Paul, filed a late Form 3 on June 25, 2015, which was due on January 10, 2015 to report that she owned 1,124 share of Common Stock. In addition, our former Senior Vice President of Business Development, George Fox, filed a late Form 3 on June 25, 2015, which was due on June 10, 2015, to report that he owned 15,617 shares of Common Stock. Lastly, our Director of Leasing, Jeffrey Parker, filed a late Form 3 on June 22, 2015, which was due on January 10, 2015, to report that he owned 232 shares of Common Stock.

#### **Management Business History of Executive Officers**

For information as to the business history of our Chief Executive Officer, Mr. Wheeler, and our Senior Vice President and Director of Acquisitions, Mr. Kelly see the section Proposal One: Election of Directors elsewhere in this Proxy Statement.

**Steven M. Belote**

**Chief Operating Officer since 2016**

**Age 50**

Steven Belote has served as our Chief Operating Officer (COO) since January 2016. Mr. Belote previously served as our CFO from August 2011 to January 2016. After receiving a Bachelor's of Science Degree in Accounting from Virginia Tech, he spent seven years working in Washington, DC with BDO Seidman, LLP, a large international public accounting and consulting firm. In June 1995, he joined Shore Bank as their CFO, subsequently playing a significant role in taking the bank public in 1997. Mr. Belote served as CFO for the bank's publicly-traded bank holding company, Shore Financial Corporation, until the company was purchased in June 2008. Mr. Belote continued as the bank's CFO until becoming its president in June 2009; a role he held until December 2010. Mr. Belote has been affiliated with and held various roles in many organizations, including: the Melfa Rotary Club from 2006-2010, serving as the club's president from 2008-2009; the Eastern Shore of Virginia Chamber of Commerce Board of Directors from 2004-2010, serving as treasurer from 2009-2010; the Eastern Shore of Virginia United Way from 2000-2008, serving as campaign chair during 2000 and serving on the board of directors from 2001-2008, including the role of president from 2004-2006; the Virginia Bankers Association CFO Committee from 1999-2009, serving as chair from 2003-2006; a member of the Maryland Financial Bank advisory board from 2005-2011; and as a member of the Bay Beyond, Inc. (Blue Crab Bay Co.) advisory board from 1997 through 2005, among others. Mr. Belote is a Certified Public Accountant.

**Wilkes J. Graham**

**Chief Financial Officer since 2016**

**Age 39**

Wilkes Graham has served as our Chief Financial Officer (CFO) since January 2016. As CFO, Mr. Graham oversees corporate finance, accounting, investor relations and capital and financing strategies for the Company. Prior to joining Wheeler, Mr. Graham spent 16 years in the real estate financial services industry. From 2010-2016 Mr. Graham worked with Compass Point Research & Trading, LLC ( Compass Point ), an independent, full-service investment firm focused exclusively on the financial services sector, where he served as Director of Research and as a Senior Sell-Side Equity Research Analyst. As the firm's Real Estate Analyst, Mr. Graham's primary responsibilities included performing proprietary financial analysis in which he forecasted earnings and predicted the stock performance of over 30 publicly traded REITs, real estate operating companies and homebuilders. As Director of Research, Mr. Graham managed and oversaw the strategic direction of the firm's research department. From 2001-2009, Mr. Graham worked as a Vice President and a Senior Sell-Side Analyst focused on the real estate sector at FBR Capital Markets & Co. ( FBR ) (NASDAQ:FBRC), a full-service investment bank that offers equity and fixed income research services to institutional investors. From 1999-2001, he worked as a Research Associate covering REITs for Raymond James & Associates, a leading diversified financial services company located in St. Petersburg, Florida. Mr. Graham received his Bachelors of Science in Business Administration and his Master of Business Administration from the University of North Carolina's Kenan-Flagler Business School.

**Robin Hanisch**

**Corporate Secretary since 2011**

**Age 58**



Robin Hanisch has served as the Secretary of our Board of Directors since August 2011. Ms. Hanisch has served as an Associate at Wheeler Interests since 2000, where she oversees Investor Relations. Ms. Hanisch has been the main point of contact for investors in Wheeler Interests and serves as the main point of contact for our investors. Prior to joining Wheeler Interests, Ms. Hanisch worked in fund development and marketing for a national non-profit organization. She graduated from the University of Hawaii with a degree in merchandising.

**Jeffrey Parker**

**Director of Leasing since 2014**

**Age 46**

Mr. Parker is a Certified Commercial Investment Member (CCIM), has served as our Director of Leasing since October 2014. A graduate of Hampden-Sydney College, Mr. Parker began his real estate career in the regional office of CB Richard Ellis ( CBRE ). As a vice president at CBRE, Mr. Parker spent ten years handling the leasing and sale of commercial properties. Prior to joining our company, Mr. Parker served as the Real Estate Portfolio Manager for the Southeast and Mid-Atlantic regions of the United States for Dollar Tree Stores, Inc. where he was responsible for a portfolio of over 1100 stores and created many key relationships throughout the industry. Mr. Parker is a past honoree of the Inside Business Top 40 Under 40 which recognizes outstanding young business people in the Hampton Roads community, and he serves on the Board of Directors of the Hope House Foundation. Mr. Parker earned his CCIM designation in 2006 which is a designation held by a worldwide group of 13,000 recognized experts in the commercial and investment real estate industry.

**Matthew T. Reddy**

**Chief Accounting Officer since 2015**

**Age 33**

Matthew T. Reddy has served as our Chief Accounting Officer since June 2015. Prior to joining the Company, Mr. Reddy worked at Liberty Tax, Inc. ( Liberty ), serving as Assistant Vice President of Online Products from 2014 to 2015, where his responsibilities included coordination and leadership of Liberty s online tax business. While employed at Liberty, Mr. Reddy was also employed as Director of Finance from 2011 to 2014, and Manager of Financial Reporting from 2008 to 2011. His primary responsibilities in these positions included overseeing corporate forecasting, assisting in the planning and analysis of business and financial strategies, and managing Liberty s accounting team. Prior to joining Liberty, Mr. Reddy worked at KPMG LLP as a Senior Auditor. Mr. Reddy is a Certified Public Accountant and holds a degree in accounting from James Madison University.

**Employment Agreements With The Company s Named Executive Officers**

***Generally***

We have entered into employment agreements with four of our executive officers. We believe that the protections contained in these employment agreements help to ensure the day-to-day stability necessary to our executives to enable them to properly focus their attention on their duties and responsibilities with the Company and provide security with regard to some of the most uncertain events relating to continued employment, thereby limiting concern and uncertainty and promoting productivity. Each of our employment agreements with our executive officers provides for a term of three years.

***Jon Wheeler***

*Employment Agreement and Salary.* On March 14, 2016, the Company, on its behalf and on behalf of its subsidiaries, including Wheeler REIT, L.P., entered into an employment agreement with Mr. Wheeler (the Wheeler Employment Agreement ) for a period of three years beginning on March 14, 2016, and ending on March 13, 2019 (the Term ). Under the terms of the Wheeler Employment Agreement, Mr. Wheeler shall be employed as the Company s Chief Executive Officer and is required to devote his best efforts to the Company s business and affairs and in return will

receive the following:

Base compensation of \$475,000 per annum (base compensation remains the same from prior employment agreement); and

Reimbursement of reasonable and necessary business expenses, and Mr. Wheeler is eligible to participate in any current or future bonus, incentive and other compensation plans available to the Company's executives.

*Severance Terms.* Under the Wheeler Employment Agreement, if Mr. Wheeler's employment is terminated by the Company without Cause (as defined in the Wheeler Employment Agreement) then Mr. Wheeler shall generally be entitled to a lump sum payment equal to the sum of (i) the Applicable Percentage (as such term is defined in the Wheeler Employment Agreement and below) of Mr. Wheeler's annual base salary for the last completed fiscal year and (ii) any earned but unpaid cash bonus for the year in which termination occurs. As defined in the Wheeler Employment Agreement, the term Applicable Percentage shall equal 50% plus 2.5% per three months of employment by the Company or its predecessors in excess of three years. In no event shall the Applicable Percentage exceed 100%. In addition, Mr. Wheeler is entitled to disability, accident and health insurance for a 12 month period following termination substantially similar to those insurance benefits Mr. Wheeler is receiving immediately prior to the date of termination.

In the event Mr. Wheeler terminates his employment with Good Reason (as defined in the Wheeler Employment Agreement), which includes a Change in Control (as defined in the Wheeler Employment Agreement) then Mr. Wheeler shall generally be entitled to a lump sum payment equal to 100% of Mr. Wheeler's annual base salary for the last completed fiscal year, plus any earned but unpaid cash bonus for the year in which termination occurs. In addition, Mr. Wheeler is entitled to disability, accident and health insurance for a 12 month period following termination substantially similar to those insurance benefits Mr. Wheeler is receiving immediately prior to the date of termination.

Mr. Wheeler shall not be entitled to any benefits under the Wheeler Employment Agreement in the case of the Company terminating his employment for Cause or Mr. Wheeler terminating his employment without Good Cause (as defined in the Wheeler Employment Agreement).

*Death and Disability.* In the event of a termination of employment on account of death occurring after June 30, 2016, and during the Term then Mr. Wheeler's estate shall generally be entitled to: (a) Mr. Wheeler's regular base salary (determined on the date of death) for a period of twelve months following death; (b) the amount of cash bonus paid by the Company to Mr. Wheeler for its last fiscal year; and (c) any accrued and unpaid bonus for the year in which the death occurs.

In the event of a Disability (as defined in the Wheeler Employment Agreement) by Mr. Wheeler for 120 consecutive days or longer that occurs on or after June 30, 2016, then the Company will pay to Mr. Wheeler his regular base salary for a twelve month period following the date on which the Disability first begins, net of any benefits received by Mr. Wheeler under any disability policy obtained by the Company or Mr. Wheeler, the premiums for which are paid by the Company.

*Miscellaneous Provisions.* The Wheeler Employment Agreement provides for confidentiality and nondisclosure provisions, whereby Mr. Wheeler is required to keep confidential the Company's trade secrets that he acquired during the course of his employment. His employment contract also contains a non-solicitation of employees clause for a duration of (18) months following the last day of his employment with the Company

#### ***Steven M. Belote***

*Employment Agreement and Salary.* On March 14, 2016, the Company, on its behalf and on behalf of its subsidiaries, including Wheeler REIT, L.P., entered into an employment agreement with Steven M. Belote (the Belote Employment Agreement) for a period of three years beginning on March 14, 2016, and ending on March 13, 2019 (the Term). Under the terms of the Belote Employment Agreement, Mr. Belote shall be employed as the Company's Chief Operating Officer and is required to devote his best efforts to the Company's business and affairs and in return will receive the following:

Base compensation of \$265,000 per annum (compensation remains the same from prior employment agreement); and

Reimbursement of reasonable and necessary business expenses, and Mr. Belote is eligible to participate in any current or future bonus, incentive and other compensation plans available to the Company's executives.

*Severance Terms.* Under the Belote Employment Agreement, if Mr. Belote's employment is terminated by the Company without Cause (as defined in the Belote Employment Agreement) then Mr. Belote shall generally be entitled to a lump sum payment equal to the sum of (i) the Applicable Percentage (as such term is defined in the Belote Employment Agreement and below) of Mr. Belote's annual base salary for the last completed fiscal year and (ii) any earned but unpaid cash bonus for the year in which termination occurs. As defined in the Belote Employment Agreement, the term Applicable Percentage shall equal 50% plus 2.5% per three months of employment by the Company or its predecessors in excess of three years. In no event shall the Applicable Percentage exceed 100%. In addition, Mr. Belote is entitled to disability, accident and health insurance for a 12 month period following termination substantially similar to those insurance benefits Mr. Belote is receiving immediately prior to the date of termination.

In the event Mr. Belote terminates his employment with Good Reason (as defined in the Belote Employment Agreement), which includes a Change in Control (as defined in the Belote Employment Agreement) then Mr. Belote shall generally be entitled to a lump sum payment equal to 100% of Mr. Belote's annual base salary for the last completed fiscal year, plus any earned but unpaid cash bonus for the year in which termination occurs. In addition, Mr. Belote is entitled to disability, accident and health insurance for a 12 month period following termination substantially similar to those insurance benefits Mr. Belote is receiving immediately prior to the date of termination.

Mr. Belote shall not be entitled to any benefits under the Belote Employment Agreement in the case of the Company terminating his employment for Cause or Mr. Belote's termination of his employment without Good Cause (as defined in the Belote Employment Agreement).

*Death and Disability.* In the event of a termination of employment on account death occurring after June 30, 2016, and during the Term then Mr. Belote's estate shall generally be entitled to: (a) Mr. Belote's regular base salary (determined on the date of death) for a period of twelve months following death; (b) the amount of cash bonus paid by the Company to Mr. Belote for its last fiscal year; and (c) any accrued and unpaid bonus for the year in which the death occurs.

In the event of a Disability (as defined in the Belote Employment Agreement) by Mr. Belote for 120 consecutive days or longer that occurs on or after June 30, 2016, then the Company will pay to Mr. Belote his regular base salary for a twelve month period following the date on which the Disability first begins, net of any benefits received by Mr. Belote under any disability policy obtained by the Company or Mr. Belote, the premiums for which are paid by the Company.

*Miscellaneous Provisions.* The Belote Employment Agreement provides for confidentiality and nondisclosure provisions, whereby Mr. Belote is required to keep confidential the Company's trade secrets that he acquired during the course of his employment. His employment contract also contains a non-solicitation of employees clause for a duration of (18) months following the last day of his employment with the Company.

### ***Robin Hanisch***

*Employment Agreement and Salary.* On March 14, 2016, the Company, on its behalf and on behalf of its subsidiaries, including Wheeler REIT, L.P., entered into an employment agreement with Robin Hanisch (the Hanisch Employment Agreement) for a period of three years beginning on March 14, 2016, and ending on March 13, 2019 (the Term). Under the terms of the Hanisch Employment Agreement, Ms. Hanisch shall be employed as the Company's Secretary and is required to devote her best efforts to the Company's business and affairs and in return will receive the following:

Base compensation of \$125,000 per annum (compensation remains the same from prior employment agreement); and

Reimbursement of reasonable and necessary business expenses, and Ms. Hanisch is eligible to participate in any current or future bonus, incentive and other compensation plans available to the Company's executives.

*Severance Terms.* Under the Hanisch Employment Agreement, if Ms. Hanisch's employment is terminated by the Company without Cause (as defined in the Hanisch Employment Agreement) then Ms. Hanisch shall generally be entitled to a lump sum payment equal to the sum of (i) the Applicable Percentage (as such term is defined in the Hanisch Employment Agreement and below) of Ms. Hanisch's annual base salary for the last completed fiscal year and (ii) any earned but unpaid cash bonus for the year in which termination occurs. As defined in the Hanisch Employment Agreement, the term Applicable Percentage shall equal 50% plus 2.5% per three months of employment by the Company or its predecessors in excess of three years. In no event shall the Applicable Percentage exceed 100%. In addition, Ms. Hanisch is entitled to disability, accident and health insurance for a 12 month period following termination substantially similar to those insurance benefits Ms. Hanisch is receiving immediately prior to the date of termination.

In the event Ms. Hanisch terminates her employment with Good Reason