



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
ACHIEVES RECORD Q2 EARNINGS –
10.5% INCREASE OVER PRIOR YEAR**

TORONTO: July 21, 2016 – Atrium Mortgage Investment Corporation (TSX: AI) today released its unaudited financial results for the three and six month periods ended June 30, 2016.

Highlights for the quarter

- **Record earnings of \$6.4 million, up 10.5% from prior year**
- **Earnings of \$0.24 per share**
- **Revenues of \$10.7 million, up 11.1% from prior year**
- **Regular monthly dividend of \$0.215 for the quarter (annualized rate of \$0.86)**
- **High quality mortgage portfolio**
 - **80% of portfolio in first mortgages**
 - **92% of portfolio is less than 75% loan to value**
 - **Mortgage portfolio grew to \$505 million**
 - **Continued focus on low risk real estate sectors**
 - **Exposure in Alberta reduced to below 10%, ahead of schedule**

Interested parties are invited to participate in a conference call with management on Friday, July 22, 2016 at 9:00 a.m. EDT. Please refer to the call-in information at the end of this news release.

Results of operations

Atrium achieved record results in the quarter, as its assets grew to \$501 million. For the three months ended March 31, 2016, mortgage interest and fee revenue aggregated \$10.7 million, an increase of 11.1% from the prior year. For the six months ended June 30, 2016, mortgage interest and fees revenue aggregated \$20.8 million, an increase of 8.8% from the prior year.

Net earnings for the three months ended June 30, 2016 were \$6.4 million, an increase of 10.5% from the prior year. Basic and diluted earnings per common share were \$0.24, for the three months ended June 30, 2016, compared with \$0.24 basic and diluted per common share for the prior year. Net earnings for the six months ended June 30, 2016 were \$12.6 million, an increase of 9.9% from the prior year. Basic and diluted earnings per common share were \$0.47 and \$0.46, respectively, for the six months ended June 30, 2016, compared with \$0.47 basic and \$0.46 diluted earnings per common share for the comparable period in the previous year.

The company had \$501 million of mortgages receivable as at June 30, 2016, an increase of 8.8% from the prior quarter and 11.8% from the prior year end. During the quarter, \$106 million of gross new mortgages were advanced, and \$65 million of gross mortgages were repaid.

Atrium had previously indicated that it expected to reduce exposure to Alberta to 10% of its total mortgage portfolio by year-end, but this objective has been achieved ahead of schedule. Atrium's exposure to Alberta has been reduced from 25 loans constituting 13.5% of the portfolio at December 31, 2015 to 18 loans and 9.9% of the portfolio at June 30, 2016.

The weighted average interest rate on the mortgage portfolio decreased slightly to 8.60% at June 30, 2016, compared with 8.66% at December 31, 2015 and 8.78% at June 30, 2015.

Interim Statements of Earnings and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended		Six months ended	
	June 30		June 30	
	2016	2015	2016	2015
Revenue	\$ 10,691	\$ 9,626	\$ 20,807	\$ 19,118
Mortgage servicing and management fees	(1,112)	(1,005)	(2,178)	(1,989)
Other expenses	(286)	(245)	(557)	(516)
Provision for mortgage losses	(319)	(250)	(619)	(612)
Income before financing costs	8,974	8,126	17,453	16,001
Financing costs	(2,541)	(2,306)	(4,898)	(4,579)
Earnings and total comprehensive income	<u>\$ 6,433</u>	<u>\$ 5,820</u>	<u>\$ 12,555</u>	<u>\$ 11,422</u>
Basic earnings per share	\$ 0.24	\$ 0.24	\$ 0.47	\$ 0.47
Diluted earnings per share	\$ 0.24	\$ 0.24	\$ 0.46	\$ 0.46
Dividends declared	\$ 5,794	\$ 5,151	\$ 11,575	\$ 10,289
Mortgages receivable, end of period	\$ 500,974	\$ 437,039	\$ 500,974	\$ 437,039
Total assets, end of period	\$ 501,045	\$ 442,646	\$ 501,045	\$ 442,646
Shareholders' equity, end of period	\$ 277,685	\$ 250,942	\$ 277,685	\$ 250,942

For further information on the financial results, and analysis of the company's mortgage portfolio in addition to that set out below, please refer to Atrium's unaudited interim financial statements and its management's discussion and analysis for the three and six month periods ended June 30, 2016, available on SEDAR at www.sedar.com, and on the company's website at www.atriummic.com.

Analysis of mortgage portfolio

Mortgage category (outstanding amounts in 000s)	June 30, 2016			December 31, 2015		
	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
Low-rise residential	30	\$ 136,939	27.1%	23	\$ 110,034	24.3%
House and apartment	102	88,076	17.4%	110	84,755	18.8%
Construction	8	53,493	10.6%	9	44,701	9.9%
High-rise residential	7	46,324	9.2%	9	42,245	9.4%
Mid-rise residential	5	11,663	2.3%	7	14,662	3.2%
Condominium corporation	17	3,890	0.8%	18	4,111	0.9%
Residential portfolio	169	340,385	67.4%	176	300,508	66.5%
Commercial/mixed use	30	164,600	32.6%	31	151,083	33.5%
Mortgage portfolio	<u>199</u>	<u>504,985</u>	<u>100.0%</u>	<u>207</u>	<u>451,591</u>	<u>100.0%</u>

June 30, 2016

<u>Location of underlying property</u> (outstanding amounts in 000s)	<u>Number of mortgages</u>	<u>Outstanding amount</u>	<u>Percentage outstanding</u>	<u>Weighted average loan to value</u>	<u>Weighted average interest rate</u>
Greater Toronto Area	155	\$ 349,005	69.1%	65.3%	8.54%
Non-GTA Ontario	14	9,855	1.9%	65.4%	9.25%
Saskatchewan	1	11,989	2.4%	71.1%	8.50%
Alberta	18	49,796	9.9%	62.5%	9.10%
British Columbia	<u>11</u>	<u>84,340</u>	<u>16.7%</u>	<u>58.0%</u>	<u>8.48%</u>
	<u>199</u>	<u>\$ 504,985</u>	<u>100.0%</u>	<u>63.9%</u>	<u>8.60%</u>

December 31, 2015

<u>Location of underlying property</u> (outstanding amounts in 000s)	<u>Number of mortgages</u>	<u>Outstanding amount</u>	<u>Percentage outstanding</u>	<u>Weighted average loan to value</u>	<u>Weighted average interest rate</u>
Greater Toronto Area	152	\$ 292,547	64.8%	66.1%	8.61%
Non-GTA Ontario	15	11,436	2.5%	67.3%	8.99%
Saskatchewan	1	10,822	2.4%	71.1%	8.50%
Alberta	25	61,078	13.5%	59.7%	8.68%
British Columbia	<u>14</u>	<u>75,708</u>	<u>16.8%</u>	<u>62.6%</u>	<u>8.83%</u>
	<u>207</u>	<u>\$ 451,591</u>	<u>100.0%</u>	<u>64.7%</u>	<u>8.66%</u>

Conference call

Interested parties are invited to participate in a conference call with management on Friday, July 22, 2016 at 9:00 a.m. EDT to discuss the results. To participate or listen to the conference call live, please call 1 (888) 241-0551 or (647) 427-3415. For a replay of the conference call (available until August 4, 2016) please call 1 (855) 859-2056, Conference ID 95465156.

About Atrium***Canada's Premier Non-Bank Lender™***

Atrium is a non-bank provider of residential and commercial mortgages that lends in major urban centres in Canada where the stability and liquidity of real estate are high. Atrium's objectives are to provide its shareholders with stable and secure dividends and preserve shareholders' equity by lending within conservative risk parameters.

Atrium is a Mortgage Investment Corporation (MIC) as defined in the Canada *Income Tax Act*, so is not taxed on income provided that its taxable income is paid to its shareholders in the form of dividends within 90 days after December 31 each year. Such dividends are generally treated by shareholders as interest income, so that each shareholder is in the same position as if the mortgage investments made by the company had been made directly by the shareholder. For further information, please refer to regulatory filings available at www.sedar.com or Atrium's website at www.atriummic.com.

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