



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
CONFIRMS LOW EXPOSURE TO URBANCORP PROJECTS**

TORONTO: May 17, 2016 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB, AI.DB.A, AI.DB.B) today provides an update of its mortgage exposure to Urbancorp development projects.

Atrium has three mortgages outstanding to Urbancorp and related parties of Urbancorp as detailed below:

| <u>Property</u> | <u>Mortgage balance</u> | <u>Mortgage rank</u> | <u>Appraised value</u> | <u>Current loan-to-value</u> |
|-----------------------|-------------------------|----------------------|------------------------|------------------------------|
| Bayview Ave, Toronto | \$8,802,469 | First | \$15,900,000 | 55.4% |
| Mallow Rd, Toronto | \$3,730,327 | First | \$16,900,000 | 22.1% |
| Patricia Ave, Toronto | \$3,707,697 | First | \$15,500,000 | 23.9% |

The commitment for Bayview is fully drawn. The total combined commitments for Mallow and Patricia aggregate \$16.7 million. Even if both commitments were fully drawn, the loan-to-value ratios would still be low at 53.3% and 49.7%, respectively.

Due to its strong security position and the low loan-to-value ratios, Atrium expects to fully recover all amounts currently due from Urbancorp and its related parties.

Forward-Looking Statements

This news release contains forward-looking statements. This information can be identified by words such as “expects to,” or similar expressions suggesting future outcomes or events. Atrium believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Forward-looking statements are based on current information and expectations that involve a number of risks and uncertainties, which could cause actual results or events to differ materially from those anticipated. These risks include, but are not limited to the uncertainty associated with accessing capital markets and the risks related to Atrium’s business, including those identified in Atrium’s annual information form for the year ended December 31, 2015 under the heading “Risk Factors” (a copy of which may be obtained at www.sedar.com). Forward-looking statements contained in this news release are made as of the date hereof and are subject to change. All forward-looking statements in this news release are qualified by these cautionary statements. Except as required by law, Atrium undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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 to 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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