

FOR IMMEDIATE RELEASE

ATRIUM MORTGAGE INVESTMENT CORPORATION ACHIEVES RECORD Q1 EARNINGS – 9.3% INCREASE OVER PRIOR YEAR

TORONTO: April 20, 2016 – Atrium Mortgage Investment Corporation (TSX: AI) today released its unaudited financial results for the three month period ended March 31, 2016.

<u>Highlights for the quarter</u>

- Record earnings of \$6.1 million, up 9.3% from prior year
- Earnings of \$0.23 per share
- Revenues of \$10.1 million, up 6.6% from prior year
- Regular monthly dividend increased to \$0.215 for the quarter (annualized rate of \$0.86)
- High quality mortgage portfolio
 - 83% of portfolio in first mortgages
 - 96% of portfolio is less than 75% loan to value
 - Mortgage portfolio grew to \$464 million
 - Continued focus on low risk real estate sectors

Interested parties are invited to participate in a conference call with management on Thursday, April 21, 2016 at 4:00 p.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 \$460 million. For the three months ended March 31, 2016, mortgage interest and fees revenue aggregated \$10.1 million, an increase of 6.6% from the prior year.

Net earnings for the three months ended March 31, 2016 were \$6.1 million, an increase of 9.3% from the prior year. Basic and diluted earnings per common share were \$0.23, for the three months ended March 31, 2016, compared with \$0.23 basic and diluted per common share for the prior year.

The company had \$460 million of mortgages receivable as at March 31, 2016, an increase of 2.7% from the prior quarter. During the quarter, \$59.8 million of gross new mortgages were advanced, and \$49.3 million of gross mortgages were repaid. Atrium's focus continues to be on lending in the major metropolitan areas of Ontario and British Columbia. During the quarter, exposure to Alberta was reduced

from 25 loans constituting 13.5% of the portfolio at December 31, 2015 to 21 loans and 12.7% of the portfolio at March 31, 2016.

The weighted average interest rate on the mortgage portfolio decreased slightly to 8.64% at March 31, 2016, compared with 8.66% at December 31, 2015 and 8.82% at March 31, 2015. The mortgage portfolio increased by 2.7% from December 31, 2015 to \$464.0 million at March 31, 2016.

Interim Statements of Earnings and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended March 31			
	2016		2015	
Revenue	\$	10,116	\$	9,492
Mortgage servicing and management fees		(1,066)		(984)
Other expenses		(271)		(271)
Provision for mortgage losses		(300)		(362)
Income before financing costs		8,479		7,875
Financing costs		(2,357)		(2,273)
Earnings and total comprehensive income	\$	6,122	\$	5,602
Basic earnings per share	\$	0.23	\$	0.23
Diluted earnings per share	\$	0.23	\$	0.23
Dividends declared	\$	5,781	\$	5,138
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Mortgages receivable, end of period	\$	460,244	\$	390,152
Total assets, end of period	\$	460,349	\$	390,248
Shareholder' equity, end of period	\$	276,280	\$	249,548

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 month period ended March 31, 2016, available on SEDAR at <u>www.sedar.com</u>, and on the company's website at <u>www.atriummic.com</u>.

Analysis of mortgage portfolio

	March 31, 2016			December 31, 2015				
		Outstanding	% of		Outstanding	% of		
Mortgage category	Number	amount	Portfolio	Number	amount	<u>Portfolio</u>		
(outstanding amounts in 000s)								
Low-rise residential	22	\$ 105,745	22.8%	23	\$ 110,034	24.3%		
House and apartment	109	92,365	19.9%	110	84,755	18.8%		
Construction	8	39,365	8.5%	9	44,701	9.9%		
High-rise residential	7	37,990	8.2%	9	42,245	9.4%		
Mid-rise residential	7	16,259	3.5%	7	14,662	3.2%		
Condominium corporation	17	3,978	0.8%	18	4,111	0.9%		
Residential portfolio	170	295,702	63.7%	176	300,508	66.5%		
Commercial/mixed use	34	168,302	36.3%	31	151,083	33.5%		
Mortgage portfolio	204	464,004	100.0%	207	451,591	100.0%		

	March 31, 2016					
Location of underlying property	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average <u>loan to value</u>	Weighted average interest rate	
(outstanding amounts in 000s) Greater Toronto Area	155	\$ 305,000	65.7%	63.6%	8.50%	
Non-GTA Ontario	14	\$ 303,000 8,222	1.8%	66.8%	9.17%	
Saskatchewan	1	11,444	2.5%	71.1%	8.50%	
Alberta	21	58,822	12.7%	59.9%	9.04%	
British Columbia	13	80,516	17.3%	60.4%	8.88%	
	204	<u>\$ 464,004</u>	100.0%	62.8%	8.64%	
	December 31, 2015					
		Det	emper 51, 2015			
		Dec	emper 51, 2015	Weighted	Weighted	
	Number of	Outstanding	Percentage	Weighted average	Weighted average	
Location of underlying property (outstanding amounts in 000s)	Number of mortgages					
<u>Location of underlying property</u> (outstanding amounts in 000s) Greater Toronto Area		Outstanding	Percentage	average	average	
(outstanding amounts in 000s)	mortgages	Outstanding amount	Percentage outstanding	average loan to value	average interest rate	
(outstanding amounts in 000s) Greater Toronto Area	mortgages 152	Outstanding amount \$ 292,547	Percentage outstanding 64.8%	average loan to value 66.1%	average interest rate 8.61%	
(outstanding amounts in 000s) Greater Toronto Area Non-GTA Ontario	mortgages 152 15	Outstanding amount \$ 292,547 11,436	Percentage outstanding 64.8% 2.5%	average loan to value 66.1% 67.3%	average interest rate 8.61% 8.99%	
(outstanding amounts in 000s) Greater Toronto Area Non-GTA Ontario Saskatchewan	mortgages 152 15 1	Outstanding amount \$ 292,547 11,436 10,822	Percentage outstanding 64.8% 2.5% 2.4%	average loan to value 66.1% 67.3% 71.1%	average interest rate 8.61% 8.99% 8.50%	

Conference call

Interested parties are invited to participate in a conference call with management on Thursday, April 21, 2016 at 4:00 p.m. EDT. 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 May 4, 2016) please call 1 (855) 859-2056, Conference ID 95322486.

About Atrium

Canada's Premier Non-Bank LenderTM

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 <u>www.sedar.com</u> or Atrium's website at <u>www.atriummic.com</u>.

For additional information, please contact

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