



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
GENERATES RECORD EARNINGS OF \$0.23 PER SHARE IN Q1 2014**

TORONTO: April 24, 2014 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB, AI.DB.A) today released its financial results for the three months ended March 31, 2014.

Highlights

- **\$0.23 earnings per share basic and diluted in the quarter, 15% greater than last year**
- **Earnings were \$4.8 million in the quarter, also 15% above last year**
- **Regular dividend increased to \$0.82 annual rate for 2014, up from \$0.80 last year**
- **Mortgage portfolio increased to \$344 million, a 22% increase over last quarter**
- **High quality mortgage portfolio**
 - **89.8% of portfolio in first mortgages**
 - **96.5% of loan portfolio is less than 75% loan to value**
 - **Continued focus on lower risk real estate sectors**

“We are pleased with Atrium’s financial results, a record since becoming a public company. This is a direct result of our strong team of underwriters and the deep relationships that they have with their clients,” noted Robert Goodall, CEO of Atrium. He continued, “We focused our lending almost exclusively on Atrium’s identified low risk real estate sectors – existing houses and apartments, low rise residential developments and commercial real estate – to ensure a continuing strong mortgage portfolio. During the quarter we also continued to gradually increase our commitment to Western Canada. By May 15, 2014, we will have three experienced underwriters generating new business in Alberta and British Columbia.”

Interested parties are invited to participate in a conference call with management on Monday, April 28, 2014 at 4:00 p.m. EDT. Please refer to the call-in information at the end of this news release.

Results of operations – three months ended March 31, 2014

For the three months ended March 31, 2014, mortgage interest and fees aggregated \$7.6 million, compared to \$5.1 million in the comparative period, an increase of 50.2%. The weighted average interest rate excluding lender fees on the mortgage portfolio stayed constant at 8.7% at March 31, 2014 compared to December 31, 2013.

Operating expenses, excluding the provision for mortgage losses, for the three months ended March 31, 2014 were \$1.0 million, or 12.8% of revenues, compared to \$0.8 million or 15.1% of revenues in the

comparative period. The provision for mortgage losses of \$0.5 million was charged in the quarter to reflect the increase in the mortgage portfolio and to increase the general provision to 30 basis points (0.3%) of the mortgage portfolio.

Net earnings for the three months ended March 31, 2014 aggregated \$4.8 million, an increase of 15.5% from net earnings of \$4.2 million in the comparative quarter. Basic and diluted earnings per common share were \$0.23, for the period ended March 31, 2014, compared with basic and diluted earnings of \$0.20 per common share for the comparative period in March 31, 2013.

Mortgage portfolio

Atrium's mortgage portfolio consist of 145 mortgage loans and aggregated \$344.8 million at March 31, 2014, an increase of 22.2% from December 31, 2013.

<u>Mortgage category</u>	March 31, 2014			December 31, 2013		
	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>
Commercial/mixed use	30	\$ 117,974,716	34.2%	27	\$ 89,475,297	31.7%
House and apartment	66	80,687,198	23.4%	59	69,484,828	24.6%
Low rise residential	18	74,938,928	21.7%	17	58,465,947	20.7%
High rise residential	5	33,236,336	9.6%	5	32,966,568	11.7%
Construction	12	28,179,028	8.2%	9	22,093,399	7.8%
Midrise residential	3	7,440,000	2.2%	3	7,440,000	2.6%
Condominium corporation	<u>11</u>	<u>2,390,306</u>	<u>0.7%</u>	<u>11</u>	<u>2,433,526</u>	<u>0.9%</u>
Mortgage portfolio	<u>145</u>	344,846,512	<u>100%</u>	<u>131</u>	282,359,565	<u>100%</u>
Accrued interest receivable		1,679,037			1,562,173	
Mortgage discount		(286,931)			(338,480)	
Mortgage origination fees		(902,664)			(724,452)	
Provision for mortgage losses		<u>(1,034,540)</u>			<u>(1,150,667)</u>	
Mortgage receivable		<u>\$344,301,414</u>			<u>\$281,708,139</u>	

The company actively manages its mortgage portfolio to minimize risk. In the first quarter, 96% of the new loans funded were in Atrium's target markets which we believe have a lower risk profile, namely commercial/mixed use, single family homes and apartments, and low rise residential real estate. Together, these three sectors comprised 79.3% of the mortgage portfolio as at March 31, 2014, an increase of 2.3 percentage points since December 31, 2013.

A summary of mortgages by size is presented below.

<u>Mortgage amount</u>	March 31, 2014			December 31, 2013		
	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>
\$0 - \$2,500,000	107	\$ 106,922,290	31.0%	95	\$ 98,811,649	35.0%
\$2,500,001 - \$5,000,000	21	72,583,095	21.1%	24	81,089,475	28.7%
\$5,000,001 - \$7,500,000	5	34,235,879	9.9%	7	46,820,000	16.6%
\$7,500,001 +	<u>12</u>	<u>131,105,248</u>	<u>38.0%</u>	<u>5</u>	<u>55,638,441</u>	<u>19.7%</u>
	<u>145</u>	<u>\$344,846,512</u>	<u>100.0%</u>	<u>131</u>	<u>\$282,359,565</u>	<u>100.0%</u>

As of March 31, 2014 the average outstanding mortgage balance was \$2.4 million (December 31, 2013 – \$2.2 million), and the median outstanding mortgage balance was \$1.4 million (December 31, 2013 – \$1.4 million).

Further information

For further details please refer to Atrium's financial statements for the year ended March 31, 2014, and its management's discussion and analysis for the same period, available on SEDAR at www.sedar.com, and on the company's website at www.atriummic.com.

Conference call

Interested parties are invited to participate in a conference call with management on Monday, April 28, 2014 at 4:00 p.m. EDT. To participate or listen to the conference call live, please call 1 (866) 544-4631 or (416) 849-5571. For a replay of the conference call (available until May 12, 2014) please call 1 (866) 245-6755, Passcode 840785.

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 *Income Tax Act*. Accordingly, Atrium 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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