



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
ACHIEVES RECORD Q2 REVENUES –
12.9% INCREASE OVER PRIOR YEAR**

TORONTO: July 20, 2017 – Atrium Mortgage Investment Corporation (TSX: AI) today released its unaudited financial results for the three and six month periods ended June 30, 2017.

Highlights for the quarter

- **Record revenues of \$12.1 million, up 12.9% from prior year**
- **Earnings of \$6.8 million, up 5.7% from prior year**
- **\$0.23 basic and diluted earnings per share for the quarter**
- **Portfolio of \$573 million, up 7.1% from December 31, 2016**
- **High quality mortgage portfolio**
 - **81.2% of portfolio in first mortgages**
 - **89.3% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 60.3%**

“Our second quarter had strong loan originations, but we also experienced a high level of repayments. The high level of repayments is a reflection of the quality of the mortgage portfolio. We continue to lend cautiously, with an overall loan-to-value ratio at its lowest level in many years,” said Rob Goodall, CEO of Atrium.

Interested parties are invited to participate in a conference call with management on Friday, July 21, 2017 at 9:00 a.m. ET to discuss the results.

Results of operations

Atrium achieved solid results in the quarter, as its assets grew to \$568.7 million. For the three months ended June 30, 2017, mortgage interest and fee revenue aggregated \$12.1 million, an increase of 12.9% from the prior year. For the six months ended June 30, 2017, mortgage interest and fees revenue aggregated \$24.0 million, an increase of 15.5% from the prior year.

Net earnings for the three months ended June 30, 2017 were \$6.8 million, an increase of 5.7% from the prior year. Basic and diluted earnings per common share were \$0.23, for the three months ended June 30, 2017, compared with \$0.24 basic and diluted earnings per common share for the prior year. Net earnings for the six months ended June 30, 2017 were \$14.0 million, an increase of 11.2% from the prior year. Basic and diluted earnings per common share were \$0.47 for the six months ended June 30, 2017,

compared with \$0.47 basic and \$0.46 diluted earnings per common share for the comparable period in the previous year.

The company had \$568 million of mortgages receivable as at June 30, 2017, an increase of 1.0% from the prior quarter and 7.0% from the prior year end. During the quarter, \$94.1 million of mortgages were advanced, and \$89.5 million of mortgages were repaid. Repayments in the quarter represented the second-highest level in Atrium's 15-year history.

The weighted average interest rate on the mortgage portfolio decreased slightly to 8.42% at June 30, 2017, compared with 8.50% at December 31, 2016 and 8.60% at June 30, 2016.

Atrium declared a regular dividend of \$0.0733 per share every month during 2017, a total of \$0.44 for the year to date compared to \$0.43 for the comparative period. Since listing on the Toronto Stock Exchange in 2012, Atrium has increased its regular and bonus dividends every year:

Year	Regular dividend	Bonus dividend	Total dividends paid	Earnings per share (basic)
2013	\$0.80	\$0.05	\$0.85	\$0.85
2014	\$0.82	\$0.07	\$0.89	\$0.91
2015	\$0.84	\$0.09	\$0.93	\$0.94
2016	\$0.86	\$0.10	\$0.96	\$0.97
2017	\$0.88		to be determined	

Interim Consolidated Statements of Earnings and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended		Six months ended	
	June 30		June 30	
	2017	2016	2017	2016
Revenue	\$ 12,069	\$ 10,691	\$ 24,035	\$ 20,807
Mortgage servicing and management fees	(1,292)	(1,112)	(2,584)	(2,178)
Other expenses	(303)	(286)	(588)	(557)
Provision for mortgage losses	<u>(745)</u>	<u>(319)</u>	<u>(1,048)</u>	<u>(619)</u>
Income before financing costs	9,729	8,974	19,815	17,453
Financing costs	<u>(2,927)</u>	<u>(2,541)</u>	<u>(5,855)</u>	<u>(4,898)</u>
Earnings and total comprehensive income	<u>\$ 6,802</u>	<u>\$ 6,433</u>	<u>\$ 13,960</u>	<u>\$ 12,555</u>
Basic earnings per share	\$ 0.23	\$ 0.24	\$ 0.47	\$ 0.47
Diluted earnings per share	\$ 0.23	\$ 0.24	\$ 0.47	\$ 0.46
Dividends declared	\$ 6,635	\$ 5,794	\$ 13,039	\$ 11,575
Dividends declared per share	\$ 0.22	\$ 0.215	\$ 0.44	\$ 0.43
Mortgages receivable, end of period	\$ 567,895	\$ 500,974	\$ 567,895	\$ 500,974
Total assets, end of period	\$ 568,663	\$ 501,045	\$ 568,663	\$ 501,045
Shareholders' equity, end of period	\$ 314,683	\$ 277,685	\$ 314,683	\$ 277,685

Analysis of mortgage portfolio

<u>Mortgage category</u> (outstanding amounts in 000s)	<u>June 30, 2017</u>			<u>December 31, 2016</u>		
	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>	<u>Number</u>	<u>Outstanding amount</u>	<u>% of Portfolio</u>
Low-rise residential	30	\$ 155,864	27.2%	30	\$ 135,701	25.4%
House and apartment	95	104,672	18.3%	102	99,456	18.6%
High-rise residential	7	49,036	8.6%	7	53,182	9.9%
Construction	6	48,319	8.4%	8	49,345	9.2%
Mid-rise residential	5	26,405	4.6%	5	28,787	5.4%
Condominium corporation	<u>15</u>	<u>3,059</u>	<u>0.5%</u>	<u>16</u>	<u>3,548</u>	<u>0.7%</u>
Residential portfolio	158	387,355	67.6%	168	370,019	69.2%
Commercial/mixed use	<u>30</u>	<u>185,711</u>	<u>32.4%</u>	<u>29</u>	<u>165,231</u>	<u>30.8%</u>
Mortgage portfolio	<u>188</u>	<u>573,066</u>	<u>100.0%</u>	<u>197</u>	<u>535,250</u>	<u>100.0%</u>

<u>Location of underlying property</u> (outstanding amounts in 000s)	<u>June 30, 2017</u>					
	<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	132	\$ 355,323	62.0%	60.0%	8.46%	
Non-GTA Ontario	33	23,649	4.2%	65.0%	8.52%	
Saskatchewan	2	13,880	2.4%	100.0%	8.50%	
Alberta	7	25,947	4.5%	60.0%	9.52%	
British Columbia	<u>14</u>	<u>154,267</u>	<u>26.9%</u>	<u>56.8%</u>	<u>8.11%</u>	
	<u>188</u>	<u>\$ 573,066</u>	<u>100.0%</u>	<u>60.3%</u>	<u>8.42%</u>	

<u>Location of underlying property</u> (outstanding amounts in 000s)	<u>December 31, 2016</u>					
	<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	148	\$ 350,026	65.4%	63.9%	8.47%	
Non-GTA Ontario	24	16,009	3.0%	65.4%	8.91%	
Saskatchewan	2	12,375	2.3%	97.1%	8.50%	
Alberta	11	37,032	6.9%	62.0%	9.24%	
British Columbia	<u>12</u>	<u>119,808</u>	<u>22.4%</u>	<u>55.6%</u>	<u>8.27%</u>	
	<u>197</u>	<u>\$ 535,250</u>	<u>100.0%</u>	<u>62.7%</u>	<u>8.50%</u>	

For further information on the financial results, and analysis of the company's mortgage portfolio in addition to that set out above, 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, 2017, 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 Friday, July 21, 2017 at 9:00 a.m. ET 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 3, 2017) please call 1 (855) 859-2056, Conference ID 19846572.

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 about Atrium, please refer to regulatory filings available at www.sedar.com or investor information on Atrium's website at www.atriummic.com.

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