



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
ACHIEVES RECORD REVENUES AND NET INCOME
IN SECOND QUARTER OF 2019**

TORONTO: August 1, 2019 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB, AI.DB.B, AI.DB.C, AI.DB.D, AI.DB.E) today released its unaudited financial results for the three and six month periods ended June 30, 2019.

Highlights

- **Record revenues of \$16.7 million, up 14.0% from the second quarter of the prior year**
- **Record net income of \$9.7 million, up 12.3% from the second quarter of the prior year**
- **\$0.25 basic and \$0.24 diluted earnings per share for the quarter**
- **Record \$0.49 basic and \$0.48 diluted earnings per share year-to-date**
- **Mortgage portfolio increased to \$736.0 million, 7.5% increase from December 31, 2018**
- **High quality mortgage portfolio**
 - **85.0% of portfolio in first mortgages**
 - **89.4% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 60.3%**

“We are very pleased with our results for the first half of 2019. Our portfolio grew to \$736.0 million, up from \$684.4 million at December 31, 2018, despite slowing real estate market conditions. We are lending defensively to ensure that our loan quality is preserved. For example, the average loan to value in the mortgage portfolio continued to trend downwards and first mortgages now represent 85% of our portfolio. We strengthened our balance sheet during the first half of 2019 with the completion of two successful public offerings; a \$34.5 million common share issuance and a \$28.8 million convertible debenture issuance, both of which had strong demand.” said Rob Goodall, CEO of Atrium.

Interested parties are invited to participate in a conference call with management on Friday, August 2, 2019 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 15, 2019) please call 1 (855) 859-2056, Conference ID 5764875.

Results of operations

Atrium ended its second quarter of 2019 with assets of \$751.1 million and record quarterly revenue of \$16.7 million, an increase of 14.0% from the second quarter of the prior year. Net income for the second quarter of 2019 was \$9.7 million, an increase of 12.3% from the second quarter of the prior year. Basic and diluted earnings per common share were \$0.25 and \$0.24, respectively, for the three months ended June 30, 2019, compared with \$0.24 basic and diluted earnings per common share for the comparable quarter in the prior year.

Revenue for the six months ended June 30, 2019 was \$32.5 million, an increase of 16.0% from the prior year. Net income for the six months ended June 30, 2019 was \$18.9 million, an increase of 14.3% from the prior year. Basic and diluted earnings per common share were \$0.49 and \$0.48, respectively, for the six months ended June 30, 2019, compared with \$0.48 basic and \$0.47 diluted earnings per common share from the prior year.

The company had \$733.9 million of mortgages receivable as at June 30, 2019, an increase of 7.5% from December 31, 2018. During the six month period ended June 30, 2019, \$130.3 million of mortgages were advanced, and \$86.5 million of mortgages were repaid.

The weighted average interest rate on the mortgage portfolio at June 30, 2019 was 8.81%, compared to 8.85% at December 31, 2018.

Financial summary

Interim Consolidated Statements of Income and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended		Six months ended	
	June 30		June 30	
	2019	2018	2019	2018
Revenue	\$ 16,667	\$ 14,616	\$ 32,463	\$ 27,990
Mortgage servicing and management fees	(1,757)	(1,610)	(3,437)	(3,064)
Other expenses	(265)	(317)	(534)	(569)
Rental loss	(102)	—	(120)	—
Provision for mortgage losses	(400)	(400)	(800)	(700)
Income before financing costs	14,143	12,289	27,572	23,657
Financing costs	(4,476)	(3,684)	(8,670)	(7,125)
Net income and comprehensive income	<u>\$ 9,667</u>	<u>\$ 8,605</u>	<u>\$ 18,902</u>	<u>\$ 16,532</u>
Basic earnings per share	\$ 0.25	\$ 0.24	\$ 0.49	\$ 0.48
Diluted earnings per share	\$ 0.24	\$ 0.24	\$ 0.48	\$ 0.47
Dividends declared	\$ 8,870	\$ 8,140	\$ 17,518	\$ 15,817
Mortgages receivable, end of period	\$ 733,852	\$ 701,568	\$ 733,852	\$ 701,568
Total assets, end of period	\$ 751,060	\$ 702,709	\$ 751,060	\$ 702,709
Shareholders' equity, end of period	\$ 425,306	\$ 382,911	\$ 425,306	\$ 382,911

Analysis of mortgage portfolio

(dollars in 000s)

Property Type	June 30, 2019			December 31, 2018		
	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
(outstanding amounts in 000s)						
Low-rise residential	35	\$ 219,390	29.8%	38	\$ 232,713	34.0%
High-rise residential	18	183,883	25.0%	15	146,027	21.3%
Mid-rise residential	20	140,506	19.1%	20	139,708	20.4%
House and apartment	91	61,231	8.3%	101	64,230	9.4%
Condominium corporation	14	2,850	0.4%	14	2,533	0.4%
Residential portfolio	178	607,860	82.6%	188	585,211	85.5%
Commercial	21	128,166	17.4%	20	99,193	14.5%
Mortgage portfolio	<u>199</u>	<u>736,026</u>	<u>100.0%</u>	<u>208</u>	<u>684,404</u>	<u>100.0%</u>

June 30, 2019					
Location of underlying property (outstanding amounts in 000s)	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
Greater Toronto Area	155	\$ 491,990	66.8%	64.9%	8.91%
Non-GTA Ontario	23	24,749	3.4%	58.5%	8.31%
Alberta	4	15,047	2.0%	56.3%	8.80%
British Columbia	17	204,240	27.8%	49.9%	8.65%
	<u>199</u>	<u>\$ 736,026</u>	<u>100.0%</u>	<u>60.3%</u>	<u>8.81%</u>

December 31, 2018					
Location of underlying property (outstanding amounts in 000s)	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
Greater Toronto Area	162	\$ 431,334	63.0%	65.5%	8.94%
Non-GTA Ontario	26	29,160	4.3%	57.9%	8.28%
Alberta	3	15,698	2.3%	52.5%	8.83%
British Columbia	17	208,212	30.4%	53.1%	8.76%
	<u>208</u>	<u>\$ 684,404</u>	<u>100.0%</u>	<u>61.1%</u>	<u>8.85%</u>

For further information on the financial results, and further analysis of the company's mortgage portfolio, please refer to Atrium's unaudited interim consolidated financial statements and its management's discussion and analysis for the three and six month periods ended June 30, 2019, 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, August 2, 2019 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 15, 2019) please call 1 (855) 859-2056, Conference ID 5764875.

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.

For additional information, please contact

Robert G. Goodall
 President and Chief Executive Officer
 (416) 867-1053
info@atriummic.com
www.atriummic.com

Jennifer Scoffield
 Chief Financial Officer