



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
ANNOUNCES SECOND QUARTER RESULTS**

TORONTO: July 28, 2021 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB.C, AI.DB.D, AI.DB.E) today released its financial results for the three and six month periods ended June 30, 2021.

Highlights

- **Mortgage portfolio of \$710.6 million, 4.7% decrease from December 31, 2020**
- **High quality mortgage portfolio**
 - **84.0% of portfolio in first mortgages**
 - **91.9% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 61.2%**
- **Quarterly net income of \$10.6 million, up 8.2% from the second quarter of the prior year**
- **Quarterly basic and diluted earnings per share of \$0.25**

“We are pleased with our Q2 and year to date results, and we are on track for a very successful year. The loan quality of the portfolio was stable with previous quarters, and we have repositioned the portfolio to the point where over 99% of our mortgages are now located in our two preferred markets, Ontario and BC. The mortgage portfolio has a conservative average loan to value of 61.2% and a \$10 million loan loss provision which will protect the balance in the event of a downturn. In Q2, we were able to mostly offset a record \$148 million of repayments with a high level of originations (\$93 million). We continue to have a solid pipeline of new loans, although repayments in Q3 may offset most of our new originations. We are encouraged by the increased vaccination rates and lower level of new COVID 19 cases across Canada, but we will remain very diligent in underwriting new loans given the continuing economic threat of emerging variants. While the housing market and industrial sector has remained strong throughout the pandemic, we are cautiously optimistic that the retail and office sectors will begin to recover as the general economy strengthens.” said Rob Goodall, CEO of Atrium.

Conference call

Interested parties are invited to participate in a conference call with management Thursday, July 29, 2021 at 4:00 p.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, conference ID 7559089. For a replay of the conference call (available until August 10, 2021) please call 1 (855) 859-2056, conference ID 7559089.

Results of operations

For the three months ended June 30, 2021, Atrium reported assets of \$719.3 million, down from \$755.3 million at the end of 2020. Revenues were \$16.1 million, a decrease of 0.6% from the second quarter of the prior year. Net income for the second quarter of 2021 was \$10.6 million, an increase of 8.2% from the

second quarter of the prior year. Atrium's allowance for mortgage losses at June 30, 2021 totaled \$10.0 million, or 1.41% of the mortgage portfolio.

For the six months ended June 30, 2021, revenues were \$32.6 million, down from \$33.3 million for the first six months of the prior year. Net income for the six months ended June 30, 2021 was \$20.5 million, up from net income of \$19.7 million from the prior year period.

Basic and diluted earnings per common share were \$0.25 for the three months ended June 30, 2021, compared with \$0.23 basic and diluted earnings per common share in the comparable period. Basic and diluted earnings per common share were \$0.48 for the six months ended June 30, 2021, compared with \$0.47 basic and diluted earnings per common share for the six months ended June 30, 2020.

Mortgages receivable as at June 30, 2021 were \$703.0 million, a decrease of 4.9% from December 31, 2020. During the six months ended June 30, 2021, \$186.3 million of mortgage principal was advanced and \$220.4 million was repaid. The weighted average interest rate on the mortgage portfolio at June 30, 2021 was 8.56%, compared to 8.65% at December 31, 2020 and 8.55% at June 30, 2020.

Interest collections for the period remain in line with historical collection rates.

Financial summary

Interim Consolidated Statements of Income and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2021	2020	2021	2020
Revenue	\$ 16,147	\$ 16,241	\$ 32,598	\$ 33,298
Mortgage servicing and management fees	(1,775)	(1,700)	(3,671)	(3,477)
Other expenses	(388)	(335)	(850)	(684)
Provision for mortgage losses	-	(1,000)	(869)	(2,000)
Income before financing costs	13,984	13,206	27,208	27,137
Financing costs	(3,359)	(3,385)	(6,709)	(7,452)
Net income and comprehensive income	<u>\$ 10,625</u>	<u>\$ 9,821</u>	<u>\$ 20,499</u>	<u>\$ 19,685</u>
Basic earnings per share	\$ 0.25	\$ 0.23	\$ 0.48	\$ 0.47
Diluted earnings per share	\$ 0.25	\$ 0.23	\$ 0.48	\$ 0.47
Dividends declared	\$ 9,575	\$ 9,536	\$ 19,125	\$ 19,040
Mortgages receivable, end of period	\$ 702,969	\$ 675,339	\$ 702,969	\$ 675,339
Total assets, end of period	\$ 719,331	\$ 691,705	\$ 719,331	\$ 691,705
Shareholders' equity, end of period	\$ 467,033	\$ 463,068	\$ 467,033	\$ 463,068

Analysis of mortgage portfolio

Property Type	June 30, 2021			December 31, 2020		
	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
(outstanding amounts in 000s)						
Mid-rise residential	24	\$ 215,005	30.2%	25	\$ 199,525	26.8%
High-rise residential	15	196,024	27.6%	16	170,074	22.8%
Low-rise residential	14	97,876	13.8%	21	174,362	23.4%
House and apartment	79	55,401	7.8%	63	45,522	6.1%
Condominium corporation	13	1,961	0.3%	13	2,165	0.3%
Residential portfolio	145	566,267	79.7%	138	591,648	79.4%
Commercial	20	144,292	20.3%	20	153,666	20.6%
Mortgage portfolio	<u>165</u>	<u>\$ 710,559</u>	<u>100.0%</u>	<u>158</u>	<u>\$ 745,314</u>	<u>100.0%</u>

June 30, 2021					
Location of underlying property	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
(outstanding amounts in 000s)					
Greater Toronto Area	112	\$ 483,682	68.0%	63.4%	8.69%
Non-GTA Ontario	33	26,215	3.7%	65.1%	7.83%
British Columbia	18	193,824	27.3%	54.1%	8.33%
Alberta	2	6,838	1.0%	94.1%	8.89%
	<u>165</u>	<u>\$ 710,559</u>	<u>100.0%</u>	<u>61.2%</u>	<u>8.56%</u>

December 31, 2020					
Location of underlying property	Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
(outstanding amounts in 000s)					
Greater Toronto Area	119	\$ 548,447	73.6%	63.2%	8.68%
Non-GTA Ontario	21	21,706	2.9%	64.7%	8.32%
British Columbia	16	163,685	22.0%	51.0%	8.57%
Alberta	2	11,476	1.5%	96.5%	8.94%
	<u>158</u>	<u>\$ 745,314</u>	<u>100.0%</u>	<u>61.0%</u>	<u>8.65%</u>

For further information on the financial results, and further analysis of the company's mortgage portfolio, please refer to Atrium's interim consolidated financial statements and its management's discussion and analysis for the quarter ended June 30, 2021, available on SEDAR at www.sedar.com, and on the company's website at www.atriummic.com.

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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