



## **FOR IMMEDIATE RELEASE**

### **ATRIUM MORTGAGE INVESTMENT CORPORATION ANNOUNCES FIRST QUARTER RESULTS**

TORONTO: May 12, 2021 – Atrium Mortgage Investment Corporation (TSX: AI, AI.DB.B, AI.DB.C, AI.DB.D, AI.DB.E) today released its financial results for the three months ended March 31, 2021.

#### **Highlights**

- **Mortgage portfolio of \$765.2 million, 2.7% increase from December 31, 2020**
- **High quality mortgage portfolio**
  - **82.7% of portfolio in first mortgages**
  - **92.1% of portfolio is less than 75% loan to value**
  - **average loan-to-value is 60.7%**
- **Quarterly net income of \$9.9 million, consistent with the first quarter of the prior year**
- **\$0.23 basic and diluted earnings per share for the quarter**

“Atrium had a solid start to 2021 with \$0.23 earnings per share. Our mortgage portfolio grew by \$20 million in Q1 with strong originations of \$93.2 million. Looking forward, we are cautiously optimistic that the commercial and multi-residential real estate markets, and the economy overall, will gradually strengthen as the vaccination roll out accelerates in Canada. Accordingly, the underwriting team has been expanded by three people since the beginning of the year, giving us more depth in the Toronto and Vancouver offices. The mortgage portfolio remains conservatively positioned with an average loan to value of 60.7%. Notwithstanding this defensive orientation, we continued to increase our aggregate loan loss provision to \$10.0 million, which will protect the balance sheet from the effects of pandemic, even if it lingers longer than expected.” said Rob Goodall, CEO of Atrium.

#### **Conference call**

Interested parties are invited to participate in a conference call with management Thursday, May 13, 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 5699484. For a replay of the conference call (available until May 26, 2021) please call 1 (855) 859-2056, conference ID 5699484.

#### **Results of operations**

For the three months ended March 31, 2021, Atrium reported assets of \$774.7 million, up from \$755.3 million at the end of 2020. Revenues were \$16.5 million, a decrease of 3.6% from the first quarter of the prior year. Net income for the first quarter of 2021 was \$9.9 million, consistent with the first quarter of the prior year. Revenues fell slightly as a result of a lower weighted average interest rate in the first quarter of 2021 and timing differences of mortgage advances made during the comparable quarters. This was offset by lower interest expenses during the current quarter due to a lower weighted average cost of borrowing on our credit facility. Atrium’s allowance for mortgage losses at March 31, 2021 totaled \$10.0 million, or 1.31% of the mortgage portfolio.

Basic and diluted earnings per common share were \$0.23 for the three months ended March 31, 2021, compared with \$0.23 basic and diluted earnings per common share in the comparable period.

Mortgages receivable as at March 31, 2021 were \$758.2 million, an increase of 2.6% from December 31, 2020. During the three months ended March 31, 2021, \$93.2 million of mortgage principal was advanced and \$72.2 million was repaid. The weighted average interest rate on the mortgage portfolio at March 31, 2021 was 8.58%, compared to 8.65% at December 31, 2020.

Atrium collected 95% of the mortgage interest due in the quarter, which is in line with historical collection rates.

## Financial summary

### **Interim Consolidated Statements of Income and Comprehensive Income**

*(Unaudited, 000s, except per share amounts)*

	<b>Three months ended March 31</b>	
	<b>2021</b>	<b>2020</b>
Revenue	\$ 16,451	\$ 17,057
Mortgage servicing and management fees	(1,896)	(1,777)
Other expenses	(462)	(349)
Provision for mortgage losses	(869)	(1,000)
Income before financing costs	13,224	13,931
Financing costs	(3,350)	(4,067)
Net income and comprehensive income	<u>\$ 9,874</u>	<u>\$ 9,864</u>
Basic earnings per share	\$ 0.23	\$ 0.23
Diluted earnings per share	\$ 0.23	\$ 0.23
Dividends declared	\$ 9,550	\$ 9,504
Mortgages receivable, end of period	\$ 758,221	\$ 743,070
Total assets, end of period	\$ 774,657	\$ 759,494
Shareholders' equity, end of period	\$ 464,147	\$ 462,249

### **Analysis of mortgage portfolio**

	<b>March 31, 2021</b>			<b>December 31, 2020</b>		
	<b>Number</b>	<b>Outstanding amount</b>	<b>% of Portfolio</b>	<b>Number</b>	<b>Outstanding amount</b>	<b>% of Portfolio</b>
<b><u>Property Type</u></b>						
(outstanding amounts in 000s)						
Mid-rise residential	24	\$ 197,825	25.9%	25	\$ 199,525	26.8%
Low-rise residential	21	186,292	24.3%	21	174,362	23.4%
High-rise residential	14	173,122	22.6%	16	170,074	22.8%
House and apartment	72	51,035	6.7%	63	45,522	6.1%
Condominium corporation	13	2,064	0.3%	13	2,165	0.3%
Residential portfolio	144	610,338	79.8%	138	591,648	79.4%
Commercial	20	154,888	20.2%	20	153,666	20.6%
Mortgage portfolio	<u>164</u>	<u>\$ 765,226</u>	<u>100.0%</u>	<u>158</u>	<u>\$ 745,314</u>	<u>100.0%</u>

**March 31, 2021**

<b>Location of underlying property</b>	<b>Number of mortgages</b>	<b>Outstanding amount</b>	<b>Percentage outstanding</b>	<b>Weighted average loan to value</b>	<b>Weighted average interest rate</b>
Greater Toronto Area	117	\$ 550,018	71.9%	62.8%	8.63%
Non-GTA Ontario	28	26,095	3.4%	65.3%	8.10%
British Columbia	17	182,342	23.8%	52.6%	8.51%
Alberta	2	6,771	0.9%	94.1%	8.89%
	<u>164</u>	<u>\$ 765,226</u>	<u>100.0%</u>	<u>60.7%</u>	<u>8.58%</u>

**December 31, 2020**

<b>Location of underlying property</b>	<b>Number of mortgages</b>	<b>Outstanding amount</b>	<b>Percentage outstanding</b>	<b>Weighted average loan to value</b>	<b>Weighted average interest rate</b>
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 March 31, 2021, available on SEDAR at [www.sedar.com](http://www.sedar.com), and on the company's website at [www.atriummic.com](http://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](http://www.sedar.com) or investor information on Atrium's website at [www.atriummic.com](http://www.atriummic.com).

**For additional information, please contact**

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