ATRIUM®
MORTGAGE INVESTMENT CORPORATION

FOR IMMEDIATE RELEASE

ATRIUM MORTGAGE INVESTMENT CORPORATION ACHIEVES STRONG RESULTS IN THIRD QUARTER OF 2018

TORONTO: October 25, 2018 – Atrium Mortgage Investment Corporation (TSX: AI) today released its unaudited financial results for the three- and nine-month periods ended September 30, 2018.

Highlights for the quarter

- **Record net income of $8.7 million for the quarter, up 20.6% from prior year**
- **Record revenues of $15.5 million, up 22.2% from prior year**
- **$0.24 basic and diluted earnings per share for the quarter**
- **Portfolio of $662 million, up 4.7% from December 31, 2017**
- **High quality mortgage portfolio**
    - **78.6% of portfolio in first mortgages**
    - **85.3% of portfolio is less than 75% loan to value**
    - **average loan-to-value is 62.2%**

"We had a strong third quarter of 2018 with record revenues of $15.5 million and record net income of $8.7 million. We ended the quarter with a mortgage portfolio balance of $662.3 million which is up from the beginning of the year, but down from Q2 levels due to a record $105.9 million of repayments. In our Q2 conference call we had forecasted a higher level of repayments in the second half of the year. Almost all of the repayments came from institutional lenders, which is a positive sign of Atrium's portfolio quality. We continue to lend conservatively with an average portfolio loan to value of 62.2% while increasing our weighted average interest rate from 8.54% in Q2 to 8.83% this quarter" said Rob Goodall, CEO of Atrium.

Interested parties are invited to participate in a conference call with management on Friday, October 26, 2018 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. For a replay of the conference call (available until November 8, 2018) please call 1 (855) 859-2056, Conference ID 357558.

Results of operations

Atrium had another strong quarter, with revenues growing to a record $15.5 million for the quarter, an increase of 22.2% from the prior year.

Net income for the three months ended September 30, 2018 was a record $8.7 million, an increase of 20.6% from the prior year. Basic and diluted earnings per common share were $0.24 for the three months ended September 30, 2018, compared with $0.24 basic and $0.23 diluted earnings per common share for the comparable quarter in the prior year. Net income for the nine months ended September 30, 2018 was $25.2 million, an increase of 19.2% from the prior year. Basic and diluted earnings per common share were $0.72 and $0.71, respectively, for the nine months ended September 30, 2018, compared with $0.71 and $0.70 basic and diluted earnings per common share, respectively, for the comparable period in the previous year.

The company had $654.2 million of mortgages receivable as at September 30, 2018, an increase of 4.4% from December 31, 2017. During the quarter, $56.5 million of mortgages were advanced, and $105.9 million of mortgages were repaid.

The weighted average interest rate on the mortgage portfolio increased to 8.83% at September 30, 2018, compared with 8.44% at December 31, 2017 and 8.34% at September 30, 2017.

Financial summary

Interim Consolidated Statements of Income and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Revenue	$ 15,476	$ 12,668	$ 43,466	$ 36,703
Mortgage servicing and management fees	(1,661)	(1,385)	(4,725)	(3,969)
Other expenses	(279)	(274)	(848)	(862)
Provision for mortgage losses	(563)	(400)	(1,263)	(1,448)
Income before financing costs	12,973	10,609	36,630	30,424
Financing costs	(4,273)	(3,397)	(11,398)	(9,252)
Net income and comprehensive income	$ 8,700	$ 7,212	$ 25,232	$ 21,172
Basic earnings per share	$ 0.24	$ 0.24	$ 0.72	$ 0.71
Diluted earnings per share	$ 0.24	$ 0.23	$ 0.71	$ 0.70
Dividends declared	$ 8,164	$ 6,866	$ 23,980	$ 19,905
Mortgages receivable, end of period	$ 654,248	$ 623,417	$ 654,248	$ 623,417
Total assets, end of period	$ 655,567	$ 624,500	$ 655,567	$ 624,500
Shareholders' equity, end of period	$ 385,847	$ 348,835	$ 385,847	$ 348,835

Analysis of mortgage portfolio

(dollars in 000s)

	September 30, 2018			December 31, 2017		
Mortgage category	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
Low-rise residential	33	$ 203,532	30.7%	36	$ 234,343	37.1%
Mid-rise residential	14	113,273	17.1%	4	31,471	5.0%
House and apartment	97	101,872	15.4%	120	86,287	13.6%
Construction	8	73,868	11.1%	8	64,828	10.3%
High-rise residential	8	36,918	5.6%	7	44,949	7.1%
Condominium corporation	14	2,624	0.4%	14	2,887	0.4%
Residential portfolio	174	532,087	80.3%	189	464,765	73.5%
Commercial	24	130,217	19.7%	27	167,622	26.5%
Mortgage portfolio	198	662,304	100.0%	216	632,387	100.0%

Location of underlying property	September 30, 2018 Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
(outstanding amounts in 000s)					
Greater Toronto Area	151	$ 404,050	61.0%	65.7%	9.02%
Non-GTA Ontario	24	20,035	3.0%	59.5%	8.36%
Saskatchewan	2	20,955	3.2%	100.0%	7.85%
Alberta	3	15,613	2.4%	52.3%	8.83%
British Columbia	18	201,651	30.4%	52.2%	8.60%
	198	$ 662,304	100.0%	62.2%	8.83%

Location of underlying property	December 31, 2017 Number of mortgages	Outstanding amount	Percentage outstanding	Weighted average loan to value	Weighted average interest rate
(outstanding amounts in 000s)					
Greater Toronto Area	159	$ 397,293	62.8%	62.5%	8.51%
Non-GTA Ontario	35	26,383	4.2%	65.9%	8.54%
Saskatchewan	2	17,107	2.7%	100.0%	8.06%
Alberta	5	22,518	3.6%	59.4%	8.87%
British Columbia	15	169,086	26.7%	54.7%	8.24%
	216	$ 632,387	100.0%	61.5%	8.44%

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 nine-month periods ended September 30, 2018, available on SEDAR at www.sedar.com, and on the company's website at www.atriummic.com.

Conference call

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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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