



FOR IMMEDIATE RELEASE

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

TORONTO: October 31, 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 nine month periods ended September 30, 2019.

Highlights

- **Record revenues of \$16.72 million, up 8.0% from the third quarter of the prior year**
- **Record net income of \$9.9 million, up 14.2% from the third quarter of the prior year**
- **\$0.25 basic and diluted earnings per share for the quarter**
- **Record \$0.74 basic and \$0.73 diluted earnings per share year-to-date**
- **Mortgage portfolio increased to \$739.5 million, 8.0% increase from December 31, 2018**
- **High quality mortgage portfolio**
 - **85.4% of portfolio in first mortgages**
 - **89.2% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 61.2%**

“We continue to be very pleased with our results in 2019. In fact, our year to date earnings per share of \$0.74 are the highest third quarter year to date earnings since Atrium went public in the fall of 2012. The mortgage portfolio is performing well, and we continue to lend defensively to ensure that our loan quality is preserved. The average loan to value of 61.2% is below our historic average. We completed a very successful \$17.3 million public offering and \$10 million non-brokered private placement of common shares in October 2019 for total gross proceeds of \$27.3 million. This is in addition to two successful public offerings earlier in the year, all 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, November 1, 2019 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 14, 2019) please call 1 (855) 859-2056, Conference ID 5389958.

Results of operations

Atrium ended its third quarter of 2019 with assets of \$754.3 million and record quarterly revenue of \$16.72 million, an increase of 8.0% from the third quarter of the prior year. Net income for the third quarter of 2019 was \$9.9 million, an increase of 14.2% from the third quarter of the prior year. Basic and diluted earnings per common share were \$0.25 for the three months ended September 30, 2019, compared with \$0.24 basic and diluted earnings per common share for the comparable quarter in the prior year.

Revenue for the nine months ended September 30, 2019 was \$49.2 million, an increase of 13.1% from the prior year. Net income for the nine months ended September 30, 2019 was \$28.8 million, an increase of

14.3% from the prior year. Basic and diluted earnings per common share were \$0.74 and \$0.73, respectively, for the nine months ended September 30, 2019, compared with \$0.72 basic and \$0.71 diluted earnings per common share from the prior year.

The company had \$737.2 million of mortgages receivable as at September 30, 2019, an increase of 8.0% from December 31, 2018. During the nine month period ended September 30, 2019, \$152.0 million of mortgage principal was advanced, and \$109.7 million was repaid.

The weighted average interest rate on the mortgage portfolio at September 30, 2019 was 8.80%, 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		Nine months ended	
	September 30		September 30	
	2019	2018	2019	2018
Revenue	\$ 16,716	\$ 15,476	\$ 49,179	\$ 43,466
Mortgage servicing and management fees	(1,743)	(1,661)	(5,180)	(4,725)
Other expenses	(285)	(279)	(819)	(848)
Rental loss	(4)	—	(124)	—
Provision for mortgage losses	(390)	(563)	(1,190)	(1,263)
Income before financing costs	14,294	12,973	41,866	36,630
Financing costs	(4,359)	(4,273)	(13,029)	(11,398)
Net income and comprehensive income	<u>\$ 9,935</u>	<u>\$ 8,700</u>	<u>\$ 28,837</u>	<u>\$ 25,232</u>
Basic earnings per share	\$ 0.25	\$ 0.24	\$ 0.74	\$ 0.72
Diluted earnings per share	\$ 0.25	\$ 0.24	\$ 0.73	\$ 0.71
Dividends declared	\$ 8,890	\$ 8,164	\$ 26,409	\$ 23,980
Mortgages receivable, end of period	\$ 737,192	\$ 654,248	\$ 737,192	\$ 654,248
Total assets, end of period	\$ 754,301	\$ 655,567	\$ 754,301	\$ 655,567
Shareholders' equity, end of period	\$ 427,558	\$ 385,847	\$ 427,558	\$ 385,847

Analysis of mortgage portfolio

Property Type	September 30, 2019			December 31, 2018		
	Number	Outstanding	% of	Number	Outstanding	% of
		amount	Portfolio		amount	Portfolio
(outstanding amounts in 000s)						
Low-rise residential	34	\$ 221,973	30.0%	38	\$ 232,713	34.0%
High-rise residential	16	180,343	24.4%	15	146,027	21.3%
Mid-rise residential	19	145,812	19.7%	20	139,708	20.4%
House and apartment	87	60,328	8.2%	101	64,230	9.4%
Condominium corporation	14	2,755	0.4%	14	2,533	0.4%
Residential portfolio	170	611,211	82.7%	188	585,211	85.5%
Commercial	19	128,255	17.3%	20	99,193	14.5%
Mortgage portfolio	<u>189</u>	<u>739,466</u>	<u>100.0%</u>	<u>208</u>	<u>684,404</u>	<u>100.0%</u>

September 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	151	\$ 496,083	67.1%	65.8%	8.88%
Non-GTA Ontario	18	24,789	3.3%	50.5%	8.34%
Alberta	4	15,356	2.1%	64.3%	8.80%
British Columbia	16	203,238	27.5%	50.9%	8.66%
	<u>189</u>	<u>\$ 739,466</u>	<u>100.0%</u>	<u>61.2%</u>	<u>8.80%</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 nine month periods ended September 30, 2019, 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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